

Board of Directors (in public) Item 6 CEO report

Subject: Annual Review of Corporate Governance Manual
Date of meeting: Tuesday 23rd September 2025
Presented by: Ben Vinter, Director of Risk and Corporate Governance
Purpose of Report: For Assurance

Level of Assurance (please tick) To be used to provide the Board / Committee with a guide on the extent of assurance and evidence of assurance provided within the report		<input checked="" type="checkbox"/>
Level of Assurance	Description	
High	There is a strong system of internal control which has been effectively designed to meet the system objectives, and that controls are consistently applied in all areas reviewed.	<input type="checkbox"/>
Substantial	There is a good system of internal control designed to meet the system objectives, and that controls are generally being applied consistently.	<input checked="" type="checkbox"/>
Moderate	There is an adequate system of internal control, however, in some areas weakness in design and/or inconsistent application of controls puts the achievement and some aspects of the system objectives at risk.	<input type="checkbox"/>
Limited	There is a compromised system of internal control as weaknesses in the design and / or inconsistent application of controls puts the achievement of the system objectives at risk.	<input type="checkbox"/>
No	There is an inadequate system of internal control as weaknesses in control, and/or consistent non-compliance with controls could/has resulted in failure to achieve the system objectives.	<input type="checkbox"/>

1. Executive Summary

Mersey Internal Audit Agency have traditionally supported the Trust in the annual review of the Corporate Governance Manual (CGM) in order to provide assurance that it is comprehensive and consistent with best practice. The scope of this year's audit plan was altered in order to provide contingency for audit work related to LAASP and any LHCH transition.

This means that the scope of this year's CGM review has taken the following approach:

- Desktop review led by the executive office for matters of accuracy, naming, dates of review, descriptions etc
- Review, where appropriate, led by relevant senior and/or director lead – see summary sheet of changes
- MIAA review of the external environment with recommendations for changes and/or consideration – see summary sheet of changes

The Audit Committee met on 8th July 2025 and supported the detailed changes and proposed updates. This included a more detailed review of some of the key policies, aligned to the committees' responsibilities.

The Board of Directors is asked to approve the updates to the Corporate Governance Manual as recommended by the Audit Committee.

It should be noted that as LHCH joins UHLG and corporate workstreams take shape a number of policy and process changes can be predicted and foreseen, these will be governed in the usual way. However, given the LHCH transition and integration is being approached in with 'safety first' in mind the Board will appreciate and support that having accurate and up to date processes and a governance framework in place remains important.

2. Key Updates

The 'Contents' page of the revised Manual is attached at Appendix 1. Board Committee members can request a copy of the manual, in full, in order to view the changes, although a summary of the key changes made during the review is attached at Appendix 2 with many being minor amendments.

The following changes were highlighted for the attention of the Audit Committee:

- Board Assurance Framework (BAF) Policy
- Information Disclosure Policy
- Data Quality Strategy
- Terms of reference – reviews progressed by committees in year

The timing of when this review has progressed means it is recognised that by the time the Board is next due to meet a number of core governance documents that might be regarded as constituting the Trust's governance framework – Constitution, SFIs and SODs and Committee structures are likely to require revision. An updated risk management policy (supporting alignment with the UHLG approach to risk management) is working its way through the Trust's decision-making structures.

3. Recommendations

The Board of Directors is asked to approve the changes and adopt the revised Corporate Governance Manual as recommended by the Audit Committee.

The revised Corporate Governance Manual will then be uploaded onto the staff intranet, in accordance with the Trust's document control procedure.

Appendix 1

Corporate Governance Manual

Table of Contents

- 1. Forward**
- 2. Provider Licence**
 - 2.1 Provider Licence
- 3. Constitution of the Foundation Trust**
- 4. Standing Financial Instructions & Tending Procedure**
 - 4.1 Tending Procedure
 - 4.2 Standing Financial Instructions
- 5. Scheme of Reservation and Delegation (SORD)**

APPENDICES

A. Conduct and Probity

- A1 NHS Constitution for England
- A2 Code of Conduct for NHS Boards
- A3 Code of Conduct for Council of Governors
- A4 Code of Conduct for NHS Managers
- A5 Standards of Business and Personal Conduct

B. Key Corporate Arrangements and Policies

- B1 NHS Foundation Trust Accounting Officer Memorandum
- B2 Board Assurance Framework (BAF) Policy
- B3 Risk Management Policy
- B4 Internal Audit Charter
- B5 Capital Investment Policy
- B6 Treasury Management Policy
- B7 Anti-Fraud, Bribery & Corruption Policy and Response Plan
- B8 Managing Conflicts of Interests Policy
- B9 Freedom to Speak Up Policy
- B10 Information Disclosure Policy

- B11 Fit and Proper Person Policy
- B12 Organisational Learning
- B13 Government Procurement Credit Card Policy
- B14 Data Quality Statement
- B15 Budget Virement Policy

C. Terms of Reference – Assurance Committees

- C1 Board Committee Structure
- C2 Audit
- C3 Charitable Funds
- C4 Quality
- C5 Integrated Performance
- C6 People
- C7 Nominations & Remunerations – Executives
- C8 Operational Board
- C9 Committee of Board: Hosted Organisations
- C10 CMAST Leadership Board (expected to be CMPC Leadership Board by September 2025)
- C11 Strategic Research & Innovation

D. Council of Governors

- D1 Statement of Roles and Responsibilities of the Council of Governors
- D2 Policy for Raising Serious Concerns that are critical to the overall performance and welfare of the Foundation Trust
- D3 Engaging the External Auditor to supply additional (non-audit) services
- D4 Terms of Reference – Nominations & Remuneration (Non-Executives)
- D5 Composition of Non-Executive Directors