



11<sup>th</sup> February 2015  
Item No 10

## Council of Governors: Summary Sheet

**Title of Paper:**

Updating the Governor's Charter: Code of Conduct for Governors

**Presented By:**

Chair, Professor Alan Walker

**Action Required:**

For Information

For Ratification

For a decision

For Feedback

Vote required

For Receipt

To which duty does this refer:

Holding non-executive directors individually and collectively to account for the performance of the Board	
Appointment, removal and deciding the terms of office of the Chair and non-executive directors	
Determining the remuneration of the Chair and non-executive directors	
Appointing or removing the trust's auditor	
Approving or not the appointment of the trust's chief executive	
Receiving the annual report and accounts and auditor's report	
Representing the interests of members and the public	
Approving or not increases to non-NHS income of more than 5% of total income	
Approving or not acquisitions, mergers, separations and dissolutions	
Jointly approving changes to the trust's constitution with the Board	
Expressing a view on the Trust's forward plans	
Consideration on the use of income from the provision of goods and services from sources other than the NHS in England	
Monitoring the activities of the Trust to ensure that they are being conducted in a manner consistent with its terms of authorisation and the constitution.	
Monitoring the Trust's performance against its targets and strategic aims	

**How does this item support the functioning of the Council of Governors?**

Governors are required to undertake their duties according to best governance practice, in line with the Nolan Principles of public life and in doing so must fulfil the fit and proper persons requirement of the Provider License. This new Code of Conduct ensures that all requirements are fulfilled.

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**Date:**

12<sup>th</sup> January 2015



Sheffield Health and Social Care  
NHS Foundation Trust



# Governor's Code of Conduct

This document outlines a **Code of Conduct for Governors**  
detailing what can be expected from and by  
**Sheffield Health & Social Care NHS Foundation Trust**

January 2015



# Governor's Code of Conduct

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# Governor's Code of Conduct

## 1. *Introduction*

Governors make a major contribution to the success of the Trust. Their knowledge and experience help to improve the effectiveness of the organisation by making sure that services and service plans reflect of the needs and requirements of the people who use them or may need them in the future.

Governors are elected to one of a number of categories: public, young service user, service user, carer and staff as well as appointed governors from a number of stakeholder organisations such as education, health and the voluntary and community sector. The post is not paid but reasonable expenses may be claimed.

The Council of Governors does not manage the Trust or oversee its day-to-day affairs. This is the job of the Board of Directors.

The overall role of the Council of Governors is to assist the Trust to raise standards by providing services of the highest possible quality and which reflect the needs of the diverse population that it serves.

## 2. *Purpose*

The purpose of this Code is to make clear the requirements of the office for all governors. As an elected constituent or appointed representative, it is important that governors are in no doubt about the standards of conduct and personal behavior expected of anyone who holds public office.

This code, with the code of conduct for directors and the NHS constitution, forms part of the framework designed to promote the highest possible standards of conduct and behaviour within the Trust. The code is intended to operate in conjunction with the constitution, standing orders and Monitor's Code of Governance. The code applies at all times when governors are carrying out the business of the Trust or representing the Trust.

## 3. *Principles of Public Life*

The principles underpinning this Code are drawn from the Seven Principles of Public Life <sup>1</sup> and apply to anyone who works as a public office holder.

In undertaking their role, governors are expected to uphold the following principles:

<b>Selflessness</b>	Holders of public office should act solely in terms of the public interest: they should not do so in order to gain financial or other benefits for themselves, their family or friends.
<b>Integrity</b>	Holders of public office must avoid placing themselves under any financial or other obligation to outside individuals or organisations that might try inappropriately to influence them in the performance of their duties.
<b>Objectivity</b>	Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

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<sup>1</sup> HMSO 2013 Committee on Standards in Public Life 14<sup>th</sup> Report. Standards matter: A review of best practice in promoting good behaviour in public life

<b>Accountability</b>	Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
<b>Openness</b>	Holders of public office should be as open as possible about all the decisions and actions they take: they should give reasons for their decisions and restrict information only when the wider public interest clearly demands.
<b>Honesty</b>	Holders of public office should be truthful. They should declare any private interests relating to their public duties and take steps to resolve any conflicts arising in a way that protects the public interest.
<b>Leadership</b>	Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

## 4. *The Governor Role*

### 4.1 Legal responsibilities of Governors

	<b>Statutory roles and responsibilities of the Council of Governors</b>	<b>Additional powers</b>
2006 Health & Social Care Act	<ul style="list-style-type: none"> <li>• Appoint and, if appropriate, remove the Chair;</li> <li>• Appoint and, if appropriate, remove the other Non-executive Directors;</li> <li>• Decide the remuneration and allowances and other terms and conditions of office of the chair and the other non-executive directors;</li> <li>• Approve (or not) any new appointment of a Chief Executive;</li> <li>• Appoint and, if appropriate, remove the NHS foundation trust's auditor; and</li> <li>• Receive the NHS foundation trust's annual accounts, any report of the auditor on them, and the annual report at a general meeting of the council of governors</li> </ul>	<ul style="list-style-type: none"> <li>• In preparing the NHS foundation trust's forward plan, the board of directors must have regard to the views of the council of governors</li> </ul>
Amendments to the 2006 Act made by the 2012 Act	<ul style="list-style-type: none"> <li>• Hold the non-executive directors, individually and collectively, to account for the performance of the board of directors</li> <li>• Represent the interests of the members of the trust as a whole and the interests of the public</li> <li>• Approve "significant transactions"</li> <li>• Approve an application by the trust to enter into a merger, acquisition, separation or dissolution</li> <li>• Decide whether the trust's non-NHS work would significantly interfere with its principal purpose, which is to provide goods and services for the health service in</li> </ul>	The Council of Governors may require one or more of the directors to attend a governors' meeting to obtain information about performance of the trust's functions or the directors' performance of their duties, and to help the council of governors to decide whether to propose a vote on the trust's or directors' performance

	<b>Statutory roles and responsibilities of the Council of Governors</b>	<b>Additional powers</b>
	England, or performing its other functions <ul style="list-style-type: none"> <li>• Approve amendments to the trust's constitution</li> </ul>	

## 4.2 Other responsibilities of Governors

- To represent the interests of the local community, including the people who use the Trust's services and their carers.
- To act as a source of ideas about how the Trust can provide its services in a way that meets the needs of the communities it serves.
- To discuss, advise and support the Board of Directors in setting the longer-term vision and strategy for the Trust.
- To oversee the Foundation Trust's membership strategy and increase membership.
- To establish a nomination and remuneration committee for non executive directors.

Finally, in line with Annex 6, paragraph 6.3 of the Trust's constitution the Council of Governors shall;

- assist the Board of Directors in setting the strategic direction of the Trust and targets for the Trust's performance and in monitoring the Trust's performance in terms of achieving those strategic aims and targets which have been set; and
- monitor the activities of the Trust with the view to ensuring that they are being conducted in a manner consistent with its Terms of Authorisation and the terms of this Constitution.

The governor role is set out in detail in the Trust's *Constitution*, *Monitor's NHS Foundation Trust Code of Governance* and *Your Statutory Duties: A Reference Guide for NHS Foundation Trust Governors*. In carrying out its work, the Council of Governors needs to take account of and respect the statutory duties and liabilities of the Board of Directors.

## 5. **Qualifications for Office (Fit and Proper Person)**

It is a condition of the Trust's Provider Licence that each governor serving on the Council is a 'fit and proper person' as defined in the licence and detailed below. Governors must certify on appointment and each year thereafter that they are and remain a fit and proper person. Governors must inform the Board Secretary immediately of any changes in circumstance that means they can no longer be regarded as a fit and proper person or if it comes to light that a governor is not a fit and proper person, they will be suspended from being a governor with immediate effect pending confirmation and any appeal. Where it is confirmed that a governor is no longer a fit and proper person, their membership of the Council of Governors will be terminated.

The four conditions of an unfit (individual) person are:

- someone who has been adjudged bankrupt or whose estate has been sequestrated and (in either case) has not been discharged; or

- (b) someone 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; or
- (c) someone who within the preceding five years has been convicted in the British Isles or any offence and 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; or
- (d) someone who is subject to an unexpired disqualification order made under the Company Directors' Disqualification Act 1986.

## **6. Governor Conduct**

Governors must be fit and proper persons who recognize that they do not exist in isolation and should act as a unified Council of Governors' exercising collective decision-making in meetings and supporting any decisions outside of formal meetings. Governors must conduct themselves and be guided in carrying out their duties according to the Trust's values. They are required to adhere to the highest standards of conduct in the performance of their duties and are also expected to conduct themselves in a manner that reflects positively on the Trust. They must not conduct themselves in a manner that could reasonably be regarded as bringing their office or the Trust into disrepute. Specifically:

- a) Governors must adhere to good practice in respect of conduct of meetings and respect the view of other governors.
- b) Governors must not seek to use their position improperly to confer an advantage or disadvantage on any person and must comply with the Trust's policies and procedures on the use of its resources.
- c) Governors who are members of a Trades Union, a political party or any organisation, must recognise that their role is not to represent those organisations, but to represent the constituency that elected them or the organisation that nominated them.
- d) Governors must conduct themselves in a manner that reflects positively on the Trust. When attending external meetings or any other events it is important for governors to be ambassadors of the Trust.
- e) Governors must seek to ensure that the membership of the constituency or partner organisation they represent is properly informed and that their views are fed back to the Trust.
- f) Governors should always work in line with the best interests of their constituents.
- g) Consideration should be mindful of the effects of their decisions upon the members they represent.
- h) Governors should treat her fellow Governors, members of staff and their constituents with mutual respect and show tolerance towards their views and avoid conduct which might be considered to be unfair, discriminatory or bullying.
- i) Governors should work in co-operation with one another as members of a team.
- j) Each governor should respect the decisions of the Council of Governors whether or not s/he agrees with them.
- k) No individual governor should act in isolation.

## **7. Declarations of Interest**

Governors are required, upon appointment and annually thereafter, to register all interests on the Trust's Register of Interests in accordance with the Trust's constitution. It is the responsibility of the governor to inform the Board Secretary immediately, in writing, of any changes to their interests. Failure to comply is likely to constitute a breach of the Code.

## **8. Conflicts of Interest**

Governors have a duty to avoid a situation in which they have a direct or indirect interest that conflicts or may conflict with the interests of the Trust. Governors must not accept a benefit from a third party or offer a benefit to a third party by reason of being a governor or doing (or not doing) anything in that capacity.

Governors must declare the nature and extent of any conflict of interest at the earliest opportunity. If such a declaration proves to be, or becomes inaccurate or incomplete, a further declaration must be made. It is then for the Chair to advise whether it is necessary for the governor to refrain from participating in discussion of the item, or withdraw from the meeting. Failure to comply is likely to constitute a breach of the Code.

## **9. Confidentiality**

Governors must comply with the Trust's confidentiality policies and procedures and must not disclose any confidential information, except in specified lawful circumstances. They should be mindful of the rules relating to data protection regarding the affairs of the Trust and its service users, carers and employees.

Whilst the Council of Governors should be open and transparent, governors should respect confidentiality of fellow governors and not publicly criticise decisions of other governors with whom they disagree.

There will be occasions when governors have access to confidential and commercially sensitive information. Governors must regard all such information as belonging to the Trust. If in doubt advice should be sought from the Chair or Board Secretary.

## **10. Council of Governor Meetings**

Governors have a responsibility to attend meetings of the Council of Governors. When this is not possible they should submit their apologies to the Deputy Board Secretary in advance of the meeting.

Governors are expected to prepare for Council meetings. Preparation involves reading paperwork supplied before the meeting. It is expected that there will be six full meetings each year including the Annual General Meeting.

In accordance with the Constitution, absence from the Council of Governor meetings without good reason (as established to the satisfaction of the Council of Governors) is grounds for disqualification. Absence from a meeting without notification will result in a formal letter being sent from the Chair to seek reasons for the absence. Absence from two consecutive meetings will result in the governor being deemed to have resigned their position, unless the grounds for absence are deemed satisfactory by the Council of Governors.

Governors are expected to attend for the duration of each meeting.

## **11. Accountability**

Governors are accountable to the membership and the public and should demonstrate their accountability by attending membership events which provide opportunities to interface with the members and the public they represent in order to best understand their views. Governors should discuss with the Trust other ways in which they would like to be enabled to liaise with their members. Governors will need to be aware of the difficulties to engage certain groups of



members, e.g. young users and carers, older members, members from certain ethnic groups and will need to ensure that they develop their engagement strategy paying particular attention to these groups.

A key aspect of governor's accountability is the Annual Members' Meeting at which governors provide details on how they have undertaken their duties and represented their members. Governor, like members of the Board, are subject to questions from the public at this events and therefore all governors are expected to attend.

## **12. Training and Development**

Training and development is essential for governors in ensuring effective performance of their role and the Trust is committed to providing appropriate training and development opportunities for governors to enable them to carry out their role effectively. Governors are expected to participate in training and development as provided by the Trust, including induction event. In addition, governors will participate in any appraisal process or skills audit carried out by the Trust.

## **13. Support**

### **The Council of Governors can expect:**

- a named member of staff (Board Secretary/Deputy Board Secretary/Governor and Membership Officer) who will attend Council of Governor meetings to offer advice, guidance and support as required.
- Provision of administrative and minute services and support at Governor Meetings
- Maintenance of Council of Governors records, including membership, attendance, terms of office and minutes.
- Provision of briefing papers, and guidance documents.
- Support and advice in relation to the role and discharging of duties.
- Access to a range of appropriate and related training.

### **Individual Governors can expect:**

- direct access to support staff during normal office hours, and via e-mail
- professional and impartial advice, information and support in relation to the governor role
- regular briefing papers to keep you up-to-date with current issues and development
- induction
- discussion about individual support requirements and individual training needs

### **Support when governors become unwell**

In the instance where a governor becomes unwell, the deputy board secretary/governor and membership officer will be unable to offer medical, clinical or therapeutic support. Governors are expected to ensure that they have appropriate health supporting strategies and mechanisms in place to support their health and wellbeing.

If a governor becomes unwell and is unable to undertake their duties, they must inform the deputy board secretary. The deputy board secretary will wish to discuss their duties and responsibilities during this period and how the Trust can support the individual during their period of ill health. This might include taking a sabbatical from the governor role for a defined period of time or a negotiated reduction in duties/expectations.

Governors may wish to share information with the deputy board secretary about any ill health and, if they wish, agree a plan for what support is appropriate for the deputy board secretary to offer.

#### **14. *Contact with the Media***

Governors should consult with the Chair or Board Secretary before speaking or writing to the media on matters relating to the Trust, whenever they are acting in their official capacity as a governor.

#### **15. *Non-Compliance***

Governors are required to give an undertaking that they will comply with the provisions of this Code (a signed declaration). Non-compliance may result in action being taken as follows:

- a) where misconduct takes place, the Chair shall be authorised to take such action as may be immediately required, including the exclusion of the person from a meeting.
- b) where such misconduct is alleged, it shall be open for the Council of Governors to decide, by simple majority of those in attendance, to initiate formal processes. In such instances it will be the responsibility of the Council of Governors to:
  - Notify the governor in writing of the allegations, detailing the specific behaviour which is considered to be detrimental to the Trust, and inviting and considering their response within a defined timescale
  - Inviting the governor to address the Council of Governors in person if the matter cannot be resolved satisfactorily through correspondence.
  - Deciding, by simple majority of those present and voting, whether to uphold the allegation of conduct detrimental to the Trust;
  - Impose such sanctions as shall be deemed appropriate ranging from the issuing of a verbal or written warning to the removal of the governor from office.

#### **16. *Interpretations and Concerns***

Questions and concerns about the application of the Code should be raised with the deputy board secretary. At meetings, the Chair will be the final arbiter or interpretation of the Code.

#### **17. *Review and Revision of the Code***

This Code has been agreed by the Council of Governors. The Deputy Board Secretary will periodically lead a review of the Code. It is for governors to agree to any amendments or revisions to the Code.



## Governor's Code of Conduct Declaration

I (name): .....

Representing (please tick your constituency, i.e. public, service user, carer, young service user/carers, staff, appointed)

Public     Service User     Carer     Young Service User/Carer     Staff     Appointed

Confirm that I have read and agree to abide by the principles within the Governor's Code of Conduct of Sheffield Health & Social Care Trust and that I comply with the fit and proper persons requirement.

Date: .....

Signature: .....

Copies of the signed declaration will be kept in each governor's personal file.