

Meeting	14th September 2021	Board of Directors					
Report	Agenda item 16 (g)	Standing Financial Instructions and Variable Pay Approval Levels					
Purpose of the Report	Decision	x	Ratification		Assurance		Information
Accountable Executive	Simon Holden				Director of Finance		
Author(s)	Rose Garrod				Chief Financial Accountant		
Board Assurance Framework	G1	Failure to progress implementation of the governance improvement plan					
Strategic Aims							
CQC Domains	Well Led						
Previous Considerations	Audit Committee – 28 th July 2021						
Summary	<ul style="list-style-type: none"> The purpose of the report is to provide an annual review of the Trust's SFIs, and amend/update where necessary. The amendments were considered and agreed by the Audit Committee on 28 July, and are now recommended to Board for approval. 						
Highlights	<p>Members are asked to note:</p> <ul style="list-style-type: none"> The updated Standing Financial Instructions. The items being deleted are shown in pink and crossed through and those that are being inserted/amended are highlighted in green. These are reviewed by consulting various departments to ensure that they are current and relevant. The changes reflecting the changes in procurement laws from EU/UK taking into account the transition period. Roles and responsibility changes. Improved governance for a number of the Trust's Committees (including Remuneration Committee, Audit Committee, Nominations Committee), following best practice. 						
Recommendation(s)	<p>The Board is requested to:-</p> <ul style="list-style-type: none"> Approve the Standing Financial Instructions, including the variable pay approval levels, as agreed and recommended by the Audit Committee. 						
Corporate Impact Assessment							
Statutory Requirements	Meets the Trust compliance with Foundation Trust Status						



Quality & Safety	
NHS Constitution	
Patient Involvement	
Risk	Ensures compliance of Trust rules and regulations by staff
Financial impact	
Equality & Diversity	
Communication	Document to be published on website

Standing Financial Instructions and Variable Pay Approval Levels

BACKGROUND

1. This is the annual review of the Trust's Standing Financial Instructions.

PURPOSE

2. The purpose is to approve the Trust's Standing Financial Instructions and publish on the Intranet, so Staff can refer to it to ensure compliance with Trust Policies and Procedures.

CURRENT POSITION

3. The Standing Financial Instructions are reviewed annually in order to ensure that they are current and relevant and to ensure that roles and responsibilities are correctly reflected to ensure that the Policies and Procedures of the Trust are adhered to.

The main changes to highlight are:

4. Following on from a discussion at the Audit Committee, a meeting was held between the Chief Digital Information Officer and the Director of Finance regarding section 16 Information Technology in order to correctly identify the responsible Director. It was decided as the Finance systems overlapped the remit of both of them, that both Officers should be responsible. This will be reviewed when the system is upgraded and moves to a cloud-based system.
5. As the Audit Committee Terms of Reference have been updated they are now reflected in the revised SFI's. Additionally, a reference of the Trust Chair being invited to attend the Audit Committee once a year has now been added, and this will be reflected in a revised Terms of Reference in future.
6. References to *NHS Protect* have been replaced by *NHS Counter Fraud Authority*, where applicable.



7. As the Standing Orders were incorporated into the Trust' Constitution in December 2020, changes have been made to the SFIs in order to ensure consistency.
8. Changes have been made throughout to reflect changes in job titles, and Directors remits.
9. As the Terms of Reference have been updated for the Remuneration and Nominations Committee, these have been reflected within the SFIs
10. Due to Brexit, all references to the EU have now been changed to EU/UK legislation as either may apply, depending on the circumstances.
11. The Scheme of Delegation has been changed to reflect the changes in the Constitution and the Standing Orders.
12. Where responsible, Committee names have been revised - these are shown mainly in Tables A and B.

RECOMMENDATION

5. The Board is asked to:-

- Approve the Standing Financial Instructions, including variable pay approval levels, as recommended by the Audit Committee.

STANDING FINANCIAL INSTRUCTIONS

- 1 INTRODUCTION**
- 2 AUDIT**
- 3 ALLOCATIONS/PAYMENT BY RESULTS, BUSINESS
PLANNING,BUDGETS,BUDGETARY CONTROL AND MONITORING**
- 4 ANNUAL ACCOUNTS AND REPORTS**
- 5 BANK ACCOUNTS**
- 6 INCOME,FEES AND CHARGES AND SECURITY OF CASH, CHEQUES AND OTHER
NEGOTIABLE INSTRUMENTS**
- 7 FOUNDATION TRUST CONTRACTS**
- 8 TERMS OF SERVICE, ALLOWANCES AND PAYMENT OF MEMBERS OF THE BOARD
OF DIRECTORS AND EMPLOYEES**
- 9 PROCESSING OF THE PAYROLL**
- 10 NON-PAY EXPENDITURE**
- 11 TENDERING AND CONTRACT PROCEDURE**
- 12 EXTERNAL BORROWING AND INVESTMENTS**
- 13 CAPITAL INVESTMENT, PRIVATE FINANCING, FIXED ASSET REGISTERS AND
SECURITY OF ASSETS**
- 14 STOCK, STORES AND RECEIPT OF GOODS**
- 15 DISPOSALS AND CONDEMNATIONS, INSURANCE, LOSSES AND SPECIAL
PAYMENTS**
- 16 INFORMATION TECHNOLOGY**
- 17 PATIENTS' PROPERTY**
- 18 FUNDS HELD ON TRUST**
- 19 ACCEPTANCE OF GIFTS AND HOSPITALITY FOR STAFF**
- 20 RETENTION OF DOCUMENTS**
- 21 RISK MANAGEMENT**

Scheme of Reservation and Delegation

Schemes of Reservation and Delegation Table A

Schemes of Reservation and Delegation Table B

1. INTRODUCTION

General

NHSI sets the Terms of Authorisation for the Foundation Trust that require compliance with the principles of best practice applicable to corporate governance within the NHS / Health Sector with any relevant code of practice and guidance issued by NHSI.

The Code of Conduct and Accountability in the NHS issued by the Department of Health requires that each NHS organisation shall give, and may vary or revoke, Standing Financial Instructions for the regulation of the conduct of its Members and officers in relation to all financial matters with which they are concerned. These Standing Financial Instructions (SFIs) are issued in accordance with the Code. They shall have effect as if incorporated in the Standing Orders (SOs) of the Foundation Trust.

These SFIs detail the financial responsibilities, policies and procedures to be adopted by the Foundation Trust. They are designed to ensure that its financial transactions are carried out in accordance with the law and Government policy in order to achieve probity, accuracy, economy, efficiency and effectiveness. They should be used in conjunction with the Schedule of Decisions Reserved to the Board of Directors in the Scheme of Reservation and Delegation adopted by the Foundation Trust.

These SFIs identify the financial responsibilities, which apply to everyone working for the Foundation Trust and its constituent organisations including **The Cheshire West Integrated Care Partnership, The Countess Charity and** Trading Units. This includes staff who through collaboration with other NHS organisations may not be employed by this Foundation Trust but who use the systems controlled by it. They do not provide detailed procedural advice. These statements should therefore be read in conjunction with the detailed departmental and financial procedure notes. These must be approved in accordance with the Scheme of Reservation and Delegation.

Should any difficulties arise regarding the interpretation or application of any of the SFIs then the advice of either the Director of Finance the Deputy Director of Finance or the Assistant Director of Finance **MUST BE SOUGHT BEFORE ACTING**. The user of these SFIs should also be familiar with and comply with the provisions of the Foundation Trust's SOs.

FAILURE TO COMPLY WITH STANDING FINANCIAL INSTRUCTIONS AND STANDING ORDERS IS A DISCIPLINARY MATTER, WHICH COULD RESULT IN DISMISSAL.

Overriding Standing Financial Instructions – If for any reason these Standing Financial Instructions 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 Audit Committee for referring action or ratification. All members of the Board of Directors and staff have a

duty to disclose any non-compliance with these Standing Financial Instructions and they must be notified to the Director of Finance as soon as possible.

Terminology

Unless the contrary intention appears or the context otherwise requires, words or expressions contained in the Standing Order bear the same meaning as in the National Health Service Act 2006, the amendments in the Health and Social Care Act 2012 and the Constitution. References in the Standing Orders to legislation include all amendments, replacements, or re-enactments made.

Headings are for ease of reference only and are not to affect interpretation. Words importing the masculine gender only shall include the feminine gender; words importing the singular shall include the plural and vice-versa.

In the Standing Orders, Standing Financial Instructions: and Scheme of Reservation and Delegation the following definitions apply:

Definitions	
the Act	National Health Service Act 2006 The Health and Social Care Act 2012 Local Audit and Accountability Act 2014
Accounting Officer	Shall be the Officer responsible and accountable for funds entrusted to the Foundation Trust in accordance with the NHS Foundation Trust Accounting Officer Memorandum. They are responsible for ensuring the proper stewardship of public funds and assets. The National Health Service Act 2006 designates the Chief Executive Officer of the NHS Foundation Trust as the Accounting Officer
Appointing Organisations	Those organisations named in the Constitution who are entitled to appoint Governors
Authorisation	An authorisation given by NHSI
Board of Directors	The Board of Directors as constituted in accordance with the Constitution;
Budget	Means a resource, expressed in financial or manpower terms, proposed by the Board for the purpose of carrying out, for a specific period, any or all of the functions of the Foundation Trust

Definitions

Budget holder	A director or employee with delegated authority to manage finances (income and expenditure) for a specific area of the organisation.
Chair of the Board of Directors	Is the person appointed by the Council of Governors to lead the Board and to ensure that it successfully discharges its overall responsibility for the Foundation Trust as a whole. The expression “the Chair of the Foundation Trust” shall be deemed to include the Vice- Chair of the Foundation Trust if the Chair is absent from the meeting or is otherwise unavailable.
Chief Executive Officer	The Chief Officer of the Foundation Trust
Committee	A committee or sub-committee created and appointed by the Foundation Trust.
Constitution	Describes the type of organisation, its primary purpose, governance arrangements and membership.
Contracting and Procuring	Means the systems for obtaining the supply of goods, materials, manufactured items, services, building and engineering services, works of construction and maintenance and for disposal of surplus and obsolete assets.
Director	A member of the Board of Directors;
External auditor	Any financial auditor other than the financial auditor appointed under the Constitution to review and report upon other aspects of the Foundation Trust’s performance;
Financial auditor	The person appointed to audit the accounts of the Foundation Trust, who is called the auditor in the 2006 Act;
Financial year	a) the period beginning with the date on which the Foundation Trust is authorised and ending with the next 31 March; and b) each successive period of twelve months beginning with 1 April.
the Foundation Trust	Countess of Chester Hospital NHS Foundation Trust;

Definitions

Foundation Trust Contract	Agreement between the Foundation Trust and Clinical Commissioning Groups for the provision and commissioning of health services.
Funds held on Trust	Shall mean those funds which the Foundation Trust holds at its date of incorporation, receives on distribution by statutory instrument, or chooses subsequently to accept under powers derived under Health Service Act 2006 Chapter 5 Section 51. Such funds may or may not be charitable.
Member	A member of the Foundation Trust;
NHSI	Health Care Regulator
Nominated Officer	An officer charged with the responsibility for discharging specific tasks within Standing Orders and Standing Financial Instructions.
Officer	An employee of the Foundation Trust.
Partner	In relation to another person, a member of the same household living together as a family unit;
Secretary	the Secretary of the Foundation Trust or any other person appointed to perform the duties of the Secretary, including a joint, assistant or deputy secretary;
Standing Financial Instructions	(SFIs) regulate the conduct of the Trusts financial matters
Standing Orders	(SOs) are incorporated in the Constitution and regulate the business conduct of the Foundation Trust

Wherever the title Chief Executive Officer, Director of Finance, or other nominated officer is used in these instructions, it shall be deemed to include such other directors or employees who have been duly authorised to represent them.

Wherever the term "employee" is used and where the context permits it shall be deemed to include employees of third parties contracted to the Foundation Trust when acting on behalf of the Foundation Trust, including nursing and medical staff and consultants practising on the Foundation Trust premises.

Responsibilities and Delegation

The Foundation Trust shall at all times remain a going concern as defined by NHSI. The Board of Directors exercises financial supervision and control by:

- a. formulating the financial strategy;
- b. requiring the submission and approval of budgets within overall income unless otherwise agreed with NHSI;
- c. defining and approving essential features in respect of important procedures and financial systems (including the need to obtain value for money) and by ensuring appropriate audit provision; and
- d. defining specific responsibilities placed on directors and employees as indicated in the Scheme of Delegation document

The constitution dictates that the Council of Governors may not delegate any of its powers to a committee or sub-committee. The Board of Directors has resolved that certain powers and decisions may only be exercised by the Board of Directors in formal session. These are set out in the "Reservation of Powers to the Board of Directors" document, published within the Scheme of Delegation. The Board of Directors will delegate responsibility for the performance of its functions in accordance with the Scheme of Delegation document adopted by the Foundation Trust.

Within the SFIs, it is acknowledged that the Chief Executive Officer is ultimately accountable to the Board of Directors and as the accounting officer for ensuring that the Board of Directors meets its obligation to perform its functions within the available financial resources. The Chief Executive Officer has overall executive responsibility for the Foundation Trust's activities, is responsible to the Board of Directors for ensuring that its financial obligations and targets are met and has overall responsibility for the Foundation Trust's system of internal control.

The Chief Executive Officer and Director of Finance will, as far as possible, delegate their detailed responsibilities but they remain accountable for financial control.

It is a duty of the Chief Executive Officer to ensure that existing directors and employees and all new appointees are notified of and understand their responsibilities within these Instructions. All staff shall be responsible for ensuring conformity with the Standing Orders, Standing Financial Instructions and financial procedures of the Foundation Trust.

The Director of Finance is responsible for:

- a. implementing the Foundation Trust's financial policies and for co-ordinating any corrective action necessary to further these policies; (The SFIs themselves do not provide detailed procedural advice. These statements should therefore be read in conjunction with the detailed departmental and financial procedure notes).
- b. maintaining an effective system of internal financial control including ensuring that detailed financial procedures and systems incorporating the principles of

separation of duties and internal checks are prepared, documented and maintained to supplement these instructions;

- c. ensuring that sufficient records are maintained to show and explain the Foundation Trust's transactions, in order to disclose, with reasonable accuracy, the financial position of the Foundation Trust at any time;
- d. and, without prejudice to any other functions of directors and employees to the Foundation Trust, the duties of the Director of Finance include:
- e. the provision of financial advice to other members of the Board of Directors, Council of Governors and employees;
- f. the design, implementation and supervision of systems of internal financial control; and
- g. the preparation and maintenance of such accounts, certificates, estimates, records and financial reports as the Foundation Trust may require for the purpose of carrying out its statutory duties.

All directors and employees, severally and collectively, are responsible for:

- a. the security of the property of the Foundation Trust;
- b. avoiding loss;
- c. exercising economy and efficiency in the use of resources; and
- d. conforming to the requirements of Standing Orders, Standing Financial Instructions, Financial Procedures and the Scheme of Delegation.

Any contractor or employee of a contractor who is empowered by the Foundation Trust to commit the Foundation Trust to expenditure or who is authorised to obtain income shall be covered by these instructions. It is the responsibility of the Chief Executive Officer to ensure that such persons are made aware of this.

For any and all directors and employees who carry out a financial function, the form in which financial records are kept and the manner in which directors and employees discharge their duties must be to the satisfaction of the Director of Finance.

2. AUDIT

Audit Committee

In accordance with the Standing Orders the Board of Directors shall formally establish a committee of three non-executive directors (Audit Committee) excluding the Chair of the Foundation Trust to monitor the exercise of the financial auditor's function, with clearly defined terms of reference, which will provide an independent and objective view of internal control by: the Trust shall establish a committee of non-executive directors as an audit committee to perform such monitoring, reviewing and other functions as are appropriate.

The purpose of the Audit Committee is to support the Board of Directors to deliver the Trust's responsibilities for the conduct of public business and the stewardship of funds; to be responsible for providing assurance to the Board that appropriate systems of internal control and risk management are in place covering all corporate and clinical areas of the Trust; and to make recommendations to the Council of Governors on the appointment of external auditors.

The Committee shall seek to ensure that business is conducted in accordance with the law and proper standards; public money is safeguarded and properly accounted for; Financial Statements are prepared in a timely manner and give a true and fair view of the financial position of the Trust for the period in question; services are managed so as to secure economic, efficient and effective use of resources; and that reasonable steps are taken to prevent and detect fraud and other irregularities.

The membership of the Committee shall be:

- Chair of the Audit Committee: a nominated non-executive Director
- Two further nominated non-executive Directors

Those normally in attendance at the Committee meetings shall be:

- The Director of Finance (in their capacity as the Lead Executive Officer for the Committee) External Auditors
- Internal Auditors
- Local Counter Fraud Specialist (as appropriate)
- Company Secretary

In addition, the chair of the Quality & Safety Committee will attend annually to report on the work of committee.

In line with the Audit Committee being a statutory independent Committee of the Board, attendance at the Audit Committee will be by invitation only and by agreement with the Chair of the Committee in advance. The Trust Chair will be invited to observe the work of the Audit Committee annually.

Those who are normally in attendance may exceptionally send a deputy to the meeting, with prior consent of the Chair.

Other Employees of the Trust, including Executives, managers and clinicians may be required to attend at the request of the Chair of the Audit Committee for particular items on the Agenda that relate to areas of risk or operation for which they are responsible.

The Chief Executive should be invited to attend at least annually to discuss with the Audit Committee the process for assurance that supports the Annual Governance Statement.

The Trust Chair shall not be a member of the Committee.

At least once a year the Committee should meet privately with the External Auditors, Internal Auditors and Local Counter Fraud Service. The head of internal audit and representative of external audit have a right of direct access to the chair of the Committee.

The Company Secretary or their nominee shall act as Secretary to the Committee and shall attend to take minutes of the meeting and provide appropriate support to the Chair of the Committee and Committee members.

ROLE AND RESPONSIBILITIES

AUTHORITY

The Committee shall have the delegated authority to act on behalf of the Board of Directors in accordance with the Constitution, Standing Orders, Standing Financial Instructions, and Scheme of Delegation. The limit of such delegated authority is restricted to the areas outlined in the Duties of the Committee and subject to the rules on reporting, both as defined below.

The Committee is empowered to investigate any activity within its Terms of Reference, and to seek any information it requires from staff, who are required to cooperate with the Committee in the conduct of its enquiries.

The Committee is authorised by the Board of Directors to obtain independent legal and professional advice and to secure the attendance of external personnel with relevant experience and expertise, should it consider this necessary. All such advice should be arranged in consultation with the Company Secretary.

The Trust Chair shall propose which non-executive Directors will be most suitable for nomination as Chair and members of the Committee. The Board shall approve the appointment of the Committee Chair and non-executive members, based on the Trust Chair's recommendations. (The Foundation Trust Code of Governance requires that the Committee should be composed of at least three independent non-executive Directors, at least one of whom has recent and relevant financial experience.)

a) Governance, Risk Management and Internal Control

The Committee shall assure itself that the Trust has established and maintains an effective integrated system of governance, risk management and internal controls, across the whole of the Trust's activities (both clinical and non-clinical) that supports the achievement of the Trust's objectives

In particular, the Committee shall assure itself (either directly or through the work of the Quality and Safety Committee) of the accuracy, adequacy and effectiveness of:

- All risk and control-related disclosure statements (in particular the Annual Governance Statement and relevant declarations of compliance with the requirements of Monitor and the Care Quality Commission), together with any accompanying statement from the Head of Internal Audit, any external audit opinion or other appropriate independent assurances, prior to endorsement by the Board.
- The underlying assurance processes that indicate the degree of the achievement of corporate objectives and the effectiveness of the management of principal corporate and clinical risks. These will include but will not be limited to: the Board Assurance Framework; the Risk Management Strategy; and the Risk Register along with realistic prioritised action plans and targets to eliminate or minimise risk.
- The policies and controls for ensuring compliance with relevant regulatory, legal and code of conduct requirements and related reporting and self-certification.
- The policies and procedures for all work related to fraud and corruption as set out by NHS Protect NHS CFA (NHS Counter Fraud Authority)

In carrying out this work the Committee will primarily utilise the work of Internal Audit, External Audit, Local Counter Fraud Service (LCFS), and other assurance functions, but will not be limited to these audit and assurance functions.

The Committee will seek assurance from the Quality and Safety Committee, to the extent that this is reasonable and possible, that the quality and clinical risk elements of the Trust's Board Assurance Framework, Risk Register, Risk Management Strategy and underpinning risk management and clinical governance processes are in place, fully effective and in line with best practice. It will also seek reports and assurances from Directors and managers as appropriate, concentrating on the overarching systems of integrated governance, risk management and internal control, together with indicators of their effectiveness.

b) Internal Audit and Counter Fraud

The Committee shall ensure that there is an effective internal audit function established by management that meets mandatory NHS Internal Audit Standards and provides appropriate independent assurance to the Audit Committee, Chief Executive Officer and Board.

The Committee shall also satisfy itself that the organisation has adequate arrangements in place for countering fraud, bribery and corruption that meet NHSCFA's standards Government Functional Standards GOVS 013: Counter Fraud

and shall review the outcomes of work in these areas.

This will be achieved by:

- Approval of the appointment of the Internal Auditor.
- Consideration of the provision of the Internal Audit service, the cost of the audit service and any questions of resignation and dismissal.
- Reviews and approval of the Internal Audit Strategy, operational plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation as identified in the Assurance Framework and Risk management Strategy.
- Consideration of the major findings of internal audit work and the response of managers, ensuring that recommendations are followed-up and any lessons are learned within the Trust.
- Ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation.
- Annual review of the effectiveness of internal audit and of co-ordination between the Internal and External Auditors to optimise audit resources.
- Regular review of resource allocation to the local counter-fraud service (LCFS), progress against the LCFS work plan and ongoing LCFS investigations, and the outcomes, learning and actions resulting from counter fraud work.

The committee will refer any suspicions of fraud, bribery and corruption to the **NHSCFA. to the LCFS who will report to NHS CFA**

External Audit

The Committee shall support the Council of Governors with their duty to appoint, re-appoint, or remove the external auditor. The Committee shall:

- agree the criteria for appointment or removal with the Council of Governors, and advise on the external audit terms and conditions including fees;
- report to the Council of Governors annually on the performance of the external auditor;
- and agree with the Council of Governors a policy on the engagement of the external auditor to provide non-audit services.

The Committee shall review the work and findings of the External Auditor and consider the implications and management's responses to their work. This will be achieved by:

- Consideration of the performance of the External Auditor, as far as the rules governing the appointment permit.
- Discussion and agreement with the External Auditor, before the audit commences, of the nature and scope of the audit as set out in the Annual Plan, and ensure coordination, as appropriate, with other External Auditors in the local NHS.
- Discussion with the External Auditors of their local evaluation of audit risks and assessment of the Local Health Economy and associated impact on the audit fee.
- Reviewing all External Audit reports, ensuring appropriate management responses and monitoring the implementation of responses
- agreement of the annual audit letter before submission to the Board and any work carried outside the annual audit plan, together with the appropriateness of management responses.

Other Assurance Functions

The Audit Committee shall receive assurance from the Quality and Safety Committee on its review of the findings of other significant assurance functions, both internal and external to the organisation, and consider the implications to the governance of the organisation. These will include, but will not be limited to, any reviews by Department of Health Arms' Length Bodies or Regulators/Inspectors (e.g. Care Quality Commission, NHS Protect, NHS Counter Fraud Authority etc), professional bodies with responsibility for the performance of staff or functions (e.g. Royal Colleges, accreditation bodies, etc).

The Committee shall review the work of other Committees within the organisation whose work can provide relevant assurances. This will particularly include the Quality and Safety Committee, the Finance and Investments Committee and any other risk management Committees that may be established. In reviewing the work of the Quality and Safety Committee and issues concerning clinical risk management, the Audit Committee will wish to satisfy itself on the assurance that can be gained from the clinical audit function.

The Committee shall review all decisions made by the Board or The Council of Governors to suspend Standing Orders or Standing Financial Instructions.

The Committee shall receive reports at least Quarterly on the work relating to Cyber Security.

Management

The Committee shall require and review reports and positive assurances from Directors and managers on the overall arrangements for governance, risk management and internal control.

The Committee may also require specific reports from individual functions within the organisation (e.g. clinical audit) as they may be appropriate to the overall arrangements.

Financial Reporting

The Audit Committee shall monitor the integrity of the financial statements of the Trust and any formal announcements relating to the Trust's financial performance.

The Committee shall ensure that that the systems for financial reporting to the Board, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the Board.

The Audit Committee shall review the Annual Report and Financial Statements before submission to the Board, focusing particularly on:

- the wording in the Annual Governance Statement and other disclosures relevant to the Terms of Reference of the Committee;
- changes in, and compliance with, accounting policies and practices;
- unadjusted mis-statements in the financial statements;
- significant judgements in the preparation of financial statements;
- significant adjustments resulting from the audit;
- letter of representation
- qualitative aspects of financial reporting.

Whistleblowing

The Audit Committee shall review the effectiveness of the arrangements in place for allowing staff to raise (in confidence) concerns about possible improprieties in financial, clinical or safety matters including ensuring that any such concerns are investigated proportionately and independently.

REPORTING AND RELATIONSHIPS

The Committee shall be accountable to the Board of Directors of the Trust.

The Committee shall make an Annual Report to the Board of Directors to demonstrate the Committee's discharge of its duties and to confirm the fitness for purpose of the Trust's assurance framework, risk management, and governance processes.

The Committee shall make recommendations to the Board of Directors concerning any issues that require decision or resolution by the Board.

~~The Committee shall make an Annual Report to the Council of Governors identifying any matters where it recommends that action or improvement is necessary; and reporting on the performance of the external auditor.~~

The Committee shall review the minutes and recommendations of the Quality and Safety Committee and other Committees as appropriate.

The Committee shall review its own performance, constitution and terms of reference annually to ensure it is operating at maximum effectiveness. Any proposed changes to the terms of reference should be agreed by the Trust Board.

CONDUCT OF BUSINESS

The Committee shall conduct business in accordance with the Standing Orders of the Trust.

The Committee shall be deemed quorate if there are at least two non-executive Directors present. A quorate meeting shall be competent to exercise all or any of the authorities, powers and duties vested in or exercised by the Committee.

The Committee shall meet not less than five times in each financial year. The Chair of the Committee may request an extraordinary meeting if he/she considers one to be necessary. The External Auditor or Head of Internal Audit may request a meeting of the Committee if either or both consider that one is necessary.

At the discretion of the Chair of the Audit Committee, business may exceptionally be transacted either: through a teleconference where an agenda has been issued in advance; or through the signing by two thirds of members of a written resolution sent in advance to members and recorded in the minutes of the next formal meeting.

Agendas and papers should be prepared and circulated five clear days before each meeting.

Minutes of Committee meetings should be formally recorded and distributed to Committee Members, normally within 10 working days of the meetings. Subject to the approval of the Chair of the Committee, the Minutes will be submitted to the Trust Board at its next meeting and may be presented by the Chair. The Chair will draw to the attention of the Board any issues that require disclosure to the full Board, or require executive action.

Director of Finance

The Director of Finance is responsible for:

- a) Ensuring there are arrangements to review, evaluate and report on the effectiveness of internal control including the establishment of an effective internal audit function and the coordination of other assurance arrangements;
- b) ensuring that the internal audit is adequate and meets the NHS mandatory audit standards;
- c) deciding at what stage to involve the police in cases of fraud, misappropriation, and other irregularities not involving fraud or corruption;
- d) ensuring that an annual internal audit report is prepared for the consideration of the Audit Committee and the Board of Directors. The report must cover:
 - i) a clear opinion on the effectiveness of internal controls in accordance with current guidance issued by the NHSI including for example the Assurance Framework.
 - ii) major internal financial control weaknesses discovered,
 - iii) progress on the implementation of internal audit recommendations,
 - iv) progress against plan over the previous year,

- v) strategic audit plan,
- vi) a detailed plan for the coming year.
- vii) any longer term plans require by NHSI

2.2.2 The Director of Finance or designated auditors are entitled without necessarily giving prior notice to require and receive:

- a) access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature;
- b) access at all reasonable times to any land, premises, members of the Board of Directors and Council of Governors or employee of the Foundation Trust;
- c) the production of any cash, stores or other property of the Foundation Trust under a member of the Board of Directors or employee's control; and
- d) explanations concerning any matter under investigation.

Internal Audit

The NHS Foundation Trust Accounting Officer Memorandum requires the Foundation Trust to have an internal audit function.

Role of Internal Audit

The role of internal audit embraces two key areas:

- The provision of an independent and objective opinion to the Accounting Officer, the Board of Directors and the Audit Committee on the degree to which risk management, control and governance support the achievement of the organisation's agreed objectives.
- The provision of an independent and objective consultancy service specifically to help line management improve the organisation's risk management, control and governance arrangements.

Internal Audit will review, appraise and report upon:

- a) the extent of compliance with, and the financial effect of, relevant established policies, plans and procedures;
- b) the adequacy and application of financial and other related management controls;
- c) the suitability of financial and other related management data;
- d) the extent to which the Foundation Trust's assets and interests are accounted for and safeguarded from loss of any kind, arising from:
 - i) fraud and other offences,
 - ii) waste, extravagance, inefficient administration,
 - iii) poor value for money or other causes.

e) Internal Audit shall also independently verify the Assurance Statements in accordance with guidance from the Department of Health and NHSI.

Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores, or other property or any suspected irregularity in the exercise of any function of a pecuniary nature, the Director of Finance must be notified immediately.

The Director of Internal Audit or the nominated representative will normally attend Audit Committee meetings and has a right of access to all Audit Committee members, the Chair and Chief Officer Executive of the Foundation Trust.

The Audit Engagement Lead or a nominated representative shall be accountable to the Director of Finance. The reporting system for internal audit shall be agreed between the Director of Finance, the Audit Committee and the Director of Internal Audit. The agreement shall be in writing and shall comply with the guidance on reporting contained in the NHS Internal Audit Manual. The reporting system shall be reviewed at least every 3 years. Where, in exceptional circumstances, the use of normal reporting channels is thought to limit the objectivity of the audit, the Director of Internal Audit shall have access to report direct to the Chair or a non-executive member of the Foundation Trust's Audit Committee.

Managers in receipt of audit reports referred to them, have a duty to take appropriate remedial action within the agreed time-scales specified within the report. All **significant/material** audit recommendations are registered on an audit tracker maintained by the **Director of Communications & Corporate Affairs Associate Director of Corporate Affairs/Company Secretary** which is monitored and reported to subsequent audit committees to ensure they are completed.

Access to Documents

Internal audit has a right of access at all reasonable times to every document relating to the Foundation Trust which appears to them as necessary for the purpose of their function.

Financial Audit (External Audit)

Duties

The Foundation Trust is to have a financial auditor and is to provide the financial auditor with every facility and all information which he may reasonably require for the purposes of his functions under Chapter 5 of the 2006 Act.

The financial auditor is to carry out their duties in accordance with Schedule 10 to the 2006 Act and in accordance with any directions given by NHSI on standards, procedures and techniques to be adopted.

In auditing the accounts the financial auditor must, by examination of the accounts and otherwise, satisfy themselves that the Foundation Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The Foundation Trust is required to include an annual governance statement within the financial statements. The financial auditors have a responsibility to:

- consider the completeness of the disclosures in meeting the relevant requirements; and
- identify any inconsistencies between the disclosures and the information that they are aware of from their work on the financial statements and other work.

Appointment of Financial Auditor

The financial auditor is appointed by the Council of Governors following recommendation from the Audit Committee. The 'Code of Audit Practice' contains the directions of the Regulator under the Local Audit and Accountability Act 2014 with respect of the standards, procedures and techniques to be adopted by the auditor.

A person may only be appointed as the financial auditor if they (or in the case of a firm of each of its members) are a member of one or more of the bodies referred to in paragraph 7 of The Local Audit and Accountability Act 2014.

The Council of Governors at a General Meeting shall appoint or remove the Foundation Trust's financial auditor.

The Board of Directors may resolve that external financial auditors be appointed to review and publish a report on any other aspect of the Foundation Trust's performance. Any such auditors are to be appointed by the Council of Governors.

The Foundation Trust shall comply with the Audit Code.

The external financial auditor shall comply with the Audit Code.

References in 2.3.3 and 2.3.5 equally relate to external audit.

NHSI may require auditors to undertake work on its behalf at the Foundation Trust. In this situation, a tripartite agreement between NHSI, the auditor and the Foundation Trust will be agreed. This agreement, which will include details of the subsequent work and reporting arrangements, will be in accordance with the principles established in the guidance issued by the Institute of Chartered Accountants in England and Wales in audit 05/03: Reporting to Regulators or Regulated Entities.

The auditor may, with the approval of the Council of Governors, provide the Foundation Trust with services which are outside of the scope as defined in the code (additional services). The Foundation Trust shall adopt and implement a policy for considering and approving any additional services to be provided by the auditor.

Liaison with Internal Audit

It is expected that the external financial auditors will liaise with the internal audit function in order to obtain a sufficient understanding of internal audit activities to assist in planning the audit and developing an effective audit approach. In particular

the financial auditor may wish to consider the work of internal audit when undertaking their procedures in relation to the Annual Governance Statement.

Access To Documents

The financial auditors of the Foundation Trust have a right of access at all reasonable times to every document relating to the Foundation Trust which appears to them necessary for the purpose of their functions under Local Audit and Accountability Act 2014.

Public Interest Report

In the event of the financial auditor issuing a Public Interest report the Foundation Trust shall:

- Send the public interest report to the Council of Governors and the Board of Directors:
 - At once if it is an immediate report; or
 - Not later than 14 days after conclusion of the audit.
- forward a report to NHSI within 30 days (or such shorter period as NHSI may specify) of the report being issued. The report shall include details of the Foundation Trust's response to the issues raised within the Public Interest report.

Fraud and Corruption

The Foundation Trust shall take all necessary steps to counter fraud affecting NHS funded services in accordance with the requirements of the standard NHS Contract and in accordance with;

- a) the NHS Fraud and Corruption Manual published by NHS CFA;
- b) the policy statement "Applying appropriate sanctions consistently" published by NHS CFA Government Functional Standards GOVS 013: Counter Fraud;
- c) any other reasonable guidance or advice issued by NHS CFA that affects efficiency, systemic and/or procedural matters.

The Chief Executive Officer and Director of Finance shall monitor and ensure compliance with the above.

The Foundation Trust shall nominate a suitable person to carry out the duties of the Local Counter Fraud Specialist as specified by the Department of Health Fraud and Corruption Manual and guidance.

The Local Counter Fraud Specialist shall report to the Foundation Trust-Director of Finance-and shall work with the staff in NHS CFA in accordance with the Department of Health Fraud and Corruption Manual.

The Local Counter Fraud Specialist will provide a written plan and report to the Audit Committee, at least annually on Anti-fraud work within the Foundation Trust.

Security Management

The Foundation Trust shall promote and protect the security of people engaged in activities for the purposes of the health service functions of that body, its property and its information in accordance with the requirements of the 'Foundation Trust Contract', ~~having regard to any other reasonable guidance or advice issued by NHS CFA.~~

The Foundation Trust shall nominate and appoint a local security management specialist as per the Foundation Trust Contract.

The Chief Executive Officer has overall responsibility for controlling and coordinating security. However, there are nominated Executive and Non-Executive Directors, in accordance with statutory requirements, and tasks are delegated to the appointed Local Security Management Specialist (LSMS).

3. ALLOCATIONS / PAYMENT BY RESULTS, BUSINESS PLANNING, BUDGETS, BUDGETARY CONTROL, AND MONITORING

Preparation and approval of business plans and budgets

The Chief Executive Officer will compile and submit to the Board of Directors a strategic direction document that encompasses an Annual Business Plan which takes into account financial targets and forecast limits of available resources. The annual business plan will contain:

- a) a statement of the significant assumptions on which the plan is based;
- b) details of major changes in workload, delivery of services or resources required to achieve the plan.

Prior to the start of the financial year the Director of Finance will, on behalf of the Chief Executive Officer, prepare and submit budgets relating to income and expenditure for approval by the Board of Directors. Such budgets will:

- a) be in accordance with the aims and objectives set out in the Foundation Trust's Annual Business Plan and the commissioners' local delivery plans;
- b) accord with workload and manpower plans;
- c) be produced following discussion with appropriate budget holders;
- d) identify potential risks;
- e) be based on reasonable and realistic assumptions; and
- f) enable the Foundation Trust to comply with the requirements of the NHS Oversight Framework set by NHSI.

The Director of Finance shall monitor financial performance against budgets, periodically review it and report to the Board of Directors. Any significant variances should be reported by the Director of Finance to the Foundation Trust Board of Directors as soon as they come to light and the Board of Directors shall be advised of action to be taken in respect of such variances.

All budget holders must provide information as required by the Director of Finance to enable budgets to be compiled.

Budgets are issued to all budget holders and acceptance is assumed unless the Head of Financial Management is notified otherwise.

The Director of Finance has a responsibility to ensure that adequate training is delivered on an on-going basis to budget holders and budget managers to help them manage successfully.

Budgetary delegation

The Chief Executive Officer may delegate the management of a budget to permit the performance of a defined range of activities, including pooled budget arrangements under Part 3 of the National Health Service Act 2006. This delegation must be in writing and be accompanied by a clear definition of:

- a) the amount of the budget;
- b) the purpose(s) of each budget heading;
- c) individual and group responsibilities;
- d) performance management framework;
- e) performance against service line key performance indicators;
- f) authority to exercise virement;
- g) achievement of planned levels of service; and
- h) the provision of regular reports.

The Chief Executive Officer and delegated budget holders must not exceed the budgetary total or virement limits set by the Board of Directors.

Any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Chief Executive Officer, subject to any authorised use of virement.

Budgetary control and reporting

The Director of Finance will devise and maintain systems of budgetary control. These will include:

- a) regular financial reports to the Board of Directors and Finance & Performance Committee in a form approved by the Board of Directors containing:
 - i) income and expenditure reports to date showing trends and forecast year-end position
 - iii) details of performance within NHS Oversight Framework
 - iv) capital project expenditure and projected out-turn against plan,
 - v) explanations of any material variances from plan/budget;
 - vii) Other key finance indicators as required by the Board and
 - v) details of financial risk and corrective action where necessary and the Chief Executive Officer 's and/or Director of Finance's view of whether such actions are sufficient to correct the situation;
- b) the issue of timely, accurate and comprehensible advice and financial reports to each budget holder and budget manager, covering the areas for which they are responsible;

- c) investigation and reporting of variances from financial, and workload budgets;
- d) monitoring of management action to correct variances;
- e) arrangements for the authorisation of budget transfers;
- f) advising the Chief Executive Officer and Foundation Trust Board of Directors of the consequences of changes in policy, pay awards and other events and trends affecting budgets and shall advise on the economic and financial impact of future plans and projects; and.
- g) review of the basis and assumptions used to prepare the budgets.

In the performance of these duties the Director of Finance will have access to all budget holders and budget managers on budgetary matters and shall be provided with such financial and statistical information as is necessary.

Each Budget Holder is responsible for ensuring that:

- a) any planned or known overspending or reduction of income which cannot be met by virement is not incurred without the prior consent of the Board of Directors;
- b) officers shall not exceed the budget limit set;
- c) the amount provided in the approved budget is not used in whole or in part for any purpose other than that specifically authorised subject to the rules of virement; and,
- d) no permanent employees are appointed without the approval of the Chief Executive Officer or Director of Finance other than those provided for in the budgeted establishment as approved by the Board of Directors. (see Table A in Scheme of Reservation and Delegation).

The Chief Executive Officer is responsible for identifying and implementing cost improvements and income generation initiatives in accordance with the requirements of the Annual Business Plan.

Capital expenditure

The general rules applying to delegation and reporting shall also apply to capital expenditure. (The particular applications relating to capital are contained in Section 12.) A Project Sponsor will be identified who will assume responsibility for the budget relating to the scheme.

Monitoring returns

The Chief Executive Officer is responsible for ensuring that the appropriate monitoring forms are submitted to NHSI within the specified time-scales.

4. ANNUAL ACCOUNTS AND REPORTS

Accounts

The Foundation Trust is to keep accounts in such form as NHSI may with the approval of the Treasury direct. The accounts are to be audited by the Foundation Trust's financial (external) auditor. The following documents will be made available to the Comptroller and NHSI Auditor General for examination at his request:

- the accounts;
- any records relating to them; and
- any report of the financial auditor on them.

The Accounting Officer shall ensure that the Foundation Trust prepares in respect of each financial year annual accounts in such form as NHSI may with the approval of the Treasury direct. In preparing its annual accounts, the Foundation Trust is to comply with any directions given by Monitor with the approval of the Treasury as to:

- the methods and principles according to which the accounts are to be prepared;
- the information to be given in the accounts;

and shall be responsible for the functions of the Foundation Trust as set out in paragraph 25 of Schedule 7 to the 2006 Act.

The annual accounts, any report of the financial auditor on them, and the annual report are to be presented to the Council of Governors at a Regular Council Meeting.

The Accounting Officer shall cause the Foundation Trust to:

- lay a copy of the annual accounts, and any report of the financial auditor on them, before Parliament; and
- once it has done so, send copies of those documents to the NHSI.

The Accounting Officer is responsible for complying with the requirements relating to the form, preparation and presentation of the accounts.

Annual Reports

The Accounting Officer shall ensure that the Foundation Trust prepares annual reports and send them to NHSI. The reports are to give:

- information on any steps taken by the Foundation Trust to secure that (taken as a whole) the actual membership of its public constituencies and of the classes of the staff constituency is representative of those eligible for such membership; and
- any other information NHSI requires in the Annual Reporting Guidance.

The Foundation Trust is to comply with any decision NHSI makes as to:

- the form of the reports;

- when the reports are to be sent to him;
- the periods to which the reports are to relate.

The financial auditors of the Foundation Trust have a responsibility to read the information contained within the Annual Report and consider the implications for the audit opinion and/or certificate if there are apparent misstatements or material inconsistencies with the financial statements.

Annual Plans

The Foundation Trust is to give information as required regarding its forward planning in respect of each financial year to NHSI. The document containing this information is to be prepared by the Directors, and in preparing the document, the Board of Directors must have regard to the views of the Council of Governors.

The Foundation Trust is required to provide three types of in-year reports:

- regular reports, as required by NHSI;
- exception reports, which may relate to any in-year issue affecting compliance with the Authorisation, such as performance against core national healthcare targets and standards; and
- ad hoc reports, following up specific issues identified either in the Annual Plan or in-year.

5. BANK ACCOUNTS

General

The Director of Finance is responsible for managing the Foundation Trust banking arrangements and for advising the Foundation Trust on the provision of banking services and operation of accounts.

The Board of Directors through the Finance & Performance Committee shall approve the banking arrangements.

Bank accounts

The Director of Finance is responsible for:

- a. all bank accounts, and other forms of working capital financing that may be available.
- b. establishing separate bank accounts for the Foundation Trust's non-exchequer funds;
- c. ensuring payments made from all bank accounts do not exceed the amount credited to the account except where arrangements have been made; and
- d. reporting to the Board of Directors or the Finance & Performance Committee all arrangements made with the Foundation Trust's bankers for accounts to be overdrawn.

All accounts should be held in the name of the Foundation Trust. No officer other than the Director of Finance shall open any account in the name of the Foundation Trust, or for the purpose of furthering Foundation Trust activities, or any Funds Held on Trust Accounts.

Banking procedures

The Director of Finance will prepare detailed instructions on the operation of all bank accounts, which must include:

- a. the conditions under which each bank account is to be operated;
- b. the limit to be applied to any overdraft; and
- c. those authorised to sign cheque/other transfers/orders drawn by whatever means on the Foundation Trust's accounts.

The Director of Finance must advise the Foundation Trust's bankers in writing of the conditions under which each account will be operated.

The Director of Finance shall approve security procedures for any cheques issued without a hand-written signature e.g. lithographed. Manually produced cheques shall be signed by the authorised officer(s) in accordance with the bank mandate.

All cheques shall be treated as controlled stationery, in the charge of a duly designated officer controlling their issue.

Tendering and Review

The Director of Finance will review the banking arrangements of the Foundation Trust at regular intervals to ensure they reflect best practice and represent best value for money with advice from the Director of Commercial Procurement Services.

6. INCOME, FEES AND CHARGES AND SECURITY OF CASH, CHEQUES AND OTHER NEGOTIABLE INSTRUMENTS

Income systems

The Director of Finance is responsible for designing, maintaining and ensuring compliance with systems for the proper recording, invoicing, collection and coding of all monies due.

All such systems shall incorporate, where practicable, in full the principles of internal check and separation of duties.

The Director of Finance is also responsible for the prompt banking of all monies received.

Fees and charges other than Foundation Trust Contracts (*FOUNDATION TRUST CONTRACTS section*).

The Director of Finance is responsible for approving and regularly reviewing the level of all fees and charges other than those determined by the Department of Health or by Statute. Independent professional advice on matters of valuation shall be taken as necessary. Where sponsorship income (including items in kind such as subsidised goods or loans of equipment) is considered the guidance in the Department of Health's Commercial Sponsorship – Ethical standards in the NHS shall be followed.

All employees must inform the Director of Finance promptly of money due arising from transactions which they initiate/deal with, including all contracts, leases, tenancy agreements, private patient undertakings and other transactions.

Private Health Care

The statutory limitation on private patient income in section 44 of the 2006 Act was repealed with effect from 1 October 2012 by the Health and Social Care Act 2012.

Income not derived from the principal purpose: Foundation Trusts have an obligation to ensure that the total income derived from their principal purpose is greater than their total income from the provision of goods and services for “any other purposes” including the provision of private healthcare.

Foundation Trusts must also:

- Provide information in their annual report explaining the impact of non-principal purpose income on the delivery of goods and services for their primary purpose;
- Provide information in their forward plans about any activities for purposes other than their principal purpose and about any income they expect to receive from these activities;
- Where their forward plans contain information about activities for purposes other than their principal purpose, ensure that their Councils of Governors are satisfied that this activity will not to any significant extent interfere with the fulfilment of their principal purpose or other functions; and
- Obtain the approval of their Councils of Governors for proposed increases of 5% or more to their non-principal purpose income;

Debt recovery

The Director of Finance is responsible for the appropriate recovery action on all outstanding debts, including a formal follow up procedure for all debtor accounts.

Income not received should be dealt with in accordance with losses procedures.

Overpayments should be detected (or preferably prevented) and recovery initiated.

Security of cash, cheques and other negotiable instruments

The Director of Finance is responsible for:

- a) approving the form of all receipt books, agreement forms, or other means of officially acknowledging or recording monies received or receivable; (No form of receipt which has not been specifically authorised by the Director of Finance-should be issued).
- b) ordering and securely controlling any such stationery;
- c) the provision of adequate facilities and systems for employees whose duties include collecting and holding cash, including the provision of safes or lockable cash boxes, the procedures for keys, and for coin operated machines; and
- d) prescribing systems and procedures for handling cash and negotiable securities on behalf of the Foundation Trust.

Official money shall not under any circumstances be used for the encashment of private cheques, nor IOUs.

Relevant staff shall be informed of their responsibilities and duties for the collection, handling or disbursement of cash, cheques etc.

All cheques, cash etc., shall be banked promptly intact except under arrangements approved by the Director of Finance.

The holders of safe keys shall not accept unofficial funds for depositing in their safes unless such deposits are in special sealed envelopes or locked containers. It shall be made clear to the depositors that the Foundation Trust is not to be held liable for any loss, and written indemnities must be obtained from the organisation or individuals absolving the Foundation Trust from responsibility for any loss.

Any loss or shortfall of cash, cheques or other negotiable instruments, however occasioned, shall be monitored and recorded within the Finance Department. Any significant trends should be reported to the Director of Finance and Internal Audit via the incident reporting system. Where there is prima facie evidence of fraud or corruption this should follow the form of the Foundation Trust's Anti-Fraud Bribery & Corruption Policy and the guidance provided by NHS CFA. Where there is no evidence of fraud or corruption the loss should be dealt with in line with the Foundation Trust's Losses and Compensations Procedures.

7. FOUNDATION TRUST CONTRACTS

The Board of Directors of the Foundation Trust shall regularly review and shall at all times maintain and ensure the capacity and capability of the Foundation Trust to provide the mandatory goods and services referred to in the Terms of Authorisation and related Schedules.

The Chief Executive Officer, as the accounting officer, is responsible for ensuring the Foundation Trust enters into suitable Foundation Trust Contracts (FTC) with Clinical

Commissioning Groups (CCGs) and other relevant commissioners for the provision of NHS services. The Foundation Trust will follow the priorities contained within the schedules of the contract, and wherever possible, be based upon integrated care pathways to reflect expected patient experience. In discharging this responsibility, the Chief Executive Officer should take into account:

- the standards of service quality expected;
- the relevant national service framework (if any);
- the provision of reliable information on cost and volume of services;
- the Performance Assessment Framework contained within the FTC
- that FTC builds where appropriate on existing partnership arrangements;

A good FTC will result from a dialogue of clinicians, users, carers, public health professionals and managers. It will reflect knowledge of local needs and inequalities. This will require the Chief Executive Officer to ensure that the Foundation Trust works with all partner agencies involved in both the delivery and the commissioning of the service required.

The Chief Executive Officer, as the Accounting Officer, will need to ensure that regular reports are provided to the Board of Directors detailing actual and forecast income from the FTC.

Non Commercial Contracts

Where the Trust enters into a relationship with another organisation for the supply or receipt of other services – clinical or non-clinical, the responsible officer must ensure that an appropriate non-commercial contract is present and signed by both parties. This should incorporate:

- A description of the service and indicative activity levels
- The term of the agreement
- The value of the agreement
- The lead officers
- Performance and dispute resolution procedures
- Risk management and clinical governance arrangements
- Payment terms and financial dispute resolution procedures

Non-commercial contracts should be reviewed agreed, and signed on an annual basis or as determined by the term of the agreement so as to ensure value for money and to minimise the potential loss of income.

8. TERMS OF SERVICE, ALLOWANCES AND PAYMENT OF MEMBERS OF THE BOARD OF DIRECTORS AND EMPLOYEES

Remuneration and ~~Terms of Service~~ ~~Nominations~~ Committee

In accordance with Standing Orders the Board of Directors shall establish a Remuneration and ~~Terms of Service~~ ~~Nominations~~ Committee, with clearly defined terms of reference, specifying which posts fall within its area of responsibility, its composition, and the arrangements for reporting.

~~The purpose of the Remuneration and Nominations Committee of the Board is to be responsible for identifying and appointing candidates to fill all the Executive Director positions on the Board and for deciding their remuneration and allowances, and other terms and conditions of service~~

~~The Committee will be appointed by the Board and the membership shall be:~~

- ~~• the Chair of the Trust; and~~
- ~~• all Non-Executive Directors of the Trust Board.~~

~~Remuneration Role~~

~~The Committee will~~

~~a) advise the Board of Directors about appropriate remuneration and terms of service for the Chief Executive Officer and other executive directors, including:—~~

~~i) all aspects of salary (including any performance-related elements/bonuses);~~

~~ii) provisions for other benefits, including pensions and cars;~~

~~iii) arrangements for termination of employment and other contractual terms;~~

~~b) make such recommendations to the Board of Directors on the remuneration and terms of service of executive directors (and other senior employees) to ensure they are fairly rewarded for their individual contribution to the Foundation Trust – having proper regard to the Foundation Trust's circumstances and performance and to the provisions of any national arrangements for such staff where appropriate;~~

~~c) monitor and evaluate the performance of individual executive directors (and other senior employees); and~~

~~d) — advise on and oversee appropriate contractual arrangements for such staff including the proper calculation and scrutiny of termination payments taking account of such national guidance as is appropriate.~~

Establish and keep under review a remuneration policy in respect of Executive Board Directors (and Senior Managers on locally-determined pay).

Consult the Chief Executive about proposals relating to the remuneration and terms of service of the other Executive Directors and other Senior Managers as agreed*.

In accordance with all relevant laws, regulations and Trust policies, decide and keep under review the terms and conditions of office of the Trust's Executive Directors (and senior managers on locally-determined pay), including:

- Salary, including any performance-related pay or bonus;
- Provisions for other benefits, including pensions and cars;
- Allowances;
- Payable expenses; and
- Compensation payments.

In adhering to all relevant laws, regulations and Trust policies:

- Establish levels of remuneration which are sufficient to attract, retain and motivate Executive Directors, without paying more than is necessary;
- Use national guidance and market benchmarking analysis in the annual determination of remuneration of Executive Directors (and senior managers on locally-determined pay); and
- Be sensitive to pay and employment conditions elsewhere in the Trust.

Monitor and assess the output of the evaluation of the performance of the Executive Directors and consider this output when reviewing changes to remuneration levels.

To advise upon and oversee contractual arrangements relating to the Executive Directors, including but not limited to termination payments to avoid rewarding poor performance.

To scrutinise any termination payments relating to the Chief Executive or Executive Directors, ensuring that they have been properly calculated and take account of any relevant guidance.

Such other duties as the Trust Board may delegate.

* The definition of 'senior managers' is "those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS foundation trust".

(paragraph 2.47, NHS Foundation Trust Annual Reporting Manual 2020/21)

Nominations Role

The Committee will:

Regularly review the structure, size and composition (including skills, knowledge, experience and diversity of the Board, making use of the output of the Board evaluation process as appropriate and make recommendations to the Board and Remuneration and Nominations Committee of the Council of Governors, as applicable, with regard to any changes.

Give full consideration and make plans for succession planning for the Board Executive Directors and senior managers (as defined above) taking into account the challenges and opportunities facing the Trust and the skills and expertise needed on the Board in the future.

Keep the leadership needs of the Trust under review at executive level to ensure the continued ability of the Trust to operate effectively in the health economy.

Be responsible for identifying and appointing candidates to fill posts within its remit as and when they arise.

When a vacancy is identified, evaluate the balance of skills, knowledge and experience on the Board, and its diversity, and in the light of this evaluation, prepare a description of the role and capabilities required for the particular appointment. In identifying suitable candidates the Committee shall use open advertising or the services of external advisers.

Ensure that a proposed Executive Director's other significant commitments are disclosed before appointment and that the proposed appointees disclose any business interests that may result in a conflict of interest prior to the appointment.

Ensure that a proposed Executive Director is a 'fit and proper' person as defined in law and regulation.

Consider any matter relating to the continuing in office of any Board Executive Director including the suspension or termination of service of an individual as an employee of the Trust, subject to the provisions of the law and their service contract.

~~The Committee shall report in writing to the Board of Directors the basis for its recommendations. The Board of Directors shall use the report as the basis for their decisions, but remain accountable for taking decisions on the remuneration and terms of service of executive directors. Minutes of the Board of Directors meetings should record such decisions.~~

~~The Board of Directors will consider material changes presented by the Chief Executive Officer for setting of remuneration and conditions of service for those employees not covered by the Committee.~~

~~The Council of Governors, at the General Meeting will decide the remuneration and allowances, and the other terms and conditions of office of the Non-executive Directors.~~

REPORTING AND RELATIONSHIPS

The Committee shall be accountable to the Board of Directors of the Trust.

The minutes of the Committee shall be formally recorded and submitted to the Board of Directors, unless it is inappropriate to do so (for example, to uphold the *General Data Protection Regulation* and confidentiality in items such as termination of service), and subject to approval by the Committee chair.

The Chair of the Committee shall draw to the attention of the Board of Directors any issues that require disclosure to the full Board, or require executive action.

The Committee chair will provide annually a report to the Board detailing how the Committee has discharged its Terms of Reference.

The Committee shall review its own performance, constitution and terms of reference annually to ensure it is operating at maximum effectiveness. Any proposed changes to the terms of reference should be agreed by the Trust Board.

CONDUCT OF BUSINESS

The Committee shall conduct its business in accordance with the Standing Orders and Standing Financial Instructions of the Trust

The Committee shall be deemed quorate with three members present. A quorate meeting shall be competent to exercise all or any of the authorities, powers and duties vested in or exercised by the Committee.

The Committee shall meet at least twice per year, with additional meetings being arranged as required.

At the discretion of the Chair of the Committee business may exceptionally be transacted through a teleconference provided all parties are able to hear all other parties and where an agenda has been issued in advance, or through the signing by every member of a written resolution sent in advance to members and recorded in the minutes of the next formal meeting.

Agendas and briefing papers should be prepared and circulated in sufficient time for Committee members to give them due consideration.

Minutes of Committee meetings should be formally recorded and distributed to Committee Members within 10 working days of the meetings.

The Committee will report to the Board after each meeting.

The Committee shall receive and agree a description of the work of the Committee, its policies and all Executive Director emoluments in order that these are accurately reported in the required format in the Trust's annual report and accounts.

Funded establishment

The workforce plans incorporated within the annual budget will form the funded establishment. The establishment of the Foundation Trust will be identified and monitored by the Director of Human Resources and Organisation Development under delegation from the Chief Executive Officer.

The funded establishment of any department may not be varied without the approval of the Chief Executive Officer or individual nominated within the relevant section of the Scheme of Reservation and Delegation.

Staff appointments

No Executive Director or employee may engage, re-engage, or re-grade employees, either on a permanent or temporary nature, or hire agency staff, or agree to changes in any aspect of remuneration unless:

- a. authorised to do so by the Chief Executive Officer; and
- b. within the limit of the approved budget and funded establishment, or as approved by ~~vacancy panel~~ Transformation and Resource Panel as defined in the Scheme of Reservation and Delegation.

The Board of Directors will approve procedures presented by the Chief Executive Officer for the determination of commencing pay rates, condition of service, etc., for employees.

9. PROCESSING OF THE PAYROLL

The Director of Human Resources and Organisation Development in conjunction with the Director of Finance-is responsible for:

- a. specifying timetables for submission of properly authorised time records and other notifications;
- b. the final determination of pay and allowances; including verification that the rate of pay and relevant conditions of service is in accordance with current agreements.
- c. making payment on agreed dates; and
- d. agreeing method of payment.

The Director of Human Resources and Organisation Development in conjunction with the Director of Finance-will issue instructions regarding the following:

- a. verification and documentation of data;
- b. the timetable for receipt and preparation of payroll data and the payment of employees and allowances;

- c. maintenance of subsidiary records for superannuation, income tax, social security and other authorised deductions from pay;
- d. security and confidentiality of payroll information;
- e. checks to be applied to completed payroll before and after payment;
- f. authority to release payroll data under the provisions of the Data Protection Act;
- g. methods of payment available to various categories of employee;
- h. procedures for payment by cheque, bank credit, to employees;
- i. procedures for the recall of cheques and bank credits
- j. pay advances and their recovery;
- k. a system to ensure the recovery from leavers of sums of money and property due by them to the Foundation Trust.

The Director of Finance is responsible for the following:

- a. maintenance of regular and independent reconciliation of pay control accounts; and
- b. separation of duties of preparing records and handling cash.

The Director of Human Resources and Organisation Development is responsible for ensuring:

8.4.3 Appropriately nominated managers have delegated responsibility for:

- c. processing a signed copy of the contract/appointment form and such other documentation as may be required immediately upon an employee commencing duty.
- d. submitting time records, and other notifications in accordance with agreed timetables, and by agreed procedures;
- e. completing time records and other notifications in accordance with the instructions and form prescribed by the Director of Human Resources and Organisation Development.
- f. submitting termination forms in the prescribed form immediately upon knowing the effective date of an employee's resignation, termination or retirement. Where an employee fails to report for duty in circumstances that suggest they have left without notice, the Director of Human Resources and Organisation Development must be informed immediately. In circumstances where fraud might be expected this must be reported to the Director of Finance LCFS; and
- g. proposing contractual changes to an employee's record in the ESR payroll system. The system shall provide for a list of directors/employees authorised to amend employee records. Access and authority controls will be maintained within the computerised system.

Regardless of the arrangements for providing the payroll service, the Director of Human Resources and Organisation Development in conjunction with the Director of Finance shall ensure that the chosen method is supported by appropriate (contracted) terms and conditions, adequate internal controls and audit review procedures and that suitable arrangements are made for the collection of payroll deductions and payment of these to appropriate bodies.

Contracts of employment

The Director Human Resources and Organisation Development is responsible for:

- a. ensuring that all employees are issued with a Contract of Employment in a form approved by the Board of Directors and which complies with employment and Health & Safety legislation; and
- b. dealing with variations to, or termination of, contracts of employment.

10. NON-PAY EXPENDITURE

Delegation of authority

The Board of Directors will approve the level of non-pay expenditure on an annual basis and the Chief Executive Officer will determine the level of delegation to budget holders.

The Chief Executive Officer will set out that:

- a. the list of managers who are authorised to place requisitions for the supply of goods and services should be updated and reviewed on an ongoing basis and annually by the Procurement Department or by officers in those departments that are responsible for their own procurement, for example Estates and Pharmacy;
- b. where the authorisation system is computerised the list will be maintained within the computerised system and the 'signature' will be in the form of electronic authorisation in accordance with the access and authority controls maintained within the computerised system; and
- c. the maximum level of each requisition and the system for authorisation above that level.

The Chief Executive Officer shall set out procedures on the seeking of professional advice regarding the supply of goods and services.

Choice, requisitioning, ordering, receipt and payment for goods and services

The requisitioner, in choosing the item to be supplied (or the service to be performed) shall always obtain the best value for money for the Foundation Trust. In so doing, the advice of the Director of Commercial Procurement Services shall be sought.

The Director of Finance shall be responsible for the prompt payment of properly authorised accounts and claims in accordance with the Better Payment Practice Code (BPPC). Payment of contract invoices shall be in accordance with contract terms, or otherwise, in accordance with national guidance.

The Director of Finance will:

- a. advise the Board of Directors regarding the setting of thresholds above which quotations (competitive or otherwise) or formal tenders must be obtained; and, once approved, the thresholds should be incorporated in the Scheme of Reservation and Delegation and regularly reviewed;
- b. prepare procedural instructions where not already provided in the Scheme of Delegation or procedure notes for budget holders on the obtaining of goods, works and services incorporating the thresholds;
- c. be responsible for the prompt payment of all properly authorised accounts and claims;
- d. be responsible for designing and maintaining a system of verification, recording and payment of all amounts payable. The system shall provide for:
 - i. A list of directors/employees (including specimens of their signatures) authorised to approve or incur expenditure. Where the authorisation system is computerised the list will be maintained within the computerised system and the 'signature' will be in the form of electronic authorisation in accordance with the access and authority controls maintained within the computerised system.
 - ii. Certification that:
 - goods have been duly received, examined and are in accordance with specification and the prices are correct;
 - work done or services rendered have been satisfactorily carried out in accordance with the order, and, where applicable, the materials used are of the requisite standard and the charges are correct;
 - in the case of contracts based on the measurement of time, materials or expenses, the time charged is in accordance with the time sheets, the rates of labour are in accordance with the appropriate rates, the materials have been checked as regards quantity, quality, and price and the charges for the use of vehicles, plant and machinery have been examined;
 - where appropriate, the expenditure is in accordance with regulations and all necessary authorisations have been obtained;

the account is arithmetically correct;

the account is in order for payment.

- iii. A timetable and system for submission to the Director of Finance of accounts for payment; provision shall be made for the early submission of accounts subject to cash discounts or otherwise requiring early payment.
- iv. Instructions to employees regarding the handling and payment of accounts within the Finance Department.
- e. be responsible for ensuring that payment for goods and services is only made once the goods and services are received, (except as below).

Prepayments outside of normal commercial arrangements for example fully comprehensive maintenance contracts, rental, insurance, are only permitted where exceptional circumstances apply. In such instances:

prepayments are only permitted where the financial advantages outweigh the disadvantages (i.e. cashflows must be discounted to NPV).

- a. the appropriate Officer in conjunction with the Procurement Department must provide, in the form of a written report, a case setting out all relevant circumstances of the purchase. The report must set out the effects on the Foundation Trust if the supplier is at some time during the course of the prepayment agreement unable to meet his commitments;
- b. the Director of Finance will need to be satisfied with the proposed arrangements before contractual arrangements proceed (taking into account the **EU/UK Public Procurement Law** **EU public procurement rules** where the contract is above a stipulated financial threshold);
- c. the Budget Holder is responsible for ensuring that all items due under a prepayment contract are received and he/she must immediately inform the appropriate Director or Chief Executive Officer if problems are encountered.

Official Orders must:

- a. be consecutively numbered;
- b. be in a form approved by the Director of Finance;
- c. state the Foundation Trust terms and conditions of trade; and
- d. only be issued to, and used by, those duly authorised by the Chief Executive Officer.

Managers must ensure that they comply fully with the guidance and limits specified by the Director of Finance and that:

- a. all contracts other than for a simple purchase permitted within the Scheme of Delegation or delegated budget, leases, tenancy agreements and other commitments which may result in a liability are notified to the Director of

Finance-in advance of any commitment being made. Advice should be sought initially from the Director of Commercial Procurement Services

- b. contracts above specified EU/UK thresholds are advertised and awarded in accordance with EU/UK EU and GATT rules on public procurement and comply with the White Paper on Standards, Quality and International Competitiveness (CMND 8621);
- c. where consultancy advice is being obtained, the procurement of such advice must be in accordance with advice from the Procurement department. Where an officer certifying accounts relies upon other officers to do preliminary checking, he/she shall wherever possible, ensure that those who check delivery or execution of work act independently of those who have placed orders and negotiated prices and terms.
- d. no order shall be issued for any item or items to any firm which has made an offer of gifts, reward or benefit to directors or employees, other than:
 - i) isolated gifts of a trivial character or inexpensive seasonal gifts, such as calendars;
 - ii) conventional hospitality, such as lunches in the course of working visits;
- e. no requisition/order is placed for any item or items for which there is no budget provision unless authorised by the Director of Finance on behalf of the Chief Executive Officer;
- f. all goods, services, or works are ordered on an official order except works and services executed in accordance with a contract where the value of the order cannot reasonably be calculated in advance (for instance a call to attend equipment breakdown) and purchases from petty cash or on purchasing cards. Works and services where the value of the order cannot reasonably be calculated in advance will require a confirmatory purchase order at the time when the actual value is determined;
- g. verbal orders must only be issued very exceptionally - by an employee designated by the Chief Executive Officer and only in cases of emergency or urgent necessity. These must be confirmed by an official order, and clearly marked "Confirmation Order".
- h. orders are not split or otherwise placed in a manner devised so as to avoid the financial thresholds;
- i. goods are not taken on trial or loan in circumstances that could commit the Foundation Trust to a future un-competitive purchase;
- j. purchases from petty cash are restricted in value and by type of purchase in accordance with instructions issued by the Director of Finance;
- k. petty cash records are maintained in a form as determined by the Director of Finance; and,

- I. orders are not required to be raised for utility bills, NHS Recharges; audit fees. Payments must be authorised in accordance with the delegated limits set for non pay.

The Chief Executive Officer and Director of Finance shall ensure that the arrangements for financial control and financial audit of building and engineering contracts and property transactions comply with NHSI guidance. The technical audit of these contracts shall be the responsibility of the relevant Director.

Under no circumstances should goods be ordered through the Foundation Trust for personal or private use.

Joint finance arrangements with local authorities and voluntary bodies

Payments to local authorities and voluntary organisations made under the powers of section Part 3 of the 2006 Act shall comply with procedures laid down by the Director of Finance which shall be in accordance with these Acts.

11. TENDERING AND CONTRACT PROCEDURE

Duty to comply with Standing Orders and Standing Financial Instructions

The procedure for making all contracts by or on behalf of the Foundation Trust shall comply with the Standing Orders (SOs) and Standing Financial Instructions (SFIs) (except where suspension of standing orders is applied).

EU Directives Governing Public Procurement

Directives by the Council of the European Union promulgated by the Department of Health (DoH) (under HSG(95)38) (The Public Contracts Regulations 2015 as amended) Prescribing procedures for awarding all forms of contracts shall be in line with EU Procurement / UK Procurement Law and have effect as if incorporated in the SOs and SFIs. Procedure notes detailing EU/UK thresholds and the differing procedures to be adopted must be maintained within the Foundation Trust.

The Foundation Trust shall comply as far as is practicable with the requirements of NHSI guidance in respect of capital investment, estate and property transactions

The Foundation Trust shall comply with Department of Health (DoH) guidance on Procurement Transparency (PICD, March 2014) and as amended).

Formal Competitive Tendering

Where there is a Procurement/Tendering need, Procurement should be engaged with straight away to ensure that the correct process is followed and to avoid any unnecessary delays

The Foundation Trust shall ensure that competitive tenders are invited for

- the supply of goods, materials and manufactured articles and
- for the rendering of services including all forms of management consultancy services (other than specialised services sought from or provided by the DH);
- for the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens); and for disposals (unless provided for under a framework agreement) **and it is deemed appropriate by the Director of Finance.**
- Where the Foundation Trust elects to invite tenders for the supply of healthcare these SOs and SFIs shall apply as far as they are applicable to the tendering procedure.

By aggregating the estimated total annual value of the goods, service or works and multiplying this by the number of years that the contract is to run. If the contract does not specify the contract length, then four years shall be taken as the multiplier.

Formal tendering procedures are not required where:

- (a) the estimated expenditure or income does not, or is not reasonably expected to, exceed the limit set in the Scheme of Reservation and Delegation, (this figure to be reviewed annually);
- (b) the requirement is ordered under existing contracts.
- (c) a framework agreement has been identified and agreed for use by the Director of Commercial Procurement Services as an appropriate means to procure, if in compliance with section 10.11.

The Board, delegated to the Director of Finance shall ensure that invitations to tender are published on-line via the government website Contracts Finder **and Find a Tender for above EU/UK limit contracts.** Tender opportunities must be open and accessible to anyone whom wishes to access them supporting fairness and competition.

Building and Engineering Construction Works

Competitive Tendering cannot be waived for building and engineering construction works and maintenance unless note 10.12 applies.

Items which subsequently breach thresholds after original approval

Items estimated to be below the limits set in this Standing Financial Instruction for which formal tendering procedures are not used which subsequently prove to have a value above such limits shall be reported to the Chief Executive Officer, and be recorded in an appropriate Foundation Trust record.

Contracting/Tendering Procedure

- i. All processes should be conducted electronically through the Trusts approved e-Tendering system.
- ii. Every tender for goods, materials, services or disposals shall embody such of the NHS Standard Contract Conditions as are applicable.
- iii. Every tender for building or engineering works (except for maintenance work) shall embody or be in the terms of the current edition of one of an appropriate standard form of contract as determined by the Head of Capital Development.
- iv. All contracts awarded through what-ever means must be held on a central contract register as administered by the Procurement Department

e-Tendering

- i. Procedures on how to conduct a Contracting, Tendering and Quotation process electronically must be maintained by the Foundation Trust's Procurement Department.
- ii. Where the receipt and opening of tenders is automated within the e-Tendering System, the opening of tenders and register of tenders procedure does not apply, provided that the system complies with its principle. Where Tenders are received electronically, as soon as practicable after the date and time stated as being the latest time for the receipt of tenders, they shall be opened by a Procurement Officer. This would usually be after 48 hours.

Tender reports to the Board of Directors

Reports to the Board of Directors will be made on an exceptional circumstance basis only.

The Trust should ensure that firms submitting tenders follow industry good practice and as a minimum:

- (a) All suppliers should work to the such of the NHSI Standard Terms and Conditions as are applicable.
- (b) The Trust should confirm that firms tendering for work shall ensure that when engaging, training, promoting or dismissing employees or in any conditions of employment, shall not discriminate against any person because of colour, race, ethnic or national origins, religion or sex, and will comply with all relevant acts.
- (c) Firms shall conform at least with the requirements of the Health and Safety at Work Act 1974 and any amending and/or other related legislation concerned with the health, safety and welfare of workers and other persons, and to any relevant British Standard Code of Practice issued by the British Standard Institution. Firms must provide to the appropriate manager a copy of its safety policy and evidence of the safety of plant and equipment, when requested.

- (d) The Director of Finance may make or institute any enquiries they deem appropriate concerning the financial standing and financial suitability of approved contractors.
- (e) The Director with lead responsibility for clinical governance may make such enquiries as is felt appropriate to be satisfied as to their technical / medical competence.

General position re quotations

Quotations are required where formal tendering procedures are:

- (a) not applied,
- (b) not required and where the intended expenditure or income exceeds, or
- (c) reasonably expected to exceed the limit defined in the Scheme of Reservation and Delegation (excluding VAT irrespective of recovery arrangements).

10.7.2 Competitive Quotations

All competitive quotations should be obtained electronically through the Trust's approved e-Procurement system;

- (i) Where quotations are required they should be obtained from at least three firms/individuals based on specifications or terms of reference prepared by, or on behalf of, the Board.
- (ii) Every quotation for goods, materials, services or disposals shall embody such of the NHS Standard Contract Conditions as are applicable.
- (iii) Every quotation for building or engineering works (except for maintenance work shall embody or be in the terms of the current edition of one of an appropriate standard form of contract as determined by the Head of Capital Development.
- (iv) Opportunities to quote must be published on the Trust's approved e-Procurement system and on HM Government's Contracts Finder website and Find a Tender for above EU/UK limit work.
- (v) Adequate time must be given for suppliers to respond, proportionate to the subject matter of the opportunity and in line with EU/UK Regulations where applicable.
- (vi) Quotations should be obtained electronically through the Trust's approved e-Procurement.
- (vii) All quotations should be treated as confidential and should be retained for inspection.
- (viii) The Chief Executive Officer or his nominated officer should evaluate the quotations and select the one which gives the best value for money.

Quotations to be within Financial Limits

No quotation shall be accepted which will commit expenditure in excess of that which has been allocated by the Foundation Trust and which is not in accordance with Standing Financial Instructions except with the authorisation of either the Chief Executive Officer or Director of Finance.

Reverse e-Auctions

The Foundation Trust should have policies and procedures in place for the control of all tendering activity carried out through e-Auctions. All tendering and quotation exercises will use e-auctions where appropriate to determine final price unless agreed in writing by the **Head of Procurement Contracting Contracts Manager** in conjunction with the Director of Procurement Services.

Where the appropriate strategy has been approved by the Director of Commercial Procurement Services, an e-Auction maybe used in place of a formal Tender under the following conditions

- (i) The opportunity is published on Contracts Finder/ **Find a Tender** as complies with all transparency requirements as set out in section 10
- (iii) The e-Auction is for price only. (**Where MAT (Most Advantageous) MEAT** applies, the Tender/Quotation Procedure must be followed)

Authorisation of Tenders and Competitive Quotations

Providing all the conditions and circumstances set out in these Standing Financial Instructions have been fully complied with, formal authorisation and awarding of a contract may be decided by the staff as defined in the Scheme of Reservation and Delegation Table B. These levels of authorisation may be varied or changed. Formal authorisation must be put in writing. In the case of authorisation by the Board of Directors this shall be recorded in their minutes.

Waiver Process (Tenders and Quotations)

Formal tendering and quotation procedures may be waived by officers to whom powers have been delegated by the Chief Executive Officer where:

- (a) the timescale genuinely precludes competitive tendering. Failure to plan the work properly is not a justification; or
- (b) specialist expertise is required and is available from only one source; or
- (c) the task is essential to complete the project, and engaging different consultants would be inappropriate; or
- (d) there is a clear benefit to be gained from maintaining continuity with an earlier project.

- (e) the goods or materials to be supplied consist of repairs to parts for existing equipment which, for practical reasons, must be from the same manufacturer;
- (f) Where the market place has a limited number of suppliers which is below the minimum number required for quotation or tender exercises. (The type of research and evidence carried out must be documented on the waiver submission).
- (g) Where an extension to an existing contract can be evidenced to be more effective to the Trust than the alternative of a competitive exercise at that time. Initial approval by the Director of Commercial Procurement Services will be reported to the Executives via the Director of Finance. This extension period must not breach EU/UK thresholds; and/or
- (h) Where the Director of Commercial Procurement Services can evidence that cost efficiency can be realised by the Trust through negotiation and or mini competition carried out by the Procurement Department. A comparison of at least the current and proposed supplier must be evidenced. Initial approval by the Director of Commercial Procurement Services will be report to the Executives via the Director of Finance.
- (i) where equipment is to be purchased and needs to be from the same manufacturer to support standardisation. In such cases the reasons must define operational risks associated with non standardisation.

The waiver process should not be used to avoid competition or for administrative convenience or to award further work to a consultant originally appointed through a competitive procedure.

Where it is decided that competitive tendering or quotations is not applicable and should be waived the reasons should be documented and reported by the Director of Finance to the Audit Committee in a formal meeting.

EU legislation cannot be waived and an appropriate EU/UK tender exercise must be completed even where it is believed there is only a single supplier to the marketplace. (This is a legislative requirement).

National Framework Agreements

Where a National Framework Agreement (or bespoke collaborative framework) has been established in such a way that meets with the Trusts formal Tendering and Quotation requirements and has been let in a legally compliant manner, the Framework may be utilised if;

- (i) The Director of Procurement in conjunction with the Head of Procurement Contracting Contracts Manager has assessed its appropriateness and can recommend its use in the circumstances.

- (ii) Call-off requirements are met, which include complying with Framework mini-competitions where appropriate

Product Standardisation

Product standardisation is key in supporting the Trusts drive for efficiencies and value for money in the goods and services it procures. This standardisation is not only relevant in the goods and services the Trust procures but also the suppliers the Trust contracts with. Therefore there will be a continuous programme of standardisation delivered through contracting and trialing projects led by the Trusts Procurement Department.

Contracts

The Foundation Trust may only enter into contracts within its statutory powers delegated to it and shall comply with:

- (a) these SOs;
- (b) the Foundation Trust's SFIs;
- (c) EU/UK Law Directives and other statutory provisions;
- (d) any relevant directions and guidance on the Procurement and Management of Consultants;
- (e) such of the NHS Standard Contract Conditions as are applicable;
- (f) contracts with Foundation Trusts must be in a form compliant with appropriate NHS guidance.
- (g) Where appropriate contracts shall be in or embody the same terms and conditions of contract as was the basis on which tenders or quotations were invited.

(h) In all contracts made by the Foundation Trust, the Board shall endeavour to obtain best value for money. The Chief Executive Officer shall nominate an officer who shall oversee and manage each contract on behalf of the Foundation Trust. Contracts must be authorised in accordance with the Scheme of Reservation and Delegation.

Personnel and Agency or Temporary Staff Contracts

The Chief Executive Officer shall nominate officers with delegated authority to enter into contracts for the employment of other officers, to authorise re-grading of staff, and enter into contracts for the employment of agency staff or temporary staff service contracts.

Healthcare Services Agreements

Healthcare Service Agreements made between two NHS organisations, for example with health authorities for the supply of healthcare services, are subject to the provisions of the National Health and Social Care Act 2012.

The Chief Executive Officer shall nominate officers with power to negotiate for the provision of healthcare services with purchasers of healthcare.

Cancellation of Contracts

Except where specific provision is made in model Forms of Contracts or Standard Schedules of Conditions approved for use within the National Health Service and in accordance with Standing Orders, there shall be inserted in every written contract a clause empowering the Foundation Trust to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation, if the contractor has been found to have breached any elements pertaining to the requirements of the Bribery Act 2010, and as amended including the actions of its sub-contractors within the definitions of the Act.

Determination of Contracts for Failure to Deliver Goods or Material

There shall be inserted in every written contract for the supply of goods or materials a clause to secure that, should the contractor fail to deliver the goods or materials or any portion thereof within the time or times specified in the contract, the Foundation Trust may without prejudice determine the contract either wholly or to the extent of such default and purchase other goods, or material of similar description to make good (a) such default, or (b) in the event of the contract being wholly determined the goods or materials remaining to be delivered. The clause shall further secure that the amount by which the cost of so purchasing other goods or materials exceeds the amount which would have been payable to the contractor in respect of the goods or materials shall be recoverable from the contractor.

Contracts Involving Funds Held on Trust

Contracts will be entered into for specified named fund. Such Contracts involving charitable funds held shall comply with the requirements of the Charities Acts and Charity Commission guidance.

Disposals

Competitive Tendering or Quotation procedures (dependant on estimated value and the same competitive process as described above in this section) shall not apply to the disposal of:

- (a) any matter in respect of which a fair price can be obtained only by negotiation or sale by auction as determined (or pre-determined in a reserve) by the Chief Executive Officer or his nominated officer;
- (b) obsolete or condemned articles and stores, which may be disposed of in accordance with the Trusts Disposals policy;
- (c) items to be disposed of with an estimated sale defined in the Scheme of Reservation and Delegation, this figure to be reviewed annually;

- (d) items arising from works of construction, demolition or site clearance, which should be dealt with in accordance with the relevant contract;
- (e) land or buildings concerning which Monitor guidance has been issued but subject to compliance with such guidance.

Applicability of SFIs on Tendering and Contracting to funds held on trust (see SFI Section 17)

These Instructions shall apply to expenditure from Exchequer funds and also to works, services and goods purchased from the Foundation Trust's Charitable Funds.

Pre-Market Engagement with Suppliers

The Foundation Trust may enter in to preliminary or indicative discussions with suppliers of goods, services and works, prior to applying the Tendering and Contracting Procedure (10) only for the purposes either; to develop a business case for investment or; capital budget planning or; understanding the viability of an infrastructure project. This should be done in conjunction with Procurement. When engaging suppliers for these purposes the Foundation Trust must not:

- (a) Provide commercially sensitive Trust information which may distort future competition
- (b) Enter in to any form of negotiations
- (c) Offer commitment to buy, either verbally or in writing.

If there is doubt or concern that preliminary discussions may breach these conditions to achieve the desired purpose, then advice from the Procurement Department must be sought.

It is a requirement that stakeholders complete the Confidentiality and Conflict of Interest Declaration form in order to support this stage of the process.

Where it is anticipated the project may exceed **the EU/UK** thresholds applicable to The Public contracts Regulations 2015 as amended from time to time. Advice from the Procurement Department must be sought in all cases.

12. EXTERNAL BORROWING AND INVESTMENTS

NHS Oversight Framework

The Foundation Trust must ensure compliance with the NHS Oversight set by NHSI.

The NHS Oversight Framework determines the Finance and use of resources metrics calculations which take into consideration the levels of borrowing and the affordability of such. These are reported to NHSI on a regular basis. The Board must approve and review the affordability of additional borrowing before any loans are entered into.

Public Dividend Capital

On authorisation as a Foundation Trust the Public Dividend Capital held immediately prior to authorisation continues to be held on the same conditions.

Additional Public Dividend Capital may be made available on such terms the Secretary of State (with the consent of the Treasury) decides.

Draw down of Public Dividend Capital should be authorised in accordance with the mandate held by the Department of Health Cash Funding Team, and is subject to approval by the Secretary of State.

The Foundation Trust shall be required to pay annually to the Department of Health a dividend on its Public Dividend Capital at a rate to be determined from time to time, by the Secretary of State.

Commercial Borrowing and Investment

The Foundation Trust may borrow money from any commercial source for the purposes of or in connection with its functions.

The Foundation Trust may invest money (other than money held by it as charitable trustee) for the purposes of or in connection with its functions. Such investment may include forming, or participating in forming, or otherwise acquiring membership of bodies corporate.

The Foundation Trust may also give financial assistance (whether by way of loan. Guarantee or otherwise) to any person for the purposes of or in connection with its functions.

Investment of Temporary Cash Surpluses

Temporary cash surpluses must be held only in such public and private sector investments as authorised by the Finance & Performance Committee.

Finance & Performance Committee is responsible for establishing and monitoring an appropriate investment strategy and policy.

The Director of Finance is responsible for advising the Finance & Performance Committee on investments and shall report periodically to the Finance & Performance Committee concerning the performance of investments held.

The Director of Finance will prepare detailed procedural instructions on investment operations and on the records to be maintained. The Foundation Trust's Treasury Management policy will incorporate guidance from NHSI as appropriate.

13. CAPITAL INVESTMENT, PRIVATE FINANCING, FIXED ASSET REGISTERS AND SECURITY OF ASSETS

Capital investment

The Chief Executive Officer:

- a) shall ensure that there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon business plans;
- b) is responsible for the management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost; and
- c) shall ensure that the capital investment is not undertaken without the availability of resources to finance all revenue consequences, including capital charges.

For capital expenditure proposals the Chief Executive Officer shall ensure (in accordance with the limits outlined in the Scheme of Delegation):

- a) that a business case is produced setting out:
 - i) an option appraisal of potential benefits compared with known costs to determine the option with the highest ratio of benefits to costs; and
 - ii) appropriate project management and control arrangements; and
 - iii) the involvement of appropriate Foundation Trust personnel and external agencies; and
- b) That the business case has detailed the cost and revenue consequences and that it has been authorised in accordance with table B in the Scheme of Reservation and Delegation.

Director of Finance shall assess on an annual basis the requirement for the operation of the construction industry tax deduction scheme in accordance with Inland Revenue guidance.

The Director of Finance shall issue procedures for the regular reporting of expenditure and commitment against authorised expenditure.

The approval of a capital programme shall not constitute approval for expenditure on any scheme. The **Corporate Leaders Group Senior Leaders Group** shall consider each individual scheme on its merits and by record of proceedings **provide: recommend to the Trust Board or Finance & Performance Committee**

- a) approval to commit expenditure;
- b) approval to proceed to tender;
- c) approval to accept a successful tender

The Director of Finance shall issue procedures governing the financial management, including variations to contract, of capital investment projects and valuation for accounting purposes. The NHSI Capital regime, investment and property business case approval guidance for NHS Trust must be followed where applicable.

Private finance

The Foundation Trust should normally test for Private Finance when considering capital procurement. When the Board proposes, or is required, to use finance provided by the private sector the following should apply:

- (a) The Chief Executive Officer shall demonstrate that the use of private finance represents value for money and genuinely transfers risk to the private sector.
- (b) A business case must be referred to the Department of Health or HM Treasury as appropriate (for example if a 'Deed of Safeguard' is required), for approval or treated as per current guidelines. The Foundation Trust must follow the relevant government guidance which applies to Private Finance.
- (c) The proposal must be specifically agreed by the Foundation Trust in the light of such professional advice as should reasonably be sought in particular with regard to vires.
- (d) The selection of a contractor/finance company must be on the basis of competitive tendering or quotations.

Asset registers

The Chief Executive Officer is responsible for the maintenance of registers of assets, taking account of the advice of the Director of Finance concerning the form of any register and the method of updating, and arranging for a physical check of assets against the Asset Register to be conducted as appropriate.

The Foundation Trust shall maintain an Asset Register recording fixed assets to enable financial reporting in accordance with the requirements of International Accounting Standards.

Additions to the fixed Asset Register must be clearly identified to an appropriate Division and be validated by reference to:

- a) properly authorised and approved agreements, architect's certificates, supplier's invoices and other documentary evidence in respect of purchases from third parties;
- b) stores, requisitions and wages records for own materials and labour including appropriate overheads; and
- c) lease agreements in respect of assets held under a finance lease and capitalised.

Where capital assets are sold, scrapped, lost or otherwise disposed of, their value must be removed from the accounting records and each disposal must be validated by reference to authorisation documents and invoices (where appropriate).

The Director of Finance shall approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed Asset Registers.

The value of each asset shall be accounted for as per International Accounting Standards and the Foundation Trust Annual Reporting Manual (FTARM) issued by NHSI.

The Director of Finance shall calculate and pay capital charges as specified by NHSI.

Protected Property

A register of all relevant assets required to provide Commissioner Requested Services is required to be maintained in accordance with requirements issued by NHSI. Relevant assets are any item of property, including buildings, interests in land, equipment (including rights, licences and consents relating to its use), without which the Trusts ability to meet its obligations to provide Commissioner Requested Services would be regarded as materially prejudiced.

No Protected Property may be disposed of without the approval of NHSI.

This will be achieved through the annual planning process. The annual plan will include proposed changes in the treatment of assets that are protected and proposed disposals and acquisitions.

The Foundation Trust is required to notify relevant bodies of the publication date of their plans to allow them to lodge any objections. Twenty-one days is allowed before the plans are then approved.

During the year when the proposed changes are made the Asset Register must be updated accordingly. The relevant bodies should then be notified that an updated Asset Register is available.

As required by Condition 9 (4) of the Terms of Authorisation NHS FTs must make the Asset Register available for inspection by the public. NHSFTs may charge a reasonable fee for access to this information.

Security of assets

The overall control of fixed assets is the responsibility of the Chief Executive Officer advised by the Director of Finance.

Asset control procedures (including fixed assets, cash, cheques and negotiable instruments, and also including donated assets) must be approved by the Director of Finance. This procedure shall make provision for:

- a) recording managerial responsibility for each asset;
- b) identification of additions and disposals;
- c) identification of all repairs and maintenance expenses;

- d) physical security of assets;
- e) periodic verification of the existence of, condition of, and title to, assets recorded;
- f) identification and reporting of all costs associated with the retention of an asset; and
- g) reporting, recording and safekeeping of cash, cheques, and negotiable instruments.

All significant discrepancies revealed by verification of physical assets to fixed Asset Register shall be notified to the Director of Finance.

Whilst each employee has a responsibility for the security of property of the Foundation Trust, it is the responsibility of directors and senior employees in all disciplines to apply such appropriate routine security practices in relation to NHS property as may be determined by the Board of Directors. Any breach of agreed security practices must be reported in accordance with instructions.

Any damage to the Foundation Trust's premises, vehicles and equipment, or any loss of equipment, stores or supplies must be reported by directors and employees in accordance with the procedure for reporting losses.

Where practical, assets should be marked as Foundation Trust property.

14. STOCK, STORES AND RECEIPT OF GOODS

Stocks are defined as those goods normally utilised in day to day activity, but which at a given point in time have not been used or consumed. There are three broad types of store:-

- a) **Controlled stores** - specific areas designated for the holding and control of goods;
- b) **Wards & departments** - goods required for immediate usage to support operational services.
- c) **Manufactured Items** - where goods and consumables are being made or processes are being applied which add to the raw material cost of the goods.

Such stocks should be kept to a minimum and for;

- a. controlled stores and other significant stores (as determined by the Director of Finance) should be subjected to an annual stocktake or perpetual inventory procedures; and
- b. valued at the lower of cost and net realisable value.

Subject to the responsibility of the Director of Finance for the systems of control, overall responsibility for the control of stores shall be delegated to an employee by the Chief Executive Officer. The day-to-day responsibility may be delegated by him to departmental employees and stores managers/keepers, subject to such delegation being entered in a record available to the Director of Finance. The control of any Pharmaceutical stocks shall be the responsibility of a designated Pharmaceutical Officer; the control of any fuel oil of the Head of Estates.

The responsibility for security arrangements and the custody of keys for all stores and locations shall be clearly defined in writing by the designated manager. Wherever practicable, stocks should be marked as NHS property.

The Director of Finance shall approve procedures and systems to regulate the stores including records for receipt of goods, issues, and returns to stores, and losses. Stocktaking arrangements shall be agreed with the Director of Finance and there shall be a physical check covering all items in store at least once a year.

Where a complete system of stores control is not justified, alternative arrangements shall require the approval of the Director of Finance.

The designated manager shall be responsible for a system approved by the Director of Finance for a review of slow moving and obsolete items and for condemnation, disposal, and replacement of all unserviceable articles. The designated Officer shall report to the Director of Finance any evidence of significant overstocking and of any negligence or malpractice (see also 14, Disposals and Condemnations, Losses and

Special Payments). Procedures for the disposal of obsolete stock shall follow the procedures set out for disposal of all surplus and obsolete goods.

Receipt of Goods

A delivery note shall be obtained from the supplier at the time of delivery and shall be signed by the person receiving the goods. All goods received shall be checked, by the appropriate department, as regards quantity and/or weight and inspected as to quality and specification. Instructions shall be issued to staff covering the procedures to be adopted in those cases where a delivery note is not available.

All goods received shall be entered onto an appropriate goods received/stock record (whether a computer or manual system) on the day of receipt. If goods received are unsatisfactory, the records shall be marked accordingly. Further, where the goods received are found to be unsatisfactory or short on delivery, they shall only be accepted on the authority of the designated officer and the supplier shall be notified immediately.

For goods supplied via the NHS Supply Chain central warehouses, the Chief Executive Officer shall identify those authorised to requisition and accept goods from the store. The authorised person shall check receipt against the delivery note to satisfy themselves that the goods have been received. The Finance Department will make payment on receipt of an invoice. This may also apply for high-volume low value items such as stationery.

Issue of Stocks

The issue of stocks shall be supplied by an authorised requisition note and a receipt for the stock issued shall be returned to the designated officer. Where a 'topping up' system is used, a record shall be maintained as approved by the of Finance. Regular comparisons shall be made of the quantities issued to wards/departments etc. and explanations recorded of significant variations.

All transfers and returns shall be recorded on forms/systems provided for the purpose and approved by the Director of Finance.

15. DISPOSALS AND CONDEMNATIONS, INSURANCE, LOSSES AND SPECIAL PAYMENTS

Disposals and condemnations

The Director of Finance must prepare detailed procedures for the disposal of assets including condemnations, and ensure that these are notified to managers.

When it is decided to dispose of a Foundation Trust asset, the head of department or authorised deputy will determine and advise the Director of Finance of the estimated market value of the item, taking account of professional advice where appropriate.

For property relating to Commissioner Requested Services refer to section 12.4 of these SFIs.

All unserviceable articles shall be:

- a) condemned or otherwise disposed of by an employee authorised for that purpose by the Director of Finance;
- b) recorded by the condemning officer in a form approved by the Director of Finance which will indicate whether the articles are to be converted, destroyed or otherwise disposed of. All entries shall be confirmed by the countersignature of a second employee authorised for the purpose by the Director of Finance.

The condemning officer shall satisfy himself as to whether or not there is evidence of negligence in use and shall report any such evidence to the Director of Finance who will take the appropriate action.

Losses and special payments

The Director of Finance must prepare procedural instructions on the recording of and accounting for condemnations, losses, and special payments. The Director of Finance must also prepare a fraud response plan that sets out the action to be taken both by persons detecting a suspected fraud and those persons responsible for investigating it.

Any employee or officer discovering or suspecting a loss of any kind must either immediately inform their Divisional Manager or Head of Department, who must immediately inform the Director of Finance who will liaise with the Chief Executive Officer or inform an officer charged with responsibility for responding to concerns involving loss confidentially. This officer will then appropriately inform the Director of Finance who will liaise with the Chief Executive Officer.

Where a criminal offence is suspected, the Director of Finance must immediately inform the police if theft or arson is involved. In cases of fraud or corruption or of anomalies which may indicate fraud or corruption, the Director of Finance must inform their Local Counter Fraud Specialist who will inform the NHS-CFA **before** any action is taken and reach agreement how the case is to be handled.

The Director of Finance must notify NHS CFA and the external financial auditor of all frauds.

For losses apparently caused by theft, arson, neglect of duty or gross carelessness, except if trivial the Director of Finance must notify:

- a) the Board of Directors,
- b) the financial auditor, and
- c) the Local Security Management Specialist.

The Director of Finance shall be authorised to take any necessary steps to safeguard the Foundation Trust's interests in bankruptcies and company liquidations.

For any loss, the Director of Finance should consider whether any insurance claim can be made.

The Director of Finance shall maintain a Losses and Special Payments Register in which write-off action is recorded.

INSURANCE

The Director of Finance shall ensure that insurance arrangements exist in accordance with the risk management programme.

The Board shall decide if the Foundation Trust will insure through the risk pooling schemes administered by the NHS Resolution, obtain commercial insurance or self insure for some or all of the risks covered by the risk pooling schemes. If the Board decides not to use the risk pooling schemes for any of the risk areas (clinical, property and employers/third party liability) covered by the scheme this decision shall be reviewed annually by the Finance & Performance Committee and reported to the Board via the minutes.

Arrangements to be followed by the Board of Directors in agreeing Insurance cover

Where the Board decides to use the risk pooling schemes administered by the NHS Resolution or obtain commercial insurance the Director of Finance shall ensure that the arrangements entered into are appropriate and complementary to the risk management programme. Where the Board decides not to use the risk pooling schemes administered by the NHS Director of Finance Litigation Authority or obtain commercial insurance, the Director of Finance shall ensure that the Board is informed of the nature and extent of the risks that are self insured as a result of this decision. The Director of Finance will draw up formal documented procedures for the management of any claims arising from third parties and payments in respect of losses which will not be reimbursed.

All the risk pooling schemes require Scheme members to make some contribution to the settlement of claims (the 'deductible'). The Director of Finance should ensure documented procedures also cover the management of claims and payments below the deductible in each case.

Commercial Insurance Cover Decisions Delegated to the Finance & Performance Committee

As a Foundation Trust the Board need to consider the adequacy of insurance cover recognising the Public Benefit Corporation status. This function has been delegated to the Finance & Performance Committee. Foundation Trust may decide to enter into top-up commercial insurance arrangements, for example

- Directors and Officers Liability
- Property Damage
- Private Finance Initiatives
- Motor vehicle insurance
- Business interruption (Increased Cost of Working and Loss of Income)
- Other as agreed by the Finance & Performance Committee

Compensation Claims

The Foundation Trust is committed to effective and timely investigation and response to any claim which includes allegations of clinical negligence, employee and other compensation claims. The Foundation Trust will follow the requirements and note the recommendations of the Department Health, and the NHS Resolution in the management of claims. Every member of staff is expected to co-operate fully, as required, in assessment and management of each claim.

The Foundation Trust will seek to reduce the incidence and adverse impact of clinical negligence, employee and other litigation by:-

- Adopting prudent risk management strategies including continuous review.
- Implementing in full the NHS Complaints Procedure, thus providing an alternative remedy for some potential litigants.
- Adopting a systematic approach to claims handling in line with the best current and cost effective practice.
- Following guidance issued by the NHS Resolution relating to clinical negligence.
- Achieving the Standards for Better Health.
- Implementing an effective system of Clinical Governance

The **Director of Communications and Corporate Affairs** **Associate Director of Corporate Affairs** is responsible for clinical negligence: for managing the claims process and informing the Foundation Trust Board of Directors of any major developments on claims related issues.

16. INFORMATION TECHNOLOGY

Responsibilities and duties of the Chief Digital Information Officer and Director of Finance in relation to Finance Systems

The Chief Digital Information Officer and Director of Finance are responsible for the accuracy and security of the computerised financial data of the Foundation Trust, and shall:

- a) devise and implement any necessary procedures to ensure adequate (reasonable) protection of the Foundation Trust's data, programs and computer hardware for which he/she is responsible from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the General Data Protection Regulations (GDPR) and Data Protection Act 2018 and the Computer Misuse Act 1990, and any other relevant act.
- b) ensure that adequate (reasonable) controls exist over data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;
- c) ensure that adequate controls exist such that the computer operation is separated from development, maintenance and amendment;
- d) ensure that adequate controls exist to maintain the security, privacy, accuracy and completeness of financial data sent via transmission networks.
- e) ensure that an adequate management (audit) trail exists through the computerised system and that such computer audit reviews as he/she may consider necessary are being carried out.

The Chief Digital Information Officer and Director of Finance shall satisfy him/herself themselves that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by another organisation, assurances of adequacy will be obtained from them prior to implementation.

The Director of Communications & Corporate Affairs Associate Director of Corporate Affairs shall publish and maintain a Freedom of Information (FOI) Publication Scheme, or adopt a model Publication Scheme approved by the Information Commissioner. A Publication Scheme is a complete guide to the information routinely published by a public authority. It describes the classes or types of information about our Trust that we make publicly available.

Responsibilities and duties of other Directors and Officers in relation to computer systems of a general application

In the case of computer systems which are proposed General Applications (i.e. normally those applications which the majority of NHS Organisations in the Local Health economy wish to sponsor jointly) all responsible directors and employees will send to the Chief Digital Information Officer:

- a) details of the outline design of the system prior to procurement and implementation to enable a value for money assessment relative to existing technical architecture and a cyber security assessment to ensure the safety of data as per the General Data Protection Regulations (GDPR), the Data Protection Act, 2018 and the Computer Misuse Act, 1990, and any other relevant act;
- b) the operation requirement in the case of packages acquired either from a commercial organisation, from the NHS, or from another public sector organisation, the operational requirement.

Contracts for Computer Services with other health bodies or outside agencies

The Chief Digital Information Officer and the Director of Finance shall ensure that contracts for computer services for financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes.

Where another health organisation or any other agency provides a computer service for financial applications, the Chief Digital Information Officer and the Director of Finance shall periodically seek assurances that adequate controls are in operation.

Requirement for Computer Systems which have an impact on corporate financial systems

Where computer systems have an impact on corporate financial systems the Director of Finance and the Chief Digital Information Officer shall satisfy them self that:

- a) systems acquisition, development and maintenance are in line with corporate policies such as an Information Technology Strategy Digital & Data Strategy;
- b) data produced for use with financial systems is adequate, accurate, complete and timely, and that a management (audit) trail exists;
- c) Director of Finance staff have access to such data; and
- d) such computer audit reviews as are considered necessary are being carried out.

Risk Assessment

The Chief Digital Information Officer shall ensure that risks to the Trust arising from the use of IT are effectively identified and considered and appropriate action taken to mitigate or control risk. This shall include the preparation and testing of appropriate business continuity and disaster recovery plans for IM&T Infrastructure.

~~The Chief Digital Information Officer shall ensure that risks to the Trust arising from the use of IT are effectively identified and considered and appropriate action taken to mitigate or control risk. This shall include the preparation and testing of appropriate disaster recovery plans.~~

The Foundation Trust shall disclose to NHSI and directly to any third parties, as may be specified by the Secretary of State, the information, if any, specified in the Terms of Authorisation, Schedule 6. Other information, as requested, shall be provided to NHSI.

17. PATIENTS' PROPERTY

The Foundation Trust has a responsibility to provide safe custody for money and other personal property (hereafter referred to as "property") handed in by patients, in the possession of unconscious or confused patients, or found in the possession of patients dying in hospital or dead on arrival.

The Chief Executive Officer is responsible for ensuring that patients or their guardians, as appropriate, are informed before or at admission by:

- notices and information booklets,
- hospital admission documentation and property records,
- the oral advice of administrative and nursing staff responsible for admissions,

that the Foundation Trust will not accept responsibility or liability for patients' property brought into its premises, unless it is handed in for safe custody and a copy of an official patient's property record is obtained as a receipt.

The Director of Nursing & Quality must approve detailed written instructions on the collection, custody, investment, recording, safekeeping, and disposal of patients' property (including instructions on the disposal of the property of deceased patients and of patients transferred to other premises) for all staff whose duty is to administer, in any way, the property of patients. The said instructions shall cover the necessary arrangements for withdrawal of cash or disbursement of money held in accounts of patients who are incapable of handling their own financial affairs. Due care should be exercised in the management of a patient's money in order to maximise the benefits to the patient.

A patient's property record, in a form determined by the Director of Nursing & Quality shall be completed in respect of the following:

- a) property handed in for safe custody by any patient (or guardian as appropriate); and
- b) property taken into safe custody having been found in the possessions of:
 - mentally disordered patients
 - confused and/or disorientated patients
 - unconscious patients
 - patients dying in hospital
 - patients found dead on arrival at hospital (property removed by police)

- c) A record shall be completed in respect of all persons in category b, including a nil return if no property is taken into safe custody.

The record shall be completed by a member of the hospital staff in the presence of a second member of staff and the patient (or representative) where practicable. It shall then be signed by both members of staff and by the patient, except where the latter is restricted by physical or mental incapacity. Any alterations shall be validated by signature as required in the original entry on the record.

Where Department of Health instructions require the opening of separate accounts for patients' monies, these shall be opened and operated under arrangements agreed by the Director of Nursing & Quality.

Patients' income, including pensions and allowances, shall be dealt with in accordance with current Department of Work and Pensions instructions. For long stay patients, the Chief Executive Officer shall ensure that positive action is taken to use their funds effectively and so reduce balances accruing.

Refunds of cash handed in for safe custody will be dealt with in accordance with current Department of Work and Pensions instructions. Property other than cash, which has been handed in for safe custody, shall be returned to the patient as required, by the officer who has been responsible for its security. The return shall be receipted by the patient or guardian as appropriate and witnessed.

The disposal of property of deceased patients shall be effected by the officer who has been responsible for its security, such disposal shall be in accordance with written instructions approved by the Director of Nursing & Quality.

In all cases where property of a deceased patient is of a total value in excess of £5,000 (or such other amount as may be prescribed by any amendment to the Administration of Estates, Small Payments, Act 1965), the production of Probate or Letters of Administration shall be required before any of the property is released. Where the total value of property is £5,000 or less, forms of indemnity shall be obtained.

Property handed over for safe custody shall be placed into the care of the appropriate administrative staff. Where there are no administrative staff present, in which case the property shall be placed in the secure care of the most senior member of nursing staff on duty.

In respect of deceased patients, if there is no will and no lawful next of kin the property vests in the Crown and particulars shall, therefore, be notified to the Treasury Solicitor.

Any funeral expenses necessarily borne by the Foundation Trust are a first charge on a deceased person's estate. Where arrangements for burial or cremation are not made privately, any element of the estate held by the Foundation Trust may be appropriated towards funeral expenses, upon the authorisation of the Director of Finance.

Staff should be informed, at Departmental induction, by the appropriate departmental or senior manager of their responsibilities and duties for the administration of the property of patients.

Where patients' property or income is received for specific purposes and held for safekeeping the property or income shall be used only for that purpose, unless any variation is approved by the donor or patient in writing.

18. FUNDS HELD ON TRUST

General

The Foundation Trust has a responsibility as a corporate trustee for the management of funds it holds on trust. The management processes may overlap with those of the organisation of the Foundation Trust, the trustee responsibilities must be discharged separately and full recognition given to its accountability to the Charity Commission.

The reserved powers of the Board of Directors and the Scheme of Delegation make clear where decisions where discretion must be exercised are to be taken and by whom.

As management processes overlap most of the sections of these Standing Financial Instructions will apply to the management of funds held on trust.

The over-riding principle is that the integrity of each trust must be maintained and statutory and trust obligations met. Materiality must be assessed separately from Exchequer activities and funds.

Charitable Funds are those gifts, donations and endowments made under the relevant charities legislation and held on trust for purposes relating to the Trust or to the Health Service. The objects of which are for charitable purposes relating to the general or any specific purposes of the Countess of Chester Hospital NHS Foundation Trust or to purposes relating to the health service. They are administered by the Foundation Trust Board of Directors acting on behalf of the corporate trustee.

The Director of Finance shall maintain such accounts and records as may be necessary to record and protect all transactions and funds of the Foundation Trust as trustees of non-exchequer funds, including an Investment Register.

Existing Charitable Funds

The Director of Finance shall arrange for the administration of all existing funds. A "Deed of Establishment" must exist for every fund and detailed codes of procedure shall be produced covering every aspect of the financial management of charitable funds, for the guidance of fund managers. The Deed of Establishment shall identify the restricted nature of certain funds, and it is the responsibility of fund managers, within their delegated authority, and the Charitable Funds Committee to ensure that funds are utilised in accordance with the terms of the Deed.

The Director of Finance shall periodically review the funds in existence and shall make recommendations to the Charitable Funds Committee regarding the potential for rationalisation of such funds within statutory guidelines.

The Director of Finance shall ensure that all funds are administered in accordance with the Charities Commission in accordance with the Charities Act 2001 or subsequent legislation.

New Charitable Funds

The Director of Finance shall, recommend the creation of a new fund where funds and/or other assets, received for charitable purposes, cannot adequately be managed as part of an existing fund. All new funds must be covered by a Deed of Establishment and must be formally approved by the Charitable Funds Committee.

The Deed of Establishment for any new fund shall clearly identify, inter alia, the objects of the new fund, the nominated fund manager, the estimated annual income and, where applicable, the Charitable Funds Committee's power to assign the residue of the fund to another fund contingent upon certain conditions e.g. discharge of original objects.

Sources of New Funds

All gifts accepted shall be received and held in the name of the Charity and administered in accordance with the Charity's policy, subject to the terms of specific funds. As the Charity can accept gifts only for all or any purposes relating to the NHS, officers shall, in cases of doubt, consult Director of Finance before accepting any gift. Advice to the Board of Directors on the financial implications of fund raising activities by outside bodies or organisations shall be given by the Director of Finance.

All gifts, donations and proceeds of fund-raising activities, which are intended for the Charity's use, must be handed immediately to the Director of Finance via the Fundraising Office/Cash Office to be banked directly to the Charitable Funds Bank Account.

In respect of Donations, the Director of Finance shall:-

- a) provide guidelines to Officers of the Foundation Trust as to how to proceed when offered funds. These will include:-
 - i) the identification of the donor's intentions;
 - ii) where possible, the avoidance of creating excessive numbers of funds;
 - iii) the avoidance of impossible, undesirable or administratively difficult objects;
 - iv) sources of immediate further advice; and
 - v) treatment of offers for personal gifts.
- b) provide secure and appropriate receipting arrangements, which will indicate that donations have been accepted directly into the appropriate fund and that the donor's intentions have been noted and accepted.

In respect of Legacies and Bequests, the Director of Finance shall be kept informed of and record all enquiries regarding legacies and bequests. Where required, the Director of Finance shall:-

- a. provide advice covering any approach regarding the receipt of funds/other assets from executors:-
- b. after the death of a testator all correspondence concerning a legacy shall be dealt with on behalf of the Charity by the Fundraising Manager.
- c. where necessary, obtain grant of probate, or make application for grant of letters of administration;
- d. be empowered to negotiate arrangements regarding the administration of a will with executors and to discharge them from their duty; and
- e. be directly responsible, in conjunction with the Charitable Funds Committee, for the appropriate treatment of all legacies and bequests.

In respect of fund-raising, the final approval for major appeals will be given by the Board of Directors. Final approval for smaller appeals will be given by the Charitable Funds Committee. The Director of Finance shall:-

- a) advise on the financial implications of any proposal for fund-raising activities;
- b) deal with all arrangements for fund-raising by and/or on behalf of the Charity and ensure compliance with all statutes and regulations;
- c) be empowered to liaise with other organisations/persons raising funds for the Charity and provide them with an adequate discharge;
- d) be responsible for alerting the Charitable Funds Committee and the Board of Directors to any irregularities regarding the use of the Charity's name or its registration numbers; and
- e) be responsible for the appropriate treatment of all funds received from this source.

In respect of Trading Income (see also NHS Charitable Funds Guidance Chapter 6), the Director of Finance shall:-

- a) be primarily responsible, along with designated fund managers, for any trading undertaken by the Charity; and
- b) be primarily responsible for the appropriate treatment of all funds received from this source.

In respect of Investment Income, the Director of Finance shall be responsible for the appropriate treatment of all dividends, interest and other receipts from this source (see below).

Investment Management

The Charitable Funds Committee shall be responsible for all aspects of the management of the investment of charitable funds as delegated under the terms of the approved investment policy. The issues on which the Director of Finance shall be required to provide advice to the Charitable Funds Committee shall include:-

- a) the formulation of investment policy which meets statutory requirements (Trustee Investment Act 1961) with regard to income generation and the enhancement of capital value;
- b) the appointment of advisers, brokers and, where appropriate, investment fund managers and:-
 - i) the Director of Finance shall recommend the terms of such appointments; and for which
 - ii) written agreements shall be signed by the Chief Executive Officer;
- c) pooling of investment resources and the preparation of a submission to the Charity Commission for them to make a scheme;
- d) the participation by the Charity in common investment funds and the agreement of terms of entry and withdrawal from such funds;
- e) that the use of assets shall be appropriately authorised in writing and charges raised within policy guidelines;
- f) the review of the performance of brokers and fund managers;
- g) the reporting of investment performance.

The Director of Finance shall prepare detailed procedural instructions concerning the receiving, recording, investment and accounting for Charitable Funds.

Expenditure from Charitable Funds

Expenditure from Charitable Funds shall be managed by the Charitable Funds Committee on behalf of the Board of Directors. In so doing the committee shall be aware of the following:-

- a) The restrictions or designated objectives;
- b) the availability of liquid funds within each trust;
- c) the powers of delegation available to commit resources;
- d) the avoidance of the use of exchequer funds to discharge endowment fund liabilities (except where administratively unavoidable), and to ensure that any indebtedness to the Exchequer shall be discharged by trust funds at the earliest possible time;
- e) that funds are to be spent rather than preserved, subject to the wishes of the donor and the needs of the Foundation Trust; and
- f) the definitions of “charitable purposes” as agreed with the Charity Commission.

Delegated authority to incur expenditure which meets the purpose of the funds is set out in the Scheme of Delegations; exceptions are as follows:-

- a) Any staff salaries/wages costs require Charitable Funds Committee approval

- b) No funds are to be “overdrawn” except in the exceptional circumstance that Charitable Funds Committee approval is granted.

Banking Services

The Director of Finance shall advise the Charitable Funds Committee and, with its approval, shall ensure that appropriate banking services are available in respect of administering the Charitable Funds. These bank accounts should permit the separate identification of liquid funds to each trust where this is deemed necessary by the Charity Commission.

Asset Management

Assets in the ownership of or used by the Foundation Trust, shall be maintained along with the general estate and inventory of assets of the Foundation Trust. The Director of Finance shall ensure:-

- a) that appropriate records of all donated assets owned by the Foundation Trust are maintained, and that all assets, at agreed valuations are brought to account;
- b) that appropriate measures are taken to protect and/or to replace assets. These to include decisions regarding insurance, inventory control, and the reporting of losses;
- c) that donated assets received on trust shall be accounted for appropriately;
- d) that all assets acquired from Charitable Funds which are intended to be retained within the funds are appropriately accounted for.

Reporting

The Director of Finance shall ensure that regular reports are made to the Charitable Funds Committee with regard to, inter alia, the receipt of funds, investments and expenditure.

The Director of Finance shall prepare annual accounts in the required manner, which shall be submitted, to the Charitable Funds Committee acting on behalf of the corporate trustee within agreed timescales.

The Director of Finance shall prepare an annual trustees’ report and the required returns to the Charity Commission for adoption by the Charitable Funds Committee.

Accounting and Audit

As Corporate Trustee arrangements must be made to ensure that an external financial auditor is appointed to provide an independent review of the accounts in accordance with Charity Commission legislation.

The Director of Finance shall maintain all financial records to enable the production of reports as above and to the satisfaction of internal and external audit.

Distribution of investment income to the charitable funds and the recovery of administration costs shall be performed on a basis determined by the Director of Finance.

The Director of Finance shall ensure that the records, accounts and returns receive adequate scrutiny by internal audit during the year. They will liaise with external audit and provide them with all necessary information.

The Charitable Funds Committee shall be advised by the Director of Finance on the outcome of the annual external audit.

Taxation and Excise Duty

The Director of Finance shall ensure that the Charity's liability to taxation and excise duty is managed appropriately, taking full advantage of available concessions, through the maintenance of appropriate records, the preparation and submission of the required returns and the recovery of deductions at source.

19. ACCEPTANCE OF GIFTS AND HOSPITALITY BY STAFF

The Chief Executive Officer via the ~~Director of Communications and Corporate Affairs~~ ~~Associate Director of Corporate Affairs~~ shall ensure that all staff are made aware of the Foundation Trust policy on acceptance of gifts and other benefits in kind. This policy should follow the guidance contained in the Department of Health Standards of Business Conduct for NHS Staff and the NHS England Conflicts of Interest Policy is also deemed to be an integral part of the Standing Orders and Standing Financial Instructions.

Refer also to Standing Orders Standards of Business Conduct including Conflict of Interest Policy, Anti-Fraud, Bribery & Corruption Policy and the Foundation Trust's Human Resource policies, for example "Conflict of Interest Policy."

20. RETENTION OF DOCUMENTS

Context

All NHS records are public records under the terms of the Public Records Act 1958 section 3 (1) – (2). The Secretary of State for Health and all NHS organisations have a duty under this Act to make arrangements for the safe keeping and eventual disposal of all types of records. In addition, the requirements of the General Data Protection Regulations (GDPR), the Data Protection Act 2018 and the Freedom of Information Act 2000 must be achieved.

Accountability

The Chief Executive Officer and senior managers are personally accountable for records management within the organisation ensuring the Trust adheres to the Records Management Code of Practice for Health and Social Care 2016. Additionally, the organisation is required to take positive ownership of, and responsibility for, the records legacy of predecessor organisations and / or obsolete services. Under the Public Records Act all NHS employees are responsible for any records that they create or use in the course of their duties. Thus any records created by an employee of the NHS are public records and may be subject to both legal and professional obligations.

Types of Record Covered by The Code of Practice

The guidelines (Records Management code of Practice for Health and Social Care 2016) apply to NHS records of all types (including records of NHS patients treated on behalf of the NHS in the private healthcare sector) regardless of the media on which they are held:

- Patient health records (electronic or paper based)
- Records of private patients seen on NHS premises;
- Accident and emergency, birth and all other registers;
- Theatre registers and minor operations (and other related) registers;
- Administrative records (including e.g. personnel, estates, financial and accounting records, notes associated with complaint-handling);
- X-ray and imaging reports, output and other images;
- Photographs, slides and other images;
- Microform (i.e. fiche / film)

- Audio and video tapes, cassettes, CD-ROM etc.
- Emails;
- Computerised records;
- Scanned records;
- Text messages (both out-going from the NHS and in-coming responses from the patient)

The documents held in archives shall be capable of retrieval by authorised persons.

Documents held in accordance with the Records Management Code of Practice for Health and Social Care Services 2016 shall only be destroyed at the express instigation of the Chief Executive Officer, records shall be maintained of documents so destroyed.

21. RISK MANAGEMENT

Programme of Risk Management

The Chief Executive Officer shall ensure that the Foundation Trust has a programme of risk management, in accordance with current NHSI assurance framework requirements, which must be approved and monitored by the Board of Directors.

The programme of risk management shall include:

- a. a process for identifying and quantifying risks and potential liabilities;
- b. engendering among all levels of staff a positive attitude towards the control of risk;
- c. management processes to ensure all significant risks and potential liabilities are addressed including effective systems of internal control, cost effective insurance cover, and decisions on the acceptable level of retained risk;
- d. contingency plans to offset the impact of adverse events;
- e. audit arrangements including; Internal Audit, clinical audit, health and safety review;
- f. a clear indication of which risks shall be insured;
- g. arrangements to review the Risk Management programme.

Corporate Governance Manual

Schemes of Reservation and Delegation

The existence, integration and evaluation of the above elements will assist in providing a basis to make an Annual Governance Statement within the Annual Report and Accounts as required by current NHSI guidance.

SCHEME OF RESERVATION AND DELEGATION RESERVATION TO BOARD

Revised ~~February 2020~~ July 2021

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1. SCHEDULE OF DELEGATED MATTERS

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2. INTRODUCTION

The Standing Orders provides that "The Board of Directors may delegate any of its powers to a committee of Directors or to an executive Director". The **Code of Conduct and Accountability NHS Foundation Trust Code of Governance** also requires that there should be a formal schedule of matters specifically reserved to the Foundation Trust Board.

The purpose of this document is to detail how the powers are reserved to the Board of Directors, while at the same time delegating to the appropriate level the detailed application of Foundation Trust policies and procedures. However, the Board of Directors remains accountable for all of its functions, even those delegated to committees, sub committees, individual directors or officers and would therefore expect to receive information about the exercise of delegated functions to enable it to maintain a monitoring role. **Specifically, the Trust's Standing Orders provide as follows:**

" ARRANGEMENTS FOR THE EXERCISE OF FUNCTIONS BY DELEGATION

Subject to such directions or guidance as may be given by Monitor, the Board may make arrangements for the exercise, on behalf of the Board, of any of its functions:

by a committee appointed by virtue of Standing Order 6.1 below; or

by an executive director of the trust;

"Delegation to committees

The Board may agree, from time to time, to the delegation of executive powers to committees, formally constituted in accordance with Standing Order 6.1. The constitution and terms of reference of these committees or sub-committees and their specific executive powers shall be approved by the Board.

"Delegation to officers

Those functions of the trust which have not been retained as reserved by the Board or delegated to a committee shall be exercised on behalf of the trust by the Chief Executive. The Chief Executive shall determine which functions he/she will perform personally and shall nominate officers to assist him in undertaking and discharging the remaining functions for which he/she will still retain accountability to the Board. For the avoidance of doubt whilst the Chief Executive can nominate officers to assist him/ her in

undertaking and discharging any functions, the Chief Executive can only delegate functions to one or more executive directors.

The Chief Executive shall prepare a scheme of delegation identifying his proposals, which shall be considered and approved by the Board, subject to any amendments agreed during the discussion. The Chief Executive may periodically propose amendments to the scheme of delegation that shall also be considered and approved by the Board.

Nothing in the scheme of delegation shall impair the discharge of the direct accountability to the Board of the Director of Finance to provide information and advise the Board in accordance with any statutory requirements and any requirements of Monitor (or a successor body)."

2.1 **Role of the Chief Executive Officer**

~~All powers of the Foundation Trust 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 behalf of the Board of Directors by the Chief Executive Officer. The Chief Executive Officer shall prepare a Scheme of Delegation identifying which functions he/she shall perform personally and which functions have been delegated to other directors and officers for operational responsibility. All powers delegated by the Chief Executive Officer can be re-assumed by him/her should the need arise.~~

2.2 **Caution over the Use of Delegated Powers**

Powers are delegated to directors and officers on the understanding that they would not exercise delegated powers in a manner which in their judgement was likely to be a cause for public concern.

2.3 **Absence of Directors or Officer to Whom Powers have been Delegated**

In the absence of a director or officer to whom powers have been delegated those powers shall be exercised by that director or officer's superior unless alternative arrangements have been approved by the Board of Directors. If the Chief Executive Officer is absent powers delegated to him/her may be exercised

by the nominated officer acting in his/her absence after taking appropriate advice from the Director of Finance.

If it becomes clear to the Board of Directors that the Accounting Officer is incapacitated and will be unable to discharge their responsibilities over a period of four weeks or more, the Board of Directors should appoint an acting Accounting Officer, usually the Director of Finance pending the Accounting Officers return. The same applies if, exceptionally, the Accounting Officer plans an absence of more than four weeks during which they cannot be contacted.

3. RESERVATION OF POWERS TO THE BOARD OF DIRECTORS

3.1 Accountability

The Code of Conduct and Accountability which has been adopted by the Foundation Trust requires the Board of Directors to determine those matters on which decisions are reserved unto itself. Board members share corporate responsibility for all decisions of the Board. These reserved matters are set out in section 4 below:

3.2 Duties

It is the Board's duty to:

- act within statutory financial and other constraints;
- be clear what decisions and information are appropriate to the Board of Directors and draw up Standing Orders, a schedule of decisions reserved to the Board and Standing Financial Instructions to reflect these,
- ensure that management arrangements are in place to enable responsibility to be clearly delegated to senior executives for the main programmes of action and for performance against programmes to be monitored and senior executives held to account;
- establish performance and quality measures that maintain the effective use of resources and provide value for money;
- specify its requirements in organising and presenting financial and other information succinctly and efficiently to ensure the Board can fully undertake its responsibilities;
- establish Audit and Remuneration & **Nominations** Committees on the basis of formally agreed terms of reference that set out the membership of the sub-committee, the limit to their powers, and the arrangements for reporting back to the main Board.

3.3 General Enabling Provision

The Board of Directors may determine any matter, for which it has authority, it wishes in full session within its statutory powers.

3.4 Regulations and Control

The Foundation Trust Board remains accountable for all of its functions, even those delegated to individual committees, sub-committees, directors or officers and would therefore expect to receive information about the exercise of delegated functions to enable it to maintain a monitoring role. The following are decisions reserved to the board:

- Approval of Standing Orders (SOs), a schedule of matters reserved to the Board of Directors and Standing Financial Instructions for the regulation of its proceedings and business.
- Suspension of Standing Orders.
- Vary or amend the Standing Orders..
- Ratification of any emergency decisions taken by the Chair and Chief Executive Officer in public session in accordance with SO 6.8.6.
- Approval of a scheme of delegation of powers from the Board of Directors to Committees, or individuals.
- Requiring and receiving the declaration of Board members' interests which may conflict with those of the Foundation Trust and determining the extent to which that director may remain involved with the matter under consideration.
- Requiring and receiving the declaration of officers' interests which may conflict with those of the Foundation Trust.
- Approval of arrangements for dealing with complaints.
- Adoption of the organisational structures, to facilitate the discharge of business by the Foundation Trust and to agree modifications thereto.
- To receive reports from committees including those which the Foundation Trust is required by the Constitution and the National Health Service Act 2006 or other regulation to establish and to take appropriate action thereon.
- To confirm the recommendations of the Foundation Trust's committees where the committees do not have executive powers.
- Approval of arrangements relating to the discharge of the Foundation Trust's responsibilities as a corporate trustee for funds held on trust.
- To establish terms of reference and reporting arrangements of all committees and sub-committees that are established by the Board of Directors.
- Approval of arrangements relating to the discharge of the Foundation Trust's responsibilities as a bailer for patients' property.
- Authorise use of the seal.

- Ratify or otherwise instances of failure to comply with Standing Orders brought to the Chief Executive Officer's attention in accordance with SOs.
- Disciplining Board members' who are in breach of Statutory Requirements or Standing Orders.

3.5 **Appointments / Dismissal Appointment and terms and conditions of employment**

Appointment of the Vice Chairman of the Board of Directors.

- ~~The appointment and dismissal of committees (and individual members) that are directly accountable to the Board of Directors.~~
- ~~the Chief Executive Officer (who is the accounting officer), is to be appointed (and removed) by the non-executive Directors, subject to the approval of a majority of the members of the Council of Governors present and voting at a meeting.~~
- ~~Executive Directors are to be appointed (and removed) by a nominations Committee of non-executive Directors.~~
- ~~Confirm the appointment of members of any committee of the Foundation Trust as representatives on outside bodies.~~
- ~~Appoint, appraise, discipline and dismiss the Secretary.~~
- ~~Approve proposals received from the Remuneration and Nominations Committee regarding the Chief Executive Officer and Executive Directors.~~

The appointment and terms and conditions of employment of the Chief Executive and Executive Directors in accordance with the terms of reference of the Remuneration and Nominations Committee. This also includes the termination of employment

3.6 **Strategy and Business Plans and Budgets**

Definition of the strategic aims and objectives of the Foundation Trust.

- Approve proposals for ensuring quality and developing clinical governance in services provided by the Foundation Trust, having regard to any guidance issued by the Secretary of State or the Independent Regulator.
- Approval and monitoring of the Foundation Trust's policies and procedures for the management of risk.
- Approve budgets.
- Approve annually Foundation Trust's proposed business plan.
- Ratify proposals for acquisition, disposal or change of use of land and/or buildings.
- Approve PFI proposals.
- Approve proposals on individual contracts, including purchase orders (other than NHS contracts) of a capital or revenue nature amounting to, or likely to amount to over £150,000,000.
- Approve proposals in individual cases for the write off of losses or making of special payments above the limits of delegation to the Chief Executive Officer and Director of Finance.

- Review use of NHS risk pooling schemes for example CNST and RPST and other commercial insurance arrangements.

3.7 Audit Arrangements

Approval of external audit appointment (and where necessary dismissal) is reserved for the Council of Governors.

To approve the appointment (and where necessary dismissal) of the internal auditors.

3.8 Annual Reports and Accounts

- Receipt and approval of the Foundation Trust's Annual Report and Annual Accounts prior to presentation to the Council of Governors at a Members Meeting.

3.9 Monitoring

- Receive of such reports as the Board of Directors sees fit from committees in respect of their exercise of powers delegated.
- Continuous appraisal of the affairs of the Foundation Trust by means of the provision to the Board of Directors as the Board of Directors may require from directors, committees, and officers of the Foundation Trust as set out in management policy statements.
- Receive reports from Director of Finance on financial performance against budget and business plan and receive the minutes of the Finance & Performance Committee.

4 DELEGATION OF POWERS

4.1 Delegation to Committees

The Board of Directors may determine that certain of its powers shall be exercised by Standing Committees. The composition and terms of reference of such committees shall be that determined by the Board of Directors. The Board of Directors shall determine the reporting requirements in respect of these committees. In accordance with the Standing Orders committees may not delegate executive powers to sub-committees unless expressly authorised by the Board of Directors.

4.2 Responsibilities of the Accounting Officer

The following responsibilities are defined through the Foundation Trust Accounting Officer Memorandum:

The Accounting Officer has responsibility for the overall organisation, management and staffing of the Foundation Trust and for its procedures in financial and other matters. The Accounting Officer must ensure that:

- There is a high standard of financial management in the Foundation Trust as a whole;
- Financial systems and procedures promote efficient and economical conduct of business and safeguard financial propriety and regularity throughout the Foundation Trust; and
- Financial considerations are fully taken into account in decisions on Foundation Trust policy proposals.

The specific personal responsibilities of a Foundation Trust Accounting Officer:

- The propriety and regularity of the public finances for which they are answerable;
- The keeping of proper accounts;
- Prudent and economical administration;
- The avoidance of waste and extravagance; and
- The efficient and effective use of all the resources in their charge.

The Accounting Officer must:

- Personally sign the accounts and, in doing so accept personal responsibility for ensuring their proper form and content as prescribed by NHSI in accordance with the Act.
- Comply with the financial requirements of the Terms of Authorisation.
- Ensure that proper financial procedures are followed and that accounting records are maintained in a form suited to the requirements of management, as well as in the form prescribed for published accounts (so that they disclose with reasonable accuracy, at any time the financial position of the NHS Foundation Trust).
- Ensure that the resources for which they are responsible as Accounting Officer are properly and well managed and safeguarded, with independent and effective checks of cash balances in the hands of any official.
- Ensure that assets for which they are responsible such as land, buildings and other property, including stores and equipment, are controlled and safeguarded with similar care, and with checks as appropriate.
- Ensure that conflicts of interest are avoided, whether in the proceedings of the Board of Directors, Council of Governors or in the actions or advice of the Foundation Trust staff, including themselves.
- Ensure that, in the consideration of policy proposals relating to the expenditure for which they are responsible as Accounting Officer, all relevant financial considerations, including any issues of propriety, regularity or value for money, are taken into account, and brought to the attention of the Board of Directors.
- Take reasonable steps for the prevention and detection of fraud and other

irregularities.

- Confirm that as far as he or she is aware, there is no relevant audit information of which the Trust's auditors are unaware, and the Accounting Officer has taken all the steps required that he or she ought to have taken to make himself or herself aware of any relevant audit information and to establish that the Trust's auditors are aware of that information.

The Accounting Officer should ensure that effective management systems appropriate for the achievement of the Foundation Trust's objectives, including financial monitoring and control systems, have been established. An Accounting Officer should ensure that managers at all levels:

- Have a clear view of their objectives, and the means to assess and, wherever possible, measure outputs or performance in relation to those objectives;
- Are assigned well defined responsibilities for making the best use of resources (both those consumed by their own commands and any made available to organisations or individuals outside the NHS Foundation Trust) including a critical scrutiny of output and value for money.
- Have the information (particularly about cost), training and access to the expert advice which they need to exercise their responsibilities effectively.

5. SCHEME OF DELEGATION TO OFFICERS

Standing Orders and Standing Financial Instructions set out in some detail the financial responsibilities of the Chief Executive Officer, the Director of Finance and other directors. These responsibilities are summarised below.

Delegated matters in respect of decisions which may have a far reaching effect must be reported to the Chief Executive Officer. The '**Delegated to**' authority is in accordance with the: Standing Orders and Standing Financial Instructions. The '**Operational Responsibility**' shown below is the lowest level to which authority is delegated.

Table A - Delegated Authority,

Table B - Delegated Financial Limits,

Delegation to lower levels is only permitted with written approval of the Chief Executive Officer who will, before authorising such delegation, consult with other Senior Managers as appropriate.

TABLE A – DELEGATED AUTHORITY			
DELEGATED MATTER	DELEGATED TO	OPERATIONAL RESPONSIBILITY	
Standing Orders/Standing Financial Instructions/Constitution		Execs	Division
			Other

a)	Final authority in interpretation of Standing Orders	Chair	Chair		
b)	Approval of Standing Orders, a schedule of matters reserved to the Board and Standing Financial Instructions	Board of Directors	Board of Directors		
c)	Notifying Directors and employees of their responsibilities within the Standing Orders and Standing Financial Instructions and ensuring that they understand their responsibilities	Chief Executive Officer	Board of Directors	Deputy Directors/Divisional Medical Directors /Divisional Directors/ Business Performance Managers/ Associate Medical Directors/ Deputy Director of Nursing Corporate Department Heads	
d)	Responsibility for security of the Foundation Trust's property, avoiding loss, exercising economy and efficiency in using resources and conforming with Standing Orders, Financial instructions and financial procedures	Chief Executive Officer	Board of Directors		All Employees

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e)	Suspension of Standing Orders	Board of Directors	Board of Directors		
f)	Review suspension of Standing Orders	Audit Committee	Audit Committee		
g)	Variation or amendment to Standing Orders	Board of Directors/ Council of Governors	Board of Directors		
h)	Emergency powers relating to the authorities retained by the Board of Directors.	Chair and Chief Executive Officer with two non-executives	Chair and Chief Executive with two non-executives		
i)	Disclosure of non-compliance with Standing Orders to the Chief Executive (report to the Board of Directors).	All staff			All staff
j)	Disclosure of non-compliance with SFIs to the Director of Finance (report to the Audit Committee)	All staff			All staff
k)	Advice on interpretation or application of SFIs	Director of Finance	Director of Finance	Assistant Director of Finance	Chief Financial Accountant
Meetings					
a)	Calling meetings of the Foundation Trust	Chair	Chair		
b)	Chair all Foundation Board of Directors or Directors meetings and associated responsibilities	Chair	Chair		
1.	Audit Arrangements				

a)	Ensure adequate internal and external audit services are provided which are accountable to the Director of Finance (and involve the Audit Committee in the selection process when / if an audit service provider is changed.)	Director of Finance	Director of Finance		
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DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
Standing Orders/Standing Financial Instructions/Constitution			Execs	Division	Other
b)	Review, appraise and report in accordance with Public Sector Internal Audit Standards (2016) and best practice.	Audit Committee			Director of Internal Audit
c)	Provide an independent and objective view on internal control, and probity	Audit Committee			Internal Audit /Financial Audit
d)	Ensure cost-effective audit service.	Audit Committee	Director of Finance		
e)	Implement recommendations	Chief Executive Officer	Director of Finance		Relevant Officers
2.	Authorisation of Clinical trials				
	Authorisation of Clinical Trials	Chief Executive Officer (based on appropriate advice and authorisation)	Executive Medical Director		With advice from Research and Innovation Committee
3.	Authorisation of New Drugs				
	All new product requests	Chief Executive Officer (based on appropriate advice and authorisation)		Director of Pharmacy	With advice from Drugs and Therapeutics Committee
4.	Authorisation of Product trials				
	Authorisation of Product trials	Chief Executive Officer (based on appropriate advice and authorisation)		Divisional Directors/ Divisional Medical Directors/Associate Medical Directors /Business Performance Managers/ Deputy Directors of Nursing with Director of Commercial Procurement Services	
5.	Authorisation of Research Projects				
	Authorisation of Research Projects	Chief Executive Officer	Executive Medical Director		Research and Innovation Committee
6.	Bank Accounts (Excluding Charitable Fund Accounts)				
a)	Operation: <ul style="list-style-type: none"> ▪ Managing banking arrangements and operation of bank accounts Finance & Performance Committee	Director of Finance	Finance & Performance Committee	Deputy Director of Finance /Assistant Director of Finance	Chief Financial Accountant

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
	(approves arrangements)				
	<ul style="list-style-type: none"> ▪ Opening bank accounts 	Director of Finance	Director of Finance		
	<ul style="list-style-type: none"> ▪ Approve and apply arrangements for all banking transactions. 	Director of Finance			To be completed in accordance with bank mandate/ internal procedures
b)	Investments: <ul style="list-style-type: none"> ▪ Investment of surplus funds in accordance with the Foundation Trust's Treasury Management policy ▪ Preparation of investment procedures 	Director of Finance		Assistant Director of Finance	Chief Financial Accountant
c)	Petty Cash	Director of Finance			Refer To Table B Delegated Limits
7.	Capital Investment				
a)	Programme: <ul style="list-style-type: none"> ▪ Ensure that there is adequate appraisal and approval process for determining capital expenditure priorities and the effect that each has on business plans / Service development Strategy 	Chief Executive Office/Board of Directors	Director of Finance		
	<ul style="list-style-type: none"> ▪ Preparation of Capital Investment Programme 	Chief Executive Officer	Director of Finance	Deputy Director of Finance /Head of Financial Management/Head of Estates	
	<ul style="list-style-type: none"> ▪ Approval of Capital Investment Programme 	Board of Directors	Finance & Performance Committee		
	<ul style="list-style-type: none"> ▪ Approval of a business case 	Board of Directors/Executive Directors Group	Finance & Performance Committee		Refer To Table B Delegated Limits
	<ul style="list-style-type: none"> ▪ Financial monitoring and reporting on all capital scheme 	Director of Finance	Director of Finance	Head of Estates/Head of Financial Management/Deputy Director of Finance or	

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
	expenditure including variations to contract			delegated nominee	
	<ul style="list-style-type: none"> Financial approvals on all capital scheme expenditure including variations to contract 	Chief Executive Officer or Director of Finance		Head of Financial Management/-Deputy Director of Finance or delegated nominee	
	<ul style="list-style-type: none"> Authorisation of capital requisitions 	Chief Executive Officer or Director of Finance			Refer To Table B Delegated Limits
	<ul style="list-style-type: none"> Assessing the requirements for the operation of the construction industry taxation deduction scheme. 	Director of Finance		Assistant Director of Finance	
	<ul style="list-style-type: none"> Issuing the Head of Estates with specific authority to commit capital expenditure, proceed / accept tenders in accordance with the SOs and SFIs 	Chief Executive Officer	Director of Finance		
	<ul style="list-style-type: none"> Responsible for the management of capital schemes and for ensuring that they are delivered on time and within cost. 	Chief Executive Officer	Director of Finance	Head of Estates	
	<ul style="list-style-type: none"> Ensure that capital investment is not undertaken without availability of resources to finance all revenue consequences. 	Chief Executive Officer	Director of Finance	Deputy Director of Finance /Head of Financial Management	Refer to Table B Delegated Limits
	<ul style="list-style-type: none"> Issue procedures governing financial management, including variation to contract, of capital investment projects and valuation for 	Director of Finance	Director of Finance	Deputy Director of Finance /Head of Financial Management/Head of Estates	

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
	accounting purposes.				
b)	Private Finance: <ul style="list-style-type: none"> Demonstrate that the use of private finance represents best value for money and transfers risk to the private sector. Proposal to use Private Finance must be specifically agreed by the Board of Directors 	Chief Executive Officer	Director of Finance		
c)	Leases (property and equipment) <ul style="list-style-type: none"> Granting and termination of leases with Annual rent < £100k Granting and termination of leases of > £100k should be reported to the Board of Directors 	Chief Executive Officer Board of Directors	Director of Finance Chief Executive / Director of Finance		Assistant Director of Finance
8.	Clinical Audit				
	Responsible for Clinical Audit <ul style="list-style-type: none"> Agreement of an annual audit programme. 	Executive Medical Director		Divisional Medical Directors/ Associate Medical Directors/Service Clinical Directors	Clinical Improvement & Assessment Clinical Audit Committee
9.	Commercial Sponsorship				
	Agreement to proposal	Chief Executive Officer	Director of Communications and Corporate Affairs Associate Director of Corporate Affairs		
10.	Complaints (Patients & Relatives)				
a)	Overall responsibility for	Chief Executive	Director of	Deputy Director of Nursing	Patient

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
	ensuring that all complaints are dealt with effectively	Officer	Nursing & Quality	- Corporate	Experience Lead
b)	Responsibility for ensuring complaints relating to a division/department are investigated thoroughly.	Chief Executive Officer	Director of Nursing & Quality	Deputy Directors/Divisional Directors /Divisional Medical Directors/ Corporate Department Heads/Associate Medical Directors	Patient Experience Lead
11.	Confidential Information				
a)	Review of the Foundation Trust's compliance with the Caldicott report on protecting patients' confidentiality in the NHS	Chief Executive Officer	Caldicott Gardian Executive Medical Director		
b)	Freedom of Information Act compliance code	Chief Executive Officer	Director of Communications & Corporate Affairs Associate Director of Corporate Affairs		
12.	Data Protection Act				
	Review of Foundation Trust's compliance	Chief Executive Officer	Director of Communications & Corporate Affairs Director of Finance	Head of Information Governance	
13.	Declaration of Interest				
a)	Requiring and receiving the declaration of Board Members interests	Board of Directors	Board of Directors	Deputy Company Secretary	Assistant Trust Secretary
a)	Maintaining a register of Interests	Chief Executive Officer	Director of Communications & Corporate Affairs Trust Company Secretary	Deputy Company Secretary	
b)	Declaring relevant and material interest	Chief Executive Officer	Board of Directors/ Council of Governors	Management Board / All Senior Managers/ Consultants/All Staff	
14.	Disposal and Condemnations				
a)	Items obsolete, redundant, irreparable or cannot be repaired cost effectively	Director of Finance			Refer To Table B Delegated Limits
b)	Develop arrangements for the sale of assets	Director of Finance			Refer To Table B Delegated Limits

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
c)	Disposal of Protected Property (as defined in the Terms of Authorisation)	Chief Executive Officer (with authorisation of NHSI)	Chief Executive Officer		
15.	Environmental Regulations				
	Review of compliance with environmental regulations, for example those relating to clean air and waste disposal.	Chief Executive Officer	Chief Operating Officer	Divisional Director	Head of Facilities/ Head of Estates
16.	External Borrowing				
a)	Advise Board of Directors of the requirements to repay / draw down Public Dividend Capital.	Director of Finance		Deputy Director of Finance /Assistant Director of Finance	
b)	Application for draw down of Public Dividend Capital, overdrafts and other forms of external borrowing.	Director of Finance			In accordance with table B
c)	Preparation of procedural instructions	Director of Finance		Assistant Director of Finance	
d)	Approve a list of employees authorised to make short term borrowings on behalf of the Foundation Trust.	Chief Executive Officer	Director of Finance		
17.	Financial Planning / Budgetary Responsibility				
a)	Setting: <ul style="list-style-type: none"> ▪ Submit budgets to the Board of Directors 	Director of Finance	Director of Finance		
	<ul style="list-style-type: none"> ▪ Submit to Board financial estimates and forecasts 	Director of Finance	Director of Finance		
	<ul style="list-style-type: none"> ▪ Compile and submit to the Board an Annual Risk Assessment Strategy and Plan: <ul style="list-style-type: none"> ➤ a statement of the significant assumptions on which the plan is based ➤ details of major changes in workload, delivery of services or resources required to 	Chief Executive Officer	Director of Finance / Director of Operations Chief Operating Officer	Deputy Director of Finance /Assistant Director of Finance /Head of Financial Management/Head of Contracts & Income /Director of Planning	

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
	achieve the plan.				
b)	Monitoring: <ul style="list-style-type: none"> ▪ Devise and maintain systems of budgetary control. 	Director of Finance		Deputy Director of Finance Assistant Director of Finance /Head of Financial Management/Head of Contracts & Income	
	<ul style="list-style-type: none"> ▪ Delegate budgets to budget holders 	Chief Executive Officer	Director of Finance		
	<ul style="list-style-type: none"> ▪ Monitor performance against budget, maintain accurate forecasts and develop action plans to resolve overspends 	Director of Finance	Director of Operations Chief Operating Officer	Deputy Director of Finance /Head of Financial Management/Head of Contracts & Income/Associate Medical Directors/Divisional Medical Directors /Divisional Directors /Service Clinical Directors /Business Performance Managers/Deputy Directors of Nursing Corporate Department Heads/Budget Managers	with advice from the Clinical Business & Finance Managers
	<ul style="list-style-type: none"> ▪ Ensuring adequate training is delivered to budget holders to facilitate their management of the allocated budget 	Director of Finance		Deputy Director of Finance /Head of Financial Management/Head of Contracts & Income	Clinical Business & Finance Managers
	<ul style="list-style-type: none"> ▪ Submit Monitor Reporting in accordance with the Independent Regulators requirements for financial monitoring returns 	Chief Executive Officer	Director of Finance	Deputy Director of Finance /Assistant Director of Finance /Head of Financial Management/Head of Contracts & Income	Chief Financial Accountant
	<ul style="list-style-type: none"> ▪ Identify and implement cost improvements and income generation activities in line with the Business Plan 	Chief Executive Officer	Director of Finance / Director of Operations/ Chief Operating Officer	Deputy Director of Finance /Assistant Director of Finance /Head of Financial Management/Head of Contracts & Income Director of Communications & Corporate Affairs Divisional Directors / Associate Medical Directors/Clinical Medical Directors Divisional Medical Directors/ Service Clinical Directors Business Performance Manager/ Deputy Director of Nursing	with advice from the Clinical Business & Finance Managers

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
				Corporate Department Heads / Model Hospital Programme	
	Preparation of: <ul style="list-style-type: none"> Annual Accounts 	Director of Finance		Deputy Director of Finance /Assistant Director of Finance	Chief Financial Accountant
	<ul style="list-style-type: none"> Annual Report 	Chief Executive Officer	Executive Directors	Corporate Department Heads/Deputy Directors/Divisional Medical Directors	Business Planning Manager
c)	Budget Responsibilities Ensure that <ul style="list-style-type: none"> budgets are to be managed within allocations, virement is not permitted between NHSI categories 	Director of Finance	Director of Operations /Chief Operating Officer	Deputy Directors/Divisional Directors /Associate Medical Directors/Divisional Medical Directors /Business Performance Managers/ Deputy Director of Nursing Matrons Service /Corporate Department Heads/Clinical Directors with advice from	from the Clinical Business & Finance Managers / Assistant Director of Finance / Head of Contracts & Income/Head of Financial Management
	<ul style="list-style-type: none"> approved budget is not used for any other than a specified purpose subject to rules of virement 	Director of Finance	Director of Operations /Chief Operating Officer	Deputy Directors/Divisional Directors/ Associate Medical Directors/Divisional Medical Directors/Business Performance Managers/Heads of Nursing/Matrons/ Service/Corporate Department Heads Service Clinical Directors with advice	from the Clinical Business & Finance Managers/ Deputy Director of Finance / Head of Contracts & Income/Head of Financial Management
	<ul style="list-style-type: none"> No permanent employees are appointed without the approval of the Chief Executive other than those provided for within available resources and manpower establishment. 	Chief Executive Officer	Director of Finance/Chief Operating Officer/Director of Human Resources & Organisation Development		
d)	Authorisation of Virement: <ul style="list-style-type: none"> It is not possible for any officer to vire from non-recurring headings to recurring budgets or from 	Chief Executive Officer			Refer To Table B Delegated Limits

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
	capital to revenue / revenue to capital. Virement between different budget holders requires the agreement of both parties. (see appendix G)				
18.	Financial Procedures and Systems				
a)	Maintenance & Update on Foundation Trust Financial Procedures	Director of Finance		Deputy Director of Finance /Assistant Director of Finance	
b)	Maintaining an effective system of financial control including ensuring detailed financial procedures and systems are prepared and documented	Chief Executive Officer and Director of Finance		Deputy Director of Finance/Assistant Director of Finance /Deputy Directors/Divisional Directors/Associate Medical Directors/ Business Performance Managers/ Deputy Director of Nursing /Service Clinical Directors /All budget holders/ Corporate Department Heads	Clinical Business & Finance Managers/ Project Accountant Chief Financial Accountant
c)	Responsibilities: <ul style="list-style-type: none"> ▪ Designing Foundation Trust's financial policies and ensuring compliance. Co-ordinate corrective action. 	Director of Finance		Deputy Director of Finance /Assistant Director of Finance	Chief Financial Accountant
	<ul style="list-style-type: none"> ▪ Ensure that adequate records are maintained to explain Foundation Trust's transactions and financial position. 	Director of Finance		Deputy Director of Finance Assistant Director of Finance /Head of Financial Management/Head of Contracts & Income	Clinical Business & Finance Managers/ Project Accountant/ Chief Financial Accountant
	<ul style="list-style-type: none"> ▪ Providing financial advice to members of the Board of Directors and staff. 	Director of Finance		Deputy Director of Finance /Assistant Director of Finance /Head of Financial Management/Head of Contracts & Income	Clinical Business & Finance Managers/ Project Accountant/ Chief Financial Accountant
	<ul style="list-style-type: none"> ▪ Ensure that 	Director of Finance		Deputy / Director of	Clinical

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
	appropriate statutory records, accounts, certificates etc are maintained.			Finance Assistant Director of Finance /Head of Financial Management Head of Contracts & Income	Business & Finance Managers/ Project Accountant/ Chief Financial Accountant
d)	Financial Systems: Responsible for the accuracy and security of computerised financial data: <ul style="list-style-type: none"> Ensure that contracts for computer services clearly define responsibilities for security, privacy, accuracy, completeness and timeliness of data during processing. 	Chief Executive Officer / Director of Finance		Deputy Director of Finance /Assistant Director of Finance / Head of Financial Management/Head of Contracts & Income	
	<ul style="list-style-type: none"> transmission and storage. 	Chief Executive Officer / Director of Finance		Deputy Director of Finance /Assistant Director of Finance /Head of Financial Management/ Head of Contracts & Income	
	<ul style="list-style-type: none"> Ensure that new and upgraded systems are developed in a controlled manner and tested 	Chief Executive Officer / Director of Finance		Deputy Director of Finance /Assistant Director of Finance	
	<ul style="list-style-type: none"> Developing financial systems in accordance with the Foundation Trust's IM&T Strategy. 	Chief Executive Officer / Director of Finance		Deputy Director of Finance/Assistant Director of Finance	
	<ul style="list-style-type: none"> Ensure that risks to the Trust from use of IT are identified and considered and that disaster recovery plans are in place. 	Chief Executive Officer / Chief Finance Officer		Deputy Chief Finance Officer/Assistant Director Finance /Chief Digital Information Officer	
19.	Fire precautions				
	Ensure that the Fire Precautions and prevention policies and procedures are adequate and that fire	Chief Executive Officer	Executive Medical Director	Associate Director of Risk & Safety / Head of Estates	Health & Safety Manager

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
	safety and integrity of the estate is intact.				Fire Safety Officer
20.	Fixed Assets				
a)	Maintenance of asset register including asset identification and monitoring	Chief Executive Officer		Assistant Director of Finance	Chief Financial Accountant
b)	Ensuring arrangements for financial control and financial audit of building and engineering and building transactions comply with applicable regulations	Director of Finance	Director of Operations Chief Operating Officer	Head of Estates	
c)	Calculate and pay capital charges in accordance with the requirements of NHSI	Director of Finance		Assistant Director of Finance	Chief Financial Accountant
d)	Responsibility for security of Foundation Trust's assets including notifying discrepancies to the Director of Finance and reporting losses in accordance with Foundation Trust's procedures	Chief Executive Officer			All staff
21.	Fraud (See also 36)				
a)	Monitor and ensure compliance with the Trust's contractual responsibilities under the NHS Standard Contract for Providers regarding fraud and corruption, including the appointment of the Local Counter Fraud Specialist.	Chief Executive Officer and Director of Finance			Local Counter Fraud Specialist
b)	Notify NHS CFA and External Audit of all Frauds	Director of Finance			Local Counter Fraud Specialist
22.	Funds Held on Trust (Charitable and Non Charitable Funds)				
a)	Management: Funds held on trust are managed in accordance with procedures for expenditure, acceptance of donations and reserves policy.	Charitable Funds Committee	Director of Finance		Nominated fund holder
b)	Maintenance of authorised signatory list of nominated fund holders.	Director of Finance		Assistant Director of Finance	Chief Financial Accountant

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
c)	Expenditure Limits	Director of Finance			Refer To Table B Delegated Limits
d)	Developing systems for receiving donations	Director of Finance		Assistant Director of Finance	Chief Financial Accountant/ Fundraising Manager
e)	Dealing with legacies	Director of Finance		Assistant Director of Finance	Chief Financial Accountant/ Fundraising Manager
f)	Fundraising Appeals: <ul style="list-style-type: none"> ▪ Preparation and monitoring of budget 	Director of Finance		Assistant Director of Finance	Fundraising Manager / Chief Financial Accountant
	<ul style="list-style-type: none"> ▪ Reporting progress and performance against budget 	Charitable Funds Committee and Director of Finance		Assistant Director of Finance	Fundraising Manager / Chief Financial Accountant
g)	Operation of Bank Accounts: <ul style="list-style-type: none"> ▪ Managing banking arrangements and operation of bank accounts 	Director of Finance in conjunction with the Corporate Trustee		Assistant Director of Finance	Chief Financial Accountant
	Opening bank accounts	Director of Finance			
h)	Development of an Investment Strategy	Charitable Funds Committee	Director of Finance	Assistant Director of Finance	Chief Financial Accountant
i)	Investments: <ul style="list-style-type: none"> ▪ Nominated deposit taker 	Charitable Funds Committee	Director of Finance	Assistant Director of Finance	Chief Financial Accountant
	<ul style="list-style-type: none"> ▪ Placing transactions 	Director of Finance		Assistant Director of Finance	Chief Financial Accountant
j)	Registration of Funds with Charities Commission	Director of Finance		Assistant Director of Finance	
k)	Preparation of: <ul style="list-style-type: none"> ▪ Annual Accounts 	Director of Finance		Assistant Director of Finance	Chief Financial Accountant/ Financial Accountant
	<ul style="list-style-type: none"> ▪ Annual Report 	Director of Finance		Assistant Director of Finance	Chief Financial Accountant /Financial Accountant Fundraising

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
					Manager
l)	Approval of the annual charitable funds accounts	Board of Directors acting on behalf of the Corporate Trustee			Charitable Funds Committee
23.	Health and Safety				
	Review of all statutory compliance with legislation and Health and Safety requirements including control of Substances Hazardous to Health Regulations	Chief Executive Officer / Quality and Safety Board Committee/ Chief Operating Officer	Director of Nursing & Quality/ Executive Medical Director/ Head of Operations	Associate Director of Risk & Safety/ Emergency Planning Manager	Health & Safety Compliance Manager/ all Managers
24.	Hospitality/Gifts				
a)	Keeping of hospitality register	Director of Communications & Corporate Affairs/ Chief Executive	Trust Company Secretary	Deputy Company Secretary	
b)	Register all individual and collective hospitality receipts	Director of Communications & Corporate Affairs/ Chief Executive	Trust Company Secretary	Deputy Company Secretary	as per the Trusts Conflicts of Interest Policy
25.	Infectious Diseases and Notifiable Outbreaks				
	<ul style="list-style-type: none"> Compliance with code of Practice for the Prevention and Control of Health Care Associated Infections – The Health Act 2006. Surveillance, prevention and control of infection in the Trust. Production of an Annual Report on the state of HCAI within the Trust for public release.	Chief Executive Officer	Director of Infection Prevention and Control (Director of Nursing & Quality)		All Staff
26.	Legal Proceedings				
a)	Engagement of Foundation Trust's Solicitors	Chief Executive Officer / Director of Finance/Deputy Chief Executive	Director of Communications & Corporate Affairs/ Associate Director of Corporate Affairs		
b)	Approve and sign all documents which will be necessary in legal	Chief Executive Officer	Director of Finance / Director of	Assistant Director of Finance	Head of Legal Services/

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
	proceedings including Aged Debt Proceedings		Communications & Corporate Affairs Associate Director of Corporate Affairs		Chief Financial Accountant
c)	Sign on behalf of the Foundation Trust any agreement or document not requested to be executed as a deed	Chief Executive Officer	Executive Director Associate Director of Corporate Affairs		
d)	Issuing property valued >£5,000 only on production of a probate letter of administration	Director of Finance	Director of Communications & Corporate Affairs Associate Director of Corporate Affairs	Deputy Director of Finance Assistant Director of Finance	
e)	Deceased Patients Property	Director of Nursing & Quality	Trust Company Secretary		
27.	Losses, Insurance, Write-off and Compensation				
a)	Prepare procedures for recording, accounting and reporting for losses and special payments including preparation of a fraud response plan and informing the Counter Fraud and Security Management Service NHSCFA of frauds.	Chief Executive Officer	Director of Finance		Refer To Table B Delegated Limits
b)	Reviewing appropriateness of insurance claims	Director of Finance		Assistant Director of Finance	Chief Financial Accountant
c)	A register of all of the payments should be maintained by the Finance Department of all losses and compensations and made available for inspection	Director of Finance		Assistant Director of Finance	Local Counter Fraud Specialist Head of Security (LCFS)
d)	A report of all of the above payments should be presented to the Audit Committee	Director of Finance		Assistant Director of Finance	
e)	Special Payments: <ul style="list-style-type: none"> ▪ Compensation payments by Court Order 	Chief Executive Officer	Associate Director of Corporate Affairs		Above Excess – NHSLA Below Excess – Chief

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
					Executive Officer
f)	Ex-Gratia Payments including seeking approval of Treasury: <ul style="list-style-type: none"> Financial Limits 	Chief Executive Officer / Director of Finance	Director of Human Resources and Organisation Development		Refer To Table B Delegated Limits
g)	Insurance: <ul style="list-style-type: none"> Approval of Insurance arrangements 	Finance & Performance Committee	Director of Finance		
28.	Medicines Inspectorate Regulations				
	Review Regulations	Chief Executive Officer		Director of Pharmacy	
29.	Medical				
a)	<ul style="list-style-type: none"> Clinical Governance arrangements 	Executive Medical Director and Director of Nursing and Quality	Deputy Director of Nursing	Divisional Directors/Associate Medical Directors Business Performance Managers/ Deputy Directors of Nursing Divisional Medical Directors/ Service Clinical Directors/Associate Director of Risk & Safety	
	<ul style="list-style-type: none"> Medical Leadership 	Executive Medical Director	Executive Medical Director	Divisional Director/Associate Medical Directors/Divisional Medical Directors	
	<ul style="list-style-type: none"> Programmes of medical education 	Executive Medical Director	Director of Medical Education	Medical Education Manager	
	<ul style="list-style-type: none"> Medical staffing plans 	Executive Medical Director	Executive Medical Director	Divisional Medical Directors/Associate Medical Directors/ Service Clinical Directors/HR Medical Staffing Manager	
	<ul style="list-style-type: none"> Medical Research 	Executive Medical Director	Executive Medical Director	Clinical Director for Research	
30.	Non Pay Expenditure				
a)	Maintenance of a list of managers authorised to place requisitions / orders and accept goods.	Chief Executive Officer		Director of Commercial Procurement Services /Director of Pharmacy /Head of Estates/ Divisional Director/ Business Performance Manager/ Corporate Department Heads/ Deputy Directors/ Deputy	

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
				Directors of Nursing	
b)	Obtain the best value for money when requisitioning goods / services	Chief Executive Officer		Deputy Directors/Divisional Directors/ Business Performance Managers/ Deputy Directors of Nursing Director of Pharmacy/ Service Clinical Directors/Director of Commercial Procurement Services / Corporate Department Heads Budget Holders	
c)	Non-Pay Expenditure for which no specific budget has been set up and which is not subject to funding under delegated powers of virement.	Chief Executive Officer	Director of Finance		
d)	Approve prepayment arrangements	Director of Finance		Deputy Director of Finance/Assistant Director of Finance	
e)	Development of systems for the prompt payment of accounts	Director of Finance		Deputy Director of Finance /Assistant Director of Finance	
f)	Prompt payment of accounts	Director of Finance		Assistant Director of Finance	
g)	Financial Limits for ordering / requisitioning goods and services	Director of Finance			Refer To Table B Delegated Limits
31.	Patients' Property (in conjunction with financial advice)				
a)	Ensuring patients and guardians are informed about patients' monies and property procedures on admission	Chief Executive Officer	Director of Nursing & Quality	Deputy Director of Nursing	
b)	Prepare detailed written instructions for the administration of patients' monies	Director of Finance		Assistant Director of Finance	
c)	Prepare detailed written instructions for the administration of patients' property	Director of Finance			Local Security Management Specialist
d)	Informing staff of their duties in respect of patients' property	Director of Finance and Director of Nursing & Quality		Divisional Directors /Ward Managers	Head of Legal Services
e)	Issuing property of deceased patients				
	<ul style="list-style-type: none"> ▪ <£4,999 in accordance with agreed 	Director of Finance		Assistant Director of Finance	Cash Office

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
	Foundation Trust policies.				
	<ul style="list-style-type: none"> ▪ >£5,000 only on production of a probate letter of administration 	Director of Nursing & Quality			
32.	Patient Services Agreements				
a)	Negotiation of Patient Service Agreements	Chief Executive Officer	Director of Finance	Divisional Directors/Deputy Director of Finance /Head of Contracts & Income	
b)	Costing and negotiation of Non Commercial service level agreements Costing and Performance Advisor	Chief Executive Officer	Director of Finance	Divisional Directors /Corporate Department Heads/Deputy Director of Finance /Head of Contracts & Income/Head of Financial Management	Clinical Business & Finance Managers
c)	Quantifying and monitoring out of area treatments	Director of Finance		Divisional Directors/ Head of Contracts & Income	
d)	Reporting actual and forecast income	Director of Finance		Deputy Director of Finance /Head of Contracts & Income/Head of Financial Management	Clinical Business & Finance Managers/ Project Accountant
e)	Reference costing	Director of Finance		Deputy Director of Finance /Head of Contracts & Income	Costing and Performance Accountant
f)	Payment by Results	Director of Finance		Divisional Directors /Deputy Director of Finance /Head of Contracts & Income/Head of Financial Management	Costing and Performance Accountant
g)	Internal/external ad hoc costing and pricing relating to changes in activity, developments, business cases and bids for funding.	Director of Finance		Divisional Directors/ Divisional Medical Directors /Associate Medical Directors/Deputy Director of Finance /Head of Contracts & Income/Head of Financial Management	Clinical Business & Finance Managers
33.	Personnel and Pay				
a)	Nominate officers to enter into contracts of employment regarding staff, agency staff or consultancy service contracts	Chief Executive Officer	Director of Human Resources and Organisation Development	Human Resources Business Partners	
b)	Authority to fill funded post on the establishment with permanent staff. and in accordance with the Trust Vacancy Management Process	Director of Human Resources and Organisation Development		Deputy Directors/Divisional Directors / Divisional Medical Directors /Associate Medical Directors/ Service Clinical Directors /	

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
				Business Performance Managers/ Heads of Nursing/ Corporate Department Heads/ As per the Trust Vacancy Management Process	
c)	The granting of additional increments to staff within budget (other than automatic increments) as per Agenda for Change and Medical staff terms and conditions Trust Vacancy Management Process	Director of Human Resources and Organisation Development			
d)	All requests for upgrading / regrading / major skill mix changes shall be dealt with in accordance with Foundation Trust Procedures and Agenda for Change and Medical Staff terms and conditions and in accordance with the Trust agreed vacancy management and rebanding process	Director of Human Resources and Organisation Development		Deputy Directors/Divisional Directors / Divisional Medical Directors /Associate Medical Directors/ Service Clinical Directors /Business Performance Managers/Deputy Director of Nursing Corporate Department Heads	
e)	Establishments <ul style="list-style-type: none"> ▪ Additional staff to the agreed establishment with specifically allocated finance in accordance with the Trusts agreed vacancy management process 	Director of Human Resources and Organisation Development			
f)	Pay: <ul style="list-style-type: none"> ▪ Authority to complete standing data forms or electronic authorisations affecting pay, new starters, variations and leavers 	Director of Human Resources and Organisation Development		Divisional Directors / Divisional Medical Directors /Associate Medical Directors/Service Clinical Directors /Business Performance Deputy Directors/Managers/Deputy Directors of Nursing Matrons/ Corporate Department Heads/Budget Holders or nominated authorised signatory with advice from	Clinical Business & Finance Managers
	<ul style="list-style-type: none"> ▪ Authority to commit Trust resources to authorise overtime working 	Director of Human Resources and Organisation Development		Deputy Directors/Divisional Directors / Divisional Medical Directors/Associate Medical Directors/Deputy Director of Nursing	Clinical Business & Finance Managers

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
	in accordance with agreed Variable Pay Approval Policy			/Service Clinical Directors /Business Performance Managers/ Heads of Nursing/ Corporate Department Heads per the Trusts Variable Pay Approval Policy	
	<ul style="list-style-type: none"> ▪ Authority to authorise overtime working and payment - in accordance with the agreed Variable Pay Approval Policy 			Deputy Directors/Divisional Directors / Divisional Medical Directors/Associate Medical Directors/Deputy Director of Nursing /Service Clinical Directors /Business Performance Managers/Deputy Directors of Nursing Corporate Department Heads As per the Trusts Variable Pay Approval Policy	
	<ul style="list-style-type: none"> ▪ Authority to authorise travel & subsistence expenses ➤ Claims should be submitted on a monthly basis. Managers should refuse to authorise the claims if they are submitted beyond 3 months from the first date on the claim. 	Director of Human Resources and Organisation Development		Deputy Directors/Divisional Directors / Divisional Medical Directors/Associate Medical Directors/Service Clinical Directors /Business Performance Managers/Associate Deputy Directors of Nursing Matrons/ Corporate Department Heads/ Budget Holders or nominated authorised signatory with advice	Clinical Business & Finance Managers
g)	Leave - (To be applied in accordance with Agenda for Change and Medical Staff terms and conditions of service). <ul style="list-style-type: none"> ▪ Approval of annual leave 	Executive Directors		Deputy Directors/Divisional Directors / Divisional Medical Directors/ Associate Medical Directors/Business Performance Managers/Heads of Nursing/ Matrons /Corporate Department Heads/ Service Clinical Director/ Line Manager/Budget Holders or nominated authorised signatory	
	<ul style="list-style-type: none"> ▪ Annual leave – approval of carry forward up to a maximum of 5 days, as per Agenda for 	Director of Human Resources and Organisation Development		Deputy Directors/Divisional Directors /Divisional Medical Directors/ Associate Medical Directors/ Business Performance Managers/ Deputy Directors	

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
	Change and Medical Staff terms and conditions of service			of Nursing Matrons/ Corporate Department Heads/ Service Clinical Directors/ Line Manager/ Budget Holders or nominated authorised signatory	
	<ul style="list-style-type: none"> Annual leave – approval of carry forward of above 5 days (to occur in exceptional circumstances only) 	Director of Human Resources and Organisation Development		Deputy Directors/Divisional Directors/ Divisional Medical Directors/ Associate Medical Directors	
	<ul style="list-style-type: none"> Special Leave as per Foundation Trust Policy and Agenda for Change Terms and Conditions 	Director of Human Resources and Organisation Development		Deputy Directors/Divisional Directors / Divisional Medical Directors / Associate Medical Directors/Service Clinical Director / Heads of Nursing/ /Corporate Department Heads	
	<ul style="list-style-type: none"> Short Term Unpaid Leave 	Director of Human Resources and Organisation Development		Deputy Directors/Divisional Directors / Divisional Medical Directors/ Associate Medical Directors/ Service Clinical Director /Business Performance Managers/ Deputy Directors of Nursing Corporate Department Heads/ Line Managers Budget Holders or nominated authorised signatory	
	<ul style="list-style-type: none"> Employment Break Leave <p>As per the Trust Policy and Agenda for Change Terms and Conditions</p>	Director of Human Resources and Organisation Development		Executive Directors/ Deputy Directors/Divisional Directors / Divisional Medical Directors/ Associate Medical Directors/ Service Clinical Director /Business Performance Managers/ Deputy Directors of Nursing Corporate Department Heads/ Matrons/Line Managers Budget Holders or nominated authorised signatory	
h)	Sick Leave on half pay up as per Attendance Management Policy and Agenda for Change Terms and Conditions				

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
	<ul style="list-style-type: none"> ▪ Phased return to work part-time on full pay to assist recovery according to Attendance Management Policy and written confirmation from Occupational Health 	Director of Human Resources and Organisation Development		Deputy Directors/ Divisional Directors / Divisional Medical Directors / Associate Medical Directors/Service Clinical Director /Business Performance Managers/ Heads of Nursing/ Matrons/ Line Managers/ Corporate Department Heads With advice from HR Business Partners	Line Managers must keep a written record of agreement – maximum of one week paid
	<ul style="list-style-type: none"> ▪ Extension of sick leave on full or half pay 	Director of Human Resources and Organisation Development	Executive Directors		
j)	<p>Study Leave</p> <ul style="list-style-type: none"> ▪ Medical staff study & professional leave ➤ Career Grade ➤ Non Career Grade 	<p>Executive Medical Director</p> <p>Post Graduate Tutor</p> <p>Director of Medical Education</p>		Divisional Medical Directors / Associate Medical Directors/ Service Clinical Director	
	<ul style="list-style-type: none"> ▪ All other study leave as per policy 	Director of Human Resources and Organisation Development		Deputy Directors/Divisional Directors /Divisional Medical Directors / Associate Medical Directors/ Service Clinical Director Business Performance Managers/Deputy Directors of Nursing Corporate Department Heads	
j)	<p>Removal Expenses</p> <ul style="list-style-type: none"> ▪ Authorisation of payment of removal expenses incurred by officers taking up new appointments as per policy. 	Director of Human Resources and Organisation Development / Director of Finance			
k)	<p>Grievance/Disciplinary Procedure</p> <ul style="list-style-type: none"> ▪ All grievances cases must be dealt with strictly in accordance with the Grievance/Disciplinary Policy 	Director of Human Resources and Organisation Development		Deputy Directors/Divisional Directors /Divisional Medical Directors / Associate Medical Directors/Service Clinical Directors /Business Performance Managers/ Deputy Directors of Nursing Matrons/ Line Managers/ Corporate Department Heads/Line Managers	with advice from HR Business Advisors

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
i)	Authorised Car and Mobile Phone Users	Director of Human Resources and Organisation Development			
	<ul style="list-style-type: none"> ▪ Regular user allowance 	Director of Human Resources and Organisation Development			
	<ul style="list-style-type: none"> ▪ Requests for posts to be authorised as mobile telephone users 	Chief Digital Information Officer			
m)	Renewal of Fixed Term Contracts	Director of Human Resources and Organisation Development		As per the vacancy management process	
n)	Authorisation of return to work under the flexible retirement scheme	Director of Human Resources and Organisation Development		As per the vacancy management process	
o)	Redundancy/Voluntary severance schemes	Chief Executive Officer	Director of Human Resources and Organisational Development	As per Mutually Agreeable Resignation Scheme/Agenda for Change Policy	
r)	Waiting list Payments <ul style="list-style-type: none"> ▪ Approval of Rates of Pay ▪ Variations to the agreed rates 	Chief Executive Officer	Director of Finance / Director of Human Resources and Organisation Development	Deputy Directors/Divisional Directors / Divisional Medical Directors / Associate Medical Directors/Corporate Department Heads/ As per the Trusts Variable Pay Approval Policy	With advice from Clinical Business & Finance Managers
s)	Ensure all employees are issued with a Contract of employment in a form approved by the Board of Directors and which complies with employment legislation.	Director of Human Resources and Organisation Development		Deputy Directors/Divisional Directors / Divisional Medical Directors Associate Medical Directors//Corporate Department Heads	
t)	Engagement of staff not on the establishment <ul style="list-style-type: none"> ▪ Non-Medical Consultants 	Chief Executive Officer	Executive Directors		
u)	Booking of Bank Staff <ul style="list-style-type: none"> ▪ Nursing and non-clinical In accordance with Variable Pay Approval Policy	Director of Human Resources and Organisation Development		Deputy Directors/Divisional Directors/ Deputy Director of Nursing & Quality/ Business Performance Managers/Heads of Nursing/ Matrons / Corporate Department Heads As per the Trusts Variable Pay Approval Policy	

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
v)	<ul style="list-style-type: none"> ▪ Medical In accordance with Variable Pay Approval Policy	Executive Medical Director		Divisional Medical Directors/ Associate Medical Directors/Service Clinical Directors/Business Performance Managers As per the Trusts Variable Pay Approval Policy	
w)	Booking of Agency Staff – Clinical Staff only within CAP as defined by NHSI As per Variable Pay Approval Policy	Director of -Human Resources and Organisation Development /Director of Finance		Divisional Directors/ Deputy Director of Nursing & Quality/ Deputy Directors of Nursing /Heads of Clinical Services As per the Trusts Variable Pay Approval Policy	
	Booking of Agency Staff – Non Clinical Staff only with CAP as defined by NHSI	Director of Human Resources and Organisation Development / Director of Finance		As per the Trusts Variable Pay Approval Policy	
	Booking of Agency Cap – Outside of CAP as defined by NHSI As per Variable Pay Approval Policy	Trust Board	Director of People and Organisation Development/ Director of Finance	As per the Trusts Variable Pay Approval Policy	
34.	Quotation, Tendering and Contract Procedures				
a)	<ul style="list-style-type: none"> ▪ Best value for money is demonstrated for all services provided under contract or in-house 	Chief Executive Officer	Executive Director	Divisional Directors /Associate Directors/Deputy Directors Director of Pharmacy/ Divisional Medical Directors/ Business Performance Managers/ Heads of Nursing/Service Clinical Directors/ Director of Commercial Procurement Services / Head of Estates / Corporate Department Heads/Budget Holders	
	<ul style="list-style-type: none"> ▪ Nominate officers to oversee and manage contracts on behalf of the Foundation Trust. 	Chief Executive Officer	Executive Director	Director of Commercial Procurement Services /Director of Pharmacy /Head of Estates/ Divisional Directors /Corporate Department Heads	
b)	Quotations	Chief Executive Officer			Refer To Table B Delegated Limits
c)	Competitive Tenders: <ul style="list-style-type: none"> ▪ Authorisation limits 	Chief Executive Officer			Refer To Table B Delegated Limits

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
	<ul style="list-style-type: none"> ▪ Receipt and custody of tenders prior to opening 	Chief Executive Officer	Chief Executive		
	<ul style="list-style-type: none"> ▪ Opening of tenders: <ul style="list-style-type: none"> ➤ e tendering is covered in (h) below. 	Chief Executive Officer			Two Officers, one of whom should be a senior manager, not from the originating department or the officer receiving the tenders
	<ul style="list-style-type: none"> ▪ Decide if late tenders should be considered 	Chief Executive Officer	Director of Finance	Director of Commercial Procurement Services	
d)	Waiving the requirement to request quotes or tenders - subject to SOs	Chief Executive Officer			Refer To Table B Delegated Limits
e)	Where the most economically advantageous offer is not accepted the details are to be permanently documented and signed off by the Director of Commercial Procurement Services	Chief Executive Officer		Director of Commercial Procurement Services	
f)	Reporting of waivers for tenders and quotations to the Audit Committee	Director of Finance	Director of Finance	Director of Commercial Procurement Services	
g)	"e" Auctions - The Foundation Trust should have policies and procedures in place for the control of all tendering activity carried out through electronic Auctions.	Chief Executive Officer		Director of Commercial Procurement Services	
h)	<p>Where tenders are received electronically the need for paper copies will be removed. The receipt of the electronic tenders must be via a system which allows incoming bids, (this includes all supplementary information relevant to a particular bid), to be sealed electronically until the time and date specified by the Trust in the tender documents.</p> <p>Where the tender is received electronically through the Trusts e-tendering system but supporting information cannot be transmitted in</p>	Chief Executive Officer		Director of Commercial Procurement Services	

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
	this way it must be receipted in accordance with the process for postal tenders. The deadlines for receipt of the supporting information will be the same as those of the electronic tender.				
i)	The authorisation of contracts <ul style="list-style-type: none"> ▪ Authorisation limits 	Chief Executive Officer			Refer To Table B Delegated Limits
35.	Records				
a)	Review Foundation Trust's compliance with the Retention of records Act	Chief Executive Officer	Executive Directors		
b)	Retention of records held under the Records Management Code of Practice	Chief Executive Officer	Executive Director/ Executive Medical Director	Service Clinical Director/Divisional Directors Corporate Department Heads/ Chief Digital Information Officer	Assistant Trust Company Secretary
c)	Ensuring the form and adequacy of the financial records of all departments	Director of Finance		Deputy Director of Finance /Head of Financial Management/ Head of Contracts & Income	All staff
36	Reporting of Incidents to the Police				
a)	Where a criminal offence is suspected <ul style="list-style-type: none"> ▪ criminal offence of a violent nature ▪ arson or theft ▪ other 			Divisional Director	Senior Manager On-call /Head of Facilities Local Security Management Specialist.
b)	Where a fraud is suspected the Local Counter Fraud Specialist will notify NHS CFA, External and the police if required.	Director of Finance			Local Counter Fraud Specialist
c)	Deciding at what stage to involve the police in cases of misappropriation and other irregularities not involving fraud or corruption.	Director of Finance			Local Security Management Specialist
37.	Risk Management				
a)	Ensuring the Foundation Trust has a Risk Management Strategy and a programme of risk management	Chief Executive Officer	Director of Nursing & Quality/ Executive Medical Director	Associate Director of Risk & Safety	

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
b)	Developing systems for the management of risk.	Chief Executive Officer	Director of Nursing & Quality/ Executive Medical Director	Divisional Directors/ Corporate Department Heads Associate Director of Risk & Safety Safety Emergency Planning Manager	Refer to Trusts Risk Management Policy Strategy
c)	Developing incident and accident reporting systems	Chief Executive Officer	Director of Nursing & Quality/ Executive Medical Director	Divisional Directors/ Corporate Department Heads Associate Director of Risk & Safety Emergency Planning Manager	Health & Safety Compliance Manager
d)	Compliance with the reporting of incidents and accidents	Chief Executive Officer	Director of Nursing & Quality/ Executive Medical Director	Divisional Directors/ Corporate Department Heads Associate Director of Risk & Safety Safety Emergency Planning Manager	Health & Safety Compliance Manager
38	Seal				
a)	The keeping of a register of seal and safekeeping of the seal	Chief Executive Officer			
b)	Attestation of seal in accordance with Standing Orders	Chief Executive Officer / Chairman	Chief Executive/ Chair (report to Board of Directors)		
39.	Security Management				
a)	Monitor and ensure compliance with the standard NHS contract requirements on NHS Security Management including the appointment of the Local Security Management Specialist.	Chief Executive Officer	Director of Operational Services Chief Operating Officer	Head of Facilities	
40.	Setting of Fees and Charges				
a)	Private Patient, Overseas Visitors, Income Generation and other patient related services.	Director of Finance		Deputy Director of Finance /Assistant Director of Finance /Head of Financial Management	Chief Financial Accountant
b)	Non patient care income	Director of Finance		Divisional Directors/Business Performance Managers/ Deputy Directors of Nursing /Matrons / Corporate Department Heads/Deputy Director of Finance /Business & Contracts Manager	Clinical Business & Finance Managers/

DELEGATED MATTER		DELEGATED TO	OPERATIONAL RESPONSIBILITY		
c)	Informing the Finance Department of monies due to the Foundation Trust	Director of Finance			All Staff
d)	Recovery of debt	Director of Finance		Deputy Director of Finance / Assistant Director of Finance	Chief Financial Accountant
e)	Security of cash and other negotiable instruments	Director of Finance		Deputy Director of Finance / Assistant Director of Finance	
41.	Stores and Receipt of Goods				
a)	Responsibility for systems of control over stores and receipt of goods, issues and returns	Director of Finance		Divisional Directors/ Director of Commercial Procurement Services / Corporate Department Heads	Purchase and Supply Manager
b)	Responsibility for control of Pharmaceutical stocks	Director of Pharmacy		Director of Pharmacy	
c)	Stocktaking arrangements	Director of Finance		Divisional Directors / Director of Commercial Procurement Services / Corporate Department Heads/Director of Pharmacy	Purchase and Supply Manager
d)	Approve system for review of slow moving and obsolete items and for condemnation, disposal and replacement of all unserviceable items.	Director of Finance		Divisional Directors / Director of Commercial Procurement Services / Corporate Department Heads	Purchase and Supply Manager

TABLE B – DELEGATED FINANCIAL LIMITS

	DELEGATED MATTER	DELEGATED LIMIT	DELEGATED TO		
			Execs	Division	Other
		Exclusive of VAT			
1	Virement				
a)	Authorisation of Virement within NHSI headings	Over £500,000	Director of Finance	Deputy Director of Finance	
		Up to £500,000		Head of Financial Management	
		Up to £100,000		Divisional Directors/Deputy Directors	Clinical Business & Finance Managers

		Up to £50,000		Corporate Department Heads/ Business Performance Managers	
2	Cash and banking				
a)	Petty Cash Disbursements	Up to £100			Petty Cash Imprest Holder
	<ul style="list-style-type: none"> ▪ Sundry Exchequer Items • Patients' Monies 	Over £5,000	Director of Finance	Deputy Director of Finance	
		Up to £5,000		Assistant Director of Finance – Financial Services	Financial Accountant/Chief Financial Accountant
		Up to £100			Petty Cash Imprest Holder
3	Income Contract Authorisation				
	Approval & signing of income contracts for supplies and services	£200,000,000	Board of Directors minuted approval (NB: not retrospective ratification)		
	Approval & signing of income contracts for supplies and services	£500,000 to £200,000,000	Chief Executive Officer Or Director of Finance		
	Approval & signing of income contracts for supplies and services	£100,000 to £500,000		Deputy Director of Finance	With supporting advice from the Director of Procurement
		Up to £100,000		Divisional Director/Head of Facilities/Corporate Department Heads/Head of Financial Management/Business & Contracts Manager	With supporting advice from the Director of Procurement
4	Purchase Orders				
4.1	Purchase Orders – All Departments				
a)	Authorising Purchase Orders	Over £150,000,000	Director of Finance subject to Board of Directors minuted approval (NB: not retrospective ratification)		
4.2	Purchase Orders – Placed through the Procurement Department				
b)	Authorising Purchase Orders	Over £500,000 to £150,000,000	Director of Finance or Chief Executive Officer		
		£25,000 to		Deputy Director of	

		£500,000		Finance /Director of Commercial Procurement Services	
		£10,000 to £25,000			Procurement Officers
		Up to £10,000			Assistant Supply Chain Manager/ Purchasing Team Leader/Purchasing Assistant/Purchase and Supply Manager
4.3	Purchase Orders – Pharmacy Department				
d)	Authorising Purchase Orders	EU/UK supplies limit and above			Procurement Department
		Below EU/UK supplies limit		Director of Pharmacy (absence cover)	Principal Pharmacist
5	Quotation, Tendering and Contract Procedures – not including Capital				
5.1	Quotation/Tender requirements for goods/services not including Capital Equipment/Buildings				
a)	Tender requirements for all supplies (except capital equipment/buildings in compliance with EU Directives/UK Law)	EU/UK limit and above		Director of Commercial Procurement Services	
b)	Tender requirements for all supplies (except capital equipment/buildings in compliance with EU Directives/UK Law)	Over £25,000 and up to EU/UK limit		Director of Commercial Procurement Services/ Head of Estates	
c)	Quotations for all purchases except capital equipment/buildings <ul style="list-style-type: none"> Obtain a minimum of 3 formal quotations for goods/services 	£10,000 up to £25,000		Director of Commercial Procurement Services /Head of Estates	
5.2	Approval & Signing of Purchasing Contracts for goods/services not including Capital Equipment/Buildings				
d)	Approval & signing of contracts for supplies and services (not including Capital equipment/buildings)	Over £150,000,000	Board of Directors minuted approval (NB: not retrospective ratification)		
e)	Approval & signing of contracts for supplies and services (not including Capital equipment/buildings)	£500,000 to £150,000,000	Chief Executive Officer or Director of Finance		
f)	Approval & signing of contracts for supplies and services (not including Capital equipment/buildings)	Up to £500,000		Director of Commercial Procurement Services	
f)	Approval & signing of contracts for supplies and services (not including Capital equipment/buildings)	Up to £100,000		Divisional Director/Chief Digital Information Officer	

g)	Approval & signing of contracts for supplies and services (not including Capital equipment/buildings)	Up to £10,000		Divisional Director	With supporting advice from the Director of Commercial Procurement Services
5.3 Non Pay Expenditure (including invoice authorisation without orders) - Estates Department					
c)	Requisitioning/Authorising Purchase Orders	Up to £150,000,000	Chief Executive Officer or Director of Finance		Delegated Nominee (as authorised by the Director of Finance)
		Up to £100,000		Head of Estates/ Deputy Director of Finance	
		Up to £25,000		Head of Estates	
		Up to £10,000		Authorised delegated nominee band 8a	
		Up to £10,000		Authorised delegated nominee band 7	
		Up to £10,000		Authorised delegated nominee band 6	
		Up to £5,000		Authorised delegated nominee band 5	
		Up to £1,000		Authorised delegated nominee band 4	
5.4 Non Pay Expenditure (including invoice authorisation without orders)					
	Approval of requisitions for-goods & services against a budget	£1,000,000 and above	Board of Directors		
	Approval of requisition for goods & services against a budget	Below £1,000,000	Chief Executive Officer or Director of Finance		Delegated Nominee (as authorised by the Director of Finance)
		Up to £100,000	Executive Lead		
		Up to £50,000		Band 8d and above	
		Up to £40,000		Band 8c	
		Up to £25,000		Band 8b	
		Up to £10,000		Band 8a	
		Up to £2,000		Band 7	
		Up to £1,000		Band 6	
		Up to £500		Band 5	
		Up to £250		Band 4	
*In the event the above limits are not sufficient The Director of Finance may authorise a variation.					
6 Capital Equipment/Buildings					
6.1 Quotation/Tender requirements for Capital Equipment					
a)	Tenders for all capital equipment in compliance with EU Directives/ UK Law	EU/ UK limit and above		Director of Commercial Procurement Services	

b)	Quotations for all capital equipment purchases via the Procurement/Estates Department <ul style="list-style-type: none"> Obtain a minimum of 3 formal quotations. 	Below EU/UK limit		Director of Commercial Procurement Services /Head of Estates-/ Programme Chief Digital Information Officer	
6.2 Quotation/Tender requirements for Capital Building Schemes					
	Tender requirements for all capital building schemes in compliance with EU Directives as appropriate for contract works – unless under Procure 22 framework (or similar framework)	EU/UK limit and above		Head of Estates/with advice from the Director of Commercial Procurement Services	
	Tender requirements for all capital building schemes – unless under Procure 22 framework (or similar framework)	Over £25,000 and up to EU/UK limit		Head of Estates	
	Quotations for all capital building schemes <ul style="list-style-type: none"> Obtain minimum of 3 written quotations 	£10,000 up to £25,000		Head of Estates	
	Written quotation	Up to £10,000		Nominated Lead	
6.3 Approval & Signing of Contracts Capital Equipment/Buildings					
	Approval & signing of contracts for capital equipment or capital building schemes.	Over £150,000,000	Board of Directors minuted approval (NB: not retrospective ratification)		
	Approval & signing of contracts for capital equipment or capital building schemes	Goods and services EU/UK limit to £150,000,000	Chief Executive Officer or Director of Finance		
	Approval & signing of contracts for capital equipment or capital building schemes which have been approved at the appropriate levels	£25,000 up to Goods and services EU/UK limit		Head of Estates/Divisional Director/Chief Digital Information Officer	With advice from Deputy Director of Finance /Assistant Director of Finance – Financial Services/ Senior Procurement Officer
	Approval & signing of contracts for capital equipment or capital building schemes including maintenance	Up to £25,000		Head of Estates/ Chief Digital Information Officer	
6.4 Capital Expenditure for goods and services with a contract signed in accordance with 6.3 above					
	Approval of goods items/services against a capital budget and order/contract	£1,000,000 and above	Chief Executive Officer or Director of Finance		
		£100,000 to £1,000,000	Director of Finance	Deputy Director of Finance /Head of Financial Management	Delegated Nominee (as authorised by the Director of Finance)
		£25,000 to £100,000		Head of Estates/ Divisional Directors/Chief Digital Information Officer	Delegated Nominee (as authorised by the Director of Finance)

		Up to £25,000			Project Lead or delegated nominee
6.5	Capital Expenditure – Buildings Variations to Contract				
	For any variations to capital contracts over and above the signed contract value as above				
	Contract Value over £20m	Over £100,000	Board of Directors		
	Contract Value up to £20m	Up to £100,000	Director of Finance		
	Contract Value up to £5m	1% contract variation	Director of Finance		
	Contract Value up to £500,000	5% contract variation		Head of Estates	
	Contract Value up to £100,000	10% contract variation		Head of Estates	
7	Quotation/Tender Waiver Requirements				
	Waiving requirements for all quotes/tenders – subject to full compliance with SFIs	Over £50,000 and below EU/UK limit	Director of Finance	With advice from Director of Commercial Procurement Services	Deputy Director of Finance/Assistant Director of Finance in case of absence/ or delegated nominee
	Waiving requirements for all quotes/tenders – subject to full compliance with SFIs	£10,000 up to £50,000		Deputy Director of Finance/Assistant Director of Finance	Or delegated nominee
8	Funds Held on Trust				
a)	Expenditure authorisation (per request) Director of Finance must sign in addition to nominated fund holder	Over £10,000	Director of Finance		Nominated Fund Holder(s) / Reported to Charitable Funds Committee
	Director of Finance /Assistant Director of Finance must sign in addition to nominated fund holder	£1,000 to £10,000	Director of Finance	Assistant Director of Finance – Financial Services/Deputy Director of Finance	Nominated Fund Holder(s)
	Assistant Director of Finance Chief Financial Accountant must sign in addition to nominated fund holder	Up to £1,000			Nominated Fund Holder(s) / Chief Financial Accountant /Assistant Director of Finance - Financial Services
9	Disposal and Condemnations				
a)	Current / estimated sale price	Over £25,000	Director of Finance	Deputy Director of Finance	
b)	Current / estimated-sale price	Up to £25,000	Director of Finance	Divisional Director/ Deputy Director of Finance /Head of Financial Management Assistant Director of Finance /Corporate Department Heads	Clinical Engineering Manager / Head of Clinical Engineering
10	Losses and Special Payments				
11	Fruitless Payments				

a)	Fruitless payments (including abandoned Capital Schemes)	Over £250,000	Board of Directors		
		Up to £250,000	Chief Executive Officer or Director of Finance reported to Audit Committee		
		Up to £5,000	Chief Executive Officer or Director of Finance		
10.2	Other Losses				
b)	<ul style="list-style-type: none"> ▪ Losses of cash due to theft, fraud, overpayment & others. ▪ Bad debts and claims abandoned. ▪ Damage to buildings, fittings, furniture and equipment and loss of equipment and property in stores and in use due to culpable causes (eg fraud, theft, arson). 	Over £50,000	Board of Directors		
		£1,000 to £50,000	Chief Executive Officer or Director of Finance reported to Audit Committee		
		Up to £1,000	Chief Executive Officer or Director of Finance with a summary to the Audit Committee	Deputy Director of Finance	
10.3	Special Payments				
c)	Compensation payments by Court Order	Over £50,000	Board of Directors		
		Up to £50,000	Chief Executive Officer or Director of Finance		

10. Ex-Gratia Payments					
d)	To patients / staff for loss of personal effects/other	Over £50,000	Board of Directors		
		£10,000 to £50,000	Chief Executive Officer or Director of Finance or Director of Nursing & Quality	Associate Director of Corporate Affairs	
		Up to £10,000			Head of Legal Services
	Other ex-gratia payments authorised in accordance with DHSC guidance/severance payments	£50,000 95,000 and above	Board of Directors with Authorisation from DHSC		
		£10,000 to £50,000 Up to 95,000	Chief Executive Officer or Director of Finance/Director of Corporate & Legal Affairs Or Director of Human Resources and Organisation Development		
	Other ex-gratia payments authorised in accordance with DHSC guidance/severance payments	Up to £10,000	Director of Human Resources and Organisation Development		
11. Business Cases					
	Approval of a Business Case	£1,000,000 (whole life cost) and above	Board of Directors	Board of Directors	Senior Leaders Group
		up to £1,000,000 (whole life cost)		Senior Leaders Group	
12. Capital Business Cases					
	Approval of a Capital Business Case – subject to the approvals process as set out by NHSI	£15,000,001 and above	Board of Directors	For all Capital Business case approvals the NHSI guidance must be followed and approval gained as required.	Senior Leaders Group
	Approval of a Capital Business	£15,000,000 and	Executive	Senior Leaders Group	

	Case – subject to the approvals process as set out by NHSI	below	Directors Group		
13	Public Dividend Capital Drawdown				
	Application for draw down of Public Dividend Capital, overdrafts and other forms of external borrowing	Up to £10,000,000	Director of Finance	Assistant Director of Finance	Chief Financial Accountant

Variable Pay Approval Policy:

Important Note: To be read in conjunction with the Standing Financial Instructions

Element	Monitoring	Process	Additional Information
ACAs	<u>Medical</u>	<p>Approval Authorisation: BPM's make requests and then approval granted by Divisional Medical Director or Divisional Director.</p>	To be clear on what is being requested i.e. how many hours at what pay rate.
		<p>Checking / Reconciliation / Sign Off: Divisional Medical Director (or Divisional Director) approves claim forms submitted. Consider reconciliation process between what approved and signed off.</p>	
	<u>A4C</u>	<p>Approval Authorisation: Nursing Staff: Head of Nursing or Divisional Director Support Staff : Head of Service (Corporate Departmental Heads) or Divisional Director in their absence</p> <p>The Chief Executive to personally sign off on:</p> <ul style="list-style-type: none"> • All shifts by individuals costing more than £100per hour. • All framework overrides above price cap. <p>Executive Director of Nursing to sign off on:</p> <ul style="list-style-type: none"> • Advance sign off of any agency shift where the cost is 50% or more, above the set price cap, but where the hourly rate is less than £100. 	To be clear on what is being requested i.e. how many hours at what pay rate
		<p>Checking / Reconciliation – Submitted claims to be signed off by departmental manager and then also: Nursing Staff: Head of Nursing or Divisional Director Support Staff: Head of Service (Corporate Departmental Heads) or Divisional Director in their absence.</p>	

<p>Agency & Locum Medical Staff</p> <p>Extra Duty Claim Forms</p>	<p>Medical All requests now to Medical Staffing. Request approvals for agency locums are authorised on Brooksons or via email by the BPM</p>	<p>Approval Authorisation: All Medical Staff Agency requests through the Medical Staffing team and approval to fill given by the Business Performance Managers, and then authorised by Divisional Directors/Divisional Medical Directors if below the pay cap. If unavailable, another Executive.</p> <p>NHSI requirement for: The Chief Executive to personally sign off on:</p> <ul style="list-style-type: none"> • All shifts by individuals costing more than £100 per hour. • All framework overrides above price cap. <p>Executive Medical Director to sign off on:</p> <ul style="list-style-type: none"> • Advance sign off of any agency shift where the cost is 50% or more, above the set price cap, but where the hourly rate is less than £100. <p>Medical Locum Staff: All requests through the Medical Staffing team and approval to fill given by Divisional Directors/Divisional Medical Directors via Brooksons system or via email. Out of Hours – Discuss with Senior Manager on-call & include on the night report. Retrospective reporting required to Strategic Workforce Group.</p> <p>Extra Duty claim Forms for Countess of Chester employed Doctors or trainees doctors employed by St Helen's and Knowsley must be filled in correctly and authorised by the Lead Clinician/Rota Co-ordinator in accordance with the pay cut off dates as issued by Medical Staffing. It is the Doctor who has performed the extra duty responsibility to ensure that the form is correctly completed and authorised as required.</p> <p>Checking / Reconciliation: Time Sheets must be approved by Senior Clinician/BPM. Then given to Medical Staffing to reconcile against original request/approval. Invoice Sign off: Medical Staffing Team to check all Brooksons invoices</p>	<p>Strategic Workforce Group established to monitor agency and locum bookings.</p> <p>Finance to send all Invoices to Medical Staffing team for reconciliation against bookings.</p>

		<p>following reconciliation against bookings. All invoices must be approved and authorised for payment by the relevant Business Performance Managers.</p> <p>If no approval of time sheets or authorisation of invoices by the BPM is possible then Medical Staffing to escalate to Divisional Director or Director of HR & OD.</p>	
	<p>A4C Temp Staffing - Once nursing off duties have been completed, the shifts are entered into the BSMS system</p>	<p>Approval Authorisation:</p> <p>Non Clinical Departments: All agency requests will require approval in writing from either the Director of Finance or Director of People & OD. No usage is permitted of off-framework administrative agency staff,</p> <p>Clinical Departments: N&M or Nursing Assistant agency roles are approved by Associate Director of Nursing or a Head of Nursing.</p> <p>Other Clinical Roles (Non-Medical) approval by Head of Service, Divisional Director or Divisional Medical Director.</p> <p>All admin agency staff usage is to be signed off and agreed by Director of People & OD or Director of Finance.</p> <p>If rate of pay above capped rate then approval only by Chief Executive (as reported to NHSI).</p> <p>Out of Hours – Discuss with Senior Manager on-call & include on the night report.</p>	<p>All bookings to be made through the Staffing Solutions (Temporary Staffing) Team.</p> <p>Finance to send all Invoices to Staffing Solutions team for reconciliation against bookings.</p>
		<p>Checking / Reconciliation:</p> <p>Sign off of all Invoices by Staffing Solutions team if they reconcile against original booking.</p> <p>If no reconciliation possible then escalated as follows:</p> <p>Non Clinical Departments: To Director of Finance or Director of People & OD.</p> <p>Clinical Departments: To Deputy Director of Nursing or appropriate Head of Nursing</p> <p>Other Clinical Roles (Non-Medical): To Head of Service, Divisional Director or Divisional Medical Director.</p>	

<p>Bank</p>	<p>A4C Temp Staffing - Once nursing off duties have been completed, the shifts are entered into the BSMS system</p>	<p>Approval Authorisation :</p> <p>Nursing Staff (includes Nursing Assistants) : Matrons or Head of Nursing or escalate to Associate Director of Nursing in absences</p> <p>Other Staff : Head of Service, Corporate Departmental Heads i.e. SMT Level or Divisional Director</p> <p>Submissions then submitted to Temporary Staffing for recording.</p> <p>Checking / Reconciliation: Once shift completed time sheet approved by line manager and reconciliation to occur with Temporary Staffing</p>	
<p>Additional Basic Hours</p>	<p>A4C Not Temp Staffing or Medical Staffing</p>	<p>Approval Authorisation :</p> <p>Nursing Staff (includes Nursing Assistants) : Matrons or Head of Nursing or escalate to Deputy Director of Nursing in absences</p> <p>Other Staff : Business Performance Managers (Planned and Urgent), Head of Service, Corporate Departmental Heads i.e. SMT or Divisional Director</p> <p>Checking / Reconciliation : Review through monthly Financial statements showing expenditure in these areas. Business Performance Manager, Heads of Service to sign off the SVL submission wherever possible</p>	<p>All in accordance with Agenda for Change payments.</p>
<p>Overtime</p>	<p>A4C Not Temp Staffing or Medical Staffing</p>	<p>Approval Authorisation</p> <p>Nursing Staff (includes Nursing Assistants) : Matrons or Head of Nursing or escalate to Associate Director of Nursing in absences</p> <p>Other Staff : Business Performance Managers (Planned and Urgent), Head of Service, Corporate Department Approval required by Director of Finance-or Director of People and OD</p>	<p>All in accordance with Agenda for Change payments.</p>

		<p><u>Checking / Reconciliation</u> Sign off as agreed by Matron or Ward Manager Sign off by Service Manager or manager delegated by approver in line with Standing Financial Instructions (SFI's) i.e. budget holder level. Review through monthly Financial statements showing expenditure in these areas. Business Performance Manager, Heads of Service to sign off the SVL submission wherever possible</p>	
<p>Direct Engagement with individual via a personal service company (PSC) or similar</p>	<p>All engagements</p>	<p><u>Approval Authorisation</u> All requests should be sent to the Procurement department in the usual way, via eProcurement. Sign off by Service Manager or manager delegated by approver in line with Standing Financial Instructions (SFI's_ i.e. budget holder level.</p>	<p>Manager should highlight request where they can establish that the individual may be caught by IR35 (i.e. that they are providing services that would in substance be employment, if it were not for the existence of a PSC.</p>
		<p><u>Checking/Reconciliation</u> <u>IR35 status determined:</u> request sent to Brookson for review:</p> <ul style="list-style-type: none"> • If IR35 applies Brookson will contact the individual to discuss options for net payment. • If IR35 does not apply, request will be submitted to NHSI for approval to engage with PSC. <p><u>Purchase Orders:</u> raised in the usual way <u>Invoice Sign off:</u> Accounts Payable to obtain invoice approval to ensure services have been delivered satisfactorily and payment may be made.</p> <p>If invoice is received without a PO then escalated to Director of Finance or Director of People & OD.</p>	<p>Finance to send all invoices without a PO to Procurement team for retrospective action.</p> <p>Payment of invoice cannot be made until IR35 status has been established.</p> <p>Oversight related to medical roles will be undertaken by the Strategic Workforce Group</p>