

CUMAS NEW ROSS
BUTLERSLAND INDUSTRIAL ESTATE, NEW ROSS, CO WEXFORD

CODE OF GOVERNANCE

Contents

1. Introduction
2. Guiding Principles
3. Structures - Roles & Responsibilities
 - 3.1 Board of Directors
 - 3.2 Board Sub-Committees
 - 3.3. General Manager
4. Codes of Conduct and Quality Service
5. Reporting Processes
6. Control and Compliance
 - 6.1 Internal Controls
 - 6.2 Quality and Safety Board Committee
 - 6.3 Procurement
7. Governance and Professional Accountability
8. Reporting on Compliance with Governance Standards

1. Introduction

Corporate governance is the system by which organisations direct and control their functions and relate to their stakeholders in order to manage their business, achieve their mission and objectives and meet the necessary standards of accountability, integrity and propriety. It is a key element in improving efficiency, effectiveness and accountability as well as enhancing openness and transparency. The continuous strengthening of governance and accountability arrangements across Cumas New Ross is of paramount importance to the Board of Directors.

The purpose of this document is to provide a framework for corporate and financial governance, setting out minimum and tailored codes that are reviewed and enhanced regularly. Best practice in the area of governance is recognised as being evolutionary in nature and standards are developed and updated to meet the changing environment. The standards set out in this document are the minimum standards of best practice at this time.

2. Guiding Principles

Standards of governance are underpinned by a set of key principles that promote transparency, efficiency and effectiveness, are consistent with the regulatory environment and clearly articulate the division of roles and responsibilities within the organisation. Specifically, standards should provide that a publicly funded organisation:

- Acts legitimately in compliance with legal requirements, within the authority conferred, observes due process in all its activities and respects the rights and aspirations of other stakeholders and the public.
- Meets publicly declared standards of performance particularly relating to quality, equity, value for money in the use of public resources and delivery of agreed achievements and social gains outcomes.
- Accounts to stakeholders and to the public for its actions relating to the principles of equity, person centredness, quality and accountability.

Good governance will reflect the key characteristics of:

- **Propriety:** Measured by the extent to which the Board of Directors carry out their duties with integrity and fairness and without self-interest or favouritism. It is reflected in the organisation's decision making procedures, the quality of its financial and performance reporting, in guidance issued on governance and ethics as well as standards of conduct and behaviour.
- **Responsiveness:** Measured by the ability of stakeholders, including individuals attending and employees, to secure performance to given standards and to obtain redress if these standards are not met.

- **Transparency:** Measured by the extent to which individuals attending and employees are informed about the actions taken by the organisation and the rules governing these actions. It is also manifest by the degree of clarity and understanding that exists regarding roles and responsibilities together with authority and accountability levels.
- **Public Accountability:** The extent to which the organisation accounts to the Government and the general public for the use of public resources.

3. Structure - Roles and Responsibilities

Central to good governance is a clear understanding by all parties of their respective responsibilities and roles. It is particularly crucial that this understanding is clearly articulated in writing and covers the:

- Board of Directors role, including a detailed description of the roles of the chairperson, the members and any sub-committees.
- Chairperson's and General Manager's roles; there should be a clear written statement describing the division of responsibilities of the Chairperson and General Manager.

3.1 The Board of Directors

The Board's role across key areas will be clearly documented, having regard to relevant legislation and should reflect its:

- Role as guardian of strategic direction and policy, including ensuring that these are in line with overall Government policy as it applies and reviewing and guiding overall strategy.
- Stewardship role in relation to setting performance objectives, monitoring implementation and performance, financial, manpower, planning, audit, risk policy, communications policy and due process.
- Ambassadorial role for both the Board, individuals attending and the community, ensuring that their needs are at the forefront of the Board's consideration.
- Role in meeting its accountability to the Department of Health and the Government.
- Need for expertise to enhance/support the Board and management, including the formulation and review of both Board and organisational strategy, policies and outcomes.
- Appraisal of Board performance as well as developing and maintaining competencies and skill sets of its members, in particular a formal induction training process for new members.

- Clearly documented procedures on its workings to ensure maximum transparency and contribute to effective monitoring of its performance.
- Role in ensuring the integrity of the organisation's accounting and financial reporting systems and in ensuring that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
- Clear definition of authority, responsibility and accountability levels for management.

The Chairperson will ensure that all members are properly briefed on issues arising at Board meetings. The Board should ensure that a formal schedule of matters specifically reserved to it for decision is drawn up and made available.

3.2 Board Committees

When the Board establishes sub-committees to assist in the discharge of its responsibilities, it must ensure that authority and accountability are clearly defined in a written brief available to each committee, which encompasses the committee's mandate, terms of reference, composition, term of office, working procedures, relationship with management and reporting responsibilities to the Board on a regular basis. Committee members who are not Board members will be provided with a written code of conduct that includes standards of integrity and conduct to be maintained by them in performing their functions.

3.3 The General Manager

The General Manager's role is to manage the day to day operational issues on behalf of the Board of Directors, she/he is accountable to the Board and expected to:

- Carry out and manage and control generally the administration and business of the organisation.
- Put in place procedures to allow the Board to meet its accountability to the Department of Health and Government.
- Implement its annual operational plan.
- Put in place an effective structure to manage the work of organisation.
- Agree individual plans including performance targets with the management team.
- Delegate authority and accountability to the management team for operational matters.
- Monitor performance and hold the management team accountable.

- Ensure that the Board has timely and accurate information on the performance of management and to fulfil the functions of the organisation.
- Ensure that the Board has sufficient information on risk identification, measurement and mitigation strategies.
- Ensure the economic and efficient and effective use of resources.
- Ensure systems, procedures and practices of the organisation are in place for evaluating the effectiveness of its operations.
- Appear before the Oireachtas Committees when duly requested.

4. Codes of Conduct and Quality Customer Service

A Terms of Appointment and Conduct code sets out the basic objectives on the conduct of the Board and its members, with a separate Code of Conduct also in place for individuals, employees (see also Employee Handbook) and visitors or contractors.

Codes of conduct should normally include at a minimum:

- The duty of the Board members, its committee members, employees, advisers, consultants and contractors to maintain proper standards of integrity, conduct and concern in the public interest.
- An agreed set of ethical principles.
- Rules regarding disclosure of confidential information.
- The promotion and maintenance of confidence and trust.
- The prevention of the development or acceptance of unethical practices.

Typical components of the code include Obligations, Loyalty, Fairness, Work/External Environment, Responsibility and Review and the Acceptance of Gifts. Codes of Conduct should be made available to all persons for whose guidance they have been issued.

5. Reporting Processes

Reporting is required to the Government through the Department of Health, usually via the Health Service Executive (HSE). Reporting arrangements will be scrupulously observed, with a high standard of quality, accuracy and timeliness of information provided as required.

6. Control and Compliance

6.1 Internal Controls

Effective control of public funding is achieved through a robust system of internal controls, both financial and otherwise, established by the Board and management in order to carry on the business of the organisation and safeguard the assets from inappropriate use and loss from fraud or error. The Board will decide the extent of the internal control system based on current best practice which is appropriate to the organisation and will be reviewed regularly through reports from management.

6.2 Quality and Safety Board Committee

As and when deemed necessary the Board of Directors will establish a Quality and Safety Board Committee, comprising of non-executive and executive members, which will oversee quality and safety on behalf of and reporting directly to the Board of Directors. The Committee's functions will be:

- Oversee the development by the senior management team of a quality and safety programme for the service.
- Recommend to the Board a quality and safety programme and a senior management team structure, policies and processes that clearly articulates responsibility, authority and accountability for quality, safety and risk management across the service.
- Secure assurance from the senior management team on the implementation of the quality and safety programme and the application of appropriate governance structure and processes e.g. risk escalation, including monitored outcomes through quality indicators and outcome measures.
- Secure assurance from the senior management team that the service is conforming to all regulatory and legal requirements to assure quality, safety and risk management.
- Act as advocates at both Board and Government level for quality and safety issues that cannot be resolved by the senior management team.

The Quality and Safety Board Committee are directly responsible to the Board of Directors and will consist of:

Chairperson } All Board
Members } members
General Manager
Services & Quality Manager

The Committee will meet as and when required and a meeting will require a minimum of two members and two managers to be considered a quorum. Meeting agendas will be for specific matters as directed by the Board of Directors and may also include but not be limited to:

- Individuals' experience
- Staff experience
- National standards, guidelines and policies
- Local quality and safety initiatives
- Health facilitation
- Risk management and safety processes
- Reports from sub-committees e.g. Safety Committee
- Risk assessment of cost containment plans

6.3 Procurement

Day to day procurement practices are included in the Financial Controls document. A previous attempt at using HSE vendors proved to be ineffective by means of cost and customer service provision, quality and reliability. Cumas New Ross being a community-based organisation will always try to use local suppliers in a transparent, non-discriminatory, proportional and equitable fashion, based on proven quality of service, reliability, after sales service provision and value for money. When applicable the placing of contracts will comply with national policy, EU and international rules of procurement.

7. Governance and Professional Accountability

The Board will ensure that the governance arrangements of the organisation's professional accountability will reflect the efficiency, effectiveness and overall quality of services provided. Historically controls assurance has been concerned with financial and organisational control matters, whereby professional governance is concerned with the quality and effectiveness of the professional services and procedures. Both agendas are complementary and taken together and properly considered, they enable the organisation to confidently state that effective systems of internal control including risk management are in place.

8. Reporting on Compliance with Governance Standards

The organisation's Code of Governance maintains the philosophy of "comply or explain" in all matters of operation. The Board reports annually to the HSE through the Service Level Arrangement as to how Cumas New Ross applies their governance standards outlined in this document and/or explains the reasons when and where the standards have not been implemented.