



Introduction

1.0 Introduction

The NHS Ayrshire & Arran Code of Corporate Governance (The Code) is a set of standards and policies which provide the overarching governance framework presented in a detailed document. The Code sets out how NHS Ayrshire & Arran will conduct its business.

The governance framework supports the requirements of [The Blueprint for Good Governance in NHS Scotland](#), Second Edition published by Scottish Government in December 2022 through Directors Letter [DL2022 \(38\)](#). This revised edition contains guidance for best practice in corporate governance, with a particular focus on the healthcare setting, and sets out a model 'blueprint' for a system of corporate governance to be applied consistently across all NHS Boards.

The following sections are included in the NHS Ayrshire & Arran's Code of Corporate Governance:

Section A	How Business is Organised including Standing Orders
Section B	Members Code of Conduct
Section C	Standards of Business Conduct for NHS Staff
Section C1	Supporting guidance for Staff and Board Members on acceptance and declaration of gifts and hospitality and declarations of interest
Section D	Counter Fraud Policy and Action Plan
Section E	Standing Financial Instructions
Section F	Scheme of Delegation
Section G	Risk Management
Section H	Integrated Health and care framework

The Code of Corporate Governance is published on the Board's Intranet and external web.

2.0 Purpose

This purpose of this document is to provide guidance and instruction on the organisation's corporate governance framework. To ensure that all NHS employees in Ayrshire and Arran are aware of their duties under The Code and comply with the details requirements under each section.

3.0 Scope

This Code of Corporate Governance is applicable to all employees of NHS Ayrshire & Arran, including holders of honorary contracts, to independent contractors when they are working on behalf of NHS Ayrshire & Arran, to Non-executive Directors of the NHS Board and to NHS Ayrshire & Arran employees working within the Health and Social Care Partnerships – as set out in each section of The Code.

4.0 Definition of Terms

Any expressions to which a meaning is given in the Health Service Acts or in the Regulations or Orders made under the Acts shall have the same meaning in this interpretation and in addition:

Definition	Meaning
The Accountable Officer	Is the Chief Executive of NHS Ayrshire & Arran, who is responsible to the Scottish Parliament for the economically efficient and effective use of resources. The Chief Executive of NHS Ayrshire & Arran is also accountable to the Board for clinical, staff and financial governance, including controls assurance and risk management, and for delivery of other statutory requirements. This is a legal appointment made by the Principal Accountable Officer of the Scottish Government. (Public Finance and Accountability (Scotland) Act 2000 Memorandum to Accountable Officers for other Public Bodies).
The Act	The National Health Service (Scotland) Act 1978 as amended.
The 2001 Regulations	The Health Board's (Membership and Procedure) (Scotland) Regulations 2011.
The 1960 Act	The Public Bodies (Admission to Meetings) Act 1960 as amended.
Board Annual Plan	The document which sets out the agreement/delivery contract between Scottish Government and NHS Ayrshire & Arran. Has previously been called the Local Delivery Plan (LDP) and Annual Operational Plan (AOP)
Board Member	A person appointed as a Member of the Board by Scottish Ministers and who is not disqualified from membership.
Budget	Money proposed by the Board for the purpose of carrying out, for a specific period, any or all of the functions of the Board.
Chair	The person appointed by the Scottish Ministers to lead the Board and to ensure that it successfully discharges its responsibility as a whole. The Chair of a Committee is responsible for fulfilling the duties of a Chair in relation to that Committee only.
Chief Executive	Is the Accountable Officer of NHS Ayrshire & Arran.
Committee	A Committee established by the Board and includes "Sub-Committee".
Committee Members	People formally appointed by the Board to sit on or to chair specific committees.
Contract	Any arrangements including an NHS Contract.
Co-opted Member	An individual, not being a Member of the Board, who is appointed to serve on a Standing Committee, Special Committee, or Sub-Committee of the Board.
Corporate Governance	The term used to describe our overall control system.

Definition	Meaning
Head of Corporate Governance	The Officer appointed by the Chief Executive to oversee the management of the Board's corporate governance arrangements in line with statutory requirements and NHS Scotland guidelines.
HSCP	Health and Social Care Partnership
IJB	Integration Joint Board
Lay Member	An individual, not being an employee of the Board, who is appointed to serve on a Committee of the Board.
Meeting	A meeting of the Board or any Committee.
Nominated Officer	An officer charged with the responsibility for discharging specific tasks within the Code of Corporate Governance.
SFIs	Standing Financial Instructions.
SGHSCD	Scottish Government Health and Social Care Directorates
Vice Chair	The Non-Executive Member appointed by the Board to take on the Chair's duties if the Chair is absent for any reason.

5.0 Roles & responsibilities

- **It is the duty of the Chair and the Chief Executive** to ensure that Board members and staff understand their responsibilities.
- **The Chief Executive** is responsible as Accountable Officer for the organisation's system of internal control and the Code of Corporate Governance.
- **Directors** are responsible to ensure compliance with the Code of Corporate Governance and for ensuring their staff understand their responsibilities.
- **Managers** are responsible for ensuring their staff understand their responsibilities.
- **Head of Corporate Governance** is responsible for ensuring that The Code of Corporate Governance is reviewed annually and that any changes are managed and approved via the NHS Board.
- **All employees including Board Members** are responsible to comply with the Code of Corporate Governance

6.0 Ayrshire and Arran NHS Board

6.1 Ayrshire and Arran NHS Board (the Board) is a strategic body, accountable to the Scottish Government Health and Social Care Directorates and to Scottish Ministers for the functions and performance of NHS Ayrshire & Arran. The Board consists of the Chair, Non-Executive and Executive Members, all appointed by the Scottish Ministers.

The Board will not concern itself with day-to-day operational matters, except where they have an impact on the overall performance of the system.

6.2 The overall purpose of NHS Ayrshire & Arran Board is:

- To ensure the efficient, effective and accountable governance of NHS Ayrshire & Arran health system, and to provide strategic leadership and direction for the system as a whole, focusing on agreed outcomes.

6.3 The role of the Board is:

- To improve and protect the health of local people.
- To improve health services for local people.
- To focus clearly on health outcomes and people’s experiences of NHS Ayrshire & Arran.
- To promote joint health and community planning by working closely with our partners and other organisations.
- To be accountable for the scrutiny and performance of NHS Ayrshire & Arran as a whole.
- To involve the public in the design and delivery of healthcare services.

6.4 The functions of the Board are:

- Provision of strategic leadership and direction for the local health system as a whole.
- Resource allocation to address local priorities.
- To oversee implementation of the Board Annual Plan.
- To manage the performance of NHS Ayrshire & Arran, including risk management.

6.5 Responsibilities of members of NHS Ayrshire & Arran Board are:

- Shared responsibility for the discharge of the functions of the Board.
- Independent judgement on issues of strategy, performance management, key appointments and accountability to Scottish Ministers and to the local community.
- Responsibility for the overall performance of NHS Ayrshire & Arran.

6.7 Composition of the Board

The Board will consist of the following members appointed by the Minister:

Non-Executive Members (15)	Executive Members (5)
Chair	Chief Executive
9 Non-Executive Members	Director of Finance
Chair – Area Clinical Forum	Nurse Director
Chair – Area Partnership Forum	Medical Director
3 Local Authority Elected Members	Director of Public Health

7.0 Corporate Governance

Corporate Governance is the term used to describe our overall control system. It details how we direct and control our functions and how we relate to our communities and covers the following dimensions:

- Service delivery arrangements.
- Structures and processes.
- Risk management and internal control.
- Standards of conduct.

Ayrshire and Arran NHS Board is responsible for corporate governance by:

- Giving leadership and strategic direction.
- Putting in place controls to safeguard public resources.
- Supervising the overall management of its activities.
- Reporting on management and performance

8.0 Conduct, accountability and openness

Board Members and staff are expected to promote and support the principles in the Members' Code of Conduct (Section B) and the Standards of Business Conduct for NHS Staff (Section C), and to promote through their own personal conduct the values of:

1. Duty - Public Service
2. Selflessness
3. Integrity
4. Objectivity
5. Accountability and Stewardship
6. Openness
7. Honesty
8. Leadership
9. Respect

9.0 Endowment funds

The principles of this Code of Corporate Governance apply equally to Members of Ayrshire and Arran's NHS Board who have distinct legal responsibilities as Trustees and the Endowment Funds.

10.0 Advisory and other committees

The principles of this Code of Corporate Governance apply equally to all NHS Ayrshire & Arran Advisory Committees and all committees and groups which report directly to an Ayrshire and Arran NHS Board Committee.

11.0 Review and feedback

The Board will keep the Code of Corporate Governance under review and undertake a comprehensive review annually.

The Board may, on its own or if directed by the Scottish Ministers, vary and revoke Standing Orders for the regulation of the procedure of business of the Board and of any Committee. The Audit and Risk Committee is responsible for advising the Board on these matters.

NHS Ayrshire & Arran wishes to improve continuously. To ensure that this Code remains relevant, we would be happy to hear from you with regard to new operational procedures, changes to legislation, confusion regarding the interpretation of statements or any other matter connected with the Code.

Comments and suggestions for improvement are most welcome and should be sent to:

Head of Corporate Governance
NHS Ayrshire & Arran
Eglinton House
Ailsa Hospital
Dalmellington Road
AYR KA6 6AB
Via email: aa-uhb.ceo@aapct.scot.nhs.uk