



CALDERDALE AND HUDDERSFIELD SOLUTIONS LTD

Standing Orders

**(For the regulation of proceedings and business of the
Board of Directors)**

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Foreword

Standing Orders regulate the proceedings and business of the company and are part of its corporate governance arrangements. The Standing Orders, Standing Financial Instructions (SFIs) and Scheme of Delegation, should be read in conjunction with the Articles of Association for the company which define the role, remit and function of the Board of Directors.

Notwithstanding the specific clauses set out below the Board of Directors and employees of the company are responsible for the security of the property of the company, avoiding loss, achieving economy and effectiveness in the use of resources and complying with the SFIs.

The SFIs identify the financial responsibilities which apply to everyone working for the company and its constituent departments including seconded or sub-contracted individuals. They do not provide detailed procedural advice and should be read in conjunction with the detailed departmental and financial procedure notes. All financial procedures must be approved by the Finance Director. Should any difficulties arise regarding the interpretation or application of any of the SFIs then the advice of the Finance Director must be sought before acting.

Officers of the company should note that the SFIs and the Scheme of Delegation do not contain every legal obligation applicable to the company. The company and each officer of the company must comply with all requirements of legislation (which shall mean any statute, subordinate or secondary legislation, any enforceable community right within the meaning of section 2(1) of the European Community Act 1972 and any applicable judgement of a relevant court of law which is a binding precedent in England), and all guidance and directions binding on the company. Legislation, guidance and directions will impose requirements additional to SFIs and the Scheme of Delegation of Powers. All such legislation and binding guidance and directions shall take precedence over Standing Orders, SFIs and the Scheme of Delegation, which shall be interpreted accordingly.

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1. INTRODUCTION

Calderdale and Huddersfield Solutions Limited (CHS) was incorporated on 30 March 2018.

The principal place of business of CHS is:
Huddersfield Royal Infirmary
Acre Street
Lindley
Huddersfield
HD3 3EA

2. BOARD OF DIRECTORS

2.1 Composition of the Board of Directors

The composition of the Board of Directors shall comprise both Executive and Non-Executive Directors as follows:

- A Non-Executive Chair, and
- No fewer than two directors comprising at least:
 - Non-Executive Director
 - Managing Director
 - Director of Finance

The maximum number of directors shall be six in accordance with the Articles of Association.

Alternate directors may be appointed in accordance with Companies Act provisions.

2.2 Appointment and removal of the Chair, Non-Executive Directors and Executive Directors

The Non-Executive Chair, Non-Executive Directors and Executive Directors are appointed by Calderdale and Huddersfield NHS Foundation Trust (the 'Trust') and therefore may be removed by the Trust in accordance with the Articles of Association.

The Chief Executive of the Trust will confirm all proposed appointments of directors in writing prior to their appointment.

The Trust retains the right to remove any Director at any time by notice in writing.

2.3 Terms of office of the Chair, Non-Executive Directors and Executive Directors

The Chair and the Non-Executive Directors are to be appointed for a three year term of office, which may be renewed for one further three year term of office.

The terms and conditions, including remuneration of the office of Chair, Non-Executive Directors, Associate Non-Executive Director and Executive Directors are decided by the Trust.

2.4 Role of Board of Directors

The Board will function as a corporate decision-making body. Executive and Non-Executive Directors will be full and equal members. Their role as members of the Board of Directors will be to consider the key strategic and managerial issues facing the company in carrying out its statutory and other functions.

2.5 Appointment of Associate Non-Executive Director

The Board of Directors may decide to appoint an Associate Non-Executive Director and, subject to following good employment practice, may also remove the Associate Non-Executive Director from that position. The Trust's Nomination and Remuneration Committee will oversee the process of appointment and removal. The Chief Executive of the Trust alongside the Managing Director will confirm all proposed appointments of an Associate Non-Executive Director in writing prior to their appointment.

The Associate Non-Executive Directors are to be appointed for a one year term of office, which may be renewed for one further one year term of office.

The Associate Non-Executive Director will participate in the Board members duties and gain learning at Board level, however they have no voting rights or the same level of accountability or liability and will not be registered with Companies House.

2.6 Appointment of Secretary

The Board of Directors may decide to appoint a Secretary and, subject to following good employment practice, may also remove the Secretary from that position. The Trust's Nominations and Remuneration Committee will oversee the process of appointment and removal process. The appointment of the Secretary will be registered with Companies House.

3. Meetings of the Board of Directors

3.1 Attendees at Board Meetings

For the avoidance of doubt, all meetings of the CHS Board of Directors will be held in private. The minutes will go to the private meeting of the Trust Board of Directors.

The Board of Directors will decide what arrangements and terms and conditions it feels are appropriate to offer in extending an invitation for others to attend and address any of the company's Board meetings, and will change, alter or vary these terms and conditions as it deems fit.

3.2 Calling Meetings

Ordinary meetings of the Board of Directors shall be held at such times and places as that Board may determine.

Meetings of the Board of Directors may be called by the Secretary or by the Chair or by at least one-third of directors who give written notice to the Secretary specifying the business to be carried out.

The Secretary should send a written notice to all directors within seven days after receipt of such a request. If the Chair, or Secretary, refuses to call a meeting following such a request, one-third or more Directors may forthwith call a meeting.

3.3 Notice of Meetings

Before each meeting of the Board of Directors, a notice of the meeting, specifying the business proposed to be transacted at it, shall be delivered to every member of the Board of Directors electronically or by post to the agreed address of such director, so as to be available at least three clear days before the meeting.

A notice shall be presumed to have been served one day after sending. Lack of service of the notice on any director shall not affect the validity of a meeting.

3.4 Setting the Agenda

The Board of Directors may determine that certain matters shall appear on every agenda for a meeting.

A director who requires an item to be included on the agenda should advise the Secretary of the Board prior to the agenda being agreed with the Chair and no less than seven days before a meeting.

Agenda's will be sent to directors no less than three clear days before the meeting and supporting papers shall accompany the agenda, save in emergency.

3.5 Chair of Meeting

At any meeting of the Board of Directors the Chair, if present, shall preside. If the Chair is absent from the meeting the Directors present shall choose who should preside. If the Chair is absent from a meeting temporarily on the grounds of a declared conflict of interest the directors present shall choose who should preside.

3.6 Chair's Ruling

Statements of directors made at meetings of the Board of Directors shall be relevant to the matter under discussion at the material time and the decision of the Chair of the meeting on questions of order, relevancy, regularity, and any other matters shall be observed at the meeting.

3.7 General Meetings

The rules governing attendance, speaking, quorum, chairing, voting (including amendments to resolutions) and adjournment are set out in the Articles of Association.

3.8 Voting

Every question put to a vote at a meeting shall be determined by a majority of the votes of the Chair of the meeting and directors present and voting on the question and, in the case of the number of votes for and against a motion being equal, the Chair of the meeting shall have a second or casting vote.

All questions put to the vote shall, at the discretion of the Chair of the meeting, be determined by oral expression or by a show of hands. A paper ballot may also be used if a majority of the directors present so request.

If the majority of the directors present so request, the voting (other than by paper ballot) on any question may be recorded to show how each director present voted or abstained.

If a director so requests, his/her vote shall be recorded by name upon any vote (other than by paper ballot).

In no circumstances may an absent director vote by proxy. Absence is defined as being absent at the time of the vote.

In determining whether directors are participating in a directors meeting, it is irrelevant where any director is or how they communicate with each other.

3.9 Minutes

The minutes of the proceedings of a meeting shall be drawn up and submitted for agreement at the next ensuing meeting for approval.

No discussion shall take place upon the minutes except upon their accuracy or where the Chair considers discussion appropriate. Any amendment to the minutes shall be agreed and recorded at the next meeting.

A copy of the approved minutes shall be made available to the Trust.

3.10 Variation and Amendment of Standing Orders

These Standing Orders shall be amended only by approval from the Trust.

3.11 Record of Attendance

The names of the Chair and directors present at the meeting shall be recorded in the minutes.

3.12 Quorum

The quorum for Board of Director's meetings shall be two directors, of which one shall be the shareholder director and one shall be a non-shareholder director.

No business shall be transacted at a meeting of the Board of Directors unless at least two Directors are present, one of whom is a Non-Executive Director appointed by the Shareholder and as such has a casting vote.

If an alternate director has been appointed and is attending the Board of Directors in place of the director to whom he has been appointed alternate, then the alternate director shall count towards the quorum.

If the Chair or director has been disqualified from participating in the discussion on any matter and/or from voting on any resolution by reason of the declaration of a conflict of interest, they shall no longer count towards the quorum. If a quorum is then not available for the discussion and/or the passing of a resolution on any matter, that matter may not be discussed further or voted upon at that meeting. Such a position shall be recorded in the minutes of the meeting. The meeting must then proceed to the next business.

3.13 Frequency

The company shall hold meetings of the Board of Directors at least six times in each calendar year.

4. Arrangements for the exercise of functions by delegation

Subject to the Articles of Association and Standing Orders, the Board of Directors may make arrangements for the exercise, on its behalf of any of its functions:

- by a committee or sub-committee.
- appointed by virtue of SO 4.3 below, or
- by a director.

In each case subject to such restrictions and conditions as the Board of Directors thinks fit.

4.1 Emergency Powers

The powers which the Board of Directors has retained to itself within these Standing Orders may in emergency be exercised by a director after having consulted at least one other director. The exercise of such powers shall be reported to the next formal meeting of the Board of Directors for ratification.

4.2 Delegation to Committees

The Board of Directors shall agree, as and when it deems appropriate, to the delegation of executive powers to be exercised by committees or sub-committees, which it has formally constituted. The terms of reference of these committees, or sub-committees, and their specific executive powers shall be approved by the Trust.

4.3 Delegation to Officers

Those functions of the company which have not been retained as reserved by the Board of Directors or delegated to an executive committee or sub-committee shall be exercised on its behalf by the Managing Director or Director of Finance. The scheme of delegation shall set out which functions shall be delegated to officers to undertake.

The Director of Finance shall prepare a Scheme of Delegation (which is set out in the Standing Financial Instructions) identifying proposals which shall be considered and agreed by the Board of Directors and approved by the Trust, subject to any amendment agreed during the discussion. The Director of Finance may periodically propose amendment to the Scheme of Delegation, which shall be considered and approved by the Board of Directors as indicated above.

Nothing in the Scheme of Delegation shall impair the discharge of the direct accountability to the Board of Directors or the Director of Finance or other executive director. Outside these statutory requirements the role of the Director of Finance shall be accountable to the Managing Director for operational matters.

The arrangements made by the Board of Directors as set out in the Scheme of Delegation shall have effect as if incorporated in these Standing Orders.

4.4 Overriding Standing Orders

If for any reason these Standing Orders are not complied with, full details of the non-compliance and any justification for non-compliance and the circumstances around the non-compliance, shall be reported to the next formal meeting of the Board of Directors for action or ratification. All directors and staff have a duty to disclose any non-compliance with these Standing Orders to the Board of Directors as soon as possible.

5. Committees

5.1 Appointment of Committees

The Board of Directors may appoint committees, consisting of the Chair and/or directors of the company.

Each such committee shall have such terms of reference and powers and be subject to such conditions (as to reporting back to the Board of Directors), as the Board of Directors shall decide and shall be in accordance with any legislation and regulation. Such terms of reference shall have effect as if incorporated into the Standing Orders. Where committees are authorised to establish sub-committees they may not delegate executive powers to the sub-committee unless expressly authorised by the Board of Directors.

The Board of Directors shall approve the appointments to each of the committees, which it has formally constituted.

5.2 Confidentiality

A member of a committee shall not disclose a matter dealt with by, or brought before, the committee without its permission until the committee shall have reported to the Board of Directors or shall otherwise have concluded on that matter.

A director or a member of a committee shall not disclose any matter reported to the Board of Directors or otherwise dealt with by the committee, notwithstanding that the matter has been reported or action has been concluded, if that Board or committee shall resolve that it is confidential.

6. Declarations of Interests and Register of Interests

This section should be read in conjunction with the Articles of Association.

All directors should declare relevant and material interests to the Board of Directors. Any Directors appointed subsequently should do so on appointment. It is a condition of employment that those holding director or director-equivalent posts provide confirmation in writing, on appointment and thereafter on demand, of their fitness to hold such posts.

Interests may be financial or non-financial (ie political or belief-based), and should be regarded as 'relevant and material'. Reference should also be made to the *UK Corporate Code of Governance* in determining whether other circumstances or relationships are likely to affect, or could appear to affect, the director's judgement.

At the time the interests are declared they should be recorded in the Board of Director's minutes. Any changes in interests should be officially declared at the next Board meeting. It is the obligation of the Director to inform the Secretary in writing within seven days of becoming aware of the existence of a relevant or material interest. The Secretary will amend the Register upon receipt within three working days.

A register of directors' interests will be maintained and held by the Secretary and presented annually to the Board of Directors. This will be formally recorded in the minutes. Any changes in interests should be officially declared to the Secretary where an appropriate amendment will be made.

During the course of a Board of Directors meeting, if a conflict of interest is established, the director concerned should withdraw from the meeting and play no part in the relevant discussion or decision. For the avoidance of doubt, this includes voting on such an issue where a conflict is established. If there is a dispute as to whether a conflict of interest does exist, a majority vote will resolve the issue with the Chair of the meeting having the casting vote.

Subject to contrary regulations being passed, the Registers will be available for inspection by the Trust free of charge. Copies or extracts of the Registers must be provided to members of the company free of charge and within a reasonable time period of the request.

7. Exclusion of Chair and Directors in procedures on account of pecuniary interest

For the sake of clarity, the following definition of terms is to be used in interpreting this Standing Order, “spouse” shall include any person who lives with another person in the same household (and any pecuniary interest of one spouse shall, if known to the other spouse, be deemed to be an interest of that other spouse);

Subject to the following provisions of this Standing Order, if the Chair or a director of the company has any pecuniary interest, direct or indirect, in any contract, proposed contract or other matter and is present at a meeting of the company at which the contract or other matter is the subject of consideration, he shall at the meeting and as soon as practicable after its commencement disclose the fact and shall not take part in the consideration or discussion of the contract or other matter or vote on any question with respect to it.

The Board of Directors may exclude the Chair or a director of the Board from a meeting of the Board while any contract, proposed contract or other matter in which he has a pecuniary interest, is under consideration.

Any remuneration, compensation or allowances payable to the Chair or a Non-Executive Director in connection with their duties to the company, shall not be treated as a pecuniary interest for the purpose of this Standing Order.

For the purpose of this Standing Order the Chair or a director shall be treated, subject to SO 6 as having indirectly a pecuniary interest in a contract, proposed contract or other matter, if:

- a) he, or a nominee of his, is a director of a company or other body, not being a public body, with which the contract was made or is proposed to be made or which has a direct pecuniary interest in the other matter under consideration;
or
- b) he is a partner of, or is in the employment of a person with whom the contract was made or is proposed to be made or who has a direct pecuniary interest in the other matter under consideration;

and in the case of married persons living together the interest of one spouse shall, if known to the other, be deemed for the purposes of this Standing Order to be also an interest of the other.

The Chair or a director shall not be treated as having a pecuniary interest in any proposed contract or other matter by reason only:

- a) of membership of a company or other body, if there is no beneficial interest in any securities of that company or other body;
- b) of an interest in any company, body or person with which he is connected as mentioned in SO 6 above which is so remote or insignificant that it cannot reasonably be regarded as likely to influence a director in the consideration or discussion of or in voting on, any question with respect to that contract or matter.

Where the Chair or a director:

- a) has an indirect pecuniary interest in a contract, proposed contract or other matter by reason only of a beneficial interest in securities of a company or other body; and
- b) the total nominal value of those securities does not exceed £25,000 or one percent of the total issued share capital of the company or body, whichever is the less; and
- c) if the share capital is of more than one class, the total nominal value of shares of any one class in which he/she has a beneficial interest does not exceed one-percent of the total issued share capital of that class;

This Standing Order shall not prohibit him/her from taking part in the consideration or discussion of the contract or other matter or from voting on any question with respect to it without prejudice however to his/her duty to disclose his/her interest.

This Standing Order applies to a committee or sub-committee as it applies to the Board of Directors and applies to any member of any such committee or sub-committee (whether or not he/she is also a director of the company) as it applies to a director.

8. Standards of Business Conduct

8.1 Policy

Staff must comply with the Trust's policy 'Standards of Business Conduct'.

8.2 Interests of Officers in Contracts*

If it comes to the knowledge of a Director or an Officer of the company that a contract in which he/she has a pecuniary interest not being a contract to which he/she is himself/herself a party, has been, or is proposed to be, entered into by the Company he/she shall, at once, give notice in writing to the Director of Finance of the fact that he/she is interested therein. In the case of persons living together as partners, the interest one partner shall, if known to the other, be deemed to be also the interest of that partner.

An officer must also declare to the Director of Finance any other employment or business or other relationship of his/hers, or a cohabiting spouse, that conflicts, or might reasonably be predicted could conflict with the interest of the company. The

company requires interests, employment or relationships so declared by staff to be entered in a register of interests of staff.

Failure to declare any interest which may conflict with, or compromise, any employee's duties and obligations in respect of the award, operation or administration of a contract may result in a potential breach of the Bribery Act 2010 and necessitate further investigation by the Trust's counter fraud specialist.

*For the avoidance of doubt, this section relates to any employee who is involved in any procurement capacity on behalf of the company (not just tendered contracts).

8.3 Canvassing of and recommendations by, Directors in relation to appointments

Canvassing of Directors of the company, or members of any committee, directly or indirectly, for any appointment at the company, shall disqualify the candidate for such appointment. The contents of this paragraph of the Standing Order shall be included in application forms or otherwise brought to the attention of candidates.

A Director shall not solicit for any person any appointment at the company, or recommend any person for such appointment, but this paragraph of this Standing order shall not preclude a Director from giving written testimonial of a candidate's ability, experience or character for submission to the company. For the avoidance of doubt, all appointments shall follow due and proper process and be undertaken in accordance with HR procedures, including the completion of DBS checks as required.

Informal discussions outside appointment panels or committees, whether solicited or unsolicited, should be declared to the panel or committee.

8.4 Relatives of Directors or Officers

Candidates for any staff appointment shall, when making application, disclose in writing whether they are related to any Director, or any persons residing at the same address, or the holder of any office at the company. Failure to disclose such a relationship shall disqualify a candidate and, if appointed render him/her liable to instant dismissal.

Any alleged false representation contained on any application to the company, or failure to disclose any information when required to do so, may also result in investigation by the Trust's counter fraud specialist and/or NHS Protect and possible prosecution under the Fraud Act 2006.

On appointment, Directors should disclose to the company whether they are related to any other Director or holder of any office in the company.

Where the relationship of an officer or another Director to a Director is disclosed, the Declarations of Interest Policy should be consulted for guidance as to the appropriate action to take and advice sought from the Trust's Company Secretary.

9. Custody of Seal and Sealing of Documents

9.1 Custody of Seal

The Common Seal shall be kept by the Company Secretary, or officer appointed by him/her, in a secure place.

9.2 Sealing of Documents

The Common Seal shall not be fixed to any documents unless the sealing has been authorised by a resolution of the Board or a committee thereof or where the Board of Directors has delegated its powers. The affixing of the Common Seal shall be attested and signed by two directors or one director and the Secretary.

Before any building, engineering, property or capital document is sealed, it must be approved and signed by the Director of Finance (or an officer nominated by him/her) and authorised and countersigned by the Managing Director (or an officer nominated by him/her who shall not be within the originating department).

9.3 Register of Sealing

An entry of every sealing shall be made and numbered consecutively in a register provided for that purpose, and shall be signed by the persons who shall have approved and authorised the document and those who attested the seal. A report of all sealing shall be made to the Board of Directors. (The report shall contain details of the seal number, the description of the document and date of sealing). The register will be held by the Secretary or nominated officer.

10. Signature of documents

Where the signature of any document will be a necessary step in legal proceedings involving the company it shall be signed by the Director of Finance, unless any enactment otherwise requires or authorises, or the Board of Directors shall have given the necessary authority to some other person for the purpose of such proceedings.

The Director of Finance or nominated officers shall be authorised, by resolution of the Board of Directors, to sign on behalf of the company any agreement or other document (not required to be executed as a deed) the subject matter of which has been approved by the Board of Directors or committee or sub-committee to which that Board has delegated appropriate authority.

11. Miscellaneous

11.1 Standing Orders to be given to Directors and Officers

It is the duty of the Director of Finance to ensure that existing directors and officers and all new appointees are notified of and understand their responsibilities within Standing Orders and SFIs. Updated copies shall be shared with staff via the CHS Intranet pages.

11.2 Documents having the standing of Standing Orders

Standing Financial Instructions and the Scheme of Delegation shall have effect as if incorporated into Standing Orders.

11.3 Review of Standing Orders

Standing Orders, and all documents having effect as if incorporated in Standing Orders, shall be reviewed annually by the Company Secretary on behalf of the Board of Directors for approval by the Trust.