

Code of Governance for Governors of the Rotunda Hospital

Introduction and Overview of the Rotunda Hospital

The Rotunda Hospital was granted a Royal Charter on 2nd December 1756 for incorporating the Governors and Guardians of the Hospital.

Good Corporate Governance is extremely important in the not-for-profit sector giving increased organisational credibility, legitimacy and transparency. Best practice in governance is recognised as being evolutionary in nature and the Rotunda will constantly review standards to ensure it develops and evolves.

The Board of the Hospital accepts the principles of Corporate Governance as outlined in the Code of Practice for State Bodies and all statutory requirements of the Irish State. In developing this Code, the Rotunda has referred to the Framework for the Corporate and Financial Governance of the HSE and also takes cognizance of requirements under the Health Acts 1948 to present; Ombudsman Act, 1980; Freedom of Information Acts 1997 – 2003; Ethics in Public Office Act 2001 -2009; Ombudsman for Children's Act, 2002 and the Comptroller and Auditor General (Amendment) Act 1993. The Board of Governors also takes cognizance of reports produced by other agencies such as HIQA where recommendations are applicable to the Rotunda Hospital.

1. Responsibility of the Board of the Rotunda

The Governors and Guardians of the Rotunda Hospital (The Board) has a responsibility for promoting a collective vision that supports the Hospital's purpose, ethos, culture, values and behaviours it wishes to promote in conducting business. The Board also has responsibility to provide leadership within a framework of prudent and effective controls which enable risk to be assessed and managed. In particular it:

- Ensures robust mechanisms are in place to monitor risk to the organisation, and especially the health and safety of patients and staff
- Demonstrates ethical leadership in line with the culture and values of the hospital
- Gives strategic direction to executive management
- Monitors the activity and effectiveness of management
- Ensures the timely implementation of the agreed strategy
- Ensures financial probity and viability
- Promotes behaviours consistent with the culture and values of the Hospital
- Makes well informed and high quality decisions based on clear information from management

Board members should encourage teamwork to achieve a collective objective and strategic direction. The Board speaks with authority when it passes an official motion at a properly constituted Board meeting. This demands that those who lose a vote respect the decision made. Board members are bound to uphold confidentiality in respect of matters that are not in the public interest.

The Board must ensure compliance with statutory obligations applicable to the Hospital.

The Board is responsible for ensuring that internal financial and other quality control systems are in place and ensuring external auditors are engaged to review the accounts annually.

The Board has a responsibility to ensure that systems are in place in the Hospital to support when required by law the disclosure of confidential information or possible irregularities in any area of the Hospital.

The Board should ensure there is an Annual Report produced.

The Board should review its composition on an annual basis and agree the selection of new Governors.

2. Schedule of matters reserved for Board approval

- Significant acquisitions, disposal and retirement of assets
- Major investments and capital projects
- Delegated authority levels, treasury policy and risk management
- Approval of terms of major contracts (review the threshold level from time to time) will come under the remit of the General Purposes Committee; compliance with statutory and administrative requirements in relation to all matters of Hospital business
- Approval of annual budgets and corporate plans
- Production of annual reports and accounts
- Appointment, remuneration and assessment of performance and succession planning for the Master

a. Without prejudice to the powers of the Board, the following matters are delegated by the Board to the Master/Chief Executive:

- Day to day management of the hospital
- Proposing strategy to the Board and delivering the agreed strategy
- Setting an example to the Rotunda's employees and communicating to them the Board's expectations on the Rotunda's culture, values and behaviours
- Supporting the Board to ensure that appropriate governance standards are spread throughout the hospital
- Making certain that the Board is made aware of the employees' views on relevant issues
- Responsibility for ensuring that high quality information is provided to the Board on the Rotunda's financial and strategic performance
- Ensuring that the Board knows the views of the executive team on business issues and explaining any divergence of view before final decision on an issue is taken

1) Board Structure and Committees

The Charter outlines the constitution and the roles and responsibilities of the Board of Governors of the hospital.

The Board has the authority to establish Committees either by appointment or election from the members of the Board, that "shall have full power to direct, manage, and transact, all the

Business, Affairs, Estates and Effects as shall be made and established from time to time by the General Board”.

The Charter requires that there shall be four General Meetings of the Governors and Guardians to be held each year with powers to make decisions on estates and all matters for the “well-governing” of the hospital within the laws and statutes of Ireland.

2) Appointment of Chairman

The Chairman of the Board shall be appointed for a term of 3 years with an option to extend by a further 2 years by mutual agreement of the Chairman and the Board of Governors

The outgoing Chairman establishes and chairs a subcommittee to select the new Chairman. Nominations with the permission of the nominee or a self nomination be made for consideration. The Chairman of the Board will bring any recommendations to the Board

3) Appointment of New Governors

The Charter allows for the majority of the General Board to “elect and nominate such fit and able Persons to be Governors and Guardians, as they shall think most likely to encourage and promote the Charitable Designs” of the hospital.

While the Charter allows for the appointment of up to 60 Governors of the Rotunda Hospital the Board has agreed to reduce the number of Governors to a number significantly less in line with current governance standards but to retain sufficient numbers to fulfill the functions of the Board. The Charter allows for a number of ex-officio appointments based on offices determined by the Charter.

4) Skill Set of the Board

The Skill Set required should be diverse enough to meet the oversight of the Board of Governors responsibilities.

The following skill sets are agreed as appropriate for consideration when appointing new a Governor to The Rotunda Board:

- legal including procurement
- financial including audit
- property management
- risk management
- human resources matters
- medical/midwifery/nursing
- patient/consumer interest
- strategic planning

- ICT knowledge

- academic component/research/teaching

When there is a requirement for a new Governor the Chairman of the GAC should recommend to the General Board the skill sets required for the next appointee before nominations are sought.

5) Nomination Process

The Governance Audit Committee (GAC) holds the nominations function to the Board of Governors. The GAC will review the composition of the Board each year and determine who will be resigning based on the Tenure protocol. The GAC should also consider the skill set of the General Board and determine the desired skill set for the next appointee. The desired requirements will then be brought to the General Board and Governors will be asked to nominate potential Governors to the Chairman of the GAC.

Nominations may be made to the Chairman of the Governance Audit Committee and the nomination will then be brought to the Committee for consideration.

If more than one nomination is brought a selection process will take place to select the most appropriate based on the skill set and other diversity requirements of the Board.

It will be the duty of the Chairman of the Governance Audit Committee to contact the nominated individual, outline the duties, commitments, functions and legal requirements required of a Governor of the Rotunda Hospital. If both parties are in agreement their nomination will be brought to the Board for approval.

A letter of appointment from the Chairman of the Board to the newly appointed Governor with the Terms of Appointment will be issued.

If a suitable nomination is not brought forward the GAC may then approach relevant Representative Bodies for a nomination and conduct a selection process if required.

Master

It is recommended by the HSE that unless provided for in legislation, no employee of the Provider should serve as a member of the Board. The Charter does not provide for the Master to be a Governor on completion of the term of office however historically it has been the practice that the Master would become a Governor on completion of the term of office. The Rotunda Board has agreed continuation of this but in accordance with the recommended nine years maximum service.

Medical Governors

The Board agrees that the composition of registered practicing medical doctors as governors does not exceed the non medical governors.

6) Appointment and Tenure

The General Board approved at its meeting on 7th May 2015 that the length of

appointment of new Governors would be 3(three) years with an opportunity to extend for a further period of 3 (three) years to a maximum of 9 (nine) years.

7) Induction of New Governors

The Secretary/General Manager arranges an induction for the new Governor at a time suitable to the Governor and provides appropriate documents and information to support their role. The Chairman of the Board facilitates the Induction Programme.

8) Remuneration for Governors

Governors elected to the Rotunda Board do not receive a monetary payment but legitimate expenses vouched by receipt should be submitted to the Secretary/General Manager for payment.

9) Attendance and Removal

In accordance with good governance the GAC recommend a minimum attendance of 60% aggregated across Board and Committee meetings. All Governors attendance will be recorded. Should a Governor not meet the 60 % requirement, the Chair of the Board will contact them.

The Board is fully aware that some Governors may not be able to fulfil their duties for good reason and in such case the Governor should make contact with the Chair of the Board to discuss the matter.

If a Governor does not meet the requirement after year two they will once again be contacted by the Chair of the Board and depending on the outcome of that meeting may be asked to resign their position.

Governors who have a clear conflict of interest will be asked to resign.

A Governor may opt not to renew a second or third term of office and should advise the Chairman of the GAC of this intent six months before the end of the term to allow for succession planning.

10) Role of the Honorary Officers

The Charter allows for the election of one Secretary and one Treasurer and six Vice Presidents. These honorary officers should avoid creating an 'inner group' that excludes other Governors from decision making.

Unless honorary officers have explicit decision-making powers, they must act collectively with other trustees in making decisions.

10 (a) Honorary Secretary

The honorary secretary has a different role from the Hospital Secretary General Manager.

The honorary secretary is a Governor with a specific role on the board. The secretary is nominated by the Chairman and elected to this role in accordance with the terms of the Charter. The Board has agreed that the Honorary Secretary should be appointed for a period of 3 years which may be

extended x 3 years by mutual agreement of the Officer and the Board of Governors and so long as the extension does not exceed the 3x3x3 tenure rule as a Governor.

It is recommended that the Governor elected to be the Honorary Secretary shall have a background/knowledge in oversight of compliance matters.

Functions

Recording minutes and co-ordination board and committee meetings is the responsibility of the office of the Hospital Secretary General Manager. The honorary secretary's role is to take minutes of confidential sections of meetings where employees are not present.

The honorary secretary may deputise for the Chairman of the Board of Governors in the event of an unforeseen absence or as agreed by the Board in other circumstances.

10(b) Honorary Treasurer

The honorary treasurer is a Governor with a specific role on the board. The honorary treasurer is nominated by the Chairman and elected to this role in accordance with the terms of the Charter. The honorary Treasurer will have an up to date financial background.

Functions

The honorary Treasurer may deputise for the Chairman of the Board of Governors in the event of an unforeseen absence or as agreed by the Board in other circumstances.

The honorary treasurer helps governors carry out their financial responsibilities. They might do this by:

- Assisting the Executive Financial Controller to present financial reports to the board in a format that helps the board understand the hospital's financial position
- advising the board on how to carry out its financial responsibilities
- liaising with professional advisors
- overseeing the preparation and scrutiny of annual accounts

10(c) Vice Presidents

The Charter allows for six Vice Presidents. The Vice Presidents do not have explicit decision-making powers: they act collectively with other trustees in making decisions. The Vice Presidents are selected by the Chairman and may act to provide counsel to the chairman.

11) Board Meetings

The General Board manages its commitments through a structure of Committees. The General Purposes Committee (GPC) is a decision making Board Committee while other committees are advisory. Working Groups can be established by the Board or committees to consider agreed matters and bring proposals to the GPC or Board. Each Committee is supported by Terms of Reference agreed by the Board with the meeting frequency and times agreed by the appointed Committee/Group. The Chairman of each Committee will report on the Committee's activity/considerations to the Board.

Agreed Board meetings may be deferred with the consent of the Chairman in particular circumstances and likewise the Chairman may call a meeting at any time if a particular matter requires urgent consideration, giving notice to all Governors of the date, time and venue of the meeting and the

matter to be considered.

The Board pack will be issued to Governors within 5 working days of the meeting and will include at a minimum the minutes of the previous meeting and the agenda for the current meeting.

12. Disclosure of Interest

Having considered the Agenda for the meeting all Governors should determine if there is any area that causes a conflict of interest and this should be disclosed at the meeting and the Governor should leave the meeting during the discussion.

13. Resolutions/Voting

It is the Chairperson's duty to ensure that no individual Governor or interest has excessive influence on decision making and that all Governors have an equal opportunity to participate in debate and final decisions.

Board decisions are made by consensus or by majority of the members present. The decisions of the Board shall be recorded in the minutes.

14. General Board Meetings

There will be a minimum of 4 Board Meetings per annum and as many as are necessary to conduct all oversight requirements of the Board. All Board Meetings will normally commence at 5.00 p.m. and normally be held on the first Thursday of the month with the exception of November when the Meeting will be held on the 1st Friday of the month and commence at 12.00 midday.

As well as minutes from the previous meeting and an agenda for the upcoming meeting the Board pack will also include the CEO's Report, the financial report and any other relevant material to be considered at the meeting. Governors are expected to have read the pack before the meeting.

14(a) Board Committees

Each Committee is appointed by the Board with agreed Terms of Reference (ToR). The Chairman of the Committee is appointed by the Chairman of the Board.

1. General Purposes Committee (decision making)
2. Property Advisory Committee
3. Governance/Audit Committee
4. Risk Committee

There are a number of Hospital Committees or Board Working Groups which Governors participate in.

- **Hospital Research Ethics Committee**

The Hospital Research Ethics Committee meets every month from January to November. Two Governors are nominated to this Committee by the Chairman of the Board in consultation with Executive Officers.

- **Midwifery and Nursing Forum**

The Midwifery and Nursing Forum meets quarterly. Two Governors are nominated to this Committee by the Chairman of the Board in consultation with Executive Officers.

- **Walkrounds Governors**

The Board nominates two Governors to attend Walkrounds in the Hospital and to submit a written report and recommendations to the Master. The visiting Governors rotate every two years.

- **Working Groups**

From time to time Working Groups are established by the Chairman of the Board to oversee significant matters. Terms of Reference for these Working Groups are agreed by the Board

and the meeting frequency and times are agreed by the appointed Group.

- **The Rotunda Foundation**

The Board fully supports the Rotunda Foundation activities in support of the Foundation Objectives. The Foundation may wish to submit reports on their activities from time to time to the Master who can relay the information to the Board.

15. Standard of Commitment for Elected Governors

To facilitate the extensive commitments of Governors it is agreed to have minimum standards that each Governor shall meet unless otherwise agreed by the Chairman of the Board.

- Each Governor shall attend as many Board Meetings as possible during each year
- Each Governor shall commit to a minimum of one of the Board Committees if requested and attend as many meetings as possible of that Committee each year
- Each Governor will adhere to the Code of Practice for Governors of the Rotunda Hospital adapted from the Code of Practice for the Governance of State Bodies and from Guidance on Board Effectiveness issued by the Financial Reporting Council (FRC) March 2011. (copies of both documents will be issued to Governors on appointment or may be requested through the office of the Secretary/ General Manager)
- Each Governor will comply with the requirements under the Ethics in Public Office Act 1995 and the Standards in Public Office Act 2001
- Each Governor will attend training and continuing professional development courses as may from time to time be organised by or on behalf of the Hospital to ensure compliance with proper corporate governance standards
- Governors may opt to take a period of leave in agreement with the Chairman of the Board, while mindful that their legal responsibilities as a Governor continue as long as they are a Board member
- The Charter allows for the removal of Governors and the Governance/Audit Committee will make recommendations to the Chairman of the Board in this respect.
- New Governors will be required to participate in an Induction Programme

16. Support to the Board

The Hospital Secretary/General Manager has responsibility to provide administrative support to the Board and to co-ordinate Board meetings in agreement with the Chairman of the Board. Board Sub-Committee meetings will also be supported and coordinated through the office of the Secretary/General Manager in agreement with the relevant Chairman of the particular Committee.

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