

**Executive Summary**  
**Report to the Board of Directors**  
**Held on 23 February 2021**

<b>Subject</b>	Amendment to Trust Constitution – Board Composition
<b>Supporting TEG Member</b>	Sandi Carman, Assistant Chief Executive
<b>Author</b>	Judith Green, Corporate Governance Manager
<b>Status<sup>1</sup></b>	For Approval

**PURPOSE OF THE REPORT**

The Board of Directors is asked to approve an amendment to the Trust Constitution following changes in Board Composition.

**KEY POINTS**

- There is a need to reflect changes to the composition of the Board of Directors in a number of Trust governing documents, including the Trust Constitution.
- The total number of Executive Directors has increased from seven to eight following the appointment of Jennifer Hill as substantive Medical Director (Operations). To ensure that the balance of independence is retained on the Board approval has been given by the Board of Directors' Nomination and Remuneration Committee (NRC) to a recommendation from the Trust Executive Group (TEG) to increase the number of NEDs on the Board through recruitment to an additional NED position.
- This maintains compliance with provision B1.2 of the NHS Foundation Trust Code of Governance which states that '*At least half the Board, excluding the Chairman, should comprise Non-Executive Directors determined by the Board to be independent*'.
- Changes to the Trust Constitution require approval by more than half of the members of the Board of Directors and more than half of the members of the Council of Governors voting to approve the amendments.
- The section of the Constitution requiring amendment is appended to this paper as Appendix A with proposed amendments to reflect agreed changes in Board composition marked as tracked changes.
- The increase in the size of the Board of Directors is reflected in amendments to (23.2).
- The current Trust Constitution (version 7.1) published on the Trust website can be accessed from the following link, <https://www.sth.nhs.uk/about-us/official-publications/trust-constitution>.
- Following approval by the Board of Directors, these changes to the Trust Constitution will be presented to the 30 March 2021 Council of Governors' meeting for approval.

- There will be a requirement for a disclosure statement to be made within the Trust's 2020/21 Annual Report describing arrangements put in place to meet the main principles of the NHS Foundation Trust Code of Governance while provision B1.2 was not being met.
- A separate paper on the agenda of this meeting of the Board of Directors (23 February 2021) presents for Board approval further governing documents amended to reflect the change in the size of the Board.

## IMPLICATIONS<sup>2</sup>

AIM OF THE STHFT CORPORATE STRATEGY		Assurances Received
1	Deliver the Best Clinical Outcomes	✓
2	Provide Patient Centred Services	✓
3	Employ Caring and Cared for Staff	✓
4	Spend Public Money Wisely	✓
5	Deliver Excellent Research, Education & Innovation	✓

## RECOMMENDATIONS

The Board of Directors is asked to:

- **APPROVE** the proposed changes to the Trust Constitution to reflect changes to the composition of the Board of Directors.
- **NOTE** the requirement for these changes to jointly be approved by the Council of Governors and the scheduling of this recommendation to the Council meeting to be held on 30 March 2021.
- **NOTE** the need to make a Code of Governance disclosure statement in respect of the balance of independence of the Board of Directors within the Trust's 2020/21 Annual Report.

## APPROVAL PROCESS

Meeting	Date	Approved Y/N
Trust Executive Group	09/12/20	Y
Board of Directors	23/02/21	
Council of Governors	30/03/21	

**Trust Constitution (page 15)****23. Board of Directors – Composition**

- 23.1 The Trust is to have a Board of Directors, which shall comprise both Executive and Non-Executive Directors.
- 23.2 The Board of Directors is to comprise:
- 23.2.1 a Non-Executive Chair
  - 23.2.2 **SevenEight or more other Non-Executive Directors;** and
  - 23.2.3 **Up to eight Executive Directors.**
- 23.3 The Board of Directors shall at all times be constituted so that the number of Non-Executive Directors (excluding the Chair) equals or exceeds the number of Executive Directors.
- 23.4 One of the Executive Directors shall be the Chief Executive.
- 23.5 The Chief Executive shall be the Accounting Officer.
- 23.6 One of the Executive Directors shall be the Finance Director.
- 23.7 One of the Executive Directors is to be a registered medical practitioner or a registered dentist (within the meaning of the Dentists Act 1984).
- 23.8 One of the Executive Directors is to be a registered nurse.
- 23.9 One of the Non-Executive Directors is to exercise functions for the purposes of The University of Sheffield.
- 23.10 The post of Executive Director may be held by more than one individual on a job share basis (although the Executive Director position of registered medical practitioner or registered dentist and the Executive Director position of registered nurse cannot be shared between two professions) but where such an arrangement is in force the individuals shall only count as one Executive Director and may only exercise one vote between them at any meeting of the Board of Directors.