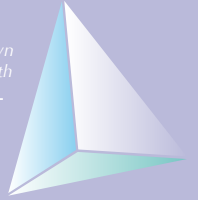


Fforwm Partneriaeth Cymru

Welsh Partnership Forum

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NHS Wales
Working in Partnership



Working in Partnership at Trust Boards

**A Handbook for Trade Union
Representatives at Trust Boards**



**NHS
WALES
GIG
CYMRU**



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

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Working in Partnership at Trust Boards

A Handbook for Trade Union Representatives at Trust Boards

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Foreword by Edwina Hart AM MBE Minister for Health and Social Services

Since the onset of devolution, trade unions and the Welsh Assembly Government have together forged a role for Trade Union representation at Trust Boards which reflects the importance we both attach to placing the voice of those who work for the health service at the heart of the way it is organised and delivered. The position we have agreed is that Trade Unionists must be involved in all parts of the Board and all aspects of its work. Union representatives are neither Non-Executive or Executive – but there to reflect the needs of all of the NHS Wales workforce.

This Handbook sets out the core standards to be adopted in this vitally important work. It deals with practical issues, such as recognising and responding to potential conflicts of interest, and does so with the key aim of drawing on the expertise which staff bring to our vision of creating world class healthcare in a healthy, dynamic Wales by 2015. The NHS has been involved in continuous change, from the day it was inaugurated by Aneurin Bevan. Today's change process can only be based on engaging with patients, service users, staff and the wider public.

Service modernisation can only be achieved by the engagement of the whole NHS Wales workforce and partner organisations, from frontline staff and clinicians to management and Board members.

The ongoing development of collaborative working and the maturing of partnership relationships are vital to the success of the vision.

A patient-led NHS needs to look at culture not just systems. It is vital that the workforce are involved in effective and meaningful two-way communication and that they are listened to and are involved in the decision making processes which affect their working lives and the healthcare that they deliver. It follows, therefore, that the representatives of the workforce have the facilities, time off and cover to perform this task adequately.

Both current and future Trade Union representatives will be able to use the Handbook, as well as Executive and Non-Executive Directors so that there is a real and shared understanding of the role. It is my hope that, out of it all will come a stronger voice for staff in the NHS we are all trying to build here in Wales.

Introduction

Trade Union representatives were introduced to NHS Trust Boards in Wales in November 2001 in order to facilitate greater involvement, influence, co-operation and to further develop partnership working within NHS Wales.

A review was carried out by the Welsh Partnership Forum in 2005 which discovered that although the presence of the Trade Union representatives was overall a big positive gain for the Boards, there needed to be clarification of:

- The role of the Trade Union representative.
- Accountability and training - to whom was the Trade Union representative accountable and who would provide training.
- Consistency regarding inclusion and exclusion of Trade Union representatives at Part B and Part C meetings.
- Consistency regarding set up and functionality of Local Partnership Forums.

Although the review was generally positive it was not without problems and challenges and it was clear that the Trade Union representatives were not really included as full partners at some of the Boards. A task and finish group was created to reach agreement on the recommendations, and those agreements form the basis of the Handbook. The key points are:

- There must be no limitation of information and no exclusions of Trade Union representatives.
- The Trade Union representative is accountable to the Board Chair.
- The Board Chair is accountable for the performance management of the Trade Union representative.
- Fully functioning Local Partnership Forums are also a performance management objective for the Chair.
- The Trade Union representative will share the same responsibilities as set out in the Codes of Conduct and Accountability for NHS Boards (Nolan principles).

The Trade Union representative role is a unique position and is there to reflect the needs and aspirations of all of the NHS Wales workforce. It is essential that these representatives are encouraged to make suggestions and voice opinions, to raise concerns about the quality of services or employment issues, that they are kept informed about issues which impact upon the workforce, and work collaboratively for the benefit of staff, patients, visitors, relatives and the employing organisation.

It is important to have fully established and strengthened Local Partnership Forums as a way of communicating and engaging with staff, and these Forums will have crucial roles to play in future Welsh Partnership Forum initiatives such as Designed for Working Lives where they will lead on providing staff views on the level of understanding of both local and national policies, and also implementation of the Action Plans resulting from the findings of the national Staff Surveys.

There will be a further review by the Welsh Partnership Forum in January 2008 to ensure that the core standards set out in this Handbook have been implemented, consistency has been achieved in all Trusts across Wales, and that a staff perspective has been brought to service change and service delivery.

Peter Finch CSP

Ian Stead, Director of HR NHS Wales

Joint Chairs of the Welsh Partnership Forum

Trade Union Representatives at NHS Trust Boards

Role Summary

The role of the Trade Union representative is to ensure that the views of all staff, irrespective of individual membership of a particular Trade Union, are represented fairly and equitably at the Board, to ensure the highest levels of patient care and provision of service.

Responsibilities:

- Champion partnership working at all levels of the organisation
- Bring a staff perspective to service change and service delivery
- Facilitate the interface between the staff and the Trust Board
- Bring staff governance issues to the attention of the Trust Board
- Act as the focal point for staff across the NHS system
- Explain the work of the Trust Board and promote the opportunity for staff to be involved in the decision making process.

Local Partnership Forum Framework

This Framework is an example of how a partnership agreement may be designed and the rights and obligations it may contain. NHS Wales organisations should develop their own partnership agreements to suit their unique circumstances, and it is vitally important that staff organisations are full contributors to the partnership agreement if it is to have the desired impact in the organisation.

Principles and Values

The Trust must be committed to the systematic and routine involvement of staff and their Trade Union representatives in shaping the service and being part of the decision making which affects their working lives and the delivery of health care.

The employing organisation will aim to maximise staff involvement by:

- Developing and implementing an effective two-way communication process - across the organisation and from top to bottom
- Developing a culture where managers involve staff at all times in decision making and where staff feel able to contribute and be confident that their contribution is valued
- Developing and implementing a structure and process which requires managers at all levels to involve staff in day to day service decisions and formulation of service plans
- Working in partnership to manage change more effectively and achieve long term goals

“My view is that the Trade Union representatives should be treated as an equal, with recognition that this unique role at the Board may present these representatives with a conflict of interest at certain times, which should be respected.”

**Dr Brian Gibbons AM,
Minister for Health and
Social Services,
October 2005**

The Trust should ensure that the costs of full partnership working are adequately covered.

Individuals will not be discriminated against during the course of their employment for any Trade Union representative role as part of the involvement process, or for membership of a Trade Union or activities as a Trade Union representative.

Duties and Responsibilities

The Trust will ensure that managers are committed to an open and participative working style by being honest, open and fair in their relationships with staff. Managers will demonstrate this through their own behaviour and the behaviour they expect from their staff.

- All levels of management are familiar with agreements and arrangements relating to partnership working / staff involvement including the facilities agreement
- Staff will be encouraged and supported to challenge and question systems of work
- Staff involvement will take place throughout the organisation, irrespective of boundaries of profession, service and functional structure
- The systems and process for staff involvement at both corporate and functional levels will be supportive of and supplementary to the consultation procedures in place
- Staff have the opportunity to express their opinions and be actively involved in issues affecting them
- Trade Union representatives will have access to all relevant information, other than confidential information about patients or staff, to support involvement in decisions that affect working lives and the delivery of healthcare
- Managers recognise that staff, and their representatives, must have a degree of protected time away from their place of work to enable them to attend and contribute to the staff involvement process. To achieve this managers will ensure employees are treated fairly for their Trade Union involvement and careers are not prejudiced
- At all times management, staff and Trade Union representatives will adhere to the principles encompassed in the rights and duties of the organisation's staff charter
- The implementation of partnership working and its associated agreements is jointly audited by staff, Trade Union representatives and managers.

The Trade Unions will ensure that their representatives are at all times committed to an open and participative working style. Staff and their representatives will demonstrate this through their own behaviour and the behaviour they expect from their colleagues.

- The time and resources provided in this context are used appropriately and cost effectively
- Their representatives are elected and accredited in accordance with Trade Union constitutions
- Reasonable notice of time off requirements are provided
- Appropriate training is provided for its representatives and members, either separately or jointly, on partnership working
- Trade Union representatives are familiar with the partnership agreement.

The Local Partnership Forum will give a commitment to work together with management to develop and implement an annual staff involvement action plan to encompass delivery of:

- A charter of staff rights and responsibilities
- A programme of joint development for staff involvement and partnership working
- Staff involvement in service planning
- An annual staff attitude survey on working life within the organisation and a joint action plan to respond to its outcomes
- An annual joint audit of progress with the results published in the employing organisation's annual report.

Content of Local Partnership Agreements

This guidance sets out what Local Partnership Agreements should contain as a minimum and by agreement through the Local Partnership Forum parties should include:

1. A statement of commitment or intent, perhaps by way of a foreword or introduction from the Chair/Chief Executive. This should be linked to the purpose and objectives of Local Partnership Agreements (the WHY);
2. A list of the parties agreeing to commit to the partnership approach (the WHO);
3. The scope of the agreement (the WHAT); this will cover major issues of local policy including:
 - Organisational culture
 - Organisational change
 - Employment security
 - Employment practices (e.g. family friendly, best practice, equal opportunities, health and safety at work etc)
 - Lifelong learning
4. Details of the procedures for partnership working (the HOW); and
5. The roles and responsibilities of those involved.

Partnership agreements are NOT intended as a replacement for existing negotiating frameworks - rather they are intended to broaden the scope of staff consultation and involvement in the local decision making process.

Local agreements should set out in some detail how partnership will work in practice. This should cover the arrangements and mechanisms that will be established to underpin consultation and involvement in the decision making process. These arrangements should ensure that existing procedures are not interfered with, and therefore in particular cover:

6. Arrangements within Trusts to ensure all parties are involved in the formulation, consultation, implementation and evaluation of change;
7. How communication and consultation arrangements will fit in with existing procedures;

How local partnership agreements fit with existing negotiating arrangements.

The Development of a Formal Link Between Local Partnership Forums and Trust Boards

To enable the involvement of staff through their Trade Union Representatives in the strategic management of the Trust, the Trade Union Representatives should be fully included in all Board activities.

1. Election of Trade Union Representatives attending Trust Board Meetings

- 1.1 Ideally there should be a minimum of two Trade Union Representatives and a maximum of three Trade Union Representatives who will be elected through the Local Partnership Forum. Each Representative must be an employee of the Trust.
- 1.2 It is the responsibility of the Trade Union Representatives to ensure that, if unable to attend a particular meeting, a fully briefed deputy is available to cover their absence.
- 1.3 It is the responsibility of the Local Partnership Forum to ensure continuity of attendance and membership of the Board and ensure outgoing Representatives mentor newly elected Representatives.
- 1.4 The tenure of appointment for Trade Union Representatives at Trust Boards is two years and is only valid whilst the Representative is an accredited member of the staff side.
- 1.5 When the election process is complete, the staff side Chair of the Local Partnership Forum will inform the Trust Chair of the nominated Representatives. The Trust Chair will then make a recommendation to the Minister for Health and Social Services regarding the appointment to the Board which will be confirmed by a letter of welcome from the Minister.
- 1.6 It is the responsibility of the Trust Chair to ensure the Trade Union Representative has access to an appropriate induction process and that all relevant documentation is made available.

2. Role of Trade Union Representatives at Trust Boards

- 2.1 Trade Union representatives will attend all Board meetings in full with no exclusions. Should a situation arise where the Trade Union Representative decides there is a conflict of interest, the Trade Union Representative will withdraw from that part of the meeting notifying the Trust Chair/Chief Executive of a need to withdraw.

- 2.2 Trade Union Representatives will be invited to attend Trust Board workshops, away days, committees and sub-groups.
- 2.3 Trade Union Representatives are not statutorily full members of the Board and do not have voting rights, however they should be treated as full members in every other respect and share the same responsibilities as set out in the Codes of Conduct and Accountability.
- 2.4 The Trust Chair will be responsible for ensuring that each Trade Union Representative has personal and developmental objectives in relation to their Board role and has an annual appraisal of their performance.
- 2.5 The Trade Union Representative is accountable to the Local Partnership Forum for ensuring that the views of staff are represented at the Board.
- 2.6 The annual Corporate Objectives for Trust Chairs will include ensuring the appointment of the Trade Union Representatives and their appropriate induction and performance monitoring.
- 2.7 The Trust Chair/Chief Executive will meet with the Local Partnership Forum on a regular basis.
- 2.8 Board minutes will be circulated to all members of the Local Partnership Forum.

3. Partnership at the Board

Trust Boards should be seen as a place where effective meetings are conducted in an atmosphere of respect even when individuals are in disagreement over a specific issue*. The following guidelines provide suggestions as to ground rules to support this environment.

- Wherever possible keep the language simple and avoid acronyms. Obtain clarity and understanding before agreeing or disagreeing.
- Respect other members of the Board as individuals with equal rights. When disagreeing or exploring an idea discuss the matter without taking issue with or attacking the individual making the point.
- Recognise and respect the responsibilities that individuals have as representatives of their members, their Directorate or of the Trust.
- Maintain confidentiality with the group or any other agreed parameters. If there is a potentially sensitive issue, it should be agreed how it will be communicated outside the Board and the level of confidentiality maintained. During the meeting individuals have the right to express opinions without fear of being quoted to others outside the meeting.

*also applies to Sub-groups, Committees and Local Partnership Forum meetings

- Sharing of information should be encouraged, sufficient time should be allowed for discussion, creativity and difference should be celebrated, participants should avoid taking a stance on issues.
- It is acceptable to disagree, and if consensus is not reached and a recommendation still has to be made then the disagreeing parties and their reasons need to be clearly noted.

Code of Conduct for NHS Boards*

Public Service Values

1. Public service values must be at the heart of the National Health Service. High standards of corporate and personal conduct, based on recognition that patients come first, have been a requirement throughout the NHS since its inception. Moreover, since the NHS in Wales is publicly funded, it must be accountable to the National Assembly for Wales (the Assembly) for the services it provides and for the efficient, effective and economical use of taxpayers' money.
2. There are seven principles of public life (The Nolan Principles). These general principles of conduct, which underpin public life, were restated when the Nolan Committee's 'First Report on Standards in Public Life' was published in May 1995. The principles state that public officials should:

Selflessness	Take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefit for themselves, their family, or their friends.
Integrity	Not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in their performance of their official duties.
Objectivity	In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards or benefits, choices should be made on merit.
Accountability	Are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
Openness	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.
Honesty	Have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
Leadership	Should promote and support these principles by leadership and example.

3. In particular, there are three crucial public service values which must underpin the work of the health service:

Accountability - everything done by those who work in the NHS in Wales must be able to stand the test of scrutiny by the Assembly, public judgements on propriety and professional codes of conduct.

Probity - there should be an absolute standard of honesty in dealing with the assets of the NHS in Wales: integrity should be the hallmark of all personal conduct in decisions affecting patients, staff and suppliers, and in the use of information acquired in the course of the NHS in Wales's duties.

Openness - there should be sufficient transparency about the NHS in Wales's activities to promote confidence between the NHS body and its staff, patients and the public.

General Principles

4. Public service values matter in the NHS in Wales and those who work in it have a duty to conduct NHS business with probity. They have a responsibility to respond to staff, patients and suppliers impartially, to achieve value for money from the public funds with which they are entrusted and to demonstrate high ethical standards of personal conduct.
5. This Code of Conduct for NHS Boards together with the Code of Accountability for NHS Boards is the basis on which NHS organisations in Wales should seek to fulfil the duties and responsibilities conferred upon them by the Assembly.
6. All board members of NHS bodies in Wales are required, on appointment, to subscribe to the Codes of Conduct and Accountability for NHS Boards.
7. The success of this Code depends on a vigorous and visible example from boards and its consequential influence on the behaviour of all those who work within the organisation. Boards have a clear responsibility for corporate standards of conduct and acceptance of the Code should inform and govern the decisions and conduct of all board members.

Board Members' Accountability, Performance and Development Framework

8. An Accountability, Performance and Development Framework is in place to help board members evaluate and receive feedback on their effectiveness. All board members are expected to participate in this process that is designed to develop continuously the balance of skills and experience necessary to create a climate of success at the organisation.

Openness and Public Responsibilities

9. Health needs and patterns of provision of health care do not stand still. There should be a willingness to be open, wherever possible, with the public, patients and with staff. It is essential that major changes are consulted upon before decisions are reached. Information supporting those decisions should be made available, in a way that is understandable, and positive responses should be given to reasonable requests for information in accordance with the Freedom of Information Act 2000.
10. NHS business should be conducted in a way that is socially responsible. As a large employer in the local community, NHS bodies should forge an open and positive relationship with the local community and should conduct a dialogue about the services provided. Health bodies should demonstrate that proposals for changes to service provisions are sustainable. NHS organisations should also demonstrate to the public that they are concerned with the wider health of the population including the impact of the organisation's activities on the environment. Local Health Boards also have a wider public health responsibility to the local community that they serve.
11. The confidentiality of personal and individual patient information must be respected at all times and dealt with in accordance with the Data Protection Act 1998.

Corporate Responsibility

12. Board members are expected to bring independent judgement to bear on issues of strategy, performance, the complaints procedure and accountability. They must act corporately, not only in the interests of their local constituency. Board members must act in the wider interests of the NHS in Wales as well as in the corporate interests of the NHS body to which they are appointed. They must always bear in mind the need for probity in everything they do.

Public Service Values in Management

13. It is unacceptable for the board of any NHS body, or any individual within the organisation for which the board is responsible, to ignore public service values in achieving results. Chair and board members have a duty to ensure that public funds are properly safeguarded and that at all times the board conducts its business legally and as efficiently, effectively and economically as possible. Proper stewardship of public monies requires value for money to be high on the agenda for all NHS boards.

14. Accounting, tendering and employment practices within the NHS must reflect the highest professional standards. Public statements and reports issued by the board should be clear, comprehensive and balanced, and should fully represent the facts. Annual and other key reports should be issued in good time to all individuals and groups in the community who have a legitimate interest in health issues to allow full consideration by those wishing to attend public meetings on local health issues.
15. The board must adopt the Assembly's overarching requirement that the principles of equality of opportunity, equality of access and fairness provide the cornerstone of the board's management practices. The board must also embrace the Assembly's Welsh language policy.

Public Business and Private Gain

16. Chair and board members should act impartially and should not be influenced by social or business relationships. No one should use their public position to further their private interests. Where there is a potential for private interests to be material and relevant to NHS business, the relevant interests should be declared and recorded in the board minutes and entered into a register, which is available to the public. When a conflict of interest is established, the board member should withdraw and play no part in the relevant discussion or decision.

Hospitality and Other Expenditure

17. Board members should set an example to their organisation in the use of public funds and the need for good value in incurring public expenditure. The use of NHS monies for hospitality and entertainment, including hospitality at conferences or seminars, should be carefully considered. All expenditure on these items should be capable of justification as reasonable in the light of the general practice in the public sector. NHS bodies should be aware that expenditure on hospitality or entertainment is the responsibility of management and is open to be challenged by the internal and external auditors and that ill-considered actions can damage respect for the NHS in Wales in the eyes of the community.

Relations with Suppliers

18. NHS boards should have an explicit procedure for the declaration of hospitality and sponsorship offered by, for example, suppliers. The procedure should clearly set out the processes to be followed with regard to both the board members' duty to monitor hospitality and sponsorship throughout the organisation and their own personal obligations. Hospitality and sponsorship authorisation should be

carefully considered and the decision should be recorded. NHS boards should be aware of the risks of incurring obligations, or perceived obligations, to suppliers at any stage of a contracting relationship. Suppliers should be selected on the basis of quality, suitability, reliability and value for money.

Staff

19. NHS boards should ensure that staff have a proper and widely publicised procedure for voicing complaints or concerns about mal-administration, breaches of this and all other Codes adopted by the organisation, and other concerns of an ethical nature. The board, and non-executive/nonofficer members in particular, must establish a climate that enables staff to have confidence in the fairness and impartiality of procedures for registering and investigating their concerns, and that staff will be protected against victimisation where concerns have been raised responsibly and reasonably.
20. A Code of Conduct for NHS Managers has been developed and issued along with this Code and should be circulated to all staff. This will form part of the manager's employment contract and will assist managers/staff in understanding the standards they can expect from members and the standards that they themselves are be expected to meet.

Compliance

21. Board members should satisfy themselves that the actions of the board and its members in conducting board business fully reflect the values in this Code and, as far as is reasonably practicable, that concerns expressed by staff or others are fully investigated and acted upon. All board members of NHS bodies in Wales are required, on appointment, to subscribe to the Code of Conduct for NHS Boards.

Code of Accountability for NHS Boards*

1. This Code of Accountability for NHS Boards together with the Code of Conduct for NHS Boards is the basis on which NHS organisations in Wales should seek to fulfil the duties and responsibilities conferred upon them by the Assembly.

Status

2. NHS bodies are established under statute as corporate bodies so that they have separate legal personality. Statutes and regulations prescribe the structure, functions and responsibilities of the boards of these bodies and prescribe the way the chair and members of boards are to be appointed.

Codes of Conduct and Accountability for NHS Boards and Code of Conduct for NHS Managers

3. All board members of NHS bodies in Wales are required, on appointment, to subscribe to the Codes of Conduct and Accountability for NHS Boards.
4. Chair and non-executive directors or non-officer members and co-opted members of NHS boards are collectively responsible for taking firm, prompt and fair disciplinary action against any officer members in breach of the Code of Conduct for NHS Boards. Breaches of the Code by the chair or non-executive directors or non-officer and co-opted members of the board should be drawn to the attention of the Head, Department for Health and Social Services in the Assembly.
5. NHS managers are required to take all reasonable steps to comply with the requirements and principles set out in the Code of Conduct for NHS Managers. Chairs, directors, members and managers of NHS bodies should be judged upon the way these respective codes are observed.

Statutory Accountability

6. The Assembly has statutory responsibility to promote a comprehensive, safe and effective health service, to secure improvement of the health of the people of Wales and to improve the prevention, diagnosis and treatment of illness. It uses statutory powers to delegate functions to health bodies, which are thus accountable to the Assembly. The Assembly is responsible for directing the NHS in Wales, ensuring national policies are implemented and for the effective stewardship of NHS Wales' resources.

7. LHBs are responsible for:
 - Improving the health of the local population;
 - Securing the provision of high quality services;
 - Integrating health and social care locally;
 - Combining primary care development and the commissioning of hospital and community health services with the provision of community health services; and
 - Maintaining an effective public health function.
8. NHS Trusts have a responsibility to provide goods and services for the purposes of the health service. NHS Trusts must ensure that the services they provide to patients are of high quality and are accessible. NHS Trusts should also lead in the development of new ways of working to fully engage patients and ensure a patient-centred service.
9. NHS boards must co-operate fully with the Assembly, the Wales Audit Office, the Care Standards Inspectorate for Wales, Healthcare Inspectorate Wales, Social Services Inspectorate Wales and any other statutory inspectorate agency, such as the Health and Safety Executive, when required to account for the use they have made of public funds, the delivery of patient care and other services, and compliance with the statutes, directions, guidance and policies of the Assembly.
10. The Head, Department for Health and Social Services and Chief Executive, NHS Wales is the Sub Accounting Officer for the NHS in Wales and, in this capacity, is accountable to the Assembly and Parliament. The work of the Welsh Assembly Government and Welsh health bodies is scrutinised by the Assembly Audit Committee (the Audit Committee) and the Parliamentary Public Accounts Committee (the PAC).
11. All NHS bodies are accountable through their appointed boards to the public in the communities that they serve. They also have a dual accountability to the Assembly: firstly, through the Chief Executive to the Head, Department for Health and Social Services and Chief Executive, NHS Wales; and secondly, the health body board is accountable, through its Chair, to the Minister for Health and Social Services.

The Board of Directors

12. NHS Trust boards normally comprise executive and part time non-executive board directors and have a part-time non-executive Chair. LHB boards comprise officer and non-officer members, a part-time non-executive Chair and may appoint co-opted members, as may be required. Together they share corporate responsibility for all the decisions of the board. There is a clear division of responsibility between the Chair and the Chief Executive: the functions of a NHS board along with Chair's and Chief Executive's roles are set out below.
13. Boards are required to meet regularly and to retain full and effective control over the organisation. The Chair and non-executive or non-officer and co-opted members are responsible for monitoring the executive management of the organisation and are responsible to the Assembly for the discharge of these responsibilities.
14. The key functions of an NHS board is to:
 - Set the strategic direction of the organisation within the overall policies and priorities of the Assembly and the NHS, define its annual and longer-term objectives and agree plans to achieve them;
 - Set the organisation's values and standards and ensure that its obligations to patients, the local community and the Assembly are understood and met;
 - Be collectively responsible for adding value to the organisation, enabling it to deliver high quality safe and effective healthcare and health improvement within the law and without causing harm whilst allowing the organisation to thrive and grow;
 - Provide active leadership and promote the success of the organisation by directing and supervising the organisation's affairs within a framework of good governance and prudent and effective controls which enable risk to be assessed and managed;
 - Ensure effective financial stewardship through value for money, financial control and financial planning and strategy;
 - Ensure that high standards of corporate governance and personal behaviour are maintained in the conduct of the business of the whole organisation;
 - Ensure that high standards of safe and effective clinical care are provided and that a clinical governance framework is in place for continuously improving the quality and safety of care;
 - Appoint, appraise and remunerate senior executives and, where necessary, challenge or veto any unreasonable proposal to increase remuneration;

- Ensure that the necessary financial, human and other resources are in place for the organisation to meet its objectives;
- Oversee the delivery of planned results by monitoring performance against objectives and ensuring corrective action is taken when necessary;
- Ensure that there is an effective dialogue between the organisation and the local community on its plans and performance and that these are responsive to the community's needs.

15. In fulfilling these functions Boards should:

- Act within statutory, financial and other constraints;
- Be clear as to what decisions and information are appropriate to the board. The board should draw up standing orders, a schedule of decisions reserved to the board and standing financial instructions to reflect these;
- Ensure that management arrangements are in place to enable the clear delegation of responsibility to senior executives for the main programmes of action. Performance against programmes should be monitored and senior executives held to account;
- Ensure that policies and procedures are in place that has been communicated to staff, patients and members of the public throughout the organisation for the handling of complaints, grievances and incidents of 'whistle-blowing'.
- Ensure that arrangements for delegation promote good management and that the delagatee is supported by the necessary staff with an appropriate balance of skills; and that a 'Continuing Professional Development' framework and standards process is in place further to develop staff.
- Establish performance and quality/safety targets that maintain the effective use of resources and provide value for money;
- Specify its requirements in organising and presenting financial and other information succinctly and efficiently to ensure the board can fully undertake its responsibilities;
- Establish audit and remuneration committees on the basis of formally agreed terms of reference that set out the membership of the sub-committee, the limit of their powers, and the arrangements for reporting back to the main board.

16. Detailed guidance about the roles and responsibilities of NHS board members is set out in the document 'Setting the Direction: Chairing the Board, Operating and Developing the Board, Roles and Responsibilities of Board Members - A Board Member's Guide'. A section in this document provides a detailed description of the accountabilities of each member of the board and includes respective Statements of Accountabilities against which members are held to account.

The role of the Chair

17. The Chair is responsible for leading the board and for ensuring that it successfully discharges its overall responsibilities for the organisation as a whole. The Chair is accountable to the Assembly via the Minister for Health and Social Services.
18. It is the Chair's role to:
 - Lead the board, ensuring its effectiveness on all aspects of its role and setting its agenda;
 - Ensure the provision of accurate, timely and clear information to board members;
 - Ensure there is effective communication with staff, patients and the public;
 - Manage and develop the board so that all board members act as a team and make a full contribution to the board's affairs;
 - Ensure that key and appropriate issues are discussed by the board in a timely manner;
 - Ensure the board has adequate support and is efficiently provided with all the necessary data on which to base decisions;
 - Lead non-executive board directors (or non-officer and co-opted board members in the case of LHBs) through a formally appointed remuneration committee of the main board on the appointment, appraisal and remuneration of the Chief Executive and (with the latter) other executive or officer board members, and ensure that the power to challenge or veto any unreasonable proposal to increase remuneration is embedded into the process;
 - Appoint non-executive board members (or non-officer and co-opted Board members in the case of LHBs) to an audit committee of the main board;
 - Appraise the performance of the organisation's Chief Executive and then forward the appraisal documents to the Head, Department for Health and Social Services and Chief Executive, NHS Wales for review and feedback;
 - Be responsible for objective setting, performance review and development with all his/her board members; and

- Advise the Minister through the Head, Department for Health and Social Services and Chief Executive, NHS Wales on the performance of non-executive board members (or non-officer and co-opted board members in the case of LHBs).
19. A complementary and effective relationship between the Chair and Chief Executive is important. The Chief Executive is accountable to the Chair and the non-executive members of the board (or non-officer and co-opted members of the board in the case of LHBs) for ensuring that the board is empowered to govern the organisation, and that the objectives it sets are accomplished through effective and properly controlled executive action, in accordance with Government policy and public service values. The Chief Executive should be allowed full scope, within clearly defined delegated powers, for action in fulfilling the decisions of the board.
 20. Handbooks entitled 'Guiding Direction and Delivery: Accountability, Performance and Development Handbook for NHS Wales Trust Chairs' and 'Guiding Direction and Delivery: Accountability and Development Handbook for LHB Chairs' have been issued to NHS board chairs and are part of a comprehensive and integrated performance management and accountability system for boards, Chairs and Chief Executives which describe their responsibilities and track and improve their performance.

The role of the Chief Executive

21. The Head, Department for Health and Social Services and Chief Executive, NHS Wales, in her role as the Sub Accounting Officer for the NHS in Wales, designates health body Chief Executives as Accountable Officers for their organisations on their appointment. This process establishes a key role in maintaining the line of accountability to the Assembly. The Chief Executive's Accountable Officer duties are set out in the Accountable Officer Memorandum.
22. Besides being the Accountable Officer for the health body, it is the Chief Executive's responsibility to lead and manage the performance and development of the organisation.
23. Key elements of the Chief Executives role is to:
 - Set the direction of, lead, represent and promote the organisation;
 - Advise the board when appropriate to do so and to ensure the decisions agreed by the board are properly implemented;
 - Be accountable for the organisation in accordance with the requirements set out in the Accountable Officer Memorandum;

- Deliver health services in accordance with the functions delegated to the organisation by the Assembly and compliance with statutes, directions, guidance and policies issued by the Welsh Assembly Government;
 - Ensure effective and sound financial, management, information, risk and other systems are in place within the organisation in an integrated way and their regular review;
 - Ensure that a high standard of accountability, governance (financial, corporate, clinical, etc.), regularity and propriety is embedded within the organisation;
 - Establish relationships with stakeholders to assist in the achievement of the organisation's objectives and ensure that the organisation links and communicates effectively with partner organisations;
 - Ensure the careful selection and development of staff with an appropriate balance of skills, and that a 'Continuing Professional Developments' framework and standards process is in place to further develop staff;
 - Ensure that policies and procedures are in place that has been communicated to staff, patients and members of the public throughout the organisation for the handling of complaints, grievances and incidents of 'whistle-blowing'.
 - Set measurable objectives with and assess the performance of executives;
 - Develop and strengthen the necessary decision-making, delivery and development processes within the organisation.
24. The Chief Executive is accountable to the Chair and non-executive (or non-officer and co-opted in the case of LHBs) members of the board for implementing the board's decisions and meeting the board's objectives, and as Accountable Officer, to the Head, Department for Health and Social Services and Chief Executive, NHS Wales for the performance of the organisation.
25. The handbook 'Vision, Passion, Leadership and Delivery: Accountability, Performance and Development Handbook for NHS Wales Chief Executives' has been issued to NHS Chief Executives and is part of a comprehensive and integrated performance management and accountability system for boards, Chairs and Chief Executives, which describe their responsibilities and tracks and improves their performance.

Non-Executive (or Non-Officer and Co-opted) Board Members

26. For Trusts, non-executive board directors are appointed by the Assembly to bring independent judgement to bear on issues of strategy, performance, key appointments and accountability through the Head, Department for Health and Social Services and Chief Executive, NHS Wales to the Assembly and to the local community.
27. In the case of LHBs, non-officer board members appointed by the board and approved by the Assembly, or co-opted members appointed by the board will undertake this role.
28. Non-executive board directors (or non-officer and co-opted board members in the case of LHBs) will be able to contribute to board business from wider experience and with a critical detachment.
29. The duties of non-executive directors (or non-officer and co-opted members in the case of LHBs) are to:
 - Constructively challenge and contribute to the development of strategy;
 - Scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
 - Satisfy themselves that financial information is accurate and that financial controls and systems of risk management are robust and defensible;
 - Determine appropriate levels of remuneration for executive directors by challenging or vetoing, where necessary, any unreasonable proposal to increase remuneration, and have a prime role in appointing, and where necessary, removing senior management and also in succession planning; and
 - Ensure the Board acts in the best interests of the public and is fully accountable to the public for the services provided by the organisation and the public funds and other assets it uses.
30. Non-executive directors (or non-officer and co-opted members in the case of LHBs) also have a key role in a small number of permanent board committees such as the Audit Committee, Remuneration and Terms of Service Committee, the Clinical Governance Committee and Risk Management Committee.
31. In addition, they may undertake specific functions agreed by the board including oversight of complaints, grievances and 'whistle-blowing' incidents, staff relations with the general public and the media, participation in professional conduct and competency enquiries, staff disciplinary appeals, procurement of information management and technology and designated responsibility within the board for Human Rights Act and Welsh language issues.

32. NHS Trust and LHB boards are accountable for the performance of their organisations in handling complaints about the services they provide, commission or fund, and for ensuring that lessons are learned to improve services. Non-executive board directors (or non-officer and co-opted board members in the case of LHBs) play important roles in relation to the handling and monitoring of complaints. The importance of complaints needs to be reflected at board level and a non-executive or non-officer member should be given designated responsibility for maintaining an overview of complaints and for reporting to the board. The Chief Executive of the NHS Trust or LHB is responsible to the board for the effective handling of complaints. Further guidance for boards in the handling of complaints can be found in *Complaints in the NHS, a guide to handling complaints in Wales*, April 2003.

Reporting and Controls

33. It is the board's duty to present through the timely publication of an annual report, annual accounts and other means, a balanced and readily understood assessment of the organisation's performance to:
- The Head, Department for Health and Social Services and Chief Executive, NHS Wales on behalf of the Assembly;
 - The Wales Audit Office and its appointed auditors;
 - The local community.
34. The financial guidance issued by the Assembly, including the role of internal and external auditors, must be scrupulously observed. The standing orders of boards should prescribe the terms on which committees and sub-committees of the board may have delegated functions, and should include a schedule of decisions reserved for the board and a set of standing financial instructions.

Declaration of Interests

35. It is a requirement that Chairs and all board members should declare any conflict of interest that arises in the course of conducting NHS business. That requirement continues in force. All NHS organisations maintain a register that is available to the public of member's interests to avoid any danger of board members being influenced, or appearing to be influenced, by their private interests in the exercise of their public duties. All board members are therefore expected to declare any personal or business interest which may influence, or may be perceived to influence, their judgement. This should include, as a minimum, personal direct and indirect financial interests, and normally also include such interests in the case of close family members. Indirect financial interests arise from connections with bodies that have a direct financial interest,

or from being a business partner of, or being employed by, a person with such an interest. Directorships and other significant interests held by NHS board members should be declared on appointment, kept up to date and set out in the annual report.

Employee Relations

36. NHS boards must comply with employment legislation and guidance issued by the Assembly including that relating to equal opportunities. They should respect agreements entered into by themselves or in or on their behalf, and establish terms and conditions of service that are fair to staff and represent good value for taxpayers' money. Fair and open competition should be the basis for appointment to posts in the NHS.
37. The terms and conditions agreed by the board for senior staff should take full account of the need to obtain maximum value for money for the funds available to patient care. The board should ensure through the appointment of Remuneration and Terms of Service Committee that executive or officer board members' total remuneration could be justified as reasonable. All board members' total remuneration for the organisation of which they are board members should be published in the annual report.

Indemnities for Personal Civil Liability

38. The Welsh Assembly Government has indicated that an individual board member who has acted honestly and in good faith, will not have to meet out of their own personal resources any personal civil liability, which is incurred in the execution or purported execution of their board function, save where the person has acted recklessly. Such cover excludes any personal criminal liability and will not protect the reckless or those who have acted in bad faith.

Termination of Board Membership Appointments

39. Board appointments may be terminated without compensation in the event of unsatisfactory conduct, performance or attendance at board meetings - including the failure to act impartially or the ability to recognise and acknowledge conflicts of interest.

Section 31 Arrangements between NHS bodies and local authorities

40. NHS bodies may enter into arrangements in relation to prescribed functions of the NHS bodies and prescribed health-related functions of local authorities under section 31 of the Health Act 1999.
41. In these situations where local authority functions are delegated to a NHS body the local authority remains accountable for the services.
42. Though not mandatory, it is good practice to establish a joint committee of the NHS body and local authority to ensure appropriate accountability and that all joint arrangements are properly agreed and documented.