

Trust Board Meeting in Public: Wednesday 17 January 2018

TB2018.19

Title	Proposed update to Constitution and Reservation and Delegation of Powers and Standing Financial Instructions
--------------	--

Status	A paper recommending changes to the Constitution and the Standing Financial Instructions.
History	This report proposes an update to the Constitution and the Reservation and Delegation of Powers and Standing Financial Instructions documents approved in January 2017

Board Lead(s)	Jason Dorsett - Chief Finance Officer			
Key purpose	Strategy	Assurance	Policy	Performance

Executive Summary

- | |
|--|
| <p>1. The Paper recommends changes to the Constitution and Standing Financial Instructions approved by the Trust Board in January 2017. These reflect the updated Terms of Reference for sub committees of the Board of Directors, changes in executive director's responsibilities and an amendment to paragraph 24 of Annex 7 of the Constitution as set out in annex 1 of this paper to govern the authority to sign non-legally binding documents which implicitly commit the Trust or which create significant reputational risk.</p> |
| <p>2. The Audit Committee considered these recommendations at their meeting on 22 November and agreed to recommend acceptance to the Board of Directors.</p> |
| <p>3. Recommendation</p> <p>The Trust Board is asked to approve these proposed changes.</p> |

Proposed Update to Constitution

Introduction and background

1. It is good practice to keep the Constitution and the Reservation and Delegation of Powers and Standing Financial Instructions under review and to update these as and when required.
2. Since the last review of these documents in January 2017, a number of changes have occurred which need to be reflected in the documents. These include changes to the terms of reference of the Trust Board sub-committees structure as agreed in July 2017 and the addition of the Investment Committee.

Proposed Changes

3. It is proposed that the January 2017 documents should be amended to reflect:-
 - 3.1. The latest terms of reference for each of the Trust Board sub committee's as approved by the Board of Directors in July 2017
 - 3.2. Changes in executive director's responsibilities.
 - 3.3. An amendment to paragraph 24 of Annex 7 of the Constitution as set out in annex 1 of this paper to govern the authority to sign non-legally binding documents which implicitly commit the Trust or which create significant reputational risk.
4. A schedule of the proposed changes is attached at **annex 1**.
5. Full versions of the revised Constitution and the Reservation and Delegation of Powers and Standing Financial Instructions are available on request and subject to approval by the Board of Directors, will be uploaded to the intranet.
6. The proposed changes outlined above were considered by TME on 9 November and the Audit Committee on the 22 November and endorsed.

Next Steps

7. Once approved, the master copy of the documents held on the intranet will be updated and divisional teams and corporate managers will be alerted to the updated documents.
8. The Board is also asked to note that further revisions to other aspects of the Constitution are being developed for the consideration of the Board and the Council of Governors. These relate to parts of the Constitution that concern matters including constituency boundaries, terms of office and exclusions from the role of governor.

Recommendation

9. The Trust Board is asked to approve the amendments proposed.

Jason Dorsett Chief Finance Officer

20 December 2017

Report prepared by:

Richard Gardner,
Financial Consultant
December 2017