
STATUTORY INSTRUMENTS

1990 No. 2024

**The National Health Service Trusts
(Membership and Procedure) Regulations 1990**

PART III

CONSTITUTION AND PROCEEDINGS

Appointment of vice-chairman

13.—(1) For the purpose of enabling the proceedings of the trust to be conducted in the absence of the chairman, the directors of an NHS trust may appoint a non-executive director from amongst them to be vice-chairman for such a period, not exceeding the remainder of his term as non-executive director of the trust, as they may specify on appointing him.

(2) Any non-executive director so elected may at any time resign from the office of vice-chairman by giving notice in writing to the chairman and the directors of the trust may thereupon appoint another non-executive director as vice-chairman in accordance with paragraph (1).

Powers of vice-chairman

14. Where the chairman of an NHS trust has died or has otherwise ceased to hold office or where he has been unable to perform his duties as chairman owing to illness, absence from England and Wales or any other cause, references to the chairman in the Schedule to these Regulations shall, so long as there is no chairman able to perform his duties, be taken to include references to the vice-chairman.

Appointment of committees and sub-committees

15.—(1) Subject to regulations 17 and 18 an NHS trust may appoint committees of the trust consisting wholly or partly of directors of the trust or wholly of persons who are not directors of the trust.

(2) A committee appointed under this regulation may appoint sub-committees consisting wholly or partly of members of the committee (whether or not they include the directors of the trust) or wholly of persons who are not members of the committee (whether or not they include directors of the trust).

Arrangements for the exercise of functions

16. Subject to regulations 17 and 18 an NHS trust may make arrangements for the exercise, on behalf of the trust, of any of its functions by a committee or sub-committee appointed by virtue of regulation 15 subject to such restrictions and conditions as the trust thinks fit.

Committee for appointing chief officer as director

17. An NHS trust shall appoint a committee whose members shall be the chairman and non-executive directors of the trust whose function will be to appoint the chief officer as a director of the trust.

Committee for appointing executive directors other than chief officer

18. An NHS trust shall appoint a committee whose members shall be the chairman, the non-executive directors and the chief officer whose function will be to appoint the executive directors of the trust other than the chief officer.

Meetings and Proceedings

19.—(1) The meetings and proceedings of an NHS trust shall be conducted in accordance with the rules set out in the Schedule to these Regulations and with Standing Orders made under paragraph (2).

(2) Subject to those rules and to regulation 20 an NHS trust shall make and may vary or revoke Standing Orders for the regulation of its proceedings and business and provision may be made in such Standing Orders for the suspension of them.

(3) An NHS trust may make, vary and revoke Standing Orders relating to the quorum, proceedings and place of meetings of a committee or sub-committee but, subject to regulation 20 and to any such Standing Orders, the quorum, proceedings and place of meeting shall be such as the committee or sub-committee may determine.

(4) The proceedings of an NHS trust shall not be invalidated by any vacancy in its membership or by any defect in a director's appointment.

Disability of directors in proceedings on account of pecuniary interest

20.—(1) Subject to the following provisions of this regulation, if a director of an NHS trust has any pecuniary interest, direct or indirect, in any contract, proposed contract or other matter and is present at a meeting of the trust 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 and discussion of the contract or other matter or vote on any question with respect to it.

(2) The Secretary of State may, subject to such conditions as he may think fit to impose, remove any disability imposed by this regulation, in any case in which it appears to him in the interests of the health service that the disability shall be removed.

(3) An NHS trust may, by Standing Orders made under regulation 19 provide for the exclusion of a director from a meeting of the trust while any contract, proposed contract, or other matter in which he has a pecuniary interest, direct or indirect, is under consideration.

(4) Any remuneration, compensation or allowances payable to a director by virtue of paragraph 9 of Schedule 2 to the Act shall not be treated as a pecuniary interest for the purpose of this regulation.

(5) Subject to paragraphs (2) and (6), a director shall be treated for the purposes of this regulation 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 be deemed for the purpose of this regulation to be also an interest of the other.

(6) A director shall not be treated as having a pecuniary interest in any contract, proposed contract or other matter by reason only—

- (a) of his membership of a company or other body if he has 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 paragraph (5) 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.

(7) Where a director—

- (a) has an indirect pecuniary interest in a 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 £5,000 or one hundredth of the total nominal value of the 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 has the beneficial interest does not exceed one hundredth of the total issued share capital of that class,

this regulation shall not prohibit him from taking part in consideration or discussion of the contract or other matter or from voting on any question in respect to it without prejudice however to his duty to disclose his interest.

(8) This regulation applies to a committee or sub-committee of an NHS trust as it applies to the trust and applies to any member of any such committee or sub-committee (whether or not he is also a director of the trust) as it applies to a director of the trust.