

Subsidiary Oversight Committee Terms of Reference

1. Constitution of the Committee

The Board of Directors hereby resolves to establish a Committee of the Board of Directors to be known as the Subsidiary Oversight Committee (the Committee). The Committee has no executive powers other than those specifically delegated in these Terms of Reference.

2. Purpose and objectives

The Committee is established to provide the Board of Directors with assurance on the appropriate management of the Trust's wholly owned subsidiary companies and where the Trust has a shareholding or interest in a company (known as related company/entity). In particular, the Committee is established to:

- Ensure that where the Trust has an interest, or shareholding, the Trust has appropriate oversight and governance
- Set out the relevant governance and oversight arrangements in respect of the Sulis Hospital Bath.

The Committee is a standing committee of the Board of Directors (the Board) but will only carry out its functions where the Trust has any wholly owned subsidiary entities in existence.

The Committee is authorised to:

- Perform any of the activities within its terms of reference;
- Obtain outside professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary; and
- Consider and make recommendations to the Board of Directors on any and all items of which they should be aware to fulfil their responsibility

3. Roles and Responsibilities

The duties of the Committee are as follows:

- Ensuring the Trust has a clear strategy for the use and development of subsidiary companies. In relation to Sulis Hospital Bath, the Committee should ensure that the company supports the Trust's strategic priorities
- Seek assurance that the Board of Sulis Hospital Bath is taking steps to develop and maintain a culture of openness, fairness, equality and learning to support the delivery of high-quality services
- Seek assurance and where necessary, providing support to Sulis Hospital Bath in obtaining and maintaining correct and up to date registration with the Care Quality Commission, as well as appropriate licensing with NHS England
- Seeking assurance that the Board of Sulis Hospital Bath is fulfilling its reporting and filing obligations to Companies House within agreed or mandated

timescales.

- Agreeing with Sulis Hospital Bath clear financial and operational targets and objectives, and receiving regular updates as to performance against these.
- Maintaining a clear view of the subsidiary level risk profile and exposure (safety, quality, operational, reputational and financial) across the group profile.
- Ensuring the Trust has a clear governance framework and structure for oversight of Sulis Hospital Bath. This framework will confirm the Sulis Board's obligations to:
 - Attend the Committee to present the annual accounts for the previous year and the annual plan for the forthcoming year.
 - Provide an annual report on the company's activities to the Committee to include the extent to which key performance indicators have been met.
 - Report on relevant regulatory frameworks, including risks and mitigation plans where standards may have been compromised.
 - To confirm that there is a clear and transparent process for appointing the senior leadership team of Sulis Hospital Bath.
- Ensure the mobilisation of new subsidiary companies/entities is delivered effectively and aligned to the business case.

4. Membership

The Committee shall be appointed by the Board of Directors and shall consist of:

- A Non-Executive Director (Chair)
- Another Non-Executive Director (with a clinical background)
- Chief Financial Officer
- Chief Nursing Officer

In the absence of the Chair of the Committee, another Non-Executive Director will perform this role.

Each executive member must nominate a deputy to attend in their place when they are unable to. These nominated deputies will have voting rights and be counted towards the quorum. Additionally, in the event that neither the Chief Nursing Officer nor their deputy is able to attend a meeting, they may submit a report setting out the extent to which they are assured as to the quality of care provided at Sulis Hospital.

5. Quorum and attendance

Business will only be conducted if the meeting is quorate. The Committee will be quorate with two voting members of the Board of Directors present (at least one Executive Director and one Non-Executive Director).

Meetings of the Committee shall also be attended by:

- Managing or Hospital Director of the company/entity
- Chief Operating Officer
- Chief Strategic Officer

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- Chief Medical Officer (or deputy)
- Head of Corporate Governance
- Specialist expertise as required

The Chair of the subsidiary company/entity will be invited to attend a majority of the meetings of this Committee.

Any member of the Board of Directors can attend.

6. Reporting

Minutes of Committee meetings will be recorded; and will normally be confirmed as accurate at the next meeting of the Committee.

The Chair of the Committee shall draw to the attention of the Board of Directors any issues that require disclosure to the full Board. The Committee shall also raise any significant concerns in relation to the business undertaken directly with the Board in a timely manner.

The Committee will report annually to the Board of Directors on the performance of its duties as reflected within its Terms of Reference.

Any items of specific concern or which require the Board of Directors approval will be subject to a separate report.

7. Frequency

The Committee will consider and agree on the frequency and timing of meetings needed to allow it to discharge all of its responsibilities.

Meetings will be held no less than four times per year, with additional meetings where necessary.

In normal circumstances, a minimum notice period of two weeks must be given for any other meetings of the Committee. Emergency meetings can be arranged, at shorter notice, if this is approved and evidenced as such, by the majority of the members of the Committee.

8. Secretariat and administration

The Head of Corporate Governance is a member of the committee and has corporate responsibility for:

- Liaising with the chair on all aspects of the work of the committee, including providing advice.
- Ensuring the committee acts in accordance with standing orders and scheme of reservation and delegation.
- Collation of the papers which will be disseminated five working days in advance of the meeting.

- Arranging for minutes and actions which will be disseminated five working days after the meeting.

These Terms of Reference will be subject to an annual review. The Committee shall conduct an annual self-assessment on the performance of its duties as reflected within its Terms of Reference and report any conclusions and recommendations for change to the Board.

As part of this assessment, the Committee shall consider whether or not it receives adequate and appropriate support in fulfilment of its role and whether or not its current workload is manageable.

Terms of Reference approved by the Committee on: **30th September 2024**

Ratified by the Board of Directors on: **6th November 2024**