

Code of Corporate Governance

Version: 10.0 **Supersedes:** 09.0
Author: Head of Corporate Governance
Approved by: Ayrshire and Arran NHS Board

Status: Aprpoved
Date Approved: 07/04/2026
Review Date: April 2027

Code of Corporate Governance

Document Control Sheet

Title:	Code of Corporate Governance
Document Status:	Approved
Document Type:	Code
Version Number:	10.0
Document location:	AthenA and external web
Author:	Head of Corporate Governance
Owner:	Head of Corporate Governance
Approved By:	Ayrshire and Arran NHS Board
Date Effective From:	Date of approval
Review Frequency:	One year
Next Review Date:	01/05/2027

Revision History from 2024 (contact the Head of Corporate Governance for earlier history)

Version:	Date:	Summary of Changes:	Responsible Officer:
10.0	March 2026	Review of all section of Code - changes noted below for sections	Head of Corporate Governance
		A – How business is organised – reviewed Item 3 – para 3.1 updated to reflect current Board agenda headings	
		D – Counter Fraud Policy – reviewed including roles & responsibilities to reflect both new legislation (Economic Crime & Corporate Transparency Act 2023) and introduction of National Fraud Standards Item 2: Response Plan - Minor amendments following a review of other Boards' documentation.	Fraud Liaison Officer
		E – Standing Financial Instructions – updated to strengthen our governance framework regarding financial spend	Assistant Director of Finance - Governance & Shared Services
		F – Scheme of Delegation – updated to strengthen our governance framework regarding financial spend	As above
		G - Section reviewed and updated to reflect the Board's updated Risk Appetite	Risk Manager
	August 2025	H - Integrated Health and Care Governance Framework – updated 2.1 – Professional governance - minor changes - Three HSCP Clinical and Care Governance schematics reviewed and updated in June 2025. - Changes approved by Healthcare Governance Committee for submission to Code of CG	Director of Clinical and Care Governance

Code of Corporate Governance

Version:	Date:	Summary of Changes:	Responsible Officer:
09.0	NHS Board 07/10/24	Introduction – reviewed – no change	Head of Corporate Governance
		- Change of title to “Board Standing Orders and How Committee business is organised” - Item 3 Board business. Added that the Board agenda headings can be changed by agreement of Board Chair and Chief Executive.	
		C1 - Supporting guidance on Acceptance and Declaration of Gifts, Hospitality and Interests – Reviewed – update to Appendix 7 for Acute and Nurse Director declaration authorisers	
		E – Standing Financial Instructions Section 19 Procurement updated at 19.5, 19.6 and 19.9 to reflect the current tender/quotation process for purchases of less than £10,000 and more than £10,000 up to £50,000.	
		F – Scheme of Delegation - Item 2 - Schedule of Matters Delegated to Board Executive Directors: 4.3 Added – moved from Annex 1 as reflected delegation to a Director of the Board - Item 3 – Scheme of Further Delegation 2. Change to delegated Leads as shown in red - Item 3 - Scheme of Further Delegation. The section has been changed throughout with changes shown in red text. - The section now includes additional delegation information in respect of board governance areas to mirror the Committee structure. This reflects board delegation, and is not a repeat of each committee Terms of Reference although the delegation is aligned to the ToR. There is additional information for Audit (new), Healthcare (added), Performance (new), Staff Governance (added), Information Governance (added), Integrated Governance (new). - Topics which did not align with the current headings were moved to the aligned Governance area or Other Key Areas as appropriate. - Section 16 Tenders has been updated to reflect SG Procurement threshold values and updated job roles. This was previously under section 12.	
		G – Risk Management 2.1 Removed sentence “where it is considered to be in the best interests of patients. 2.3 Updated list to reflect 2023-2026 risk management strategy - Risk Appetite statement - Risk Matrix amended to read Risk Appetite Matrix 6.1 Corporate risk amended to read strategic risk. 6.2 Amended to reflect practice in that high risks are not notified separately to Board; are part of Strategic Risk Register. 7.4 National framework document updated	

Code of Corporate Governance

Version:	Date:	Summary of Changes:	Responsible Officer:
		H – Integrated Health and Care Governance Framework – no change. Reviewed and agreed bi-annually by Healthcare Governance Committee. Next review April 2025.	

Approvals: this document was formally approved by:

Name & Title / Group:	Date:	Version:
NHS Board	March 2013	01.0
NHS Board	March 2015	02.0
NHS Board	June 2016	03.0
NHS Board	26/06/2017	04.0
NHS Board	25/06/2018	05.0
NHS Board	24/06/2019	05.1
Chief Executive - updates previously approved by NHS Board	03/12/2020	05.2
NHS Board	24/05/2021	06.0
NHS Board	23/05/2022	07.0
NHS Board	23/05/2023	08.0
NHS Board	07/10/2024	09.0
NHS Board	07/04/2026	10.0

Dissemination Arrangements:

Intended audience:	Method:	Date:	Version:
All Staff	NHS Ayrshire & Arran internal and external web Health and Social Care Partnerships CMT Team from 2020 Daily Digest article from 2022	29 July 2015	02.0
		June 2017	03.0
		11/07/2017	04.0
		04/07/2018	05.0
		11/07/2019	05.1
		05/12/2020	05.2
		05/07/2021	06.0
		22/06/2022	07.0
		28/06/2023	08.0
		14/10/2024	09.0
		05/08/2026	10.0

Linked Documentation:

Document Title:	Document File Path:
The Blueprint for Good Governance in NHS Scotland	NHS Scotland - blueprint for good governance: second edition - gov.scot (www.gov.scot)
Corporate Records Retention and disposal policy (internal link)	http://athena/kmeh/kmeh/igs/Documents/CorpRMPolicy.pdf
Model Code of conduct for devolved public bodies	Model Code of Conduct for Members of Devolved Public Bodies (standardscommissionscotland.org.uk)
Risk Management Strategy	http://athena/execmed/riskmgt/Risk%20management%20library/Risk%20Management%20Strategy.pdf

NB. This document is uncontrolled when printed. The contents of this document are subject to change, any paper copy is only valid on the day of printing. To ensure you have the most up to date version of this document please use the link to access the document directly from AthenaA or contact the Author.

Contents

Introduction

This section introduces the Code of Corporate Governance and its purpose and scope. It sets out definitions of terms and role and responsibilities. It explains the role of the NHS Board and Corporate Governance, the need for accountability and openness and that the principles of The Code apply to Endowment Trustees and Board Committees

Section A Board Standing Orders and how committee business is organised

This section explains how the business of Ayrshire and Arran NHS Board and its Committees is organised.

Section B Members Code of Conduct

This section is for Members of Ayrshire and Arran NHS Board and details how they should conduct themselves in undertaking their duties.

Section C Standards of Business Conduct for NHS Staff

This section is for all staff to ensure they are aware of their duties in situations where there may be conflict between their private interests and their NHS duties.

Section C1 Supporting guidance for Standards of Business Conduct for NHS Staff

Annex to
section C

This section provides guidance to staff on criteria and steps to take for acceptance and declaration of gifts and hospitality and interests

Section D Counter Fraud Policy and Action Plan

This section explains with how staff must deal with suspected fraud and NHS Ayrshire & Arran's intended response to a reported suspicion of fraud.

Section E Standing Financial Instructions

This section explains how staff will control the financial affairs of NHS Ayrshire & Arran and ensure proper standards of financial conduct.

Section F Scheme of Delegation

This section gives details and levels of delegation across all areas of the business of NHS Ayrshire & Arran

Section G Risk Management

This section explains how NHS Ayrshire & Arran staff will manage risks that affect the organisation.

Section H Integrated Health and Care governance framework

This section explains how NHS Ayrshire & Arran and the three Ayrshire Integration Joint Boards discharge their Health and Care Governance accountability



Introduction

Last update: October 2024
Reviewed: March 2026— no change.

1.0 Introduction

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

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

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

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

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

2.0 Purpose

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

3.0 Scope

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

4.0 Definition of Terms

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

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

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

5.0 Roles & responsibilities

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

6.0 Ayrshire and Arran NHS Board

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

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

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

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

6.3 The role of the Board is:

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

6.4 The functions of the Board are:

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

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

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

6.7 Composition of the Board

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

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

7.0 Corporate Governance

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

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

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

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

8.0 Conduct, accountability and openness

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

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

9.0 Endowment funds

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

10.0 Advisory and other committees

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

11.0 Review and feedback

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

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

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

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

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