

Governance Framework v3.3

1. Introduction

About the Professional Standards Authority

- 1.1 The Professional Standards Authority for Health and Social Care (the PSA) was established on 1 December 2012. Its role and duties are set out in the Health and Social Care Act 2012.¹ In brief, the PSA protects the public by raising standards of regulation and registration of people working in health and care. The PSA is an independent UK body.
- 1.2 We have duties and powers in relation to:
- The oversight of ten statutory bodies that regulate health and social care professionals in the UK
 - The accreditation of the registers held by non-statutory registering bodies of health and care professionals
 - The provision of commissions to, and undertaking investigations for, government
 - The provision of advice to other similar organisations in the UK and overseas.

2. Corporate Governance

The collective responsibility of the Board

- 2.1 The Board is responsible for deciding the PSA's strategic direction, and as such will abide by the following principles:
- Members will operate on the principles of collective responsibility, support and respect
 - Board members are expected to work in a collegiate and supportive fashion with other Board members
 - Members will be provided with all information necessary to ensure rigorous debate and effective decision-making. Members may request any additional information they deem necessary to ensure that the decision-making process is sufficiently well informed and robust
 - Board members are expected at all times to work to assist the corporate aims and objectives of the PSA. If they are unable to support specific aims and objectives, they must make their position clear to the Board whilst accepting that the majority view will prevail

¹ Available at www.legislation.gov.uk/ukpga/2012/7/contents/enacted

- Decisions of the Board should be reached by consensus and a formal vote should be by exception. All Board decisions will be recorded and, if a vote is necessary, the outcome of that vote will be recorded in the Board minutes
- 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 or external interests. Where there is a potential for private interests to be material and relevant to Authority business, the relevant interests should be declared and recorded, and entered into a register which is available to the public. When a conflict of interest is established, the Board member should withdraw from discussions related to that interest
- Board members are expected at all times to acknowledge their role as a member of the PSA's Board in the same corporate and positive style that the Board seeks to promote. They should be mindful when writing or speaking on matters relating to professional health or care regulation that they have an obligation to respect the policy and views of the PSA.

The Board

- 2.2 Schedule 7 of the National Health Service Reform and Health Care Professions Act 2002, as amended by the Health and Social Care Act 2008 and by the Health and Social Care Act 2012, provides directions for the appointment of members to the PSA.
- 2.3 The PSA has a Board comprising seven non-executive members, one associate member and one executive member:
- The Chair of the Board, the Chair of the Audit and Risk Committee and two non-executive members are appointed by the Privy Council
 - The Devolved Administrations each appoint one non-executive member
 - The Board appoints one executive member, the Chief Executive
 - The Board appoints one associate member.
- 2.4 The Chair of the Board and the Chair of the Audit and Risk Committee roles will be advertised as, and appointed to, a specific job description. However, the appointment process is the same for all Privy Council appointments.
- 2.5 Each of the Devolved Administration appointments must live or work in the country of appointment and be able to demonstrate understanding of issues relating to health, regulation and the regulation of health professionals in the country of appointment.
- 2.6 The process for the appointment of the associate member may be determined by the Nominations Committee.
- 2.7 All Board Members must maintain effective communications with their appointing authority, advising them of the ongoing work of the PSA and report to the PSA on their views.

- 2.8 No non-executive members or associate member of our Board may be or ever have been a member of a profession regulated by any of the ten regulators we oversee so that we are independent of the health and social care professions and regulators.
- 2.9 Appointments to the Board are made for an initial term of four years, which can be extended for a second term of four years. The total time served should not exceed eight years. The associate member is appointed for two years.
- 2.10 The Chair and non-executive members may resign at any point by giving notice in writing to the Privy Council or Devolved Administration who appointed them.
- 2.11 The associate member may resign at any point by giving notice to the Chair.
- 2.12 The Chair may suspend any member on any of the grounds set out in the Professional Standards Authority (Appointment, Procedure etc.) Regulations 2008 but is unable to terminate the appointment, this must be referred to the appointing authority.
- 2.13 The Privy Council or Devolved Administration can take the decision to terminate the appointment with immediate effect for any of the reasons set out in the Regulations.
- 2.14 It is expected that Board members will serve on at least one Board Committee.
- 2.15 The Board is the PSA's highest decision-making forum, where significant strategic and operational matters are discussed, and consequential decisions taken.

Corporate responsibility of the Board

- 2.16 The PSA's Board has corporate responsibility for ensuring that it fulfils its statutory duties and for promoting the efficient and effective use of its resources.
- 2.17 To this end, and in pursuit of its wider corporate responsibilities, the Board:
- Sets the overall strategic direction of the PSA within statute and the policy and resources framework
 - Ensures that any statutory or administrative requirements for the use of public funds are complied with; that the PSA operates within the limits of its statutory authority, and in accordance with any other conditions relating to the use of public funds
 - Ensures that the PSA receives and reviews regular financial information concerning the management of the PSA; is informed in a timely manner about any concerns about the activities of the PSA; and provides positive assurance that appropriate action has been taken on such concerns
 - Demonstrates high standards of corporate governance at all times, including establishing an Audit and Risk Committee to help the PSA to address the key financial and other risks facing it

- Appoints the Chief Executive to the PSA and, sets performance objectives and remuneration terms linked to these objectives, which give due weight to the proper management and use of public monies.

Chair of the Board

2.18 The Chair has leadership responsibility on the following matters:

- Leading the Board in formulating our strategy
- Ensuring that the Board, in reaching decisions, takes proper account of any relevant guidance
- Promoting the efficient, economic, and effective use of resources, including staff
- Encouraging high standards of propriety
- Ensuring that the Board meets at regular intervals throughout the year and that the minutes of meetings accurately record the decisions made and, where appropriate, the discussions of the Board
- Ensuring that the work of the PSA is reported annually to Parliament as required by Statute.

2.19 The Chair will ensure that they maintain regular and close contact with the Chief Executive and other senior staff within the PSA.

Deputy Chair

2.20 The Board may appoint one of the Board members as Deputy Chair. The role of the Deputy Chair will be to support the Chair in their role and to lead the non-executive directors in their oversight of the Chair. The Deputy Chair will deputise for the Chair if they are unavailable; will lead the non-executive directors in their annual performance evaluation of the Chair; and be a focus point for any Board members who have a concern about the Chair.

Chief Executive and Accounting Officer

2.21 The Privy Council appoints the Chief Executive as Accounting Officer. The Accounting Officer's role includes responsibility for the propriety and regularity of the public finances for which they are answerable and for the keeping of proper records. Although we are not a Non-Departmental Public Body the Accounting Officer observes the requirements set out in the Non-Departmental Public Bodies' Accounting Officers' Memorandum issued by HM Treasury and published in 'Managing Public Money'.

2.22 The Chief Executive is an employee of the PSA. The Chief Executive's principal functions, duties and powers are:

- To ensure the PSA fulfils its statutory duties
- To prepare and issue standards of good regulation
- To arrange for the publication of policy advice and guidance

- To send to Parliament an annual report on the performance of the regulators we oversee
- To keep proper accounts and proper records in relation to the accounts, to prepare a statement of accounts in respect of each financial year, and to send a copy of the annual accounts to the Comptroller and Auditor General and for these to be prepared in accordance with UK generally accepted accounting principles and government accounting
- To operate and manage the PSA in accordance with the strategy set by the Board
- To provide leadership to the PSA's staff, ensuring that an appropriate skill mix is in place and that resources are employed appropriately as well as ensuring that HR policies are in place and applied correctly
- The Chief Executive has responsibility for providing effective leadership on all matters relating to statutory and administrative duties. This includes the implementation of the corporate strategy, leading on all operational matters, promoting the efficient and effective use of staff and other resources, encouraging high standards of propriety and representing the PSA in public.

2.23 Where the Board proposes to take forward initiatives or plans which, in the Accounting Officer's view, conflict with these standards, they should ensure the Chair and the Board are clearly aware of this. In circumstances where, after further consideration, the Chair or Board decides to pursue a course inconsistent or in conflict with the standards described above, then the Accounting Officer should make his or her reservations clear in writing. If the Board still wishes to proceed, the Accounting Officer should then:

- Seek a written direction from the Board to carry out the proposal
- Proceed to implement without delay
- Copy the relevant papers to the Comptroller and Auditor General (C&AG) and the Treasury Office of Accounts (TOA) promptly. The C&AG will normally draw the matter to the attention of the Public Account Committee (PAC), who will attach no blame to the Accounting Officer
- As a matter of courtesy, notify the Privy Council that HM Treasury will be notified
- Arrange for the existence of the direction to be published, no later than in the next annual report and accounts, unless, for sound public interest or commercial reasons, the matter should be kept confidential.

Executive team

2.24 The PSA has an executive team, covering our three key areas of work: Corporate Services; Regulation and Accreditation; and Policy and Communications.

The Secretariat

- 2.25 The Executive Assistant to the Chief Executive, Chair and Board is responsible for managing all arrangements for Board and Committee meetings; to include scheduling, coordinating and distributing of all papers and booking venues and catering.
- 2.26 This includes attendance at all Board and Committee meetings and responsibility for confirmation of agendas and minute-taking.
- 2.27 The Executive Assistant will maintain a Register of Interests for Board members.
- 2.28 The Corporate Services team will provide:
- Impartial information, advice and support on corporate governance including Board procedures such as appointments
 - Facilitate induction, training and professional development for Board members
 - Will provide back up support and effective cover for the Executive Assistant where required.

Executive attendance at Board meetings

- 2.29 Directors will normally be expected to attend Board meetings. Other members of staff may be requested to attend meetings to support the consideration of specific items of business. The Board reserves the right to ask non-Board members to withdraw for certain items of business although this will be by exception.

Committees and working groups of the Board

- 2.30 The Audit and Risk Committee (ARC) is a statutory committee of the Board and the ARC Chair is appointed by the Privy Council specifically to this role. The Chair of the Audit and Risk Committee is appointed for an initial term of four years, which can be extended for a second term of four years. The total time served should not exceed eight years.
- 2.31 The Board may establish other Committees to support its work, either on a permanent basis or for a limited time to undertake a specific piece of work.
- 2.32 Board committees should normally consist of three Board members, one of which will be nominated as the Chair of the Committee. The Chair of the Board will be responsible for identifying Committee members and for nominating the Chair and this will be agreed by the Board.
- 2.33 The terms of reference for a Committee will initially be agreed by the Board, with reviews being undertaken annually by the Committee and approved by the Board.
- 2.34 The Board will establish Committees and any such Committee so established may establish Sub-Committees. Board Committees and Sub-Committees may be established permanently or on a time-limited basis, for example to undertake

a specific review. Only the Board or Committee of the Board that established the Committee or Sub-Committee may wind up that Committee or Sub-Committee. Membership of any Sub-Committee so established should be reported back to the Board for it to note.

- 2.35 Any Committee or Sub-Committee established will report back regularly on its work to the Board or Committee that established it.
- 2.36 Additionally, each Committee will carry out an annual review of its effectiveness and report this to the Board.
- 2.37 Membership of Committees and Sub-Committees must include at least one member of the Board. The membership of a Committee of the Board may include persons who are not Board Members. The membership of a Sub-Committee may include persons who are not members of the Board Committee or of the Board.
- 2.38 Appointments to Board Committees and Sub-Committees will typically be for a period of up to four years or, in the case of Board members, until the appointment to the Board expires. Appointments are renewable where appropriate. The Chair of the Board may change committee membership.
- 2.39 The Board may delegate any of its functions to the Chair, another Board Member, a Committee or Sub-Committee.
- 2.40 If the Chair is not a member of a Committee or Sub-Committee they have the right of attendance at any meeting of that Committee or Sub-Committee in an observatory capacity. The Chair will not be entitled to vote on any matter before that Committee or Sub-Committee unless they are a member.
- 2.41 Chairs of Board Committees and Sub-Committees may meet as a group to discuss matters of mutual interest. If such a meeting is required a request should be made to the Executive Assistant who will make arrangements. The Chair will also be invited.
- 2.42 The Board must at least once in any four-year period review its committee structure and the scope of each Committee's activities.
- 2.43 The Board has delegated specific duties to Committees which consequently report back to the Board. All Committees are advisory, although in certain circumstances the Board may delegate decisions to them.

Audit and Risk Committee

- 2.44 The Board has an Audit and Risk Committee to support it in its responsibilities for risk control and governance. The Committee reviews the comprehensiveness of assurances in meeting the Board and Accounting Officer's assurance needs and reviewing the reliability and integrity of these assurances.
- 2.45 The minutes of the Committee's meetings are reported to Board members. A summary of each meeting is presented to the next available Board meeting including the Committee's opinion on any significant changes to the risk register.

- 2.46 The Committee reviews its work programme annually and reports any changes that it proposes to the Board. Each year, it formally reports to the Board on:
- Its work during the previous financial year
 - The assessment of information governance arrangements
 - The internal audit reports submitted to it
 - The views and opinions of the auditors.
- 2.47 The Committee sets its own work programme for the coming year and this influences the work programme set by the internal auditors.
- 2.48 Typically, the Board delegates final approval of the Annual Report and Accounts to this Committee.

Scrutiny Committee

- 2.49 The Scrutiny Committee receives reports on the operation of our scrutiny and oversight of the 10 health and care professional regulatory bodies and provides quality assurance of Section 29 decisions and the accredited registers programme and the performance reviews of the regulators.

Nominations Committee

- 2.50 The Nominations Committee ensures that the PSA has an appropriate Board membership. They also discuss staff and Board remuneration and make recommendations to the Board. Meetings will be held as the need arises.

3. Scheme of delegation

Responsibilities retained by the Board

- 3.1 The Board retain strategic accountability and responsibility for the PSA, and in particular:
- Approval of significant policy and other publications
 - Setting the PSA's strategic direction, objectives and business principles and ensuring that these are delivered
 - Approval of the PSA's Stakeholder Engagement and Communications strategies.
 - Matters of strategic importance that require public consultation and decisions arising from that consultation.
 - PSA's strategic oversight approach
 - Approval of the annual budget and any material changes to it
 - Ensuring PSA operates within its statutory framework
 - Setting and monitoring PSA's reserves policy and approving spend from reserves
 - Approval of PSA's financial delegations, as set out in annex D

- Approval of the annual report and accounts to Parliament, although this will normally be delegated to the Audit and Risk Committee
 - Approval of PSA's response to any significant external consultation of strategic importance
 - Approval of any delegation in accordance with the Governance Framework and the variation or rescinding of any such delegation
 - Appointing and removing the Chief Executive
 - Appointing and removing the Accounting Officer
 - Matters relating to Board and Committee membership in line with the terms of reference of the Nominations Committee
 - Approval of major changes to PSA's structure
 - Determining the reward strategy for PSA's staff and Board Members usually delegated to the Nominations Committee
 - Ensuring that PSA has an effective risk management and internal control framework, usually delegated to the Audit and Risk Committee
 - Approval and strategic monitoring of Health and Safety policies
 - Oversight of the capability/capacity of PSA to meet its statutory objectives
 - Approval of any memorandum of understanding or formal agreements of strategic importance that PSA may enter into with a third party
 - Review performance against the corporate strategy, objectives and budget and ensuring any corrective action is taken
 - Approval of terms of reference of Board Committees
 - Undertaking regular reviews of the performance of the Board and Board Committees
 - Approval and review of the Governance Framework other than technical changes which may be signed off by the Chair
 - Approval and review of this schedule of matters reserved for Board decision
 - Anything that is by law reserved to the Board.
- 3.2 A sub-committee of the Board (as determined by the Chair) will meet annually in August to review in detail the proposed budget for the following year in advance of it going to the Board for approval in September.

Delegated to the Chief Executive

- 3.3 The Board delegate to the Chief Executive all day to day operations of the PSA, within the agreed budget and business plan for that year, including (but not limited to):

- Approval of all policies setting out the operations of the three directorates, in discussion with the Executive Leadership Team
- Expenditure authority for matters within the agreed budget
- Overall budget responsibility
- Accounting Officer role.

Removal of the Chair

3.4 The Board may take the decision to suspend the Chair, subject to a vote, for one of the following reasons:

- The Board has reasonable grounds for suspecting that the Chair no longer lives or works wholly or mainly in the United Kingdom
- The Board has reasonable grounds for suspecting that the Chair is subject to any investigation or proceedings in the United Kingdom relating to a criminal offence, or in any other part of the world relating to an offence which, if committed in any part of the United Kingdom, would constitute a criminal offence and, in the Board's opinion it would not be appropriate for the Chair to continue to participate in proceedings of the Board while the investigation or proceedings is or are ongoing
- The Board has reasonable grounds for suspecting that the Chair is subject to any investigation or proceedings concerning the Chair's professional conduct by any licensing body and, in the Board's opinion it would not be appropriate for the Chair to continue to participate in proceedings of the Board while the investigation or proceedings is or are ongoing.

3.5 The Privy Council may remove the Chair from office if:

- The Chair ceases to live or work wholly or mainly in the United Kingdom
- The Chair fails to attend any meeting of the Board for a period of three consecutive months without the consent of the Board unless the Privy Council is satisfied that—
 - (i) the absence was due to a reasonable cause
 - (ii) the person in question will be able to attend meetings of the Board within such period as the Privy Council considers reasonable.
- The Privy Council is satisfied that the Chair is no longer able to perform the duties of the Chair because of adverse physical or mental health; or
- The Privy Council is satisfied that the Chair's continued membership of the Board would be liable to undermine public confidence in the Board's ability to exercise its functions.

Code of Conduct

3.6 Board Members will comply with the Code of Conduct for Members of the Board as set out at Annex B.

Reviewing the Board's performance

- 3.7 The Board will review its own performance and that of its Committees regularly.
- 3.8 The Chair will review the performance of all Board members regularly. The Chair's performance will be reviewed annually by an appropriate process led by the Deputy Chair, including 360-degree feedback.

Review of the Governance Framework

- 3.9 This Governance Framework will be reviewed as and when required by the Board, but at least once every 12 months. All proposed changes and the relevant rationale will be brought to the Board for approval.

Annexe A – Rules of procedure for meetings of the Board

Frequency of meetings

- 3.10 The Board will meet at least four times in each financial year. The period between any two consecutive meetings of the Board shall be no greater than four months.
- 3.11 An emergency meeting of the Board may be called by the Chair or the Chief Executive where in their opinion an urgent matter has arisen or following receipt of a written request to the Executive Assistant, signed by at least two Board members, setting out the reason a special meeting is required.
- 3.12 The Board will hold development and strategy events at least once a year. The purpose of such events will be to provide an opportunity to reflect more thoroughly on strategy and key issues and also to develop its working practices.

Location of Board meetings

- 3.13 Physical Board meetings will usually be held in either London or in one of the Devolved Administrations. However, Board members may participate in a meeting by video conference, telephone or any communication technique that allows all persons participating in the meeting to participate effectively.

Notice of meetings

- 3.14 Board meetings will normally be called well in advance and, in any event, with a minimum of five clear working days' notice. A Board meeting may exceptionally be called at less than five clear working days' notice. Notice of a Board meeting will be given to Board members in writing (including by email). Failure to receive notice of a Board meeting will not invalidate that Board meeting or any business transacted at it.
- 3.15 By the end of each calendar year, the Executive Assistant will propose, for the Board's approval, a schedule of meetings of the Board and any Committees currently established for the financial year commencing the following April.

Agenda and papers

- 3.16 The agenda and papers for Board meetings will normally be circulated at least five clear working days in advance of the meeting.
- 3.17 The papers for each meeting will include:
- An agenda drawn up by the Executive Assistant in consultation with the Chair and Chief Executive which shall indicate the matters to be discussed at the meeting
 - Any other supporting documents and information relevant to the matters to be discussed as the Chair or Chief Executive feel are appropriate.
- 3.18 Non-receipt of papers by individual Board members does not invalidate a Board meeting or any business transacted at that meeting.

- 3.19 Where a meeting of the Board is called at short notice the Executive Assistant will distribute notice of the meeting and the papers relating to the business to be transacted at the earliest practical opportunity. Papers may be distributed by email.
- 3.20 With the permission of the Chair, papers may exceptionally be tabled at a Board meeting or circulated after the agenda.

Executive attendance at meetings

- 3.21 Members of the Executive will normally attend meetings of the Board. On occasion non-board members may be asked to withdraw from the meeting for specific items of business. Other members of staff may be requested to attend meetings of the Board to support the consideration of specific items of business.

Other attendees at meetings

- 3.22 The Board may invite other individuals to attend meetings of the Board, for example the Board may wish to hear a particular Stakeholder's point of view on a matter. The invitation may be for the entire meeting or for a specific item(s); the invitee is not obliged to attend. Any individual attending a Board meeting in this capacity will not be entitled to vote and may be asked to withdraw from the meeting at any point.

Quorum

- 3.23 Any decision made by a properly constituted Board satisfying the requirements of these procedure rules shall be deemed to be a decision made by the Board.
- 3.24 In order to ensure that there has been proper input to, and scrutiny of, decisions it is necessary to have a quorum for meetings of the Board. The quorum for meetings of the Board shall be four Board members.
- 3.25 If a Board member cannot participate in a discussion and/or voting on any matter as a result of a declaration of interest they will not count in the quorum for that item.
- 3.26 If a quorum is not available for the discussion of any matter(s) this will be recorded in the minutes and the decision made will be ratified at the next quorate meeting of the Board.
- 3.27 If a Board meeting becomes inquorate during the course of the meeting any decisions made will be ratified at the next quorate meeting of the Board. If those members present at an inquorate meeting determine that a decision that falls to be taken by that meeting is of such significance that the decision should be taken by a quorum, that decision may be taken under the deferred decision provision.
- 3.28 All or any of the Board members may, participate in a Board meeting by video conference, telephone or any communication technique that allows all persons participating in the meeting to participate effectively. Board members participating in this manner will be deemed to be present at the meeting and shall be entitled to make decisions and to vote and be counted in the quorum.

- 3.29 Written comments on agenda items submitted by a Board member who is absent may be circulated to those Board members that are present and read out at an appropriate point in the meeting. This provision does not apply to members who are not permitted to participate in a matter as a result of the declaration of a conflict of interest.

Chair

- 3.30 If present, the Chair will preside over all Board meetings.
- 3.31 In the absence of the Chair, whether this be temporarily on the grounds of a declared conflict of interest or otherwise, the Board will appoint the Deputy Chair to Chair the meeting.
- 3.32 It is the responsibility of the Chair or member presiding at the meeting to:
- Ensure that adequate views are sought in order to make informed decisions
 - Determine whether a vote is required and how it is carried out
 - Adjourn the meeting, if necessary, for whatever period of time they believe is appropriate.

Conflict of interest

- 3.33 All Board members must comply with the procedure for conflicts of interest set out in the Code of Conduct at Annex B to the Governance Framework.

Order of business

- 3.34 The normal order of business at every meeting of the Board will be:
- To receive any apologies for absence
 - To consider any declarations of interest
 - To receive, modify (if necessary) and approve as a true and accurate record the minutes of the previous Board meeting; once approved the minutes will be signed by the Chair
 - To deal with any matters arising from the minutes of the previous Board meeting in the order in which they appear
 - To receive a report on any urgent decisions taken between meetings
 - To consider such business as is set out on the agenda for the meeting
 - To receive reports and recommendations from any Committee or Sub-Committee of the Board
 - To consider if the public Board papers may be published
 - To consider, at the discretion of the Chair, any items of other business
 - Any matters presented to the Board for information only.
- 3.35 The order of business may be varied by agreement of the Board at the Chair's discretion.

Voting

- 3.36 Decisions of the Board will normally be made by consensus rather than by formal vote. Failing consensus, decisions will be made by a vote when:
- The Chair (or in the Chair's absence the member acting in that capacity) feels that there is a body of opinion amongst Board members at the meeting that disagrees with a proposal or has expressed reservations about it and no clear consensus has emerged
 - A Board member who is present requests that a vote be taken and this is supported by at least one other Board member
 - The Chair feels that a vote is appropriate.
- 3.37 If a vote is taken, the number voting for, against and any abstentions shall be recorded in the minutes. The Chair will cast his/her vote at the same time as the Board. Voting shall normally take place by a show of hands or such other means of assent or dissent as the Chair deems appropriate.
- 3.38 In the event of an equality of votes, the Chair shall have a second and casting vote. The decision will be carried by a simple majority. The Chair's ruling as to the outcome of such a vote shall be final.

Deferral of decision

- 3.39 Any Board member may propose to defer a decision on an agenda item in order that the Board can be provided with additional information to support the taking of that decision, or for any other reason. If this is agreed, the decision to defer the taking of the decision, together with the reason for doing so, will be recorded in the minutes of the meeting together with a proposed timescale for returning the matter to the Board for consideration.
- 3.40 A deferred decision may be taken through postal or email correspondence outside of the Board meeting, where this is agreed in the meeting.
- 3.41 All deferred decisions taken between Board meetings will be reported on and reflected in the minutes of the Board meeting subsequent to the decision being taken.

Urgency

- 3.42 During the course of business, matters may arise between scheduled Board meetings that require urgent Board approval or discussion and cannot be postponed until the next convened Board meeting. Where decisions that would ordinarily be taken at Board meetings have to be made on an urgent basis they may be taken by the Chair, in consultation with the Chief Executive. A decision taken under this provision will be reported at the next Board meeting together with an explanation of the reasons for urgency. The decision will be recorded in the minutes of the Board meeting to which it is reported.
- 3.43 If the Chair and the Chief Executive consider the urgent decision to be of a significant nature they will request the Executive Assistant to arrange for the matter to be decided or discussed via electronic business or at an emergency

Board meeting. The Executive Assistant will be instructed to convene such a meeting.

- 3.44 In the case of a decision made by electronic business, in order for a recommendation to be approved:
- A response must be received from at least four Board members appointed at that time
 - A majority of the responses received must be in favour of the recommendation.

Governance and records

- 3.45 Any point of order alleging a breach of these procedure rules shall be heard immediately. The Chair's ruling on the point of order shall be final.
- 3.46 The Executive Assistant or their representative will be present at meetings of the Board and any meetings of a Committee or Sub-Committee of the Board to record any decisions made. If the Executive Assistant or their representative is not present no decision will be deemed to have been taken. The Chief Executive and/or the Chair will agree any representative of the Executive Assistant. This will normally be a member of the Corporate Services team.
- 3.47 The Executive Assistant shall be responsible for ensuring that the minutes of the meeting, including a record of any resolution passed by the Board and any Committee or Sub-Committee are retained. The Chair (or in the Chair's absence the Board member acting in this capacity) will be asked to agree the minutes before they are presented to the Board for approval at the next Board meeting; once approved the minutes will be signed by the Chair.
- 3.48 Once approved by the Board the open minutes will be published on the website. Open papers will be published on the PSA website after the Board meeting at which they were considered. At the end of each meeting the Board will be asked to confirm that the open papers may be published. Following each Board meeting papers will be reviewed by the Chief Executive, in consultation with the Chair, to identify any necessary redactions prior to publication.

Reserved matters

- 3.49 Those matters set out at in paragraph 3.1 of the Governance Framework are reserved to the Board for decision. This does not preclude other matters being referred to the Board for decision.
- 3.50 Where it is a matter of judgement as to whether a matter is reserved to the Board or not, the Chair in consultation with the Chief Executive will determine whether the matter is reserved to the Board and should be referred to the Board.

Decisions by correspondence

- 3.51 The Executive Assistant will manage the process for decisions by correspondence set out below:

- Papers will be produced for all items related to decisions by correspondence clearly setting out the recommendations to the Board and options considered together with any supporting analysis necessary
 - The Executive Assistant will agree with the report author and the Chair a timeline for a decision to be taken. This will include sufficient time for the Board to read the report, seek clarification on the issues raised and to confirm their decision on the recommendations in the report
 - The Executive Assistant will circulate the report to the Board electronically and set out the timeline above. Questions or points of clarification should be directed to the Executive Assistant who will arrange for a response to be drafted and circulated to all Board members in line with the agreed timeline
 - Board members should confirm their decision on the recommendations in the report by the deadline indicated in the timeline. Once this deadline has passed the Executive Assistant will confirm to the Board and report the decision of the Board.
- 3.52 In order for a recommendation to be approved:
- A response must be received from at least four Board Members appointed at that time
 - A majority of the responses received must be in favour of the recommendation.

Annexe B - Code of Conduct for Board members

Behaviours when acting as a member of the PSA's Board

- 3.53 When working as members of the Board, members are expected at all times to work to assist the corporate aims and objectives of PSA. If they are unable to support specific aims and objectives, they must make their position clear to the Board whilst accepting that the majority view will prevail.
- 3.54 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 public interests. Where there is a potential for private interests to be material and relevant to Authority business, the relevant interests should be declared and recorded, and entered into a register which is available to the public.
- 3.55 Board members must inform the Executive Assistant and Chair of any changes to these commitments. They must ensure that no conflict arises, or could be reasonably perceived to arise, between public duties for PSA and private interests – financial or otherwise. When a conflict of interest is established, the member should withdraw and play no part in the relevant discussion or decision.
- 3.56 Board members are expected to work in a collegiate and supportive fashion with other Board members. If they have concerns about the behaviour or approach of Board members, the Board member should act as follows:

- In the first instance discuss their concerns with the individual concerned and resolve them if possible
 - If this is not possible, they should raise their concern with the Chair who will discuss it with the Deputy Chair.
 - The Chair will then decide what approach to take. Options will include:
 - Meeting with the individuals concerned (separately and/or jointly)
 - The appointment of a fellow Board member to look into the matters raised as a 'neutral' third party
 - Or a more formal inquiry if appropriate.
- 3.57 Should the Chair feel that problems of conduct remain even after these steps have been taken, then he/she should seek the advice of the relevant Privy Council or Devolved Administration representative.
- In the event of concerns from a Board member about the conduct of the Chair of the Board, then the same principles should apply as in this section. In the event that the Board member feels that their concerns cannot be resolved, then they should seek the advice of the Deputy Chair, who will meet with the Board to discuss. If further advice is required this may be sought from the Chief Executive or Privy Council. Where a concern is raised about the Deputy Chair, then the Chair would discuss this with the Audit and Risk Committee Chair.

Relations with staff

- 3.58 Relations with staff require a certain formality. Board members and staff will and need to work together on aspects of PSA's work and need to have confidence in each other.
- 3.59 If a Board member has concerns about the conduct of a member of staff, they should raise the matter with the Chief Executive. If they have concerns about the conduct of the Chief Executive, they should raise the matter with the Chair. Staff and Board members should avoid making critical comments about each other to third parties.

Behaviours when acting in other capacities

- 3.60 These are defined as behaviours relating to PSA but exhibited during the other non-PSA responsibilities/offices held by each Board member.
- 3.61 Board members are expected at all times to acknowledge their role as a member of PSA's Board in the same corporate and positive style that the Board seeks to promote. They should be mindful when writing or speaking on matters relating to professional health or care regulation that they have an obligation to present the policy and views of PSA, but may nevertheless be perceived as doing so, they should make it clear in what capacity they are acting and that any views that they express are not those of PSA.
- 3.62 Should a member of the Board feel that a fellow member of the Board is not acting as outlined above, they should proceed as outlined above.

Gifts and hospitality

- 3.63 Board members should avoid accepting any personal gift in the course of business.
- 3.64 If Board members consider that it is appropriate to accept a corporate gift you should declare this in the gift and hospitality register, which is circulated by PSA's Finance team every quarter.
- 3.65 If Board members are unsure about whether it is appropriate to accept a corporate gift, then they should discuss this with the Chair or Chief Executive.
- 3.66 For the avoidance of doubt, this includes corporate hospitality, i.e. invitations to football, cricket matches, etc. However, reasonable hospitality such as drinks, parties and business lunches would not normally be excluded. Where there is any doubt regarding what is acceptable they should discuss this with the Chair or Chief Executive
- 3.67 It is an offence under the Bribery Act 2010 to request, agree to receive, or accept a bribe; it is also an offence to offer, promise or give a bribe.

The seven principles of public life

Selflessness

Holders of public office should act solely in terms of the public interest.

Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

Objectivity

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

Accountability

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

Openness

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

Honesty

Holders of public office should be truthful.

Leadership

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Six principles of good governance

- 1. Good governance means focusing on the organisation's purpose and on outcomes for the public**
 - Being clear about the organisation's purpose and its intended outcomes for the public
 - Making sure that stakeholder receive a high-quality service
 - Making sure that PSA provides value for money.
- 2. Good governance means performing efficiently in clearly defined functions and roles:**
 - Being clear about the functions of the Board

- Being clear about the responsibilities of non-executives and the Executive, and making sure those responsibilities are carried out
 - Being clear about relationships between Board members and the public.
- 3. Good governance means promoting values for the whole organisation and demonstrating the values of good governance through behaviour:**
- Putting organisational values into practice
 - Individual Board members behaving in ways that uphold and exemplify good governance.
- 4. Good governance means taking informed, transparent decisions and managing risk:**
- Being rigorous and transparent about how decisions are taken
 - Having and using good-quality information, advice and support
 - Making sure that an effective risk management system is in operation.
- 5. Good governance means developing the capacity and capability of the governing body to be effective:**
- Making sure that Board members have the skills, knowledge and experience they need to perform well
 - Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group
 - Striking a balance, in the membership of the Board, between continuity and renewal.
- 6. Good governance means engaging stakeholders and making accountability real:**
- Understanding formal and informal accountability relationships
 - Taking an active and planned approach to dialogue with an accountability to the public
 - Taking an active and planned approach to responsibility to staff
 - Engaging effectively with institutional stakeholders.

Annexe C - Committee Terms of Reference

Audit and Risk Committee Terms of Reference

1. Role

The PSA has established an Audit and Risk Committee as a Committee of PSA's Board to support them in their responsibilities of risk control and governance by reviewing the comprehensiveness of assurances in meeting PSA's and Accounting Officer's assurance needs and reviewing the reliability and integrity of these assurances.

2. Membership

Membership of the Audit and Risk Committee will consist of three non-executive members of PSA's Board, none of whom may be the Chair of PSA.

The Chair of the Committee is appointed by the Privy Council for a designated term of office.

The Chair of the Board will be responsible for identifying the other Committee members and for and this will be agreed by the Board

3. Reporting

The Audit and Risk Committee will formally report in writing to the Board after each meeting through provision of the approved minutes.

Each Board meeting agenda will include an opportunity for the Audit and Risk Committee Chair to raise any necessary matters with the Board

The Committee will also annually review its own effectiveness and report the results of that review to the Board.

The Audit and Risk Committee will provide the Board with an Annual Report, summarising the main areas of work undertaken by the Committee during the previous year, and timed to support finalisation of the accounts and the Governance Statement.

4. Responsibilities

The Audit and Risk Committee will advise the Board and the Accounting Officer on:

- The strategic processes for risk, control and governance and the Governance Statement, including an assessment of the risks identified by the executive team and evaluation of the mitigating action being taken
- The accounting policies, the accounts, and the annual report of the organisation, including the process for review of the accounts prior to submission for audit as well as levels of error identified

- The planned activity and results of both internal and external audit
- Adequacy of management response to issues identified by audit activity, including external audit's management letter
- Assurances relating to the corporate governance requirements for the organisation
- Any proposals for tendering for Internal Audit services or for purchase of non-audit services from contractors who provide audit services
- Anti-fraud policies, whistle-blowing processes, and arrangements for special investigations
- PSA's Treasury Management Policy
- PSA's Reserves Policy

5. Rights

The Audit and Risk Committee may:

- Co-opt additional members for a period to provide specialist skills, knowledge and experience
- Procure specialist ad-hoc advice at the expense of the organisation, subject to budgets agreed by the Board.

6. Access

The Head of Internal Audit and the representative of External Audit will have free and confidential access to the Chair of the Audit and Risk Committee.

7. Meetings

The Audit and Risk Committee will meet at least three times a year.

Audit and Risk Committee meetings will normally be attended by the Accounting Officer and Director of Corporate Services, together with the Head of Internal Audit (outsourced) and a representative from external audit.

The Audit and Risk Committee may ask any other officials of the organisation to attend to assist it with its discussions on any particular matter.

The Board or Accounting Officer may ask the Audit and Risk Committee to convene further meetings to discuss particular issues on which they may want the Committee's advice.

The Audit and Risk Committee may ask any or all of those attending, but who are not members of the Committee, to withdraw to facilitate open and frank discussion of particular matters.

The Chair may identify a member of the Committee to act as Vice-Chair as necessary.

8. Quorum

The quorum for any meeting will be two members of the Committee.

9. Information Requirements

For each meeting, the Audit and Risk Committee will be provided with:

- A progress report from the Head of Internal Audit summarising:
 - work performed (and a comparison with work planned)
 - key issues emerging from Internal Audit work
 - management response to audit recommendations
 - changes to the Internal Audit plan
 - any resourcing issues affecting the delivery of Internal Audit objectives,
- A progress report from the External Audit representative summarising work done and emerging findings.

Twice during the year, the Committee will be provided with:

- A report summarising any significant changes to the organisation's Risk Register, including information on the top risks with detailed analysis of each.

As and when appropriate the Committee will also be provided with:

- Proposals for Terms of Reference of Internal Audit
- The Internal Audit strategy
- Internal Audit's Annual Report
- Quality Assurance reports on the Internal Audit function
- The draft accounts of the organisation
- The draft Governance Statement and other required narratives
- A report on any changes to accounting policies
- A report outlining any and all action taken in response to anyone raising serious concerns (whistleblowing)
- A report on any fraud or suspected fraud within PSA
- The External Audit strategy
- External Audit's management letter/s, and any other reports
- A report on any proposals to tender for audit functions
- A report on co-operation between Internal and External Audit.

10. Training

Members of the Audit and Risk Committee will be expected to undergo training to meet their responsibilities, as required.

Nominations Committee Terms of Reference

1. Role

The Nominations Committee ensures that PSA has an appropriate Board membership.

The Executive Assistant acts as Secretary to the Committee.

2. Membership

Membership of the Nominations Committee will consist of three Board members.

The committee will be chaired by PSA's Chair. The Chair of the Audit and Risk Committee and the Chair of the Scrutiny Committee are automatically members of the committee.

Membership of the committee will be reviewed at least annually and proposals for change will be subject to the approval of the Board.

The Deputy Chair (if not already a member of the Committee) will assist the committee in the Chair's annual performance review and (re)appointment process.

3. Reporting

Following each meeting, the Chair of the Committee will report to the Board in private session.

The Committee will also annually review its own effectiveness and report the results of that review to the Board.

4. Responsibilities

The Nominations Committee, supported by the Chief Executive, advises the Board about its appointments, and in particular it will:

- Examine the processes and procedures related to Board appointments and make proposals to the Board for any changes. The Board in this context covers members appointed by the Privy Council, the devolved administrations and any Associate Board members
- Regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and make recommendations to the Board with regard to any changes

- Give full consideration to succession planning for Board members in the course of its work, taking into account the challenges and opportunities facing PSA, and the skills and expertise needed on the board in the future
- Act as or appoint a recruitment panel, and as such be responsible for identifying and nominating for the approval of the Board candidates to fill Board vacancies as and when they arise, working to PSA's documented recruitment processes and paying regard to PSA's good practice advice to regulators
- Ensure that annual performance reviews are conducted for all Board members
- Review the results of the annual Board effectiveness review that relate to the composition of the Board
- Work and liaise as necessary with all other Board committees
- The Committee shall also make recommendations to the Board concerning:
 - Formulating plans for succession for Board members and in particular for the key roles of Chair and Chief Executive
 - Suitable candidates for the role of whistleblowing champion
 - Membership of other Committees, in consultation with the Chairs of those Committees
 - The re-appointment of any Board member, including the Chair, at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of knowledge, skills and experience required
 - Any matters relating to the continuation in office of any Board member at any time including the suspension or termination of service subject to the provisions of the law and their service contract.
 - Any matters relating to staff remuneration (previously the remit of Finance Committee)
 - Any matters relating to Board remuneration.

5. Meetings

The Nominations Committee will meet as required, with an expectation that it meets at least annually in June following the Board's strategy session in May.

The Nominations Committee may ask any other officers of PSA, to attend meetings to assist it with its discussions on any particular matter.

The Committee may obtain, if necessary, outside legal, comparative or other independent professional advice and secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

The Nominations Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.

6. Quorum

The quorum for any meeting will be two members.

The Chair of the Committee is permitted to co-opt additional members of the Committee when this is necessary to conduct business

Scrutiny Committee Terms of Reference

7. Role

The Scrutiny Committee reviews, monitors and reports on the operation of PSA's work in scrutinising the work of the ten healthcare regulatory bodies, the processes for approving appointments to those bodies, and the Accredited Registers programme overseen by PSA. In particular, this includes work in the following areas:

Work of the regulatory bodies

- Consideration of final fitness to practise decisions in accordance with PSA's powers under Section 29
- The audit of initial fitness to practise decisions and the performance reviews of the regulators
- Consideration of concerns about the regulatory bodies.

Appointments to the regulatory bodies

- Provision of advice to the Privy Council regarding its appointment functions in relation to regulators' councils, pursuant to s227 of the Health and Social Care Act 2012.

Accredited registers programme

- The performance of the Accredited Registers programme, compliance with and the effectiveness of its policies and procedures.

8. Responsibilities

The Scrutiny Committee is required to:

- Assure on behalf of the Board the quality of the work of the Regulation and Accreditation Directorate in scrutinising the regulatory bodies and advising the Privy Council on appointments
- Review process and guidelines documents used by PSA in scrutinising the regulators

- Advise on policy developments and operational priorities in relation to the scrutiny work
- Assure on behalf of the Board the quality of the work of the Accredited Registers team
- Commission research and advice as appropriate.

9. Membership

Membership of the Scrutiny Committee will consist of three Board members. The Committee reserves the right to co-opt a number of external representatives.

The Chair of the Board will be responsible for identifying Committee members and for nominating the Chair and this will be agreed by the Board

Membership of the Committee will be reviewed annually. The Scrutiny Committee is permitted to co-opt additional members to the Committee when this is necessary to conduct business.

10. Meetings

The Scrutiny Committee may ask any or all of those attending, who are not members of the Committee, to withdraw if a private discussion is required.

Meetings will normally be attended by:

- Chief Executive
- Director of Regulation and Accreditation
- Accredited Registers team, Head of Accreditation
- Executive Assistant (note taker)
- Other members of the Regulation and Accreditation or Policy and Communications teams who are responsible for the topics to be discussed.

Other members of the Regulation and Accreditation Team may attend meetings on occasions.

The Scrutiny Committee may ask any other officials of the organisation to attend to assist with its discussions on any particular matter.

The Scrutiny Committee will meet approximately three times a year.

The quorum for meetings will be two Committee members.

11. Reporting

The Scrutiny Committee will formally report in writing to the Board after each meeting through provision of the approved minutes.

The Committee will also annually review its own effectiveness and report the results of that review to the Board.

The Scrutiny Committee will provide the Board with an Annual Report, summarising the main areas of work undertaken by the Committee during the previous year, and timed to support finalisation of the accounts and the Governance Statement.

Annex D - Schedule of financial delegations

	Board	CEO	Director Group
Annual budget	All		
Changes to delegations under this schedule	All		
Material changes to budget Note 1 any use of reserves not covered by refund to regulators.	All		
Capital expenditure (unbudgeted)	All		
Non-contractual payments to staff (all should be notified to Board for information)	Over £25k	Up to £25k	
Non s29 litigation Increased and wider thresholds	Over £50k	Between £10k and £50K	Under £10k responsible Director
Section 29 litigation	Over £50k	Between £25k and £50k	Under £25k Director Scrutiny & Quality only
Unbudgeted expenditure But within agreed limits so no impact on reserves Note 2	Over £100,000		Up to £100k
No board involvement required			
Budgeted capital expenditure Note 3		All All	
Commercial contracts Note 4 PSA purchasing a service		Over £25K	Up to £25K Director Corp Services only
Commissioning Contracts PSA delivering a service		Over £25k	Up to £25k
Employment contracts		Director Corp Services	
Virements between delegated budgets (Note 5)		All	
Virements within directorate budgets		< £10K	

Note 1 – Material – not previously defined –define as any use of reserves not covered by refund to regulators.

Note 2 – Unbudgeted – not previously defined - previous threshold for Board approval was £25K but we have established there was no particular logic to this figure. Suggest threshold is set at having no impact on reserves and linked to 2% materiality – so anything above £100k needs Board approval. Then anything under is for discussion under virements.

Note 3 – Budgeted – included in annual budget agreed by Board at outset. Agree it is good practice to inform Board/ Finance Committee about major capital outgoings

Note 4 – The right to sign contracts on behalf of the PSA that a) commit the PSA to purchasing a service - delegate commercial contracts to Director Corporate Services (DCS) up to £25k.

If CEO identifies a potential conflict of interest for a contract >£25k, he reserves the right to delegate to the Director of Corporate Services.

b) commit the PSA to delivering a service – delegate commissioning contracts to relevant Director up to £25k

Employment contracts – delegated to Director of Corporate Services

Note 5 – Virements – between Policy and Communications, Regulation and Accreditation and Corporate Services and within directorates if > £10K. Underspends identified in year to go into central pot that directors can bid for.

Version	Description of version	Date
1.3	Clarification of 2.18; the role of the Deputy Chair	3 March 2021
1.4	Amendment to 2.18 and 3.58 to reflect the role of the Deputy Chair as proposed by Nominations Committee May 2021	May 2021
1.5	Removal of the need for contracts to be signed by The CE (as this will move to the DoCS) and an update to reflect Board meetings being held across the Devolved Administrations.	14 December 2021
2.0	Addition of Annex D - Schedule of financial delegations as agreed by Finance Committee 3 March 2021	14 December 2021
2.1	Clarification of the Board's role in approving Stakeholder engagement work; explanation of Annex D included in section 3 under Scheme of Delegation; an amendment to reflect that Finance Committee rather than Nominations Committee oversee the staff reward strategy	24 January 2022
2.2	<p>Removal of paragraph 2.16 and 2.2 (of version 2.1) due to repetition.</p> <p>Paragraph 2.2 deleted, this was a formatting error and should not have been numbered. We confirm this for cross referencing purposes.</p> <p>Amendment to paragraph 2.26 (previously 2.29 in version 2.1) to reflect current practice.</p> <p>Update to Nominations Committee ToR to remove the reference to an external person doing the Chair appraisal.</p> <p>Para 31.1 removing the reference to Board remuneration from the Finance Committee ToR as this is done by the Nominations Committee.</p>	1 March 2022
2.2	Annual review by Board	March 2022
2.2	Annual review by ARC	6 October 2022

2.3	<p>Changes to reflect ARC comments (below)</p> <p>Make reference to the Associate Board member in the Governance Framework</p> <p>Add reference to Annual Review of each Committee's effectiveness made to the Board</p> <p>Update the version control and take out the 'no change' references in annex D which related to the last review.</p>	17 October 2022
2.3	Board review due Nov 2022	Reviewed Nov 2022
3.0	Changes to reflect that there will no longer be a Finance Committee from January 2023 and that the Committee's tasks be split between the other Committees, and a sub-section of the Board will meet to review the budget.	December 2022
3.0	Approved by Board	Jan 2023
3.1	Updated to include v1.3 of the Nomination Committee ToR	April 2023
3.2	Updating the language to reflect the change of Authority to PSA and changes to Directorate names. Change to 3.51 from 'electronic business' to 'decisions by correspondence' for clarity.	March 2024
3.3	Removed the need for a member of the Board to attend all s29 case meetings as agreed at the Board Meeting on 20 March 2024	March 2024
3.3	Reviewed by ARC	May 2024