

APPENDIX B

Governance Rationale

The Governance Rationale was created based on the template provided as part of our application for Foundation Trust status and summarises the main provisions set out in our Foundation Trust Constitution and Membership Strategy.

Version 7.05

May 2015

Issue	Detail	Rationale
Memberships		
Public Membership		
<p>1. Definition of public constituency(ies)</p>	<p>We will establish nine public constituencies which are based on electoral areas. Patients in receipt of our services or members of the public who live in these areas can become a member of this constituency, subject to being aged 12 or over.</p> <p>Constituencies are as follows:</p> <ul style="list-style-type: none"> • Arun District Council • Adur District Council • Brighton and Hove City Council • Chichester District Council • Crawley Borough Council • Horsham District Council • Mid Sussex District Council • Worthing Borough Council • 'Out of Area', which consists of the local government areas below: <ul style="list-style-type: none"> ○ Eastbourne Borough Council ○ East Hampshire District Council ○ Hastings Borough Council ○ Havant Borough Council ○ Lewes District Council ○ Mole Valley District Council ○ Portsmouth City Council ○ Reigate and Banstead Borough Council ○ Rother District Council ○ Tandridge District Council ○ Tunbridge Wells Borough Council ○ Waverley Borough Council ○ Wealden District Council ○ Waverley Borough Council ○ Wealden District Council 	<p>We provide community health services in the most part to our local populations.</p> <p>However, in the absence of a patient/carer constituency and in line with other community Foundation Trusts, the Out of Area constituency has been created to capture patients who live outside of Sussex but who access Trust services. An analysis of our patients identified a cohort of such patients from East Sussex, Kent, Surrey and Hampshire.</p>

Issue	Detail	Rationale
Memberships		
<p>2. How membership will reflect the full diversity of the potential community and be representative of the community served</p>	<p>We have reviewed our Membership Strategy following feedback from our public consultation.</p> <p>Targeted activities for 'hard to reach' communities are set out in our revised membership strategy. We will align ourselves with existing forums which reach out to individuals in these communities and also attend local events, including faith events and sports events at which we will seek to actively recruit FT members.</p>	<p>Our membership recruitment activities are specifically targeted to reach a wide range of communities, including those who are typically 'harder to reach'. This will ensure that we have representative membership.</p> <p>Our membership database will enable us to analyse membership by constituency, age, sex, ethnicity and socio-economic class. We will refine our recruitment activities to address any identified under-representation.</p>

Issue	Detail	Rationale
Memberships		
3. Plans to develop, maintain and grow the membership	<p>We have recruited over 4,000 public members by April 2014, achieving our target number, increasing to 5,000 by authorisation.</p> <p>Initial recruitment activities were aligned to the public consultation process. As far as possible, we will continue to use existing forums such as volunteer groups, local authority engagement forums and local events, including faith events and sports events to develop, maintain and grow our membership base.</p> <p>We will further develop our links with local GP practices, businesses and other public sector organisations to promote membership. Our membership strategy and associated project plan identify key existing events and proposed additional events to help develop these links.</p> <p>We will continue to engage our members in order to maintain their interest, using a variety of methods to promote membership and conduct recruitment (including newspaper adverts, leaflets in GP surgeries and other strategic places, national awareness and stalls at local events).</p> <p>Members will be invited to attend the Annual Members' Meeting.</p>	<p>We believe that 5,000 public members is sufficient to allow for a broad public representation. TDA has indicated support for this target, which has been reduced from 10,000. We will concentrate on attracting people who are likely to be more engaged members. Our target of public members, together with staff members (assuming no opt-outs) would give us 9,300 members in total.</p> <p>We have prescribed a minimum number of members per constituency. Our ongoing membership analysis will help us to identify and address constituencies which are significantly under-represented in order to ensure that membership is not skewed.</p>
4. Any exclusion to membership that are to apply over and above the legal minimum	Members must be aged 12 or over.	Our membership strategy is in line with best practice. Given the community focus of the Trust and the significant level of children's services provided, applicability for membership for those aged 12 or over was deemed as reasonable.

Issue	Detail	Rationale
Memberships		
5. Expected minimum number of members in the public constituency	Constituencies with the minimum number of members (subject to revised Constitution) are as follows: <ul style="list-style-type: none"> • Brighton and Hove City Council (200) • Mid Sussex District council (100) • Arun District council (100) • Adur District council (50) • Chichester District Council (50) • Crawley Borough Council (50) • Horsham District Council (100) • Worthing Borough Council (50) • Out of Area (20) 	<p>The minimum numbers of members was calculated on the basis of population sizes for each constituency. A smaller minimum number of members has been identified for the Out of Area constituency given that this catchment area is more remote and fewer patients are referred from these areas.</p> <p>Overall a minimum of 720 members was chosen as the minimum necessary to ensure fair representation and engagement whilst remaining manageable. However, our target public membership target of 5,000 shows our ambition to recruit a significantly higher number of public members and our ongoing analysis will ensure that the membership is representative across constituency areas (as well as ethnic and social groups).</p>
Patient membership		
6. Will there be a patient or service user constituency?	No	There are no plans for a patient constituency as patients will be included in the public constituency; to avoid confusion as to which constituency a member should join.

Issue	Detail	Rationale
Memberships		
7. If there is a patient or service user constituency, what are your plans for sub-division of the constituency?	n/a	n/a
8. If there is a patient or service user constituency, what are your plans to develop, maintain and grow the membership, what are the timescales and milestones for growth?	n/a	n/a
9. If there is a patient or service user constituency, are there any exclusions to membership that are to apply over any above the legal minimum?	n/a	n/a
10. If there is a patient or service user constituency, which is the expected minimum number of members in the public constituency?	n/a	n/a

Issue	Detail	Rationale
Memberships		
11. Are there any plans to recruit patients or service users members on an opt-out basis?	n/a	n/a
12. If you plan to use an opt-out system how will you communicate with patients and service users to ensure they are adequately informed?	n/a	n/a
Staff Constituency		
13. Definition of the staff constituency.	<p>All members of staff will automatically become members if the following conditions apply:</p> <ul style="list-style-type: none"> • Staff employed by the trust under a contract of employment which has no fixed term or has a fixed term of at least 12 months. • Individuals who are not directly employed by the Trust but who provide services for the Trust and who have been doing so for at least 12 months, excluding volunteers. <ul style="list-style-type: none"> • Within Annex 3 of our draft Constitution we have defined our staff constituencies. 	<p>Staff are integral to the effective and safe running of our services and should automatically become staff members.</p> <p>Terms of membership reflect the membership requirements of the National Health Service Act 2006.</p>

Issue	Detail	Rationale
Memberships		
<p>14. Plans for sub-division for the constituency.</p>	<p>Staff constituencies are as follows:</p> <ul style="list-style-type: none"> • Doctors and Dentists • Nurses • Therapists, Allied Health Professionals and Health Care Assistants • Support Staff 	<p>We are a clinically led organisation, which values the input of our professional staff who we believe have equity of views and opinions.</p> <p>We will continue to review numbers of staff recruited to ensure that membership is representative across staff groups.</p>
<p>15. Plans to develop, maintain, and grow membership. What are the timescales and milestones for growth? How membership will reflect the diversity of local staff.</p>	<p>All Trust Staff will be automatically opted into the membership scheme, presently the number of staff is around 4,420.</p> <p>We aim to minimise opt-outs through co-operation with the management forums and the use of existing communication channels.</p> <p>We will continue to engage our staff members by encouraging them to be involved in initiatives for raising the profile of membership. We will also consult with staff regarding their views and ideas for recruiting and retaining members.</p> <p>Retention and ongoing communications and engagement will be facilitated by our membership database and resourced via our Secretariat. We will also work with HR to promote and encourage corporate induction sessions and exit interviews around membership.</p>	<p>In our research of other FTs, well-established methods of communication with targeted staff membership engagement are effective mechanisms for developing and growing staff membership. Staff membership (assuming no opt-outs), added to our targeted public membership of 5,000 would provide a total membership of 9,300.</p> <p>Our Secretariat will actively lead on these activities.</p>

Issue	Detail	Rationale
Memberships		
16. Expected minimum number of members in the staff constituency.	We plan to have a minimum number of members in each class: <ul style="list-style-type: none"> • Doctors and Dentists (10) • Nurses (10) • Therapists, Allied Health Professionals and Health Care Assistants (10) • Support Staff (10) 	The minimum number of staff members reflects our desire to harness the contribution of our staff. We reviewed opt out rates for other FTs and these ranged from 3% to 10%, giving us confidence that our minimum levels are achievable but not overly onerous.
17. Are there any plans to recruit staff members on an opt-out basis? How will you communicate with staff to ensure they are adequately informed.	All staff will become members unless they opt-out. Existing members of staff will be informed by way of a leaflet attached to all payslips which will also inform them how to opt out if they wish to do so. For new staff, the opt-out arrangement will be explained to them in their offer letter, terms and conditions of employment and as part of the mandatory induction programme.	We are committed to encouraging all qualifying staff to become members and, to this end, unless they wish to opt out, they will automatically become members. We understand that initial communication when staff undergo induction and ongoing communication and engagement around membership are vital for ensuring that staff do not opt out.
Disqualification for membership		
18. Any exclusions that are to be applied for disqualification of membership.	Exclusions from membership are as follows: <ul style="list-style-type: none"> • Individuals cannot be members of more than one constituency; • Members must be at least 12 years old; • A person cannot become a member if they have been removed from membership by the Council of Governors in the last five years; • A person may not become a member if they have demonstrated aggressive or violent behaviour towards any trust personnel in the last five years. 	The trust takes its duty of care seriously and only after the trust has consulted with or made reasonable attempts to consult with the individual about the concerns will the Board notify the individual about disqualification.

Issue	Detail	Rationale
Memberships		
	<ul style="list-style-type: none"> • A person may not become or continue as a member of the trust if they have been confirmed as a 'vexatious complainant' as per the trust's complaints handling policy. • The Council can expel a member if it has reasonable cause to believe that his/ her continued membership would be prejudicial to the interest of the Trust e.g. by harming public confidence in the Trust or by bringing the Trust into disrepute. 	
Termination of membership		
19. Under what circumstances will you terminate membership, and how will you enforce it?	<p>Membership will be terminated, either on the basis of disqualification set out above, or on resignation from membership or death of the member.</p> <p>The Secretariat will ensure that membership termination complies with the Constitution and that a resolution is passed by at least two-thirds of the Council of Governors at a convened meeting.</p> <p>The Secretariat will ensure that the membership database is updated accordingly.</p> <p>These conditions will be supported by the Monitor Code of Governance.</p>	The trust is committed to ensuring the safety of its patients, members and staff and that appropriate standards of governance are maintained.

Issue	Detail	Rationale
Council of Governors		
Council of Governors		
<p>20. The size and composition of the Council of Governors.</p>	<p>The Council of Governors will comprise the following:</p> <p><u>Elected by the Public Constituencies (subject to revised constitution)</u></p> <ul style="list-style-type: none"> • <u>12 Public Governors</u> <ul style="list-style-type: none"> ○ Arun District Council (2) ○ Adur District Council (1) ○ Brighton and Hove City Council (3) ○ Chichester District Council (1) ○ Crawley Borough Council (1) ○ Horsham District Council (1) ○ Mid Sussex District Council (1) ○ Worthing Borough Council (1) ○ 'Out of Area' (1) <p><u>Elected by the Staff Constituency</u></p> <ul style="list-style-type: none"> • Staff Governors (5) <ul style="list-style-type: none"> ○ Doctors and Dentists (1) ○ Nurses (2) ○ Therapists, Allied Health Professionals and Health Care Assistants (1) ○ Support Staff (1) <p><u>CCG Governor:</u></p> <ul style="list-style-type: none"> • CCG appointed Governor (1 – on a rotational basis to be agreed) 	<p>We have followed legal requirements in ensuring that more than 50% of the total Council should be comprised of public governors.</p>

Issue	Detail	Rationale
Council of Governors		
	<p><u>Local Authority Governors (2)</u></p> <ul style="list-style-type: none"> • Brighton & Hove CC • West Sussex CC <p><u>Other appointed Governors (3)</u></p> <ul style="list-style-type: none"> • Voluntary/charity sector (1) • Higher education sector (1) • To represent young people (1) <p>Total = 23</p>	
21. How will you ensure the size of the Council of Governors is manageable?	The Council is comprised of 23 governors.	Size and composition is considered representative, but manageable, and is not inconsistent with existing FTs
22. What part do you want the Council of Governors to play in the NHS Foundation Trust and how will you empower them?	<p>The role and responsibilities of the Council are set out in the draft Constitution and include:</p> <ul style="list-style-type: none"> • To hold the non-executive directors to account, for the performance of the Board • To represent the interests of the members and the interests of the public • Act as a link between Foundation Trust members and the Board of Directors. • Help the Trust plan for the future • Ensure that the Trust is accountable to local people • Assist with the recruitment and development of members • Appoint or remove the Chairman and/or non-executive directors and set the remuneration of these individuals. • Approve the appointment of the Chief Executive • Appoint the external auditors. 	<p>In the interests of good governance, we will be clear about the distinct and separate roles of the Council of Governors and the Board of Directors and what we would like each to contribute to the good governance of our organisation.</p> <p>The Governors will play an important and valuable role in supporting our engagement with and responsiveness to our stakeholders.</p> <p>The Company Secretary and Associate Company Secretary, will support the governors in undertaking their role, including the establishment of sub-committees for governance purposes.</p>

Issue	Detail	Rationale
Council of Governors		
	<ul style="list-style-type: none"> Decide whether the trust's private work would significantly interfere with the Trust's principal purpose Approve any increase in non-NHS income of 5% in any year Approve significant transactions Approve any proposal for a merger, acquisition, separation or dissolution Approve amendments to the Constitution 	
Public governors		
<p>23. The process to be followed for nominating public governors and details of the election process</p>	<p>Elections details are as follows:</p> <ul style="list-style-type: none"> Elections for public Governors will be conducted in accordance with the Model Election Rules. Election will be under the 'first past the post' regime. An election, if contested, will be by secret ballot. All members will be eligible to vote within the relevant class of their constituency on a "one member, one vote for each constituency seat" basis. 	<p>We will run the election process in order to ensure statutory compliance.</p> <p>We will support governors in nominations, canvassing and elections process and will provide training and information upon election. We will also support individuals who express an interest in becoming a governor in order to ensure a representative set of candidates.</p>
<p>24. Circumstances in which people are not eligible to be governors over and above the mandatory circumstances.</p>	<ul style="list-style-type: none"> A governor must not be bankrupt or convicted in the British Islands within the preceding five years. Governors must be at least 16 years of age. 	<p>Our Code of Conduct for governors will provide the grounds for eligibility.</p>

Issue	Detail	Rationale
Council of Governors		
	<p>Also a person may not become a governor if:</p> <ul style="list-style-type: none"> • They are a spouse, partner, parent or child of a Board member. • They are a member of the local authority's Health Overview and Scrutiny Committee. • They, being a member of the staff constituency, have a current and unexpired written warning from the trust or a predecessor trust. • They, being a member of the public constituency, refuse to sign a declaration of their qualification to vote as a member and that they are not prevented from being a member of the Council of Governors. • They are not considered suitable for membership by the HR director, based on their Disclosure and Barring Service disclosure. • They have previously been or are currently subject to a sex offender order and/or are required to register under the Sexual Offences Act 2003 or have committed a sexual offence prior to the requirements to register under current legislation coming into force. 	
Patient governors (if applicable)		
25. The process to be followed for nominating patient governors and details of the election process. The explanation needs to include the specific circumstances in which people are not eligible to be governors over and	n/a	n/a

Issue	Detail	Rationale
Council of Governors		
above the mandatory circumstances.		
Staff governors		
26. The process to be followed for nominating staff governors and details of the election process.	<p>Elections details are as follows:</p> <ul style="list-style-type: none"> • Elections for public Governors will be conducted in accordance with the Model Election Rules. • Election will be under the 'first past the post' regime. • An election, if contested, will be by secret ballot. • All members over 16 will be eligible to vote within the relevant class of their constituency on a "one member, one vote" basis. • The nominal term of office will be 3 years. 	<p>We will run the election process in order to ensure statutory compliance.</p> <p>We will support governors in nominations, canvassing and elections process and will provide training and information upon election.</p> <p>We will also support individuals who express an interest in becoming a governor in order to ensure a representative set of candidates.</p>
27. Circumstances in which staff are not eligible to be governors over the mandatory circumstances.	The circumstances described in paragraph 24 apply equally to Staff Governors.	
CCG governors		
28. Clinical Commissioning Groups which are eligible to appoint governor(s) are selected and details of the appointment process.	The CCGs will be allocated one seat on a rotational basis.	Given the critical role our local CCGs play in the development of the health and care system locally, our close working relationships with our CCGs and our collective aim to implement transformational change to help us best meet the health and care needs of our communities into the future, we believe it is vitally important that our local CCGs are represented on our council of governors. We have therefore allocated one place to an appointed CCG governor, and will agree with our local CCGs (three in West Sussex and one in Brighton & Hove) how best to allocate this role to ensure the most effective CCG representation.

Issue	Detail	Rationale
Council of Governors		
29. Local authority (ies) that are eligible to appoint governor(s) are selected and details of the appointment process.	<p>At any one time, there shall be two appointees nominated from across the following local authorities:</p> <ul style="list-style-type: none"> • Brighton and Hove City Council • West Sussex County Council <p>Governors nominated in this way may not nominate a deputy or substitute to attend meetings.</p>	<p>We work in partnership with our local authorities in the co-ordination and delivery of healthcare and also as one of the major employers in the region.</p> <p>In order to keep membership of the Council of Governors within the guidelines set by Monitor, local authorities will be allocated two seats.</p>
University governors		
30. Where applicable, the university (ies) that are eligible to appoint governor(s) are selected and details of the appointment process.	There is to be a higher education sector appointed Governor.	The Trust acknowledges the need to engage with all local partners including those in higher education.
Partnership governors		
31. Why those organisations were selected and the process for appointing them (e.g. colleges, voluntary organisations, etc.).	<p>In addition to the above, we be will appointing:</p> <ul style="list-style-type: none"> • Voluntary sector representative governor • Young people’s representative governor 	<p>We propose to work with Health Watch for to assist us by nominating a Voluntary sector representative.</p> <p>We will explore with the Brighton & Hove and West Sussex youth councils on how they might support us in identifying a young people representative.</p>
32. Are you considering representatives of any organisation who will be allowed to attend board meetings in an official capacity but who will have no voting rights?	We have no plans to consider representatives from other organisations.	Our key partners are fully represented under current proposals.
Terms of office		
33. Any cap on the total time served for	An elected Governor shall be elected for a term of three years, and shall be eligible for re-election at	The maximum term of office for elected Governors is designed to ensure a suitable refresh of skills and

Issue	Detail	Rationale
Council of Governors		
each category of governor (whether elected or appointed) and for non elected governors the term of office before new or re-appointment.	<p>the end of that term but may not serve as a Governor for more than a total of 6 years.</p> <p>An Appointed Governor shall be appointed for a term of two years, and shall be eligible for re-appointment at the end of that term.</p>	<p>perspectives.</p> <p>The Company Secretary and Associate Company Secretary will write to governors well in advance of the end of their tenure to obtain expressions of interest for standing for re-election, where they are qualified to do so.</p>
Disqualification		
34. The provisions for the removal of governors that are intended to apply and any other additional reasons for exclusion.	<p>A Governor's office shall be terminated or a Governor shall be disqualified in the following circumstances:</p> <ul style="list-style-type: none"> • If a Governor notifies the Company Secretary in writing. • If a Governor fails to attend three consecutive Council of Governors' meeting without good cause • If a Governor refuses to undertake training required in their capacity as a Governor. • If a Governor fails to meet conduct as set out in the Code of Conduct. • And for other reasons set out at Annex 5 of the draft Constitution. • The Council of Governors will make any resolution at a meeting by a majority of not less than two-thirds of governors present and voting. 	<p>Termination and disqualification terms are set out to ensure standards of good governance.</p> <p>The same standards are expected of appointed Governors as of elected Governors.</p> <p>The Code of Conduct, signed by all governors, will set out the expected standards and disqualification resulting from deviation to this code.</p>
Termination as a Governor		
35. What conditions or requirements apply including the requirements of	<ul style="list-style-type: none"> • As above, a Governor's office shall be terminated or a Governor shall be disqualified in the following circumstances: 	<p>Termination and disqualification terms are set out to ensure standards of good governance.</p>

Issue	Detail	Rationale
Council of Governors		
Schedule 7, paragraphs 8 (1) and (2) of the NHS Act 2006.	<ul style="list-style-type: none"> • If a Governor notifies the Company Secretary in writing. • If a Governor fails to attend three consecutive Council of Governors' meeting without good cause • If a Governor refuses to undertake training required in their capacity as a Governor. • If a Governor fails to meet conduct as set out in the Code of Conduct. <p>The Council of Governors will make any resolution at a meeting by a majority of not less than two-thirds of governors present and voting.</p> <p>For public governors, moving residence away from the constituency areas will lead to termination.</p>	The same standards are expected of appointed Governors as of elected Governors.
36. What conditions or requirements apply including the requirements of Schedule 7, paragraphs 8 (1) and (2) of the National Health Service Act 2006.	<ul style="list-style-type: none"> • As above, a Governor's office shall be terminated or a Governor shall be disqualified in the following circumstances: <ul style="list-style-type: none"> • If a Governor notifies the Company Secretary in writing. • If a Governor fails to attend two meetings in one financial year , unless the other Governors are satisfied that the absences were due to reasonable causes. • If a Governor refuses to undertake training required in their capacity as a Governor. 	<p>Termination and disqualification terms are set out to ensure standards of good governance.</p> <p>The same standards are expected of appointed Governors as of elected Governors.</p>

Issue	Detail	Rationale
Council of Governors		
	<ul style="list-style-type: none"> • If a Governor fails to meet conduct as set out in the Code of Conduct. <p>The Council of Governors will make any resolution at a meeting by a majority of not less than two-thirds of governors present and voting.</p> <p>For public governors, moving residence away from the constituency areas will lead to termination.</p>	
Vacancies		
<p>37. The process for handling vacancies in the Council of Governors.</p>	<p>Appointing organisations appoint a replacement Governor for the remainder of the term of office.</p> <p>For elected Governors, the Council of Governors will, (i) in the first six months of a term, invite the next highest polling candidate(s) for that seat at the most recent election to fill the seat for the remainder of the term or (ii) after six months from the election, call a fresh election for the seat, for a full term.</p>	<p>To ensure that the period of any vacancy is minimised, and, in the case of elected Governors, that appointment to the vacancy reflects the will of the membership.</p>
Roles and responsibilities of governors		
<p>38. The process to appoint or remove the Chairman and other non-executive directors.</p> <p>This may not apply for the initial</p>	<p>Appointment and Removal of the Chairman and non-executive directors:</p> <ul style="list-style-type: none"> • The Council of Governors at a general meeting shall appoint or remove the Chairman and other non-executive directors. • Removal of the Chairman or another non- 	<p>Governance arrangements comply with principles of good governance and legal requirements.</p>

Issue	Detail	Rationale
Council of Governors		
<p>Chairman and other non-executive directors.</p>	<p>executive director shall require the approval of three-quarters of the members of the Council of Governors.</p> <p>This does not apply to appointment of the initial Chairman and other non-executive directors.</p>	
<p>39. The process to approve the appointment of the Chief Executive.</p> <p>This may not apply for the initial Chief Executive.</p>	<p>The non-executive directors shall appoint or remove the Chief Executive, and this appointment will require the approval of the Council of Governors.</p> <p>This does not apply to appointment of the initial Chief Executive.</p>	<p>Governance arrangements comply with principles of good governance and legal requirements.</p>
<p>40. The process to decide the remuneration and allowances of Non-Executive Directors.</p>	<p>The process is as follows:</p> <ul style="list-style-type: none"> • The Council of Governors at a general meeting shall decide the remuneration and allowances of the Chairman and other non-executive directors. • The Council of Governors shall be advised in this regard by the Remuneration Committee, a subcommittee of the Council of Governors. • The members of this sub-committee shall be appointed by the Council of Governors and be comprised of non-executive directors and Governors, with a majority being Governors. Existing arrangements for the terms of office, remuneration and allowances shall continue upon authorisation for a maximum of up to 1 year until decided by the Council of 	<p>The Remuneration Committee will provide advice to the Council of Governors in order to comply with best practice.</p>

Issue	Detail	Rationale
Council of Governors		
	<p>Governors.</p> <ul style="list-style-type: none"> • The Chairman and Chief Executive will make recommendations to the sub-committee on terms of office, remuneration and allowances for the Chairman and non-executive directors. • The sub-committee will review the allowances and remuneration of the Chairman and non-executive directors on an annual basis. 	
<p>41. Details of the relationship between the Board of Directors and the Council of Governors.</p>	<p>The respective roles are as follows:</p> <ul style="list-style-type: none"> • The responsibility for day to day operation of the Trust lies with the Board of Directors and day to day management responsibility lies with the Chief Executive and Executive Directors • There will be one or more joint meetings between the Council of Governors and the Board of Directors. • There will be seminars and workshops to educate, inform and update Governors on their role and to consult with them on Trust strategic plans. • There will be specific discussions with the Council of Governors on the draft Forward Plan prepared by the Board of Directors. 	<p>We support the development of an open and effective working relationship between the Board of Directors and Council of Governors and we recognise that positive and constructive dialogue will be key to realising the benefits of new governance arrangements.</p> <p>As part of induction processes we will ensure that Governors understand their role and responsibilities and are signed up to the Code of Governance.</p>
<p>42. Any other provisions about the Council of Governors. This should outline details of how the Council of Governors intends to maintain a dialogue with the staff and public membership.</p>	<p>The Council of Governors will maintain a dialogue with members through:</p> <ul style="list-style-type: none"> • Targeted membership magazine • Public and community meetings and by encouraging the public to attend hospital events, Council of Governors meetings and the Trust's 	<p>An approach to ensuring that the Council of Governors have ownership of their communications, engagement and dialogue with the public and staff.</p>

Issue	Detail	Rationale
Council of Governors		
	<p>Annual General Meeting</p> <ul style="list-style-type: none"> • Working with the hospital volunteers • A dedicated foundation trust area on our website. <p>The membership office will actively support Governors in maintaining a dialogue with members.</p>	
<p>43. Details on payment of travel and other expenses (but not remuneration) for governors.</p>	<p>The Trust may reimburse Governors for travelling and other reasonable and expenses incurred in carrying out their duties as the Board of Directors decides.</p> <p>The Trust may at its discretion decide to reimburse the cost and expense of a Governor's carer arrangements necessarily and reasonably incurred in the Governor carrying out their duties.</p> <p>Council of Governor members will not receive remuneration.</p>	<p>To support adequate levels of Governor participation ensuring that no member attending the Council of Governors suffers a financial loss.</p>
Meetings		
<p>44. Who will deputise in the chair's absence at the Council of Governors.</p>	<p>If the Chairman is absent, the Deputy Chairman, will preside at the meeting.</p>	<p>Aligned to the good practice and the Constitution.</p> <p>The Deputy Chairman of the Council will also help to consolidate the relationship between the Council of Governors and the Trust Board.</p>
<p>5. Any special reasons as to why meetings of the Council of Governors would not,</p>	<p>All meetings of the Council of Governors are open to members of the public unless a majority of the members of the Council of Governors</p>	<p>We are committed to openness and transparency in decision making. We will therefore adapt the principles set out in the Public Bodies (Admission to Meetings)</p>

Issue	Detail	Rationale
Council of Governors		
on an exceptional basis, be open to the public.	<p>present decides otherwise in relation to all or part of the meeting for special reasons eg reasons of commercial confidentiality.</p> <p>The Chairman may exclude any member of the public from a meeting of the Council of Governors if they are interfering with or preventing the proper conduct of the meeting.</p>	<p>Act 1960, notwithstanding that it does not apply to Council meetings.</p> <p>However, maintaining an orderly and timely meeting is also paramount to the success of the Council of Governors.</p>
46. The frequency of meetings of the Council of Governors.	The Council of Governors will meet a minimum of three times in each financial year. It will meet as frequently as is required for it to be able to discharge its statutory responsibilities.	The Council of Governors will also hold meetings and workshops as required throughout the year.
47. The number of governors by type that must be present at any meeting of the Council of Governors.	At least one third of the Council of Governors must be present, of whom a majority must be public Governors	We consider this number to be a reasonable number to discharge the Council's duties. This is in line with other FTs.
48. The wording of the declaration for governors to give the particulars of their qualification to vote as a member of the Council of Governors and for members to vote or to stand for election as a governor.	<p style="text-align: center;">THE DECLARATION</p> <p style="text-align: center;">SUSSEX COMMUNITY NHS FOUNDATION TRUST <i>the Trust</i></p> <p>I, [insert name] of [insert address] hereby declare that (a) (in the case of an elected governor only) I am entitled to stand for election to the Council of Governors as a governor elected by the public constituency because I am a member of the public constituency and (b) I am not prevented</p>	Compound declaration drafted to ensure that governors stand and vote in accordance with the Constitution.

Issue	Detail	Rationale
Council of Governors		
	<p>from being a member of the Council of Governors of the Trust by paragraph 8 of Schedule 7 to the National Health Service Act 2006, which states;</p> <p>8 (1) The following may not become or continue as members of the Council of Governors</p> <p>(a) a person who has been adjudged bankrupt or whose estate has been sequestrated and (in either case) has not been discharged,</p> <p>(b) a person 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,</p> <p>(c) a person who within the preceding five years has been convicted in the British Islands of any offence if 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/her.</p> <p>I further hereby declare that (a) (in the case of an elected governor only) I am entitled to stand for election to the Council of Governors as a governor elected by the public constituency under the Constitution of the Trust; and (b) I am not disqualified by the Constitution from standing as a governor.</p>	
49. Details of how conflicts of interest should be handled.	Details for handling conflicts of interest are as follows:	We are committed to ensuring the highest standards of probity and integrity. As part of induction processes

Issue	Detail	Rationale
Council of Governors		
	<ul style="list-style-type: none"> • All interests will be declared at the time of standing for election. • The Chairman will declare any known conflicts of interests at the commencement of the meeting. • The Governor will be required to withdraw from the debate on the relevant matter. This will also include a conflict of interest which becomes apparent to the Chairman at the time of the debate. The Governor will automatically have the voting right withdrawn for that relevant matter only. 	<p>we will ensure that Governors understand their role and responsibilities and are signed up to the Code of Governance. In that context, the Constitution provides how to deal with conflicts of interest.</p>
Committees and subcommittees		
<p>509. Any other provisions about committees that may be set up to advise the Council of Governors.</p>	<p>The Council of Governors may, and if directed by the Chairman shall, appoint committees of the Council, consisting of a majority of Governors.</p> <p>Each sub-committee shall have such terms of reference and powers and be subject to conditions (as to reporting back to the Council) as the Council shall decide and shall be in accordance with any direction or guidance issued by Monitor and any legislation or applicable guidance issued by the Secretary of State.</p>	<p>We will support the Council of Governors to develop subcommittees with clear Terms of Reference and roles and responsibilities.</p> <p>As part of induction processes we will ensure that Governors understand their role & responsibilities and are signed up to the Code of Governance.</p>

Issue	Detail	Rationale
Board of Directors		
<p>51. The overall size and constitution of the Board of Directors including the numbers and roles of non-executive and executive directors.</p>	<p>The Board of Directors will comprise:</p> <ul style="list-style-type: none"> • A non-executive Chairman • Up to six other non-executive directors (with a range of expertise) • Up to six executive directors <p>The number of non-executive directors will exceed the number of executive directors.</p> <p>Of the executive directors:</p> <ul style="list-style-type: none"> • One of the executive directors shall be the Chief Executive. • The Chief Executive shall be the Accounting Officer. • One of the executive Directors shall be the Finance Director. • One of the executive directors is to be a registered medical practitioner or a registered dentist (within the meaning of the Dentists Act 1984). • One of the executive directors is to be a registered nurse or a registered midwife. 	<p>The composition of the Board of Directors is compliant with Monitor's Code of Governance. We are awaiting approval by the Department of Health for an increase of one executive and one non-executive director to ensure that the Board has the appropriate skills and attributes required in an organisation of our size.</p> <p>The Company Secretary's remit is to ensure the SFIs/SOs are adhered to and has responsibility to support the Council of Governors and subcommittees and maintain the register of interests. The Company Secretary reports directly to the Chairman.</p>
<p>52. The eligibility criteria for non-executive director posts.</p>	<p>The Chairman and Chief Executive will produce job specifications for the non-executive director position and candidates will be selected on the basis of skills and experience. A committee consisting of a majority of governors will nominate and select non-executive directors.</p> <p>Each non-executive director must be a member of one of the public constituencies.</p>	<p>In line with best practice and the draft Constitution.</p>

Issue	Detail	Rationale
Board of Directors		
Terms of office		
<p>53. Terms of office for the Chairman and non-executive directors.</p>	<p>Non-executive directors, including the Chairman, shall be appointed by the Council of Governors at a general meeting.</p> <p>Any re-appointment of a non-executive director by the Council of Governors shall be subject to a satisfactory appraisal by the Chairman and shall take into account the need for progressive refreshing of the Board in accordance with Monitor's Code of Governance.</p> <p>Any term beyond six years for a non-executive director shall be subject to particularly rigorous review. Non-executive directors may in exceptional circumstances serve longer than six years but will be subject to annual re-appointment.</p>	<p>Compliance with Monitor's publication: The NHS Foundation Trust Code of Governance.</p> <p>The current Chairman and non-executive directors will be approved by the Council of Governors at the first meeting of the Council of Governors.</p> <p>Terms of office have been set to ensure that independence of directors is not compromised.</p>

Issue	Detail	Rationale
Board of Directors		
54. Terms and conditions of the Chief Executive and executive directors.	<p>The Chief Executive and executive directors shall be employed by the Trust through contracts of employment with no fixed term, unless this is considered necessary in the short-term interests of the Trust. They will serve in the roles to which they were appointed until such time as they resign or are otherwise removed from the Trust.</p> <p>The sub-committee of the Board, with responsibility for setting remuneration, will decide the remuneration and allowances and the other terms and conditions of office of the Chief Executive and other executive directors.</p>	Processes are in line with best practice
Disqualification		
55. Any exclusions to the Board of Directors over and above the legal minimum.	N/a	
Roles and responsibilities		
<p>56. The process for a committee of Non-Executive Directors to monitor, review and carry out other Audit Committee functions.</p> <p>Proposals for the audit committee's function are also required.</p>	<p>On behalf of the Board of Directors, the primary function of the Audit Committee is to have oversight overall effectiveness of the organisation's internal controls, including financial controls and for reviewing the establishment and maintenance of an effective system of corporate governance, risk management and internal control across the whole of the Trust's activities that supports the achievement of the Trust's corporate objectives.</p> <p>The Audit Committee provides independent scrutiny of the arrangements in place whose membership is drawn</p>	Aligned to legal requirements.

Issue	Detail	Rationale
Board of Directors		
	<p>exclusively from independent non-executive directors and is supported by the work programmes of internal and external audit. This ensures independence from executive and operational management.</p>	
<p>57. The process for the Non-Executive Directors to appoint or remove the Chief Executive and for the committee of Chief Executive, Chairman and Non-Executive Directors to appoint or remove other Executive Directors.</p>	<p>The Chief Executive will be appointed or removed by the non-executive directors subject to approval by the Council of Governors.</p> <p>The Trust will appoint a Nominations Committee whose members shall be the Chairman, non-executive directors and the Chief Executive whose function will be to appoint or remove the other executive directors of the Trust.</p> <p>The Nominations Committee shall take into account the advice of the Chief Executive. The Committee shall not make an appointment to an executive director position which the Chief Executive does not support, rather a further recruitment process would commence for the role in question.</p> <p>The Committee shall ensure that contractual terms on termination and any payments made are lawful, fair and</p>	<p>Aligned to legal requirements.</p> <p>Council of Governor sub-committees with terms of reference will be set up to support this process.</p>

Issue	Detail	Rationale
Board of Directors		
	otherwise within the powers of the Trust.	
58. The process for a committee of non-executive directors to decide remuneration and allowances for Executive Directors and (if relevant) the provisions on remuneration and allowances that might be set out in the constitution, pending appointment of such a committee.	The Remuneration Committee of the Board of Directors (made up of non-executive directors) shall establish and monitor the level and structure of total reward for executive directors, ensuring transparency, fairness and consistency.	Terms of reference for this committee will be reviewed on FT authorisation.

Issue	Detail	Rationale
Board of Directors		
59. The process for the directors to have regard to the views of the Council of Governors on the Trust's forward planning.	<p>The Board of Directors will consult with the Council of Governors to seek input into strategic plans.</p> <p>This will assist the Chief Executive and the Board of Directors in finalising their plans.</p>	We support the development of an open and effective working relationship between the Board of Directors and Council of Governors. The Chairman of the trust will lead the development of the relationship between them through chairmanship of both Boards.
60. The process for the Board of Directors to present to the Council of Governors at a general meeting the annual accounts, any report of the auditor on them, and the annual report.	The Chairman and Chief Executive will present the annual accounts, any report of the auditor on them, and the annual report to a joint meeting with the Board of Directors, which shall constitute a general meeting.	Compliance with statutory requirements.
Meeting of the Board of Directors		
61. Details of how meetings should take place including when meetings should take place in public or private.	<p>Details are as follows:</p> <ul style="list-style-type: none"> • The Board of Directors shall meet no less than six times per year. • The Board of Directors shall meet in public. It reserves the right to exclude members of the press and public from part or all of the meeting to consider confidential business, publicity on which would be prejudicial to the public interest (as defined in the Public Meetings (Admission to Meetings) Act 1960). When exercising this provision, the Chairman presiding at the meeting shall summarise the nature of the business to be considered in closed session. The Chairman may, if necessary, exclude any member of the press or public from a meeting if they are interfering with or preventing the 	Compliance with statutory requirements.

Issue	Detail	Rationale
Board of Directors		
	proper conduct of a meeting.	
Conflict of interest of directors		
62. Details of how conflicts of interest should be handled	<p>The Register of Interests will be maintained by the Company Secretary.</p> <p>In the event of a conflict arising, the director concerned should declare a conflict and withdraw from the discussion and/or vote.</p> <p>In the event that evidence of a conflict arises during discussion, the Chairman will require the director to declare that conflict and will not permit the director to contribute to that discussion, or vote.</p>	Compliance with statutory requirements.
Issue	Detail	Rationale
Registers		

Issue	Detail	Rationale
Registers		
63. How the register of members will be maintained including admission to and removal from the register.	<p>The register of members will be maintained by the Company Secretary, who will oversee the management of the register on the Trust's behalf by Membership Engagement Services.</p> <p>The register will show, in respect of each member, the constituency to which they belong, and, where there are classes within it, the class to which they belong.</p>	<p>The trust acknowledges the importance of having an up to date register for both governance purposes but also to ensure ongoing engagement with members.</p> <p>Membership database procured and used to help manage the register.</p>
64. How the register of members of the Council of Governors will be maintained including admission to and removal from the register.	The register of members of the Council of Governors will be maintained by the Company Secretary and will be reviewed on at least a quarterly basis to ensure accuracy.	The Trust acknowledges the importance of having an up to date register for both governance purposes but also to ensure ongoing engagement with members.
65. How the register of members of the Board of Directors' interests will be maintained including admission to and removal from the register.	The register of members of the Council of Governors' interests will be maintained by the Company Secretary and will be reviewed on at least an annual basis to maintain its ongoing accuracy.	The trust acknowledges the importance of having an up to date register for both governance purposes but also to ensure ongoing engagement with governors.

Issue	Detail	Rationale
Public documents		
66. How the trust will make provision for the public to receive the documents set out in the 2006 Act and the	<p>The trust will make the following documents publicly available as part of its Freedom of Information schedule:</p> <ul style="list-style-type: none"> • Register of governors • Register of members • Register of directors 	<p>The Trust continues to demonstrate openness and transparency and to comply with FOI legislation</p> <p>As per Monitor's Code of Governance,</p>

Issue	Detail	Rationale
Public documents		
<p>charges that will apply (regulations may prescribe circumstances in which there is not to be public access to the register).</p>	<ul style="list-style-type: none"> • Register of directors' interests • Copy of the Constitution • Latest annual accounts and auditor's report on these • Latest annual report • Latest information with regards to forward planning • Any notice given under Section 52 of the 2006 Act. These documents will be available for inspection free of charge at all reasonable times and available on the Trust's website and copies of extract will be provided for anyone requesting them. 	<p>the external auditors will be approved by the Council of Governors.</p>

Issue	Detail	Rationale
Auditor		
67. Details of the auditor's appointment and roles and responsibilities	<p>The Council of Governors shall appoint or remove the auditor at a general meeting of the Council of Governors.</p> <p>The Council of Governors shall take the lead in agreeing with the Audit Committee the criteria for appointing, reappointing and removing external auditors.</p>	<p>Compliance with statutory requirements and requirements of the NHS Foundation Trust Code of Governance.</p> <p>The Audit Committee will ensure that the Council of Governors has access to all necessary information in order for them to knowledgeably make their recommendation.</p>

Issue	Detail	Rationale
Accounts		
68. Details of process to make the accounts available.	<p>The Trust shall maintain accounts in such form as Monitor may with the approval of HM Treasury direct, which shall be audited by the Trust's auditor.</p> <p>The Trust will prepare accounts in respect of each financial year.</p> <p>The functions of the Trust with respect to the preparation of the annual accounts shall be delegated to the Accounting Officer.</p> <p>The annual accounts, any report of the auditor on them and the annual report shall be presented to the Council of Governors at a general meeting.</p> <p>The annual accounts, and any report of the auditor on them, shall be laid before Parliament and copies sent to Monitor. The annual accounts shall be published on the Trust's website and be available via email or hard copy.</p>	Compliance with statutory requirements.

Issue	Detail	Rationale
Annual reports and forward plans		
69. Details of process to make the annual report and forward plans available.	<p>The directors will prepare an Annual Report to be sent to Monitor. This must be presented to the Council of Governors at a general meeting of the Council of Governors.</p> <p>The directors will prepare the information as to the trust's forward planning in respect of each financial year to be given to Monitor. In doing so, they shall have regard to the views of the Council of Governors.</p> <p>The annual report and forward plan shall be published on the trust's website and will be upon request made available via email or hard copy.</p>	Compliance with statutory requirements.

Issue	Detail	Rationale
Indemnity		
70. Details of any indemnity clauses	<p>As set out in the Constitution, Members of the Board of Directors and Council of Governors who act honestly and in good faith will not have to meet out of their personal resources any personal civil liability which is incurred in the execution of their functions, save where they have acted recklessly. Any costs arising in this way will be met by the Trust.</p> <p>The Trust may purchase and maintain for members of the Board of Directors and Council of Governors insurance in respect of directors' and officers' liability, including, without limitation, liability arising by reason of the trust acting as a corporate trustee of an NHS charity.</p>	Directors and Governors who have acted reasonably and in good faith should not be held personally liable. This is a well established principle in corporate governance, for example, in the charitable sector and in NHS Trusts, as well as public and private companies.

Issue	Detail	Rationale
Dispute resolutions procedures		
<p>71. Detail of any dispute resolution procedures in the constitution. E.g. issues related to the constitution or other disputes such as contract.</p>	<p><u>Membership</u></p> <p>In the event of any dispute about membership entitlement, the dispute shall be referred to the Company Secretary who shall make a determination on the point in issue. If the member or applicant is aggrieved at the decision of the Company Secretary, they may appeal in writing within 14 days of the Secretary's decision to the Council of Governors, whose decision shall be final.</p> <p><u>Governor</u></p> <p>In the event of any dispute about eligibility of a Governor, the dispute shall be referred to an independent assessor agreeable to both parties who will consider the evidence and conclude whether the proposed removal is reasonable or otherwise.</p> <p><u>Directors and Governors</u></p> <p>In the event of any dispute between the Board of Directors and Council of Governors:</p> <ul style="list-style-type: none"> (i) in the first instance, the Chairman, on the advice of the Secretary, and other advice the chairman may obtain, shall seek to resolve the issue through mediation; (ii) if the Chairman is unable to resolve the dispute, he/ she shall appoint at his/ her discretion a special committee chaired by the chairman and possibly including appropriate representatives of another NHS Foundation trust or trusts. The decision of the special committee shall be binding 	<p>In order to ensure that there is a structured process in place to support overall objective of achieving good corporate governance.</p>

Issue	Detail	Rationale
Dispute resolutions procedures		
	<p>In the event of any dispute between a governor and the Council of Governors:</p> <ul style="list-style-type: none"> (i) in the first instance, the Chairman, on the advice of the Secretary, and other advice the Chairman may obtain, shall seek to resolve the issue through mediation; (ii) if the Chairman is unable to resolve the dispute, he/she shall refer the dispute to the Board of Directors who shall make the final decision 	

Issue	Detail	Rationale
Amending the constitution		
72. Details of the procedure for amending the constitution.	Amendments by the trust of its constitution must be approved by more than half of the governors who vote on it, and by more than half of the directors who vote on it.	Compliance with statutory requirements.