

Board of Directors' Meeting: 14 December 2023

Agenda item		168/23			
Report Title		Annual Review of Standing Orders, Scheme of Reservation & Delegation and Standing Financial Instructions			
Executive Lead		Anna Milanec, Director of Governance; and Helen Troalen, Director of Finance			
Report Author		Deborah Bryce, Interim Corporate Governance Consultant and Emma Bland, Interim Financial Controller			
CQC Domain:		Link to Strategic Goal:		Link to BAF / risk:	
Safe		Our patients and community		BAF 13 (corporate governance)	
Effective		Our people			
Caring		Our service delivery		Trust Risk Register id:	
Responsive		Our governance	√	-	
Well Led	√	Our partners			
Consultation Communication		Internal (Corporate Governance and Finance teams) Audit & Risk Assurance Committee 06 December 2023			
Executive summary:		1. The Trust’s Standing Orders (SO’s), Scheme of Reservation and Delegation (SoRD), and Standing Financial Instructions (SFI’s) have been subject to their annual review. 2. This paper outlines the proposed updates to these important documents.			
Recommendations to the Board:		The Board is asked to consider and approve the updated Standing Orders, Scheme of Reservation & Delegation, and Standing Financial Instructions.			
Appendices:		Appendix 1: Standing Orders Appendix 2: Scheme of Reservation & Delegation Appendix 3: Standing Financial Instructions			

1.0 Introduction

1.1 The Trust is required to adopt Standing Orders for the regulation of its proceedings and business. The Trust incorporates Standing Financial Instructions (SFIs) and the Scheme of Reservation and Delegation (SoRD) as part of these Standing Orders. SFIs together with the Standing Orders and the SoRD provide a comprehensive business framework for the functions of the Trust and have effect as if they all are incorporated into the Standing Orders.

1.2 These documents are subject to annual review and were previously extensively updated in Autumn 2022.

1.3 All executive and non-executive directors, and officers should be aware of the existence of these documents and, where necessary, be familiar with the detailed provisions.

1.4 Appendix 1 of the SFIs includes the delegated financial authorisation limits.

2.0 Proposed updates to Standing Orders (SO)

The Standing Orders are included within **Appendix 1** which outlines the track changes to the document, as follows:

2.1 Definition of 'pecuniary interests' added within the Interpretation section at SO 1.2.19.

2.2 'Board Workforce Committee' updated to 'People & Organisational Development Assurance Committee' within SO 5.9(g) (Committees established by the Board).

2.3 The full titles of the Managing Conflicts of Interest Policy and Anti-Fraud, Bribery and Corruption Policy have been reflected within SO 6.1.

3.0 Proposed updates to Scheme of Reservation & Delegation

The Scheme of Reservation & Delegation is included within **Appendix 2** which outlines the track changes to the document, as follows:

3.1 Proposed deletion of point 3.10 reserving to Board: 'Approve arrangements relating to the discharge of the Trust's responsibilities as a bailee for patients' property' (Patient Property Policy).

3.2 Proposed deletion of point 5.13 reserving to Board: 'Approve individual compensation payments', as this is delegated to Remuneration Committee within point 11(f) of Section C.

3.3 Proposed deletion of sentence in point 6 (Policy determination reserved to the Board): 'Approve management policies including personnel policies incorporating the arrangements for the appointment, removal and remuneration of staff'. Instead, a new table is proposed for inclusion which outlines a full list of proposed policies reserved to the Board of Directors.

3.4 General re-numbering of headings/points from Section C, so that the numbering follows on from Section B.

3.5 'Senior Leadership Team' updated to 'Senior Leadership Committee' within point 16.

3.6 Proposed deletion within point 16 (Senior Leadership Committee) the duty to: 'approve and recommend to the Board of Directors, and monitor the implementation of, relevant Trust Policies, guidelines and protocols'. As, policies reserved to Board and delegated to Committees of the Board have been further defined within points 6 and 18.2, and further detail on the remaining trust-wide policies and procedures delegated to the Chief Executive has been added at point 19.6.

3.7 'Board Workforce Committee' updated to 'People & Organisational Development Assurance Committee' within point 17, and the role of the committee has been updated based on the terms of reference which were submitted to 12 October 2023 Board meeting.

3.8 General numbering added to points within Section D - Delegation of Powers.

3.9 Point 18.2 added – Policies Delegated to Committees. This includes a table outlining the proposed specific policies delegated to committees of the Board for approval.

3.10 Clarification of reference to sections G-H within point 19.1.

3.11 Change to point 19.3 from 'Director of Finance' to 'Director of Governance' for overall responsibility for the Data Protection Act 2018.

3.12 Addition at point 19.6 that: 'All trust-wide policies and procedures not reserved to Board or delegated to a committee of the Board' are the overall responsibility of the Chief Executive.

3.13 Point F8 in Section 8 includes an updated reference to NHS England (from Secretary of State) in relation to the Trust Chair's role to 'advise NHS England on the performance of non-executive Board of Directors members'.

3.14 Update to point H91 to reflect the current approved narrative within the SFI's: 'Any short term borrowing required must be authorised by the Director of Finance' (previously stated within the SoRD as: 'Be on an authorising panel including one other member for short term borrowing approval').

3.15 References to 'NHS Protect' have been updated to 'NHS Counter Fraud Authority' within points H128 and H129 in Section H.

4.0 Standing Financial Instructions

The Standing Financial Instructions are included within **Appendix 3** which outlines the track changes to the document, as follows:

4.1 Addition to point 2.1.1 (a): "The Committee will review the work and findings of the auditors and consider the implications of and management's response to their work."

4.2 Expansion of point 2.1.1 (h) to include: "including the process for reviewing the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors".

4.3 Addition to point 2.2.1 (a) to include "and efficient use of resources".

- 4.4 Addition to point 2.5.1 to include “and referred to the Audit and Risk Assurance Committee if it cannot be resolved”.
- 4.5 Addition of section 8.5 on salary advances, overpayment and recovery.
- 4.6 Addition of section 8.6 on salary sacrifice schemes.
- 4.7 Replacement of ‘EU Regulations’ with ‘Public Contract Regulations’ in points 9.2.4 (c), 9.2.6 (b), and 12.17 (c).
- 4.8 Addition of section 9.3 to emphasise that there should be segregation of duties throughout the procurement process.
- 4.9 Addition of section 9.5 on the use of the Trust corporate credit card.
- 4.10 Insertion of the words “up to date” in point 11.4.2.
- 4.11 Insertion of 11.4.6 to emphasise that the accounting policies will need to keep up to date with the latest guidance on the valuation methodology of assets.
- 4.12 Insertion of the word “inventories” in point 11.5.2.
- 4.13 Expansion of point 11.5.6 to include: “Particular care should be taken to safeguard valuable portable items such as laptops, desktops and mobile phones.”
- 4.14 Replacement of ‘Head of Procurement’ with ‘Director of Procurement’ in point 12.7.3.
- 4.15 Insertion of the words ‘as far as practicable’ in points 12.8 and 12.11 (i).
- 4.16 Point 12.9.1 (e) simplified to reflect current forms of contract with explicit reference to the New Engineering Contract (NEC) form. Reference also included to the DHSC Estates Technical guidance, and professional services as these will often be 'back-to-back' to the JCT/NEC construction contract form.
- 4.17 Removal of ‘senior managers’ from point 12.9.4 (ii): ‘Only the senior managers in the Procurement department have this access.’
- 4.18 The limit corrected in Appendix B, for *Commissioning of Clinical / Healthcare Services – Advertised Competitive Quotations*, from ‘Up to £552,950’ to ‘£20,000 to £552,950’.
- 4.19 ‘Director of Corporate Governance and Communications’ updated to ‘Director of Governance’ as the Code of Accountability document holder within Appendix C.
- 4.20 Insertion of ‘Standing Financial Instructions (SFI’s)’ with ‘Director of Finance’ as the holder of the document, in Appendix C.
- 4.21 ‘Director of Finance’ updated to ‘Director of Governance’ against ‘Scheme of Reservation & Delegation’ and ‘Standing Orders’ document holder within Appendix C.
- 4.22 ‘Director of Governance and Communications’ updated to ‘Director of Governance and Director of Finance’ against ‘NHS Counter Fraud Authority Standards’ document holder within Appendix C.

End

THE SHREWSBURY AND TELFORD HOSPITAL NHS TRUST
STANDING ORDERS - [Appendix 1](#)

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Separate documents that have effect as if incorporated into these Standing Orders

Standing Financial Instructions

Scheme of Reservation and Delegation

Managing Conflicts of Interest Policy

Terms of Reference of Committees and Joint-committees as referenced in Standing Order 5.9.

Written:	November 2003
Last Reviewed:	November 2022 <u>November 2023</u> (Approved by the Board of Directors 08 December 2022).
Review:	Annually

THE SHREWSBURY AND TELFORD HOSPITAL NHS TRUST

STANDING ORDERS

INTRODUCTION

a) Statutory Framework

The Shrewsbury and Telford Hospital NHS Trust (the Trust) is a statutory body which came into existence on 1st October 2003, established under The Shrewsbury and Telford Hospital NHS Trust National Health Service Trust (Establishment) Order (the Establishment Order), Statutory Instrument number 2346.

The Trust's business is in two principal places – Mytton Oak Road, Shrewsbury, Shropshire, SY3 8XQ and Apley Castle, Telford, Shropshire, TF1 6TF.

NHS Trusts are governed by Act of Parliament, mainly the National Health Service Act 2006, as amended by the Health and Social Care Act 2012 and the Health and Care Act 2022.

The functions of the Trust are conferred by this legislation. The Trust will also be bound by such other statutes and legal provisions which govern the conduct of its affairs.

As a statutory body, the Trust has specified powers to contract in its own name and to act as a corporate trustee. In the latter role it is accountable to the Charity Commission for those funds deemed to be charitable as well as to the Secretary of State for Health. The Trust also has a common law duty as a bailee for patients' property held by the Trust on behalf of patients.

The Trust has statutory powers which are in the main set out in the NHS Act 2006, as amended.

The Code of Accountability requires the Trust to adopt Standing Orders for the regulation of its proceedings and business. The Trust must also adopt Standing Financial Instructions (SFIs) as an integral part of Standing Orders setting out the responsibilities of individuals.

The Standing Orders, Standing Financial Instructions, Scheme of Reservation and Delegation, procedures and the rules and instructions made under them provide a framework and support for the public service values which are essential to the work of the NHS of:

- Accountability – the ability to stand the test of Parliamentary scrutiny, public judgements on propriety and professional codes of conduct.
- Probity – an absolute standard of honesty in dealing with the assets of the Trust; integrity in decisions affecting patients, staff and suppliers, and in the use of information acquired in the course of NHS duties.
- Openness – transparency about NHS activities to promote confidence between the organisation and its staff, patients and the public.

Standing Orders provide a formal framework for the conduct of the Trust's business. They include:

- conduct of debate;
- custody of the common seal;
- interests of officers and members in contracts and other matters;
- suspension of Standing Orders;
- conduct of officers and members; and
- structure of the Trust and its (formal) committees.

Directors and Senior Managers of the Trust should familiarise themselves with their responsibilities under Standing Orders, and comply with them. Trust management has an additional responsibility to ensure that their staff see, understand and comply with appropriate parts of Standing Orders.

b) NHS Framework

In addition to the statutory requirements, the Secretary of State through the Department of Health & Social Care and NHS England issues further directions and guidance. These are normally issued under cover of a circular or letter.

The Code of Accountability in the NHS requires that Boards draw up a schedule of decisions reserved to the Board and ensure that management arrangements are in place to enable responsibility to be clearly delegated to the Executive Committee and to senior executives (a scheme of delegation). This is referred to in the Trust as the Scheme of Reservation and Delegation. The code also requires the establishment of Audit and Remuneration Committees with formally agreed terms of reference. The Code of Conduct in the NHS makes various requirements concerning possible conflicts of interest of Board members. The Trust has adopted a Managing Conflicts of Interest Policy, in line with NHS England guidance to establish a framework for the management of conflicts of interest.

The Freedom of Information Act 2000 sets out the requirements for public access to information in the NHS.

The Operating Framework for NHS England (October 2022) sets out how the NHS will operate in the new statutory framework created by the Health and Care Act 2022. It reflects the formal establishment of integrated care systems (ICSs). The Trust will contribute to effective system working via ICS strategies and plans whilst retaining its statutory responsibilities for the delivery of safe, effective, efficient and high-quality services.

By virtue of Section 65Z5 of the NHS Act 2006 the Trust has the power to delegate its functions to other NHS bodies or local authorities or to exercise its functions jointly with those bodies.

c) Delegation of Powers

The Trust has powers to delegate and make arrangements for delegation. The Standing Orders set out the detail of these arrangements. Under the Standing Order relating to the Arrangements for the Exercise of Functions (SO 4) the Trust is given powers to "make arrangements for the exercise, on behalf of the Trust of any of their functions by a committee or joint committee appointed by virtue of Standing Order 5 or by an Officer of the Trust, in each case subject to such restrictions and conditions as the Trust thinks fit or as the Secretary of State may direct". Delegated powers are covered in a separate document: Scheme of Reservation and Delegation. This document has effect as if incorporated into the Standing Orders.

1. INTERPRETATION

- 1.1 Save as otherwise permitted by law, at any meeting the Trust Chair shall be the final authority on the interpretation of Standing Orders (on which they should be advised by the Chief Executive or Company Secretary).
- 1.2 Any reference to an Act of Parliament, Direction or Code of Practice shall be construed as a reference to any modification, replacement, or re-enactment for the time being in force. In addition:
 - 1.2.1 **"Accountable Officer"** means the NHS Officer responsible and accountable for funds entrusted to the Trust. They shall be responsible for ensuring the proper stewardship of public funds and assets. For this Trust it shall be the Chief Executive.
 - 1.2.2 **"Board" or "Board of Directors"** means the Trust Chair, Executive and Non-Executive Director members of the Trust collectively as a body.
 - 1.2.3 **"Budget"** means a resource, expressed in financial terms, proposed by the Trust for the purpose of carrying out, for a specific period, any or all of the functions of the Trust.
 - 1.2.4 **"Chief Executive"** means the Chief Officer of the Trust.
 - 1.2.5 **"Company Secretary"** means a person who may be appointed to act independently of the Board to provide advice on corporate governance issues to the Board and the Trust Chair and monitor the Trust's compliance with the law, Standing Orders, and Department of Health and Social Care guidance.
 - 1.2.6 **"Commissioning"** means the process for determining the need for and for obtaining the supply of healthcare and related services by the Trust within available resources.
 - 1.2.7 **"Committee"** means a committee appointed by the Board of Directors.
 - 1.2.8 **"Committee members"** means persons formally appointed by the Board to sit on or to chair specific committees.

1.2.9 **"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.

1.2.10 **"Director of Finance"** means the Chief Financial Officer of the Trust.

1.2.11 **"Executive Director"** means a member of the Trust who is an Officer of the Trust.

1.2.12 **"Funds Held on Trust"** shall mean those funds which the Trust holds at its date of incorporation, receives on distribution by statutory instrument, or chooses subsequently to accept. Such funds may or may not be charitable.

1.2.13 **"Member"** means Executive or Non-Executive Director of the Board. (Member in relation to the Board does not include its Chair.)

1.2.14 **"Membership and Procedure Regulations"** means National Health Service Trusts (Membership and Procedure) Regulations 1990 (Statutory Instrument 1990/No.2024) and subsequent amendments.

1.2.15 **"Motion"** means a formal proposition to be discussed and voted on during the course of a meeting.

1.2.16 **"Nominated Officer"** means an Officer charged with the responsibility for discharging specific tasks within Standing Orders and Standing Financial Instructions.

1.2.17 **"Non-Executive Director"** means a member of the Trust who is not an Officer of the Trust and is not to be treated as an Officer by virtue of regulation 1(3) of the Membership, Procedure and Administration Arrangements Regulations.

1.2.18 **"Officer"** means employee of the Trust or any other person holding a paid appointment or office with the Trust.

1.2.181.2.19 **"Pecuniary interests"** means business interests and wider financial interests.

1.2.191.2.20 **"Petition"** means a formal request signed by many people.

1.2.201.2.21 **"Quality & Safety Assurance Committee"** means a committee whose functions are concerned with the arrangements for the purpose of monitoring and improving the quality and safety of health care for which the Trust has responsibility.

1.2.211.2.22 **"Scheme of Reservation and Delegation"** means the combined Schedule of Matters Reserved to the Board and Scheme of Delegation of powers.

1.2.221.2.23 **"Senior Independent Director"** means the appointed independent Non-Executive Director who provides a sounding board for the Trust Chair and serves as an intermediary for other directors when necessary.

1.2.231.2.24 **"SFIs"** means Standing Financial Instructions.

~~1.2.24~~1.2.25 **“SO’s”** means Standing Orders.

~~1.2.25~~1.2.26 **“Trust”** means The Shrewsbury and Telford Hospital NHS Trust.

~~1.2.26~~1.2.27 **“Trust Chair”** is the person appointed by NHS England to lead the Board and to ensure that it successfully discharges its overall responsibility for the Trust as a whole. The expression “Trust Chair” shall be deemed to include the Vice-Chair of the Trust if the Trust Chair is absent from the meeting or is otherwise unavailable.

~~1.2.27~~1.2.28 **“Vice-Chair”** means the non-Officer member appointed by the Board to take on the Chair’s duties if the Chair is absent for any reason.

1.3 In these Standing Orders, where any value or price is referred to, it shall be calculated inclusive of current rate of Value Added Tax.

1.4 **Integrated Governance**

Board of Directors are encouraged to move away from silo governance and develop integrated governance that will lead to good governance and to ensure that decision-making is informed by intelligent information covering the full range of corporate, financial, clinical, information and research governance. Decision-making by the Board is informed by intelligent information covering all aspects of governance taking a holistic view of the organisation.

2. **THE BOARD OF DIRECTORS**

2.1 All business shall be conducted in the name of the Trust.

2.2 All funds received in trust shall be held in the name of the Trust as corporate trustee. The powers exercised by the Trust, as corporate trustee, in relation to funds held on trust, shall be exercised separately and distinctly from those powers exercised as a Trust.

2.3 The Board shall define and regularly review the functions it exercises on behalf of the Secretary of State

2.4 The powers of the Trust established under statute shall be exercised by the Board meeting in public session except as otherwise provided for in Standing Order 3 .

2.5 The Board has resolved that certain powers and decisions may only be exercised by the Board in formal session. These powers and decisions are set out in Reservation of Powers to the Board within the Scheme of Reservation and Delegation and have effect as if incorporated into the Standing Orders.

2.6 Directors acting on behalf of the Trust as corporate trustees are acting as quasi-trustees. Accountability for charitable funds held on trust is to the Charity Commission and to the Secretary of State for Health. Accountability for non-charitable funds held on trust is only to the Secretary of State for Health.

- 2.7 **Composition of the Board** – In accordance with the Membership and Procedure Regulations, the Trust's Establishment Order (Statutory Instrument number 2346) and Amendment Order (Statutory Instrument number 2895) the composition of the Board shall be:

- The Chair of the Trust (Trust Chair)
- Up to 7 Non Executive Directors excluding the Trust Chair
- Up to 5 Executive Directors including:
 - The Chief Executive
 - The Director of Finance
 - A medical or dental practitioner (Medical Director); and
 - A registered nurse or registered midwife (Director of Nursing)

The Trust shall have no more than 12 and no fewer than eight voting Directors, excluding the Chair, unless directed by the Secretary of State. In addition, the Board may include non-voting Associate Non-Executive Directors and non-voting executives who fulfil crucial roles for the Trust.

- 2.8 **Appointment of the Trust Chair and Members** – The Trust Chair and Non-Executive Directors are appointed by NHS England on behalf of the Secretary of State. The other Members are appointed by the relevant committees as set out in paragraphs 2.15 and 2.16 of these Standing Orders. All appointments are subject to the relevant provisions of the Membership and Procedure Regulations, subsequent amendments, and Department of Health and Social Care/NHS England guidance.

- 2.9 **Terms of Office of the Trust Chair and Members** – The regulations setting out the period of tenure of office of the Trust Chair and members and for the termination or suspension of office of the Trust Chair and members are contained in the Membership and Procedure Regulations and are as directed by NHS England under its delegated authority from the Secretary of State.

- 2.10 **Appointment and Powers of Vice-Chair** – Subject to SO 2.11 below, the Trust Chair and members of the Trust may appoint one of their number, who is not also an executive Director, to be Vice-Chair, for such period, not exceeding the remainder of their term as a member of the Trust, as they may specify on appointing them.

- 2.11 Any member so appointed may at any time resign from the office of Vice- Chair by giving notice in writing to the Trust Chair. The Trust Chair and members may thereupon appoint another member as Vice-Chair in accordance with the provisions of Standing Order 2.10.

- 2.12 Where the Trust Chair has died or has ceased to hold office, or where they have been unable to perform their duties as Chair owing to illness or any other cause, the Vice-Chair shall act as Trust Chair until a new Trust Chair is appointed or the existing Chair resumes their duties, as the case may be; and references to the Trust Chair in these Standing Orders shall, so long as there is no Trust Chair able to perform their duties, be taken to include references to the Vice- Chair.

- 2.13 **Joint Members** – Where more than one person is appointed jointly to a post in the Trust that qualifies the holder for executive directorship or in relation to which an executive director is to be appointed, those persons shall count for the purpose of Standing Order 2.7 as one person. See Standing Order 3.30 in relation to voting of joint members.
- 2.14 **Committee for Appointing Chief Executive as Director** – The Trust shall appoint a committee whose members shall be the Trust Chair and Non-Executive Directors of the Trust whose function will be to appoint a Chief Executive.
- 2.15 **Committee for Appointing Executive Directors other than Chief Executive** – The Trust shall appoint a committee whose members shall be the Trust Chair, the Non-Executive Directors and the Chief Executive whose function will be to appoint the Executive Directors of the Trust other than the Chief Executive.
- 2.16 **Role of Members**

The Board will function as a corporate decision-making body, Officer and Non-Officer Members will be full and equal members. Their role as members of the Board of Directors will be to consider the key strategic and managerial issues facing the Trust in carrying out its statutory and other functions.

2.16.1 Executive Members

Executive Members shall exercise their authority within the terms of these Standing Orders and Standing Financial Instructions and the Scheme of Delegation.

2.16.2 Chief Executive

The Chief Executive shall be responsible for the overall performance of the executive functions of the Trust. They shall be the **Accountable Officer** for the Trust and shall be responsible for ensuring the discharge of obligations under Financial Directions and in line with the requirements of the Accountable Officer Memorandum for Trust Chief Executives.

2.16.3 Director of Finance

The Director of Finance shall be responsible for the provision of financial advice to the Trust and to its members and for the supervision of financial control and accounting systems. They shall be responsible along with the Chief Executive for ensuring the discharge of obligations under relevant Financial Directions.

2.16.4 Non-Executive Members

The Non-Executive Members shall not be granted nor shall they seek to exercise any individual executive powers on behalf of the Trust. They may however, exercise collective authority when acting as members of or when chairing a committee of the Trust that has delegated powers.

2.16.5 Trust Chair

The Trust Chair shall be responsible for the operation of the Board and chair all Board meetings when present. The Trust Chair has certain delegated executive powers. The Trust Chair must comply with the terms of appointment and with these Standing Orders.

The Trust Chair shall liaise with NHS England over the appointment of Non-Executive Directors and once appointed shall take responsibility either directly or indirectly for their induction, their portfolios of interests and assignments, and their performance.

The Trust Chair shall work in close harmony with the Chief Executive and shall ensure that key and appropriate issues are discussed by the Board in a timely manner with all the necessary information and advice being made available to the Board to inform the debate and ultimate resolutions.

2.16.6 Senior Independent Director

The Board may choose to appoint one of its independent Non-Executive Directors to be the Senior Independent Director. The Senior Independent Director will provide a sounding board for the Trust Chair and serves as an intermediary for other directors when necessary.

2.17 Schedule of Matters reserved to the Board and Scheme of Delegation

The Board has resolved that certain powers and decisions may only be exercised by the Board in formal session. These powers and decisions are set out in the Schedule of Matters Reserved to the Board and shall have effect as if incorporated into the Standing Orders. Those powers which it has delegated to officers and other bodies are contained in the Scheme of Delegation. Both shall be known as the Scheme of Reservation and Delegation.

2.18 Lead Roles for Board Members

The Trust Chair will ensure that the designation of Lead roles or appointments of Board members as required by the Department of Health and Social Care or as set out in any statutory or other guidance will be made in accordance with that guidance or statutory requirement (e.g. appointing a Lead Board Member with responsibilities for Infection Control or Safeguarding and Child Protection Services).

3. MEETINGS OF THE BOARD

Admission of the Public and the Press See Standing Order 3.47.

- 3.1 Calling Meetings** – Ordinary meetings of the Board shall be held at such times and places as the Board may determine.

- 3.2 The Trust Chair may call an additional meeting of the Trust (Board) at any time. If the Trust Chair refuses to call a meeting after a requisition for that purpose, signed by at least one-third of the whole number of members, has been presented to them, or if, without so refusing, the Trust Chair does not call a meeting within seven days after such requisition has been presented to them at the Trust's Headquarters, such one third or more members may forthwith call a meeting.
- 3.3 A Board meeting may be undertaken between members some or all of whom are in different places providing that each member may participate in the business of the meeting by telephone or electronic means, which enables the member to: (1) hear each of the other participating members during the meeting; and (2) to address all of the other participating members simultaneously.
- 3.4 **Notice of Meetings and Business to be Transacted** – Before each meeting of the Board, a notice of the meeting, specifying the business proposed to be transacted at it, and approved by the Chair or by an Officer authorised by the Chair to approve on their behalf shall be delivered to every member so as to be available to them at least three clear days before the meeting.
- 3.5 Want of service of the notice on any member shall not affect the validity of a meeting.
- 3.6 In the case of a meeting called by members in default of the Chair, the notice shall be signed by those members and no business shall be transacted at the meeting other than that specified in the notice.
- 3.7 Agendas will be sent to members six days before the meeting and supporting papers, whenever possible, shall accompany the agenda, but will certainly be despatched no later than three clear days before the meeting, save in emergency. Failure to serve such a notice on more than three members will invalidate the meeting. A notice shall be presumed to have been served one day after posting.
- 3.8 Before each meeting of the Board a public notice of the time and place of the meeting, and the public part of the agenda, shall be displayed at the Trust's Headquarters and/or the Trust's website at least three clear days before the meeting. (Required by the Public Bodies (Admission to Meetings) Act 1960 Section 1(4) (a).
- 3.9 In accordance with the National Health Service Trusts (Public Meetings) Regulations 1991 (Statutory Instrument 1991/482), an annual public meeting shall be held on or before 30 September each year after the completion of the annual accounts to lay the accounts, annual report and any report on the accounts before the public. In such cases, a public notice specifying the meeting date, time and location shall be posted at the Trust's Headquarters and/or the Trust's website at least three calendar days prior to the meeting.
- 3.10 **Setting the Agenda and Supporting Papers** – The Board may determine that certain matters shall appear on every agenda for a meeting and shall be addressed prior to any other business being conducted. On agreement by the Board, these matters may change from time to time.

- 3.11 A member desiring a matter to be included on an agenda shall make their request in writing, including by electronic means, to the Chair at least 15 clear days before the meeting. The request should state whether the item of business is proposed to be transacted in the presence of the public and should include appropriate supporting information. Requests made less than 15 days before a meeting may be included on the agenda at the discretion of the Chair.
- 3.12 Notwithstanding Standing Order 3.11 “a member desiring a matter to be included on an agenda” and 3.16 “notice of motion” a member may with the consent of the Chair of the meeting, add to the agenda of any meetings any item of business relevant to the responsibilities of the Trust, under “Any Other Business”.
- 3.13 **Petitions** – Where a petition has been received by the Trust the Chair of the Board shall include the petition as an item for the agenda of the next Board meeting.
- 3.14 **Chair of Meeting** – At any meeting of the Board, the Chair, if present, shall preside. If the Chair is absent from the meeting the Vice- Chair, if there is one and they are present, shall preside. If the Chair and Vice-Chair are absent such member (who is not also an Officer of the Trust) as the members present shall choose shall preside.
- 3.15 If the Chair is absent temporarily on the grounds of a declared conflict of interest the Vice-Chair, if present, shall preside. If the Chair and Vice- Chair are absent, or are disqualified from participating, such Non-Executive Director as the members present shall choose shall preside.
- 3.16 Notice of Motion**
- i) Subject to the provision of Standing Orders 3.17 “Motions: Procedure at and during a meeting” and 3.22 “Motions to rescind a resolution”, a member of the Board wishing to move a motion shall send a written notice to the Chief Executive who will ensure that it is brought to the immediate attention of the Chair.
 - ii) The notice shall be delivered at least 15 clear days before the meeting. The Chief Executive shall include in the agenda for the meeting all notices so received that are in order and permissible under governing regulations. This Standing Order shall not prevent any motion being withdrawn or moved without notice on any business mentioned on the agenda for the meeting.

3.17 Emergency Motions

Subject to the agreement of the Chair, and subject also to the provision of Standing Order 3.18 “Motions: Procedure at and during a meeting”, a member of the Board may give written notice of an emergency motion after the issue of the notice of meeting and agenda, up to one hour before the time fixed for the meeting. The notice shall state the grounds of urgency. If in order, it shall be declared to the Board of Directors at the commencement of the business of the meeting as an additional item included in the agenda. The Chair’s decision to include the item shall be final.

3.18 Motions: Procedure at and during a meeting

i) Who may propose

A motion may be proposed by the Chair of the meeting or any member present. It must also be seconded by another member.

ii) Contents of motions

The Chair may exclude from the debate at their discretion any such motion of which notice was not given on the notice summoning the meeting other than a motion relating to:

- the reception of a report;
- consideration of any item of business before the Board of Directors;
- the accuracy of minutes;
- that the Board proceed to next business;
- that the Board adjourn;
- that the question be now put.

iii) Amendments to motions

A motion for amendment shall not be discussed unless it has been proposed and seconded.

Amendments to motions shall be moved relevant to the motion, and shall not have the effect of negating the motion before the Board.

If there are a number of amendments, they shall be considered one at a time. When a motion has been amended, the amended motion shall become the substantive motion before the meeting, upon which any further amendment may be moved.

3.19 Rights of reply to motions

i) Amendments

The mover of an amendment may reply to the debate on their amendment immediately prior to the mover of the original motion, who shall have the right of reply at the close of debate on the amendment but may not otherwise speak on it.

ii) Substantive/original motion

The member who proposed the substantive motion shall have a right of reply at the close of any debate on the motion.

3.20 Withdrawing a motion

A motion, or an amendment to a motion, may be withdrawn.

3.21 Motions once under debate

3.21.1 When a motion is under debate, no motion may be moved other than:

- an amendment to the motion;
- the adjournment of the discussion, or the meeting;
- that the meeting proceed to the next business;
- that the question should be now put;
- the appointment of an 'ad hoc' committee to deal with a specific item of business;
- that a member/director be not further heard;
- a motion under Section I (2) or Section I (8) of the Public Bodies (Admissions to Meetings) Act 1960 resolving to exclude the public, including the press

3.21.2 In those cases where the motion is either that the meeting proceeds to the "next business" or "that the question be now put" in the interests of objectivity these should only be put forward by a member of the Board who has not taken part in the debate and who is eligible to vote.

3.21.3 If a motion to proceed to the next business or that the question be now put, is carried, the Chair should give the mover of the substantive motion under debate a right of reply, if not already exercised. The matter should then be put to the vote.

3.22 Motion to Rescind a Resolution

3.22.1 Notice of motion to rescind any resolution (or the general substance of any resolution) which has been passed within the preceding six calendar months shall bear the signature of the member who gives it and also the signature of three other members, and before considering any such motion of which notice shall have been given, the Board of Directors may refer the matter to any appropriate Committee or the Chief Executive for recommendation.

3.22.2 When any such motion has been dealt with by the Board of Directors it shall not be competent for any director/member other than the Trust Chair to propose a motion to the same effect within six months. This Standing Order shall not apply to motions moved in pursuance of a report or recommendations of a Committee or the Chief Executive.

3.23 **Chair's Ruling** – Statements of members made at meetings of the Board shall be relevant to the matter under discussion at the material time and the decision of the Chair of the meeting on questions of order, relevancy, regularity (including the procedure for motions) shall be final. In this interpretation the Chair shall be advised by the Chief Executive and the Company Secretary and in the case of Standing Financial instructions the Chair shall be advised by the Director of Finance.

3.24 **Voting** – It is not a requirement for decisions to be subject to a vote. The Chair shall be responsible for deciding whether a vote is required and what form it will

- take. Where it is necessary to take a vote to determine an issue, the decision shall be determined by a majority of the votes of the members present and eligible to vote. If the result of the vote is equal, the Chair of the meeting shall have a second or casting vote.
- 3.25 All questions put to the vote shall, at the discretion of the Chair of the meeting, be determined by oral expression or by a show of hands. A paper ballot may also be used if a majority of the members present so request.
- 3.26 If at least one-third of the members present so request, the voting (other than by paper ballot) on any question may be recorded to show how each member present voted or abstained.
- 3.27 If a member so requests, their vote shall be recorded by name. Such a request will not be accepted if doing so would reveal the votes of other members that do not wish to have their vote recorded.
- 3.28 In no circumstances may an absent member vote by proxy. Absence is defined as being absent at the time of the vote.
- 3.29 An Officer who has been appointed formally by the Board to act up for an executive member during a period of incapacity or temporarily to fill an executive member vacancy, shall be entitled to exercise the voting rights of the executive member. An Officer attending the Board to represent an executive member during a period of incapacity or temporary absence without formal acting up status may not exercise the voting rights of the executive member. An Officer's status when attending a meeting shall be recorded in the minutes.
- 3.30 **Joint Members** – Where the office of a member of the Board is shared jointly by more than one person:
- (a) Either or both of those persons may attend or take part in meetings of the Board:
 - (b) If both are present at a meeting they should cast one vote if they agree:
 - (c) In the case of disagreements no vote should be cast:
 - (d) The presence of either or both of those persons should count as the presence of one person for the purposes of Standing Order 3.44 (Quorum).
- 3.31 **Record of Attendance** – The names of the Chair and members present at the meeting shall be recorded in the minutes.
- 3.32 **Minutes** – The minutes of the proceedings of a meeting shall be drawn up, entered into a record kept for that purpose and submitted for agreement at the next ensuing meeting. Once agreed, the minutes will be regarded as the formal record of the meeting.
- 3.33 No discussion shall take place upon the minutes except upon their accuracy or where the Chair considers discussion appropriate. Any amendment to the minutes shall be agreed and recorded at the next meeting.

- 3.34 Minutes shall be circulated in accordance with members' wishes. Where providing a record of a public meeting the minutes shall be made available to the public.
- 3.35 **Suspension of Standing Orders** – Except where this would contravene any statutory provision or any direction made by the Secretary of State, any one or more of the Standing Orders may be suspended at any meeting, provided that at least two-thirds of the Board are present, including one Officer and one non-Officer member, and that a majority of those present vote in favour of suspension.
- 3.36 A decision to suspend Standing Orders shall be recorded in the minutes of the meeting.
- 3.37 A separate record of matters discussed during the suspension of Standing Orders shall be made and shall be available to the Trust Chair and members of the Board.
- 3.38 No formal business may be transacted while Standing Orders are suspended.
- 3.39 The Audit & Risk Assurance Committee shall review every decision to suspend Standing Orders.
- 3.40 **Variation and Amendment of Standing Orders** – These Standing Orders shall be amended only if:
- (i) a notice of motion under Standing Order 3.16 has been given, or upon a recommendation of the Chair or Chief Executive included on the agenda; and
 - (ii) no fewer than half the total of the Trust's Non-Executive Directors vote in favour of amendment; and
 - (iii) at least two-thirds of the Board members are present; and
 - (iv) the variation proposed does not contravene a statutory provision or direction made by the Secretary of State.
 - (v) Any financial limits in these Standing Orders or the Scheme of Reservation and Delegation may be varied by the Board of Directors at any time.
 - (vi) Where financial limits are varied, the Director of Finance will advise the Audit & Risk Assurance Committee, and internal and external audit.
- 3.41 **Availability of Standing Orders** – the Standing Orders will be made available as follows:
- 3.42 The Company Secretary shall make available a copy of the Standing Orders to each director of the Trust and to such other employees as the Chief Executive considers appropriate.
- 3.43 A copy of these Standing Orders will be held for all staff to access on the Trust's intranet site as well as the Trust website, in line with Freedom of Information obligations
- 3.44 **Quorum** – No business shall be transacted at a meeting unless at least one-third (rounded up to a whole number) of the whole number of the Chair and members appointed, (including at least two Non-Executive and two Executive members) are present.

- 3.45 An Officer in attendance for an Executive member but without formal acting up status may not count towards the quorum.
- 3.46 If the Chair or member has been disqualified from participating in the discussion on any matter and/or from voting on any resolution by reason of the declaration of a conflict of interest (see Standing Order 6 or 7) they shall no longer count towards the quorum. If a quorum is then not available for the discussion and/or the passing of a resolution on any matter, that matter may not be discussed further or voted upon at that meeting. Such a position shall be recorded in the minutes of the meeting. The meeting must then proceed to the next business.

3.47 Admission of public and the press

3.47.1 Admission and exclusion on grounds of confidentiality of business to be transacted

The Board may, by resolution, exclude the public from a meeting (whether during the whole or part of the proceedings) whenever publicity would be prejudicial to the public interest by reason of the confidential nature of the business to be transacted or for other special reasons stated in the resolution and arising from the nature of that business or of the proceedings; and where such a resolution is passed, this Act shall not require the meeting to be open to the public during proceedings to which the resolution applies (Public Bodies (Admission to Meetings) Act 1960) section 1(2):

Guidance should be sought from the NHS Trust's Freedom of Information Lead to ensure correct procedure is followed on matters to be included in the exclusion.

3.47.2 General disturbances

The Chair (or Vice-Chair if one has been appointed) or the person presiding over the meeting shall give such directions as they think fit with regard to the arrangements for meetings and accommodation of the public and representatives of the press such as to ensure that the Trust's business shall be conducted without interruption and disruption and, without prejudice to the power to exclude on grounds of the confidential nature of the business to be transacted, the public will be required to withdraw upon the Board of Directors resolving as follows:

- "That in the interests of public order the meeting adjourn for (the period to be specified) to enable the Board of Directors to complete its business without the presence of the public". Section 1(8) Public Bodies (Admissions to Meetings) Act 1960.

3.47.3 Business proposed to be transacted when the press and public have been excluded from a meeting

Matters to be dealt with by the Board of Directors following the exclusion of representatives of the press, and other members of the public, as provided in (i)

and (ii) above, shall be confidential to the members of the Board.

Members and Officers or any employee of the Trust in attendance shall not reveal or disclose the contents of papers marked 'In Confidence' or minutes headed 'Items Taken in Private' outside of the Trust, without the express permission of the Trust. This prohibition shall apply equally to the content of any discussion during the Board meeting which may take place on such reports or papers.

3.47.4 Use of Mechanical or Electrical Equipment for Recording or Transmission of Meetings

Nothing in these Standing Orders shall be construed as permitting the introduction by the public, or press representatives, of recording, transmitting, video or similar apparatus into meetings of the Trust or Committee thereof, other than in writing, or to make any oral report of proceedings as they take place. Such permission shall be granted only upon prior agreement of the Board of Directors.

3.48 Observers at Trust meetings

The Trust will decide what arrangements and terms and conditions it feels are appropriate to offer in extending an invitation to observers to attend and address any of the Board of Directors' meetings and may change, alter or vary these terms and conditions as it deems fit.

3.49 Informal Meetings of the Board

The provisions of these Standing Orders relating to meetings of the Board shall relate only to meetings that have been convened as formal Board meetings, in accordance with Standing Order 3.1. The Standing Orders shall not apply to seminars or workshops or other informal meetings attended by members of the Board.

4. ARRANGEMENTS FOR THE EXERCISE OF FUNCTIONS BY DELEGATION

4.1 Subject to such directions as may be given by the Secretary of State, 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 5.1, 5.2 or 5.3 below, or by an Officer of the Trust,
- or by another body as defined in Standing Order 4.2 below,

in each case subject to such restrictions and conditions as the Trust thinks fit.

4.2 The Trust cannot delegate its functions to another body except where expressly permitted by law or under arrangements made by the Secretary of State. By virtue of Section 65Z5 of the NHS Act 2006 the Trust has the power to delegate its functions to other NHS bodies or local authorities or to exercise its functions jointly

- with those bodies. The Board may consider and agree to participate in governance structures for collaboration and integration as part of system working such as joint boards/committees, provider alliances and clinical networks.
- 4.3 Any delegation of functions under Standing Order 4.1 and 4.2 shall be recorded in the Trust's scheme of delegation and approved by the Board.
- 4.4 **Emergency Powers** – The powers which the Board has retained to itself within these Standing Orders (Standing Order 2.18 – Schedule of Matters Reserved to the Board) may in emergency be exercised by the Chief Executive and the Trust Chair acting jointly after having consulted at least two non-Officer members. The exercise of such powers by the Chief Executive and Trust Chair shall be reported to the next formal meeting of the Board in public session for ratification (unless the nature of the content is such that reporting to the private session of the Board is required).
- 4.5 **Delegation to Committees** – The Board shall agree from time to time to the delegation of executive powers to be exercised by committees, or joint-committees, which it has formally constituted. The constitution and terms of reference of these committees, or joint committees, and their specific executive powers shall be approved by the Board.
- 4.6 When the Board is not meeting as the Trust in public session it shall operate as a committee and may only exercise such powers as may have been delegated to it by the Trust in public session.
- 4.7 **Delegation to Officers** – Those functions of the Trust which have not been retained as reserved by the Board or delegated to a committee or joint-committee shall be exercised on behalf of the Trust by the Chief Executive. The Chief Executive shall determine which functions they will perform personally and shall nominate Officers to undertake the remaining functions for which they will still retain an accountability to the Trust.
- 4.8 The Chief Executive shall prepare a Scheme of Delegation identifying their proposals, which shall be considered and approved by the Board, subject to any amendment, agreed during the discussion. The Chief Executive may periodically propose amendment to the Scheme of Delegation that shall be considered and approved by the Board as indicated above.
- 4.9 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 statutory or Department of Health requirements. Outside these statutory requirements the roles of the Director of Finance shall be accountable to the Chief Executive for operational matters.
- 4.10 **Scheme of Reservation and Delegation** – The arrangements made by the Board as set out in the Scheme of Reservation and Delegation (reservation of powers to the Board and delegation of powers) document shall have effect as if incorporated in these Standing Orders.

- 4.11 **Overriding Standing Orders** – If for any reason Standing Orders or 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 & Risk Assurance Committee and the Board for action or ratification. All members of the Board and staff have a duty to disclose any non-compliance with these Standing Orders to the Chief Executive as soon as possible.

5. COMMITTEES

- 5.1 **Appointment of Committees** – Subject to such directions (and to guidance issued by the Department of Health & Social Care and NHS England) as may be given by the Secretary of State, the Board may and, if directed, shall appoint committees of the Board of Directors consisting wholly or partly of members (directors).
- 5.2 **Joint Committees** – Joining together with one or more bodies with equivalent powers, the Board may appoint joint committees, consisting wholly or partly of the Trust Chair and members of the Trust or other health service bodies or wholly of persons who are not members of the Trust or other health service bodies in question.
- 5.3 **Sub Committees** – A committee or joint committee appointed under this regulation may, subject to such directions as may be given by the Secretary of State or the Trust or other health service bodies in question, appoint sub-committees consisting wholly or partly of members of the committee or joint committee (whether or not they are members of the Trust or other health service bodies in question); or wholly of persons who are not members of the Trust or other health service bodies or the committee of the Trust or other health service bodies in question. Each Committee shall determine the membership and terms of reference of each sub-committee it establishes and shall, if it requires to, receive and consider reports of such sub-committees.
- 5.4 **Applicability of Standing Orders and Standing Financial Instructions to Committees** – The Standing Orders of the Trust, as far as they are applicable, shall apply with appropriate alteration to meetings of any committees established by the Trust. In which case the term “Chair” is to be read as a reference to the Chair of the committee as the context permits, and the term “member” is to be read as a reference to a member of the committee also as the context permits. There is no requirement to hold meetings of committees, established by the Trust in public, unless specifically agreed by the Board.
- 5.5 **Terms of reference** – Each such committee shall have such terms of reference and powers and be subject to such conditions (as to reporting back to the Board), as the Board shall decide and shall be in accordance with any legislation and regulation or direction issued by the Secretary of State. Such terms of reference shall have effect as if incorporated into the Standing Orders.
- 5.6 **Delegation of Powers by Committees to Sub-Committees** – Where committees are authorised to establish sub-committees they may not delegate executive powers to the sub-committee unless expressly authorised by the Board.

- 5.7 **Approval of Appointments to Committees** – The Board shall approve the appointments to each of the committees that it has formally constituted. Where the Board determines, and regulations permit, that persons, who are neither members nor Officers, shall be appointed to a committee the terms of such appointment shall be within the powers of the Board as defined by the Secretary of State. The Board shall define the powers of such appointees and shall agree allowances, including reimbursement for loss of earnings, and/or expenses in accordance, where appropriate, with national guidance.
- 5.8 **Appointments for Statutory Functions** – Where the Board is required to appoint persons to a committee and/or to undertake statutory functions as required by the Secretary of State, and where such appointments are to operate independently of the Board such appointment shall be made in accordance with the regulations and directions made by the Secretary of State.
- 5.9 **Committees Established by the Board** – The committees established by the Board are:
- Statutory:**
- a) Audit and Risk Assurance Committee
 - b) Remuneration Committee
 - c) Charitable Funds Committee
- Other Committees:**
- d) Finance and Performance Assurance Committee
 - e) Quality and Safety Assurance Committee
 - f) Senior Leadership Committee
 - g) ~~Board Workforce Committee~~ People and Organisational Development Assurance Committee
 - h) Ockenden Review Assurance Committee (a time-limited committee)
- 5.10 The Terms of Reference of each of these are contained within separately produced documents, approved by the Board, and shall have effect as if incorporated into these Standing Orders, and may be varied from time to time by resolution of the Board. The overall functions of the committee are also outlined within the Scheme of Reservation and Delegation.
- 5.11 **Auditor Panel** – The Local Audit and Accountability Act 2014 Act requires NHS trusts to have an auditor panel to advise on the selection, appointment and removal of external auditors and on maintaining an independent relationship with them. When the organisation appoints the external auditor, it must consult and take account of its auditor panel's advice.

The Board of Directors shall nominate its Audit and Risk Assurance Committee to act as its Auditor Panel in line with schedule 4, paragraph 1 of the Local Audit and Accountability Act 2014.

The Auditor Panel shall advise the Board of Directors on the selection and appointment of the external auditor.

The terms of reference of the Auditor Panel shall have effect as if incorporated into these Standing Orders and their approval shall be recorded in the appropriate minutes of the Board of Directors and may be varied from time to time by resolution of the Board of Directors.

6. MANAGING CONFLICTS OF INTEREST

6.1 **Declaration of Interests (including gifts, hospitality and sponsorship)** – Staff (including all members/directors) must comply with the national guidance contained in NHS England's Managing Conflicts of Interest in the NHS and the Bribery Act 2010. Adherence to the Trust's Managing Conflicts of Interest Policy and Anti-Fraud, Bribery and Corruption~~Fraud~~ Policy will ensure compliance with national requirements and legislation. The following provisions should be read in conjunction with the Managing Conflicts of Interest Policy.

6.2 Interests are:

- (i) **Financial interests**, where an individual may get direct financial benefit from the consequences of a decision they are involved in making.
- (ii) **Non-financial professional interests**, where an individual may obtain a non-financial professional benefit from the consequences of a decision they are involved in making, such as increasing their professional reputation or promoting their professional career.
- (iii) **Non-financial personal interests**, where an individual may benefit personally in ways which are not linked to their professional career and do not give rise to a direct financial benefit, because of decisions they are involved in making in their professional career.
- (iv) **Indirect interests**, where an individual has a close association with another individual who has a financial interest, a non-financial professional interest or a non-financial personal interest and could stand to benefit from a decision they are involved in making.

6.3 Interests which should be regarded as “relevant and material” are:

- a) Directorships, including Non-Executive Directorships held in private companies or public limited companies (with the exception of those of dormant companies).
- b) Ownership or part-ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS.
- c) Majority or controlling share holdings in organisations likely or possibly seeking to do business with the NHS.
- d) A position of trust in a charity or voluntary organisation in the field

of health and social care.

- e) Any connection with a voluntary or other organisation contracting for NHS services.
 - f) Any other commercial interest in the decision before the meeting.
- 6.4 Declarations of interests should be considered by the Board of Directors and retained as part of the record of each Board of Directors meeting. Any changes in interests should be declared at the next Board meeting following the change occurring.
- 6.5 Board members' Directorships of companies likely or possibly seeking to do business with the NHS should be published/referenced in the Board's Annual Report. The information should be kept up to date for inclusion in succeeding annual reports.
- 6.6 During the course of a Board meeting, if a conflict of interest is established, the member concerned should withdraw from the meeting and play no part in the relevant discussion or decision. The declared conflict of interest and agreed course of action should be recorded in the minutes of the meeting.
- 6.7 Subject to the requirements stated in Standing Order 7, the interests of directors' spouses, partners, or other family members must be disclosed where these may be in conflict with the Trust.
- 6.8 If Board members have any doubt about the relevance of an interest, this should be discussed with the Trust Chair and/or Company Secretary. Financial Reporting Standards guidance outline the requirements for entities to disclose the possibility that its financial position has been affected by the existence of related parties and transactions of such parties.
- 6.9 **Register of Interests** – The Chief Executive will ensure that a Register of Interests and Register of Gifts and Hospitality is established to record formally declarations of interests of Board members and staff. In particular, the Register(s) will include details of all Directorships and other relevant and material interests which have been declared by both Executive and Non-Executive Board members, as defined in Standing Order 6.2-6.3.
- 6.10 The details within the Register(s) will be kept up to date and shall also receive an annual review.
- 6.11 The Register(s) will be available to the public via the Trust's website. The Chief Executive will take reasonable steps to ensure that the register(s) is maintained and bring the existence of the Register(s) to the attention of the local population.

7. EXCLUSION OF CHAIR AND MEMBERS IN PROCEEDINGS ON ACCOUNT OF PECUNIARY INTEREST

7.1 Definition of terms used in interpreting “Pecuniary” interest

For the sake of clarity, the following definition of terms is to be used in interpreting this Standing Order:

- (i) “spouse” or “partner” shall include any person who lives with another person in the same household (and any pecuniary interest of one spouse shall, if known to the other spouse, be deemed to be an interest of that other spouse);
- (ii) “contract” shall include any proposed contract or other course of dealing.
- (iii) “Pecuniary interest”

Subject to the exceptions set out in this Standing Order, a person shall be treated as having an indirect pecuniary interest in a contract if:-

- a) They, or a nominee, is a member of a company or other body (not being a public body), with which the contract is made, or to be made or which has a direct pecuniary interest in the same, or
- b) They are a partner, associate or employee of any person with whom the contract is made or to be made or who has a direct pecuniary interest in the same.

(iv) Exception to Pecuniary interests

A person shall not be regarded as having a pecuniary interest in any contract if:-

- a) neither © or any person connected with them has any beneficial interest in the securities of a company of which they or such person appears as a member, or
- b) any interest that they or any person connected with them may have in the contract is so remote or insignificant that it cannot reasonably be regarded as likely to influence them in relation to considering or voting on that contract, or
- c) those securities of any company in which they (or any person connected with them) has a beneficial interest do not exceed £5,000 in nominal value or one per cent of the total issued share capital of the company or of the relevant class of such capital, whichever is the less.

Provided however, that where paragraph © above applies the person shall nevertheless be obliged to disclose/declare their interest.

- 7.2 **Exclusion in proceedings of the Board** – Subject to the following provisions of this Standing Order (which is taken from the Membership Procedure and Administration Regulations), if the Chair or a member has any pecuniary interest, direct or indirect, in any contract, proposed contract or other matter and is present at a meeting of the Trust at which the contract or other matter is the subject of consideration, they shall at the meeting and as soon as practicable after its commencement disclose the fact and shall not take part in the consideration or discussion of the contract or other matter or vote on any question with respect to it.
- 7.3 The Secretary of State may, subject to such conditions as they may think fit to impose, remove any disability imposed by this Standing Order in any case in which it appears to them in the interests of the National Health Service that the disability shall be removed
- 7.4 The Board may exclude the Chair or a member of the Board from a meeting of the Board while any contract, proposed contract or other matter in which they have a pecuniary interest, is under consideration.
- 7.5 Any remuneration, compensation or allowances payable to the Chair or a member in respect of their member role shall not be treated as a pecuniary interest for the purpose of this Standing Order.
- 7.6 For the purpose of this Standing Order the Chair or a member shall be treated as having indirectly a pecuniary interest in a contract, proposed contract or other matter, if:
- (a) They, or a nominee, is a Director of a company or other body, not being a public body, with which the contract was made or is proposed to be made or which has a direct pecuniary interest in the other matter under consideration;
 - or
 - (b) They are a partner of, or is in the employment of a person with whom the contract was made or is proposed to be made or who has a direct pecuniary interest in the other matter under consideration;
- and in the case of persons living together the interest of one spouse/partner shall, if known to the other, be deemed for the purposes of this Standing Order to be also an interest of the other.
- 7.7 Where the Chair or a member has an indirect pecuniary interest in a contract, proposed contract or other matter by reason only of a beneficial interest in securities of a company or other body, and the total nominal value of those securities does not exceed £5,000 or one-hundredth of the total nominal value of the issued share capital of the company body, whichever is the less, and if the share capital is of more than one class, the total nominal value of shares of any one class in which he has a beneficial interest does not exceed one-hundredth of the total issued share capital of that class, this Standing Order shall not prohibit them from taking part in the consideration or discussion of the contract or other matter or from voting on any question with respect to it, without prejudice however

to their duty to disclose their interest.

- 7.8 The Standing Order applies to a committee or sub-committee and to a joint committee as it applies to the Trust and applies to a member of any such committee or sub-committee (whether or not they are also a member of the Trust) as it applies to a member of the Trust.

8. STANDARDS OF BUSINESS CONDUCT

- 8.1 The Trust considers it to be a priority to maintain the confidence and continuing goodwill of its patients, public and fellow service providers. The Trust will ensure that all staff are aware of the standards expected of them and will provide guidance on their personal and professional behaviour.
- 8.2 The NHS Constitution identifies a number of key rights that all staff have and makes a number of further pledges to support staff in delivering NHS services. It goes on to set out the legal duties and expectations of all NHS staff, including:

8.2.1 Legal duties:

- to accept professional accountability and maintain the standards of professional practice as set out by the relevant regulatory bodies;
- to take reasonable care of health and safety at work for individuals/teams/others;
- to act in accordance with the terms of contract of employment;
- not to act in a discriminatory manner and to adhere to equal opportunities and equality and human rights legislation;
- to protect confidentiality of personal information;

8.2.2 Expectations include:

- to provide all patients with safe care and to protect them from avoidable harm
- to maintain the highest standards of care and service, treating every individual with compassion, dignity and respect;
- to be open with patients, families and carers, including if anything goes wrong;
- to take up training and development opportunities;
- to contribute to improving services;
- to raise any genuine concerns about risks, malpractice or wrongdoing at work at the earliest opportunity; and
- to contribute to a climate where the truth can be heard and learning from errors.

8.3 **Nolan Principles** – The Board members shall adhere to the Seven Principles of Public Life (the Nolan Principles) set out by the Committee on Standards in Public Life. These are:

- **Selflessness:** Holders of public office should act solely in terms of the public interest.
- **Integrity:** Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.
- **Objectivity:** Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
- **Accountability:** Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.
- **Openness:** Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.
- **Honesty:** Holders of public office should be truthful.
- **Leadership:** Holders of public office should exhibit these principles in their own behaviour and treat others with respect. They should actively promote and robustly support the principles and challenge poor behaviour wherever it occurs

8.4 All Directors must act in accordance with the Professional Standards Authority's 'Standards for members of NHS boards and Clinical Commissioning Group governing bodies in England' 2012.

8.5 All staff shall declare any actual or potential interest, such as those described in Standing Order 6.2 and in the Trust's Managing Conflicts of Interest Policy. The declaration should be made on appointment, or as it arises (within 28 days). This section of Standing Orders should be read in conjunction with the Managing Conflicts of Interest Policy.

8.6 Gifts and hospitality shall only be accepted and recorded in accordance with the Trust's Managing Conflicts of Interest Policy. Officers of the Trust shall not ask for any rewards or gifts; nor shall they accept any rewards or gifts of significant value.

8.7 **Interest of Officers in Contracts** - If it comes to the knowledge of an Officer of the Trust that a contract in which they have any pecuniary interest not being a contract to which they are himself a party, has been, or is proposed to be, entered

into by the Trust they shall, at once, give notice in writing to the Chief Executive of the fact that they are interested therein. In the case of persons living together as spouse or partners, the interest of one partner shall, if known to the other, be deemed to be also the interest of that partner.

- 8.8 An Officer should also declare to the Chief Executive, via the procedure prescribed in the Trust's Managing Conflicts of Interest Policy, any other employment or business or other relationship of theirs, or of a cohabiting spouse or partner, that conflicts, or might reasonably be predicted could conflict with the interests of the Trust. The Trust requires interests, employment or relationships declared, to be entered in a register of interests.
- 8.9 **Canvassing of, and Recommendations by, Members in Relation to Appointments** - Canvassing of members of the Trust or of any Committee of the Trust directly or indirectly for any appointment under the Trust shall disqualify the candidate for such appointment. The contents of this paragraph of the Standing Order shall be included in application forms or otherwise brought to the attention of candidates.
- 8.10 A member of the Board shall not solicit for any person any appointment under the Trust or recommend any person for such appointment: but this paragraph of this Standing Order shall not preclude a member from giving written testimonial of a candidate's ability, experience or character for submission to the Trust.
- 8.11 Informal discussions outside appointments panels or committees, whether solicited or unsolicited, should be declared to the panel or committee.
- 8.12 **Relatives of Members or Officers** - Candidates for any staff appointment under the Trust shall, when making application, disclose in writing to the Trust whether they are related to any member or the holder of any office under the Trust. Failure to disclose such a relationship shall disqualify a candidate and, if appointed, render them liable to instant dismissal.
- 8.13 The Chair and every member and Officer of the Trust shall disclose to the Chief Executive any relationship between themselves and a candidate of whose candidature that member or Officer is aware. It shall be the duty of the Chief Executive to report to the Board any such disclosure made.
- 8.14 On appointment, members (and prior to acceptance of an appointment in the case of Officer members) should disclose to the Board whether they are related to any other member or holder of any office in the Trust.
- 8.15 Where the relationship to a member of the Trust is disclosed, the Standing Order headed "Exclusion of Chair and members in proceedings on account of pecuniary interest" (Standing Order 7) shall apply.

9 CUSTODY OF SEAL AND SEALING OF DOCUMENTS

- 9.1 **Custody of Seal** - The Common Seal of the Trust shall be kept by the Company Secretary in a secure place.
- 9.2 **Sealing of Documents** - The Seal of the Trust shall not be fixed to any documents unless the sealing has been authorised by a resolution of the Board or where the Board has delegated its powers.
- 9.3 Before any building, engineering, property or capital document is sealed it must be approved and signed by the Director of Finance (or an Officer nominated by them) and authorised and countersigned by the Chief Executive (or an Officer nominated by them who shall not be within the originating Directorate).
- 9.4 The following wording shall be applied for the witnessing of the use of the Seal:
"The Common Seal of the Shrewsbury and Telford Hospital NHS Trust was hereunto affixed in the presence of..."
- 9.5 **Register of Sealing** - An entry of every sealing shall be made and numbered consecutively in a book provided for that purpose and shall be signed by the persons who shall have approved and authorised the document and those who attested the seal. A report of all sealings shall be made to the Board at least annually. (The report shall contain details of the seal number, the description of the document and date of sealing).

10 SIGNATURE OF DOCUMENTS

- 10.1 Where the signature of any document will be a necessary step in legal proceedings involving the Trust, it shall be signed by the Chief Executive, unless any enactment otherwise requires or authorises, or the Board shall have given the necessary authority to some other person for the purpose of such proceedings.
- 10.2 The Chief Executive or nominated Officers shall be authorised, by resolution of the Board, to sign on behalf of the Trust any agreement or other document not requested to be executed as a deed, the subject matter of which has been approved by the Board or any committee with delegated authority.

11 MISCELLANEOUS

- 11.1 **Standing Orders to be given to Members and Officers** - It is the duty of the Chief Executive to ensure that existing members and Officers and all new appointees are notified of and understand their responsibilities within Standing Orders and Standing Financial Instructions. Updated copies shall be issued to staff designated by the Chief Executive. New designated Officers shall be informed in writing and shall receive copies where appropriate in Standing Orders.
- 11.2 **Documents having the standing of Standing Orders** - Standing Financial Instructions, Scheme of Reservation and Delegation (reservation of powers to the Board and delegation of powers), the Trust's Managing Conflicts of Interest Policy and terms of reference for committees and joint-committees established by the Board (as outlined in Standing Order 5.9) shall have effect as if incorporated into

Standing Orders.

11.3 Review of Standing Orders - Standing Orders shall be reviewed annually by the Board. The requirement for review extends to all documents having the effect as if incorporated in Standing Orders, with the exception of the Managing Conflicts of Interest Policy which shall be reviewed at least every three years.

11.4 Statements to the media and other external organisations/bodies - Any statements, comments, or expressions of opinion, made to the media or any other external person, body or organisation, on behalf of the Trust, either in writing, verbally, or electronically, shall be made only by the following persons:

- (a) The Trust Chair or, in their absence, the Vice-Chair of the Trust, or other persons authorised by them.
- (b) The Chief Executive, or other Officer authorised by them.

The above shall be in accordance with the Trust's policy, regarding statements made externally, on Trust matters.

THE SHREWSBURY AND TELFORD HOSPITAL NHS TRUST

SCHEME OF RESERVATION AND DELEGATION – [Appendix 2](#)

**(RESERVATION OF POWERS TO THE BOARD OF
DIRECTORS AND DELEGATION OF POWERS)**

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Written: November 2003
Last Reviewed: ~~November 2022~~ [November 2023](#)
(Approved by the Board of Directors 08 December 2022)

Review: Annually

THE SHREWSBURY AND TELFORD HOSPITAL NHS TRUST

RESERVATION OF POWERS TO THE BOARD OF DIRECTORS AND DELEGATION OF POWERS

SECTION A – INTRODUCTION

The Code of Accountability for NHS Boards requires the Board of Directors to draw up a schedule of decisions reserved to itself and to ensure that management arrangements are in place to enable the clear delegation of its other responsibilities. This document therefore sets out the powers reserved to the Board of Directors and the Scheme of Delegation, together with tables of financial limits and approval thresholds. However, the Board of Directors remains accountable for all of its functions, including those that have been delegated, and would therefore expect to receive information about the exercise of delegated functions to enable it to maintain a monitoring role.

All powers of the Trust which have not been retained as reserved by the Board of Directors or delegated to a Board of Directors Committee shall be exercised on behalf of the Board of Directors by the Chief Executive. The Scheme of Delegation identifies any functions, which the Chief Executive shall perform personally and those delegated to other directors or officers. All powers delegated by the Chief Executive can be re-assumed by them should the need arise. As Accountable Officer, the Chief Executive is accountable to the Department of Health & Social Care and NHS England for the funds entrusted to the Trust.

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

The Scheme of Delegation shows only the 'top level' of delegation within the Trust. The Scheme is to be used in conjunction with the system of budgetary control and other established procedures within the Trust.

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 the Board of Directors has approved alternative arrangements. If the Chief Executive is absent, powers delegated to them may be exercised by a designated director, as nominated by the Chief Executive.

THE SHREWSBURY AND TELFORD HOSPITAL NHS TRUST

SECTION B – RESERVATION OF POWERS TO THE BOARD OF DIRECTORS

1	The Code of Accountability	
	The Code of Accountability, which has been adopted by the Trust, requires the Board of Directors to determine those matters on which decisions are reserved unto itself. These reserved matters are set out in paragraphs 2 to 9 below.	
2	General Enabling Provision	
	The Board of Directors may determine any matter, for which it has delegated or statutory authority, it wishes in full session within its statutory powers.	
3	Regulation and Control - reserved to Board of Directors	
	3.1	Approval, suspension, variation or amendment of Standing Orders, Standing Financial Instructions, schedule of matters reserved to the Board of Directors, scheme of delegation of powers from Board of Directors to officers, and other arrangements relating to standards of business conduct.
	3.2	Requiring and receiving the declaration of Board member interests which may conflict with those of the Trust and determining the extent to which that director/member may remain involved with the matter under consideration.
	3.3	<i>(intentionally blank)</i>
	3.4	Approval of arrangements for dealing with complaints.
	3.5	Adoption of the organisational structures, processes and procedures to facilitate the discharge of business by the Trust and to agree modifications thereto.
	3.6	To receive reports from committees including those which the Trust is required by the Secretary of State or other regulation to establish and to take appropriate action thereon.
	3.7	Confirm the recommendations of the Trust's committees where the committees do not have executive powers.
	3.8	Approve arrangements relating to the discharge of the Trust's responsibilities as a corporate trustee for funds held on trust.
	3.9	Establish terms of reference and reporting arrangements of all committees which are established by the Board of Directors.
	3.10	Approve arrangements relating to the discharge of the Trust's responsibilities as a bailee for patients' property. <i>(intentionally blank)</i>
	3.11	Ratification of any urgent decisions taken by the Trust Chair and Chief Executive in public session in accordance with Standing Orders.
	3.12	Authorise the use of the Common Seal of the Trust.
	3.13	Discipline members of the Board of Directors or employees who are in breach of statutory requirements or Standing Orders.
	3.14	Approve a Scheme of Delegation of Powers from the Board of Directors to Committees
	3.15	Ratify or otherwise instances of failure to comply with Standing Orders brought to the Chief Executive's attention in accordance with Standing Orders

4	Appointments and Dismissals - reserved to Board of Directors	
	Subject to Trust's Standing Orders:	
	4.1	Appointment of Vice Chair of the Board of Directors.
	4.2	Appoint and dismiss committees (and individual members) which are directly accountable to the Board of Directors.
	4.3	<i>(intentionally blank)</i>
	4.4	Confirm appointment of members of any committee of the Trust as representatives on outside bodies.
	4.5	Approve proposals of the Chief Executive for staff not covered by the Remuneration Committee.
	4.6	Appoint and remove the Company Secretary.
5	Strategy, Business Plans and Budgets - reserved to Board of Directors	
	5.1	Define the strategic aims and objectives of the Trust.
	5.2	Approve proposals for ensuring quality and developing clinical governance in services provided by the Trust, having regard to any guidance issued by the Secretary of State.
	5.3	Approve the Trust's policies and procedures for the management of risk.
	5.4	Approve Outline and Final Business Cases for Capital Investment in excess of £500,000 (and up to £5m) [see delegated limits in SFI's].
	5.5	Approval annually of plans in respect of anticipated income and the application of available resources (revenue budgets) and capital investment programme (including approval of all applications for loans to finance the Trust's capital investment programme).
	5.6	Approve annually Trust's proposed organisational development proposals.
	5.7	Ratify proposals for acquisition, disposal or change of use of land and/or buildings.
	5.8	Approval of the opening or closing of any bank or investment account.
	5.9	Approve proposals on individual contracts (other than NHS contracts) of a capital or revenue nature amounting to, or likely to amount to over [refer to SFI's] [£500,000] over a 3 year period or the period of the contract if longer.
	5.10	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 and Director of Finance (for losses and special payments) previously approved by the Board of Directors.
	5.11	Approve proposals for action on litigation against or on behalf of the Trust above the limits of delegation to the Chief Executive and Director of Finance.
	5.12	Approve Private Finance Initiative proposals or any new, novel or contentious funding arrangements.
	5.13	Approve individual compensation payments.
6	Policy Determination - reserved to Board of Directors	
	Approve management policies including personnel policies incorporating the arrangements for the appointment, removal and remuneration of staff.	

	<u>Policies reserved to the Board:</u>	<u>Policy also considered by (prior), to provide assurance to the Board:</u>
1.	<u>Standing Orders, SFI's, Scheme of Reservation & Delegation</u>	<u>Audit & Risk Assurance Committee</u>
2.	<u>Risk Management Policy</u>	<u>Audit & Risk Assurance Committee</u>
3.	<u>Managing Conflicts of Interest Policy</u>	<u>Audit & Risk Assurance Committee</u>
4.	<u>Freedom to Speak Up Policy</u>	<u>FTSU Guardian, Director of Governance and Director of People & OD</u>
5.	<u>Health & Safety Management Policy</u>	<u>Quality & Safety Assurance Committee</u>
6.	<u>Policy for Policies (Development and Management of Organisation-wide Documents)</u>	<u>Strategic Leadership Committee - Operational</u>
7.	<u>Anti-Fraud, Bribery and Corruption Policy</u>	<u>Audit & Risk Assurance Committee</u>
8.	<u>Equality, Diversity & Inclusion Policy</u>	<u>People & OD Assurance Committee</u>
9.	<u>Patient Safety Incident Response Framework (PSIRF)</u>	<u>Quality & Safety Assurance Committee</u>
10.	<u>Safeguarding Children & Young People Policy</u>	<u>Quality & Safety Assurance Committee</u>
11.	<u>Corporate Fit and Proper Persons Policy</u>	<u>People & OD Assurance Committee</u>

7	Audit Arrangements - reserved to Board of Directors	
	7.1	Approve the appointment (and where necessary dismissal) of external auditors. Approval of external auditors' arrangements for the separate audit of funds held on trust, and the submission of reports to the Audit & Risk Assurance Committee meetings who will take appropriate action.
	7.2	Receive the annual management letter from the external auditor and agreement of proposed action, taking account of the advice, where appropriate, of the Audit & Risk Assurance Committee.
	7.3	Receive an annual report from the Internal Auditor and agree action on recommendations where appropriate of the Audit & Risk Assurance Committee.
8	Annual Reports and Accounts - reserved to Board of Directors	
	8.1	Receipt and approval of the Trust's Annual Report and Annual Accounts.
	8.2	Receipt and approval of the Trust's Charitable Funds Annual Report and Accounts.
9	Monitoring - reserved to Board of Directors	
	9.1	Receive of such reports as the Board of Directors sees fit from committees and executive directors in respect of their exercise of powers delegated.
	9.2	Continuous appraisal of the affairs of the 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 Trust as set out in management policy statements. All significant monitoring returns required by the Department of Health and Social Care and the Charity Commission shall be reported, at least in summary, to the Board of Directors.
	9.3	Receive reports from the Director of Finance on financial performance against budgets and on actual and forecast income from Service Level Agreements
	9.4	Receive reports from Director of Finance on financial performance against Shropshire, Telford & Wrekin system plan.
	9.5	Receive regular reports on the risks to achievement of the organisation's objectives, including progress in implementing mitigating actions.

THE SHREWSBURY AND TELFORD HOSPITAL NHS TRUST

**SECTION C – DECISIONS / DUTIES DELEGATED BY THE BOARD OF DIRECTORS
TO COMMITTEES**

10. Audit & Risk Assurance Committee

The Committee will:

- a) Review the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation's activities (both clinical and non-clinical) that supports the achievement of the organisation's objectives.
- b) Ensure that there is an effective internal audit function that meets the *Public Sector Internal Audit Standards 2017* and provides appropriate independent assurance to the Committee, Accountable Officer and Board of Directors.
- c) The Audit and Risk Assurance Committee will have delegated authority from the Board of Directors to convene as the Auditor Appointment Panel, responsible for the selection of the external auditors and recommending their selection for approval by the Board of Directors.
- d) The Committee shall review and monitor the external auditor's independence and objectivity and effectiveness of the audit process. In particular, the Committee will review the work and findings of the external auditors and consider the implications and management's responses to their work.
- e) Review the findings of other significant assurance functions, both internal and external to the organisation, and consider the implications for the governance of the organisation.
- f) Satisfy itself that the organisation has adequate arrangements in place for counter fraud and security that meet NHS Counter Fraud Authority standards and shall review the outcomes of work in these areas.
- g) Shall request and review reports, evidence and assurances from directors and managers on the overall arrangements for governance, risk management and internal control.
- h) Monitor the integrity of the financial statements of the organisation and any formal announcements relating to its finances.
- i) Ensure that the systems for financial reporting to the Board of Directors including those of budgetary control are subject to review as to the completeness and accuracy of the information provided.
- j) Review the annual report and financial statements before submission to the Board of Directors.
- k) 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 and ensure that any such concerns are investigated proportionately and independently.
- l) Act within its agreed terms of reference.

11 Remuneration Committee

The Committee will:

- a) Be responsible for identifying and appointing candidates to fill all the executive director positions on the Board of Directors;
- b) Determine the appropriate remuneration and terms of service for the Chief Executive, other executive directors and other senior employees on locally determined pay, including:
- c) Consider all aspects of salary (including any performance-related elements/bonuses, allowances and expenses);
- d) Provisions for other benefits, including pensions and cars;
- f) Arrangements for termination of employment and other contractual terms (including compensation payments);
- g) Ensure executive directors and senior employees on locally determined pay are fairly rewarded for their individual contribution to the Trust - having proper regard to the Trust's circumstances and performance and to the provisions of any national arrangements for such staff;
- h) Proper calculation and scrutiny of termination payments taking account of such national guidance as is appropriate, advise on and oversee appropriate contractual arrangements for such staff.
- i) Consider the structure, size and composition of the Board of Directors as a whole, succession planning and consider the requirements for Non-Executive Director appointments.
- j) The Committee shall report in writing to the Board of Directors on its work undertaken, in line with its terms of reference and authority delegated.
- k) Act within its agreed terms of reference.

12 Finance & Performance Assurance Committee

The Committee will:

- a) Undertake on behalf of the Board of Directors objective scrutiny and assurance of the Trust's financial plans, major investment decisions and performance.
- b) Provide the Board of Directors with an objective review of the financial position and performance of the Trust and assurance on the delivery of the Trust's performance objectives
- c) Consider processes for the preparation and the content of strategic and operational plans and annual revenue, capital and workforce budgets, and test the key assumptions and risks underpinning such plans.

- d) Review the Trust annual operating plan and annual budgets before submission to the Board of Directors.
- e) Monitor performance compared with the annual Operating Plan and budgets and investigate variances.
- f) Consider financial aspects of Business Cases for significant revenue or capital expenditure, as defined in the Trust's Standing Financial Instructions and Scheme of Delegation, prior to submission to the Board of Directors.
- g) Review the development of the Trust's Financial Strategy and Long Term Financial Model.
- h) Consider regular financial performance reports and forecasts, focusing particularly on risks and assumptions.
- i) Consider performance against local and national performance standards, including waiting times, assessing any variations from plan and overseeing any necessary action plans.
- j) Consider risks to achievement of corporate objectives within the Board Assurance Framework for risks that are assigned to the committee.
- k) Oversight on the maintenance of a system of internal control and risk management for areas within the remit of the Committee.
- l) Act within its agreed terms of reference

13 Quality and Safety Assurance Committee

The Committee will:

- a) Seek and obtain evidence of assurance on the effectiveness of Trust's clinical quality and safety governance structure, systems and processes and the quality and safety of the services provided to achieve consistently high-quality effective care and to meet legal and regulatory obligations.
- b) Identify and seeking assurance on the management of quality and safety related risks at operational and strategic level and on continuous quality improvement.
- c) To consider and recommend to Board of Directors, the contents of the Trust's annual Quality Account (in order for the trust to fulfil its obligations with regard to the Health Act (2009) and Health Service Regulations (2013))
- d) Utilise best practice and metrics to ensure that the Trust has robust clinical governance processes to deliver safe, high quality and patient centred care.
- e) Provide assurance to the Board of Directors in relation to developing and sustaining an improvement culture including the promotion of best practice in patient care across the domains of Quality and Clinical Effectiveness, Patient Safety and Patient Experience.
- f) Consider risks to achievement of corporate objectives within the Board Assurance Framework for risks that are assigned to the committee.
- g) Oversight on the maintenance of a system of internal control and risk management for areas within the remit of the Committee.
- h) Act within its agreed terms of reference

14 Ockenden Review Assurance Committee

The Committee is a time-limited Board of Directors Committee that will provide assurance on the progress of recommendations within the Ockenden Review.

The Committee will act within its agreed terms of reference.

15 Charitable Funds Committee

The duties are:

- a) To be accountable to the Corporate Trustee (Board of Directors) and ensure the on-going management of Charitable Funds is consistent with the objectives and operational framework set by the Corporate Trustee.
- b) To ensure Corporate Trustee meetings at least 6 monthly or more frequently as required.
- c) To monitor compliance against Corporate Trustee policies, procedures and plans that include:
 - Appropriate use of Charitable Funds
 - Appropriate sources of Charitable Funds
 - Investment Policy
 - Expenditure Plans

- d) To advise the Corporate Trustee and monitor compliance against the requirements of the Charities Acts and Charities Commission Guidance.
- e) To consider the Annual Accounts and Report before submitting to the Corporate Trustee for approval.
- f) To monitor compliance against relevant internal audit reports and counter fraud initiatives and to report progress to the Corporate Trustee.
- g) To monitor the performance of Charitable Funds investments and report to the Corporate Trustee at least quarterly.
- h) To monitor the performance of the Charitable Funds Investment Manager(s) and advise the Corporate Trustee appropriately.
- i) To ensure, via the Director of Finance and the Finance Department, that Charitable Funds are managed in accordance with the Trust's Standing Financial Instructions.
- j) To review the financial implications on any proposal for fund raising activities that the Trust may initiate, sponsor or approve.
- k) To co-ordinate and work with the Leagues of Friends, Lingen Davies Cancer Fund and other local charities on appropriate projects/schemes.
- l) Act within its agreed terms of reference.

16 Senior Leadership ~~Committee~~Team Meeting

The duties of the Senior Leadership ~~Committee~~Team are:

Decision Making	<ul style="list-style-type: none"> To take such decisions as are delegated by the Board of Directors.
	<ul style="list-style-type: none"> To be responsible for planning, organising, directing and controlling the organisation's systems and resources to achieve service objectives and quality development through implementation of the Trust's Operating Plan.
	<ul style="list-style-type: none"> To approve and recommend to the Board of Directors, and monitor the implementation of, relevant Trust Policies, guidelines and protocols
Leadership and Advisory	<ul style="list-style-type: none"> To implement the Trust's strategic objectives and reinforcing the Trust's leadership model
Co-ordination and Monitoring	<ul style="list-style-type: none"> To co-ordinate the significant programmes of work prioritised by the Board of Directors and to provide progress reports to the Board of Directors on the status of the agreed programmes.

	<ul style="list-style-type: none"> • To ensure that the organisation's objectives and standards for service, high level performance and quality set by the Board of Directors, are managed and cascaded throughout the entire organisation.
	<ul style="list-style-type: none"> • To focus only on those areas that have cross-organisational impact and coordinated action and decision-making is required beyond an individual directorate.
Values and Behaviours	<ul style="list-style-type: none"> • To be relentless in pursuit of the patient's interests, supporting a fully engaged organisation that is action-orientated and embraces constructive challenge.
	<ul style="list-style-type: none"> • To demonstrate that we are living the Trust's values

17 Board Workforce People & Organisational Development Assurance Committee

~~The Workforce Committee shall undertake on behalf of the Board of Directors objective scrutiny of the Trust's workforce plans and performance and act within its agreed terms of reference. The purpose of the Committee is to provide assurance to the Board of Directors of the workforce position and performance of the Trust and oversee the delivery of performance, organisation development and culture. The Board of Directors may request that the Committee reviews specific aspects of performance where the Board of Directors requires additional scrutiny and assurance. The Committee will utilise best practice metrics that support robust governance processes, including the following:~~

~~Effectiveness of the Trust's People Strategy~~

- ~~● People Performance~~
- ~~● Organisational Development Plan~~
- ~~● Workforce Planning and Transformation~~
- ~~● Education and Training~~
- ~~● Staff Experience and engagement~~
- ~~● Recruitment and Retention~~
- ~~● Leadership~~
- ~~● Cultural Development~~
- ~~● Staff Health and Wellbeing~~
- ~~Equality standards.~~

The Committee will:

a) undertake on behalf of the Board of Directors objective scrutiny and obtain evidence of assurance of delivery of the NHS eight people promises, including: health and wellbeing of our people, employee experience, inclusion and belonging, supporting and developing the people profession, talent, improvement change and innovation, embedding digital solutions and working and planning for the future which supports the delivery of safe, high-quality patient-centred care.

b) assure the Board of compliance with key national and statutory people / workforce / organisational development requirements, and develop necessary recommendations to Board, as required.

c) provide the Board with an objective review of the position with regard to the culture of the organisation and embedding of the six culture elements: Trust vision and values, goals and performance, learning and innovation, compassion, teamwork and health and wellbeing.

THE SHREWSBURY AND TELFORD HOSPITAL NHS TRUST

SECTION D – DELEGATION OF POWERS

18 Delegation to Committees

18.1 The Board of Directors may determine that Standing Committees shall exercise certain of its powers. The composition and terms of reference of such committees shall be that determined by the Board of Directors from time to time taking into account where necessary the requirements of the Secretary of State and/or the Charity Commissioners (including the need to appoint an Audit & Risk Assurance Committee and a Remuneration Committee). The Board of Directors shall determine the reporting requirements in respect of these committees. In accordance with Standing Orders, committees may not delegate executive powers to sub-committees unless expressly authorised by the Board of Directors.

18.2 Policies delegated to Committees

<u>Policies delegated to a committee of the Board for approval:</u>	<u>Delegated to (approving Committee):</u>
<ul style="list-style-type: none"> • <u>Disciplinary Policy</u> • <u>Resolving Bullying & Harassment Policy</u> • <u>Employee Wellbeing & Attendance Management Policy</u> • <u>Grievance Policy</u> • <u>Employee Investigations Policy</u> 	<u>People & OD Assurance Committee</u>
<u>Remuneration policy for Executive Directors and Very Senior Managers</u>	<u>Remuneration Committee</u>

19 Scheme of Delegation to Officers

19.1 Standing Orders and ~~model~~ Standing Financial Instructions set out in some detail the financial responsibilities of the Chief Executive, the Director of Finance and other directors. These responsibilities are summarised below in Sections G-H.

19.2 Certain matters needing to be covered in the scheme of delegation are not covered by Standing Financial Instructions or Standing Orders or they do not specify the responsible officer. These are:-

Area of Responsibility:

Overall Responsibility:

19.3 Data Protection Act 2018
(UK's implementation of the
General Data Protection Regulation
(GDPR) requirements

Director of ~~Finance~~ Governance

19.4 Senior Information Risk Owner
(SIRO)

Director of Governance ~~& Communications~~

19.5 Health and Safety Arrangements

Chief Executive

19.6 All Trust-wide policies and procedures
not reserved to Board or delegated to a committee
of the Board. Chief Executive

19.7 This scheme of delegation covers only matters delegated by the Board of Directors to directors and certain other specific matters referred to in Standing Financial Instructions. Each director is responsible for the delegation within their directorate. They should produce a scheme of delegation for matters within their directorate. In particular, the scheme of delegation should include how the directorate budget and procedures for approval of expenditure are delegated.

SECTION E – SCHEME OF DELEGATION DERIVED FROM THE ACCOUNTABLE OFFICER MEMORANDUM

DELEGATED TO	DUTIES DELEGATED
CHIEF EXECUTIVE	E1 Accountable through NHS Accounting Officer to Parliament for stewardship of Trust resources.
CHIEF EXECUTIVE AND DIRECTOR OF FINANCE	E2 Ensure the accounts of the Trust are prepared under principles and in a format directed by the Secretary of State. Accounts must disclose a true and fair view of the Trust's income and expenditure and its state of affairs. E3 Sign the accounts on behalf of the Board of Directors.
CHIEF EXECUTIVE	E4 Sign a statement in the accounts outlining responsibilities as the Accountable Officer. E5 Sign a statement in the accounts outlining responsibilities in respect of Internal Control
CHIEF EXECUTIVE	E6 Ensure effective management systems that safeguard public funds and assist Trust Chair to implement requirements of corporate governance including ensuring managers: <ul style="list-style-type: none"> • “have a clear view of their objectives and the means to assess achievements in relation to those objectives • be assigned well defined responsibilities for making best use of resources • have the information, training and access to the expert advice they need to exercise their responsibilities effectively.”
TRUST CHAIR	E7 Implement requirements of corporate governance.
CHIEF EXECUTIVE	E8 Achieve value for money from the resources available to the Trust and avoid waste and extravagance in the organisation's activities. E9 Follow through the implementation of any recommendations affecting good practice as set out on reports from such bodies as the National Audit Office (NAO).
DIRECTOR OF FINANCE	E10 Operational responsibility for effective and sound financial management and information.
CHIEF EXECUTIVE	E11 Primary duty to see that Director of Finance discharges sound financial management and information function.
CHIEF EXECUTIVE	E12 Ensuring expenditure by the Trust complies with Parliamentary requirements.
CHIEF EXECUTIVE	E13 Accountable for clinical governance and the quality and safety of care delivered by the Trust.
CHIEF EXECUTIVE AND DIRECTOR OF FINANCE	E14 Chief Executive supported by Director of Finance, to ensure appropriate advice is given to the Board of Directors on all matters of probity, regularity, prudent and economical administration, efficiency and effectiveness.
CHIEF EXECUTIVE	E15 If Chief Executive considers the Board of Directors or Trust Chair is doing something which might infringe probity or regularity, they should set this out in writing to the Trust Chair and the Board of Directors. If the matter is unresolved, they should ask the Audit & Risk Assurance Committee to inquire and if necessary NHS England and the Department of Health & Social Care.

DELEGATED TO	DUTIES DELEGATED
CHIEF EXECUTIVE	<p>E16 If the Board of Directors is contemplating a course of action which raises an issue not of formal propriety or regularity but affects the Chief Executive's responsibility for value for money, the Chief Executive should draw the relevant factors to the attention of the Board of Directors. If the outcome is that the Chief Executive is overruled, it is normally sufficient to ensure that their advice and the overruling of it are clearly apparent from the papers. Exceptionally, the Chief Executive should inform NHS England and the Department of Health & Social Care. In such cases, the Chief Executive should as a member of the Board of Directors vote against the course of action rather than merely abstain from voting.</p>

SECTION F – SCHEME OF DELEGATION DERIVED FROM CODES OF CONDUCT AND ACCOUNTABILITY

DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
BOARD OF DIRECTORS	F1 Approve procedure for declaration of hospitality and sponsorship.
BOARD OF DIRECTORS	F2 Ensure proper and widely publicised procedures for voicing complaints, concerns about maladministration, breaches of Code of Conduct, and other ethical concerns.
ALL BOARD OF DIRECTORS MEMBERS	F3 Subscribe to Code of Conduct and the Seven Principles of Public Life (the Nolan Principles) set out by the Committee on Standards in Public Life.
BOARD OF DIRECTORS	F4 Board of Directors members share corporate responsibility for all decisions of the Board of Directors.
TRUST CHAIR AND NON OFFICER MEMBERS	F5 Trust Chair and non-executive members are responsible for monitoring the executive management of the organisation and are responsible to the Secretary of State for the discharge of those responsibilities.
BOARD OF DIRECTORS	<p>F6 The Board of Directors has six key functions for which it is held accountable by the Department of Health on behalf of the Secretary of State:</p> <ol style="list-style-type: none"> 1. To ensure effective financial stewardship through value for money, financial control and financial planning and strategy. 2. To ensure that high standards of corporate governance and personal behaviour are maintained in the conduct of the business of the whole organisation. 3. To appoint, appraise and remunerate senior executives (<i>delegated to Remuneration Committee</i>). 4. to ratify the strategic direction of the organisation within the overall policies and priorities of the Government and the NHS, define its annual and longer-term objectives and agree plans to achieve them. 5. To oversee the delivery of planned results by monitoring performance against objectives and ensuring corrective action is taken when necessary 6. To ensure effective dialogue between the organisation and the local community on its plans and performance and that these are responsive to the community's needs

DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
BOARD OF DIRECTORS	<p>F7 It is the Board of Directors duty to:</p> <ol style="list-style-type: none"> 1. Act within statutory financial and other constraints. 2. 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 of Directors and standing financial instructions to reflect these. 3. 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. 4. Establish performance and quality targets that maintain the effective use of resources and provide value for money. 5. Specify its requirements in organising and presenting financial and other information succinctly and efficiently to ensure the Board of Directors can fully undertake its responsibilities. 6. Establish audit and remuneration committees on the basis of formally agreed terms of reference which set out the membership of the committee, the limit to their powers, and the arrangements for reporting back to the main Board of Directors.
TRUST CHAIR	<p>F8 It is the Trust Chair's role to:</p> <ol style="list-style-type: none"> 1. Provide leadership to the Board of Directors. 2. Enable all Board of Directors members to make a full contribution to the Board of Directors affairs and ensure that the Board acts as a team. 3. Ensure that key and appropriate issues are discussed by the Board of Directors in a timely manner. 4. Ensure the Board of Directors has adequate support and is provided efficiently with all the necessary data on which to base informed decisions. 5. Lead non-executive Board of Directors members through a formally-appointed Remuneration Committee of the main Board of Directors on the appointment, appraisal and remuneration of the Chief Executive and (with the latter) other executive Board of Directors members. 6. Appoint non-executive Board of Directors members to an Audit & Risk Assurance Committee of the main Board of Directors. 7. Advise the Secretary of State <u>NHS England</u> on the performance of non-executive Board of Directors members.
CHIEF EXECUTIVE	<p>F9 The Chief Executive is accountable to the Trust Chair and non-executive members of the Board of Directors for ensuring that its decisions are implemented, that the organisation works effectively, in accordance with Government policy and public service values and for the maintenance of proper financial stewardship. The Chief Executive should be allowed full scope, within clearly defined delegated powers, for action in fulfilling the decisions of the Board of Directors. The other duties of the Chief Executive as Accountable Officer are laid out in the Accountable Officer Memorandum.</p>
NON EXECUTIVE DIRECTORS	<p>F10 Non-executive Directors are appointed by NHS England to bring independent judgement to bear on issues of strategy, performance, key appointments and accountability through the Department of Health and Social Care to Ministers and to the local community.</p>
TRUST CHAIR AND DIRECTORS	<p>F11 Declaration of conflict of interests.</p>

DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
BOARD OF DIRECTORS	F12 NHS Boards must comply with legislation and guidance issued by NHS England on behalf of the Secretary of State, respect agreements entered into by themselves or on their behalf and establish terms and conditions of service that are fair to the staff and represent good value for taxpayers' money.

SECTION G – SCHEME OF DELEGATION FROM STANDING ORDERS (SO)

SO REF	Delegated to	AUTHORITIES/DUTIES DELEGATED
1.1	TRUST CHAIR	G1 Final authority in interpretation of Standing Orders (SO).
2.10	BOARD OF DIRECTORS	G2 Appointment of Vice Chair
3.4	TRUST CHAIR	G3 Call meetings.
3.14	TRUST CHAIR	G4 Chair all Board of Directors meetings and associated responsibilities.
3.23	TRUST CHAIR	G5 Give final ruling in questions of order, relevancy and regularity of meetings.
3.24	TRUST CHAIR	G6 Having a second or casting vote.
3.35	BOARD OF DIRECTORS	G7 Suspension of Standing Orders.
3.39	AUDIT & RISK ASSURANCE COMMITTEE	G8 Audit & Risk Assurance Committee to review every decision to suspend Standing Orders (power to suspend Standing Orders is reserved to the Board of Directors).
3.40	BOARD OF DIRECTORS	G9 Variation or amendment of Standing Orders.
4.4	TRUST CHAIR & CHIEF EXECUTIVE	G10 The powers which the Board of Directors has retained to itself within these Standing Orders (Standing Order 2.4) may in emergency be exercised by the Trust Chair and Chief Executive after having consulted at least two non-executive members.
4.5	BOARD OF DIRECTORS	G11 Formal delegation of powers to, committees or joint committees and approval of their constitution and terms of reference.
4.8	CHIEF EXECUTIVE	G12 The Chief Executive shall prepare a Scheme of Delegation identifying his/her proposals which shall be considered and approved by the Board of Directors, subject to any amendment agreed during the discussion.
4.11	ALL	G13 Disclosure of non-compliance with Standing Orders to the Chief Executive as soon as possible.
6.1	BOARD OF DIRECTORS MEMBERS	G14 Declare relevant and material interests.
6.9	CHIEF EXECUTIVE	G15 Maintain Register(s) of Interests.
6.1	ALL STAFF	G16 Comply with the Trust's Managing Conflicts of Interest Policy which reflects the national guidance contained in NHS England's <i>Managing Conflicts of Interest in the NHS (2017)</i> .
8.13 & 8.14	ALL	G17 Disclose relationship between self and candidate for staff appointment. (Chief Executive to report the disclosure to the Board of Directors.)

9.1	CHIEF EXECUTIVE	G18 Keep seal in safe place and maintain a register of sealing.
10.1	CHIEF EXECUTIVE OR EXECUTIVE DIRECTOR	G19 Approve and sign all documents which will be necessary in legal proceedings.

SECTION H – SCHEME OF DELEGATION FROM STANDING FINANCIAL INSTRUCTIONS

SFI REF	Delegated to	AUTHORITIES/DUTIES DELEGATED
1.1.3	DIRECTOR OF FINANCE	H1 Approval of all financial procedures.
1.1.4	DIRECTOR OF FINANCE	H2 Advice on interpretation or application of Standing Financial Instructions (SFIs).
1.1.6	ALL MEMBERS OF THE BOARD OF DIRECTORS AND ALL STAFF	H3 Have duty to disclose any non-compliance with SFIs as soon as possible to the Director of Finance.
1.3.4	CHIEF EXECUTIVE	H4 Responsible as the Accountable Officer to ensure financial targets and obligations are met and have overall responsibility for the system of internal control.
1.3.5	CHIEF EXECUTIVE & DIRECTOR OF FINANCE	H5 Accountable for financial control but will, as far as possible, delegate their detailed responsibilities.
1.3.6	CHIEF EXECUTIVE	H6 To ensure all Board of Directors members, officers and employees, present and future, are notified of and understand Standing Financial Instructions.
1.3.7	DIRECTOR OF FINANCE	<p>H7 Responsible for:</p> <ul style="list-style-type: none"> a)Implementing the Trust's financial policies and coordinating corrective action; b)Maintaining an effective system of financial control including ensuring detailed financial procedures and systems are prepared and documented; c)Ensuring that sufficient records are maintained to explain Trust's transactions and financial position; d)Providing financial advice to members of Board of Directors and staff; and e)Maintaining such accounts, certificates etc as are required for the Trust to carry out its statutory duties.
1.3.8	ALL MEMBERS OF THE BOARD OF DIRECTORS AND EMPLOYEES	H8 Responsible for security of the Trust's property, avoiding loss, exercising economy and efficiency in using resources and conforming to Standing Orders, Financial Instructions and financial procedures.
1.3.9	CHIEF EXECUTIVE	H9 Ensure that any contractor or employees of a contractor who is empowered by the Trust to commit the Trust to expenditure or who is authorised to obtain income are made aware of these instructions and their requirement to comply.

2.2.1	AUDIT & RISK ASSURANCE COMMITTEE	H10 Provide an independent and objective view on internal control and probity.
2.1.2	AUDIT & RISK ASSURANCE COMMITTEE CHAIR	H11 Raise the matter at the Board of Directors meeting where Audit & Risk Assurance Committee considers there is evidence of ultra vires transactions or improper acts.
2.2.1	DIRECTOR OF FINANCE	H12 Ensure an adequate internal audit service, for which they are accountable, is provided (and involve the Audit & Risk Assurance Committee in the selection process when/if an internal audit service provider is changed.)
2.2.1	DIRECTOR OF FINANCE	H13 Decide at what stage to involve police in cases of misappropriation and other irregularities not involving fraud or corruption.
2.3.4	HEAD OF INTERNAL AUDIT	H14 Review, appraise and report in accordance with NHS internal audit standards and best practice.
2.4.1	CHIEF EXECUTIVE & DIRECTOR OF FINANCE	H15 Monitor and ensure compliance with Secretary of State Directions on fraud and corruption including the appointment of the Local Counter Fraud Specialist.
23.3.9	CHIEF EXECUTIVE	H16 Monitor and ensure compliance with Directions issued by the Secretary of State for Health on NHS security management including appointment of the Local Security Management Specialist.
2.5.1	AUDIT & RISK ASSURANCE COMMITTEE	H17 Ensure cost-effective external audit.
3.1.1	CHIEF EXECUTIVE	<p>H18 Compile and submit to the Board of Directors an annual business plan which takes into account financial targets and forecast limits of available resources. The annual business plan will contain:</p> <ul style="list-style-type: none"> 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. c) An assessment of risks and plans for their management.

SFI REF	Delegated to	AUTHORITIES/DUTIES DELEGATED
3.1.2 & 3.1.3	DIRECTOR OF FINANCE	<p>H19 Submit budgets to the Board of Directors for approval.</p> <p>H20 Monitor performance against budget, submit to the Board of Directors financial estimates and forecasts.</p>
3.1.6	DIRECTOR OF FINANCE	H21 Ensure adequate training is delivered on an ongoing basis to budget holders.
3.2.1	CHIEF EXECUTIVE	H22 Delegate budget to budget holders.
3.2.2	CHIEF EXECUTIVE & BUDGET HOLDERS	H23 Must not exceed the budgetary total or virement limits set by the Board of Directors.
3.3.1	DIRECTOR OF FINANCE	H24 Devise and maintain systems of budgetary control.
3.3.2	BUDGET HOLDERS	<p>H25 Ensure that:</p> <p>a) No overspend or reduction of income that cannot be met from virement is incurred without prior consent of Board of Directors.</p> <p>b) Approved budget is not used for any other than specified purpose subject to rules of virement.</p> <p>c) No permanent employees are appointed without the approval of the Chief Executive other than those provided for within available resources and manpower establishment.</p>
3.3.3	CHIEF EXECUTIVE	H26 Identify and implement cost improvements and income generation activities in line with the annual business/operational plan.
3.5.1	CHIEF EXECUTIVE	H27 Submit monitoring returns.
4.1	DIRECTOR OF FINANCE	H28 Preparation of annual accounts and reports.
5.1.1 & 5.1.2	DIRECTOR OF FINANCE	H29 Managing banking arrangements, including provision of banking services, operation of accounts, preparation of instructions and list of cheque signatories. (The Board of Directors approves arrangements.)
6	DIRECTOR OF FINANCE	H30 Income systems, including system design, prompt banking, review and approval of fees and charges, debt recovery arrangements, design and control of receipts, provision of adequate facilities and systems for employees whose duties include collecting or holding cash.
6.2.3	ALL EMPLOYEES	H31 Duty to inform Director of Finance of money due from transactions which they initiate/deal with.
12	CHIEF EXECUTIVE	H32 Tendering and contract procedure.

12.7	CHIEF EXECUTIVE AND DIRECTOR OF FINANCE	H33 Waive formal tendering procedures.
12.7	CHIEF EXECUTIVE and DIRECTOR OF FINANCE	H34 Report waivers of tendering procedures to the Audit & Risk Assurance Committee .
12.9.1	DIRECTOR OF FINANCE	H35 Where a supplier is chosen that is not on the approved list the reason shall be recorded in writing to the Chief Executive Officer.
12.9.2	CHIEF EXECUTIVE	H36 Responsible for the receipt, endorsement and safe custody of tenders received.

SFI REF	Delegated to	AUTHORITIES/DUTIES DELEGATED
12.9.3	CHIEF EXECUTIVE	H37 Shall maintain a register to show each set of competitive tender invitations dispatched.
12.9.4	CHIEF EXECUTIVE & DIRECTOR OF FINANCE	H38 Where one tender is received will assess for value for money and fair price.
12.9.6	CHIEF EXECUTIVE	H39 No tender shall be accepted which will commit expenditure in excess of that which has been allocated by the Trust and which is not in accordance with these instructions except with the authorisation of the Chief Executive.
12.9.8	CHIEF EXECUTIVE	H40 Will appoint a manager to maintain a list of approved firms.
12.9.8	CHIEF EXECUTIVE	H41 Shall ensure that appropriate checks are carried out as to the technical and financial capability of those firms that are invited to tender or quote.
12.11	CHIEF EXECUTIVE	H42 The Chief Executive or their nominated officer should evaluate the quotation and select the quote which gives best value for money.
12.13	CHIEF EXECUTIVE & DIRECTOR OF FINANCE	H43 No quotation shall be accepted which will commit expenditure in excess of that which has been allocated by the Trust and which is not in accordance with these instructions except with the authorisation of the Chief Executive.
12.15	CHIEF EXECUTIVE	H44 The Chief Executive shall demonstrate that the use of private finance represents value for money and genuinely transfers risk to the private sector.
12.15	BOARD OF DIRECTORS	H45 All private finance proposals or any new, novel or contentious funding arrangements must be agreed by the Board of Directors.
12.16	CHIEF EXECUTIVE	H46 The Chief Executive shall nominate an officer who shall oversee and manage each contract on behalf of the Trust.
12.17	CHIEF EXECUTIVE	H47 The Chief Executive shall nominate officers with delegated authority to enter into contracts of employment, regarding staff, agency staff or temporary staff service contracts on behalf of the Trust.
14	CHIEF EXECUTIVE	H48 The Chief Executive shall be responsible for ensuring that best value for money can be demonstrated for all services provided on an in-house basis.
14.4	CHIEF EXECUTIVE	H49 The Chief Executive shall nominate an officer to oversee and manage the contract on behalf of the Trust.

7.1	CHIEF EXECUTIVE	H50 Ensure the Trust enters into suitable Service Level Agreements (SLAs) with service commissioners for the provision of NHS services.
7.4	CHIEF EXECUTIVE	H51 As the Accountable Officer, ensure that regular reports are provided to the Board of Directors detailing actual and forecast income from the SLA.
8.1.1	BOARD OF DIRECTORS	H52 Establish a Remuneration (including terms of service) Committee.
8.1.2	REMUNERATION COMMITTEE	H53 Determine the remuneration and terms of service of the Chief Executive, other executive Board of Directors members and senior managers on locally determined pay to ensure they are fairly rewarded having proper regard to the Trust's circumstances and any national agreements;
8.1.2	REMUNERATION COMMITTEE	H54 Monitor and evaluate the performance of individual senior employees; and
8.1.2	REMUNERATION COMMITTEE	H55 Advise on and oversee appropriate contractual arrangements for such staff, including proper calculation and scrutiny of termination payments.
8.1.3	REMUNERATION COMMITTEE	H56 Report to the Board of Directors on its work about remuneration and terms of service of executive directors and senior managers on locally determined pay.
8.1.4	BOARD OF DIRECTORS	H57 Approve proposals presented by the Chief Executive for setting of remuneration and conditions of service for those employees and officers not covered by the Remuneration Committee.
8.2.2	CHIEF EXECUTIVE	H58 Approval of variation to funded establishment of any department.
8.3.1	CHIEF EXECUTIVE	H59 Staff appointments: Staff, including agency staff, appointments and re- grading (and subject to scheme of delegation, trust policy and budget limits).

8.4.1 & 8.4.2	DIRECTOR OF FINANCE	H60 Payroll: a) Specifying timetables for submission of properly authorised time records and other notifications; b) Final determination of pay and allowances; c) Making payments on agreed dates; d) Agreeing method of payment; and e) Issuing instructions (as listed in SFI 8.4.2).
8.4.3	NOMINATED MANAGERS*	H61 Submit time records in line with timetable. H62 Complete time records and other notifications in required form. H63 Submitting termination forms in prescribed form and on time.
8.4.4	DIRECTOR OF FINANCE	H64 Ensure that the chosen method for payroll processing 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.
8.68.1 12.19	CHIEF EXECUTIVE AND NOMINATED MANAGER*	H65 Ensure that all employees are issued with a Contract of Employment in a form approved by the Board of Directors and which complies with employment legislation; and H66 Deal with variations to, or termination of, contracts of employment.
8.79.5	ALL STAFF/OFFICERS	H67 Comply with the procedures established (as stated above) when procuring services from self-employed individuals
8.79.6	DIRECTOR OF FINANCE	H68 Oversee the process of agreeing bank/locum rates of payment within the Trust for all staff.
8.79.7	DIRECTOR OF FINANCE	H69 Oversee the process of agreeing the financial parameters for the engagement of agency staff within the Trust ensuring compliance with latest NHS England and NHS Improvement's Agency rules (using the available Price Card as a reference).
9.1.1 & 9.1.2	CHIEF EXECUTIVE	H70 Determine, and set out, level of delegation of non-pay expenditure to budget managers, including a list of managers authorised to place requisitions, the maximum level of each requisition and the system for authorisation above that level. [It is good practice to append such lists to the Scheme of Delegation document]
9.1.3	CHIEF EXECUTIVE	H71 Set out procedures on the seeking of professional advice regarding the supply of goods and services.
9.2.1	REQUISITIONERS *	H72 In choosing the item to be supplied (or the service to be performed) shall always obtain the best value for money for the Trust. In so doing, the advice of the Trust's adviser on supply shall be sought.
9.2.2	DIRECTOR OF FINANCE	H73 Shall be responsible for the prompt payment of accounts and claims

9.2.3	DIRECTOR OF FINANCE	<p>H74 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 Standing Orders and regularly reviewed;</p> <p>H75 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;</p> <p>H76 Be responsible for the prompt payment of all properly authorised accounts and claims;</p> <p>H77 Be responsible for designing and maintaining a system of verification, recording and payment of all amounts payable.</p> <p>H78 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.</p> <p>H79 Instructions to employees regarding the handling and payment of accounts within the Finance Department.</p> <p>H80 Be responsible for ensuring that payment for goods and services is only made once the goods and services are received.</p>
9.2.4	Appropriate Executive Director	H81 Make a written case to support the need for a prepayment.
9.2.4	DIRECTOR OF FINANCE	H82 Approve proposed prepayment arrangements.
9.2.4	BUDGET HOLDERS	H83 Ensure that all items due under a prepayment contract are received (and immediately inform the Director of Finance if problems are encountered).
9.2.5	CHIEF EXECUTIVE	H84 Authorise who may use and be issued with official orders.
9.2.6	MANAGERS AND OFFICERS	H85 Ensure that they comply fully with the guidance and limits specified by the Director of Finance.
9.2.7	CHIEF EXECUTIVE & DIRECTOR OF FINANCE	H86 Ensure that the arrangements for financial control and financial audit of building and engineering contracts and property transactions comply with Estatecode (estates guidance in the NHS). The technical audit of these contracts shall be the responsibility of the relevant Director.

9. 34 .1	DIRECTOR OF FINANCE	H87 Lay down procedures for payments made in accordance with any powers under the NHS Act 2006.
<u>5.5.1</u> 24.1.4	DIRECTOR OF FINANCE	H88 The Director of Finance will advise the Board of Directors on the Trust's ability to pay dividend on Public Dividend Capital (PDC) and report, periodically, concerning the PDC debt and all loans and overdrafts.
<u>5.5.2</u> 24.1.2	BOARD OF DIRECTORS	H89 Approve a list of employees authorised to make short term borrowings on behalf of the Trust (This must include the Chief Executive and Director of Finance).
<u>5.5.3</u> 24.1.3	DIRECTOR OF FINANCE	H90 Prepare detailed procedural instructions concerning applications for loans and overdrafts.
<u>5.5.4</u> 24.1.5	CHIEF EXECUTIVE or DIRECTOR OF FINANCE	H91 Be on an authorising panel comprising one other member for short term borrowing approval. <u>Any short term borrowing required must be authorised by the Director of Finance.</u>
20.4 .2	DIRECTOR OF FINANCE	H92 Will advise the Board of Directors on investments and report, periodically on performance of same.
20.4 .3	DIRECTOR OF FINANCE	H93 Prepare detailed procedural instructions on the operation of investments held.
10.1	DIRECTOR OF FINANCE	H94 Ensure that Board of Directors members are aware of the financial framework/System Oversight Framework and ensure compliance.
11.1.1 & 11.1.2	CHIEF EXECUTIVE	Capital investment programme: H95 Ensure that there is adequate appraisal and approval process for determining capital expenditure priorities and the effect that each has on business plans; H96 Responsible for the management of capital schemes and for ensuring that they are delivered on time and within cost; H97 Ensure that capital investment is not undertaken without availability of resources to finance all revenue consequences; and H98 Ensure that a business case is produced for each proposal.
11.1.2	DIRECTOR OF FINANCE	H99 Certify professionally the costs and revenue consequences detailed in the business case for capital investment.
11.1.3	CHIEF EXECUTIVE	H100 Issue procedures for management of contracts involving stage payments.
11.1.3	DIRECTOR OF FINANCE	H101 Assess the requirement for the operation of the construction industry taxation deduction scheme.

11.1.3	DIRECTOR OF FINANCE	H102 Issue procedures for the regular reporting of expenditure and commitment against authorised capital expenditure.
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11.1.4	CHIEF EXECUTIVE	<p>H103 Issue manager responsible for any capital scheme with authority to commit expenditure, authority to proceed to tender and approval to accept a successful tender.</p> <p>H104 Issue a scheme of delegation for capital investment management.</p>
11.1.5	DIRECTOR OF FINANCE	H105 Issue procedures governing financial management, including variation to contract, of capital investment projects and valuation for accounting purposes.
11.2.1	DIRECTOR OF FINANCE	H106 Demonstrate that the use of private finance represents value for money and genuinely transfers significant risk to the private sector.
11.2.1	BOARD OF DIRECTORS	H107 A Proposal to use Private Finance Initiative must be specifically agreed by the Board of Directors.
11.3.1	CHIEF EXECUTIVE	H108 Maintenance of asset registers (on advice from Director of Finance).
11.3.5	DIRECTOR OF FINANCE	H109 Approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.
11.3.8	DIRECTOR OF FINANCE	H110 Calculate and pay capital charges in accordance with Department of Health & Social Care requirements.
11.4.1	CHIEF EXECUTIVE	H111 Overall responsibility for fixed assets.
11.4.65 & 11.5.2	DIRECTOR OF FINANCE	H112 Approval of fixed asset control procedures.
11.5.3 11.5.4 & 11.5.5	BOARD OF DIRECTORS/ EXECUTIVE MEMBERS & ALL SENIOR STAFF	H113 Responsibility for security of Trust assets including notifying discrepancies to Director of Finance, and reporting losses in accordance with Trust procedure.
15.2	CHIEF EXECUTIVE	H114 Delegate overall responsibility for control of stores (subject to Director of Finance responsibility for systems of control). Further delegation for day-to-day responsibility subject to such delegation being recorded.
15.4	DIRECTOR OF FINANCE	H115 Responsible for systems of control over stores and receipt of goods.
15.2	DESIGNATED PHARMACEUTICAL OFFICER: CHIEF PHARMACIST	H116 Responsible for controls of pharmaceutical stocks.
15.2	DESIGNATED ESTATES OFFICER: HEAD OF ESTATES	H117 Responsible for control of stocks of fuel oil and coal.
15.3	NOMINATED OFFICERS*	H118 Security arrangements and custody of keys.

15.4	DIRECTOR OF FINANCE	H119 Set out procedures and systems to regulate the stores.
15.5	DIRECTOR OF FINANCE	H120 Agree stocktaking arrangements.
15.6	DIRECTOR OF FINANCE	H121 Approve alternative arrangements where a complete system of stores control is not justified.
15.7	DIRECTOR OF FINANCE	H122 Approve system for review of slow moving and obsolete items and for condemnation, disposal and replacement of all unserviceable items.
15.7	HEAD OF PROCUREMENT AND NOMINATED OFFICERS*	H123 Operate system for slow moving and obsolete stock, and report to Director of Finance evidence of significant overstocking.
15.8	CHIEF EXECUTIVE	H124 Identify persons authorised to requisition and accept goods from NHS Supplies stores.
16.1.1	DIRECTOR OF FINANCE	H125 Prepare detailed procedures for disposal of assets including condemnations and ensure that these are notified to managers.
16.2.1	DIRECTOR OF FINANCE	H126 Prepare procedures for recording and accounting for losses and special payments and informing police in cases of suspected arson or theft.
16.2.2	ALL STAFF	H127 Discovery or suspicion of loss of any kind must be reported immediately to either head of department or nominated officer. The head of department / nominated officer should then inform the Chief Executive and Director of Finance.
16.2.2	DIRECTOR OF FINANCE	H128 Where a criminal offence is suspected Director of Finance must inform the police if theft or arson is involved. In cases of fraud and corruption Director of Finance must inform the relevant Local Counter Fraud Specialist and NHS Protect Regional team <u>NHS Counter Fraud Authority</u> in line with Secretary of State directions.
16.2.3	DIRECTOR OF FINANCE	H129 Notify NHS Protect <u>NHS Counter Fraud Authority</u> and External Audit of all frauds.
16.2.4	DIRECTOR OF FINANCE	H130 Notify Board of Directors and External Auditor of losses caused theft, arson, neglect of duty or gross carelessness (unless trivial).
16.2.5	BOARD OF DIRECTORS	H131 Approve write off of losses (within limits delegated by Department of Health and Social Care).
16.2.7	DIRECTOR OF FINANCE	H132 Consider whether any insurance claim can be made.

16.2.8	DIRECTOR OF FINANCE	H133 Maintain losses and special payments register.
17.1	DIRECTOR OF FINANCE	H134 Responsible for accuracy and security of computerised financial data.
17.2	DIRECTOR OF FINANCE	H135 Satisfy 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 must be obtained from them prior to implementation.
17.5	CHIEF EXECUTIVE	H136 Shall publish and maintain a Freedom of Information Scheme.
17.6	RELEVANT OFFICERS	H137 Send proposals for general computer systems to Director of Finance.
17.4 & 17. 87.1	DIRECTOR OF FINANCE	H138 Ensure that contracts with other bodies for the provision of computer services for financial applications clearly define responsibility of all parties for security, privacy, accuracy, completeness and timeliness of data during processing, transmission and storage, and allow for audit review.
17. 97.2		H139 Seek periodic assurances from the provider that adequate controls are in operation.
17. 429	DIRECTOR OF FINANCE	H140 Ensure that risks to the Trust from use of IT are identified and considered and that disaster recovery plans are in place.
17. 418.1	DIRECTOR OF FINANCE	<p>H141 Where computer systems have an impact on corporate financial systems satisfy themselves that:</p> <p>a) Systems acquisition, development and maintenance are in line with corporate policies;</p> <p>b) data assembled for processing by financial systems is adequate, accurate, complete and timely, and that a management trail exists;</p> <p>c) Director of Finance and staff have access to such data;</p> <p>Such computer audit reviews are being carried out as are considered necessary.</p>
18.2	CHIEF EXECUTIVE	H142 Responsible for ensuring patients and guardians are informed about patients' money and property procedures on admission.
18.3	DIRECTOR OF FINANCE	H143 Provide 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.

18.6	DEPARTMENTAL MANAGERS	H144 Inform staff of their responsibilities and duties for the administration of the property of patients.
19.1 (3)	DIRECTOR OF FINANCE	H145 Shall ensure that each trust fund which the Trust is responsible for managing is managed appropriately.
21.1	CHIEF EXECUTIVE	H146 Ensure all staff are made aware of the Trust policy on the acceptance of gifts and other benefits in kind by staff.
21.1	ALL STAFF, OFFICERS AND BOARD OF DIRECTORS MEMBERS	H147 Comply with the Trust's Managing Conflicts of Interest Policy.
22.1	CHIEF EXECUTIVE	H148 Retention of document procedures in accordance with Department of Health and Social Care guidelines
23.2.41.2	CHIEF EXECUTIVE	H149 Risk management programme in accordance with current Department of Health and Social Care assurance framework requirements.
23.2.21.3	EXECUTIVE DIRECTORS	H150 Risk responsibility and risk performance.
23.2.41.2	BOARD OF DIRECTORS AND AUDIT AND RISK ASSURANCE COMMITTEE	H151 Approve and monitor risk management programme (approval via Board and monitoring via Audit & Risk Assurance Committee).
23.32.1	BOARD OF DIRECTORS	H152 Decide whether the Trust will use the risk pooling schemes administered by NHS Resolution or self-insure for some or all of the risks (where discretion is allowed). Decisions to self-insure should be reviewed annually.
23.3.64.1 & 23.3.74.2	DIRECTOR OF FINANCE	<p>H153 Where the Board of Directors decides to use the risk pooling schemes administered by NHS Resolution the Director of Finance shall ensure that the arrangements entered into are appropriate and complementary to the risk management programme. The Director of Finance shall ensure that documented procedures cover these arrangements.</p> <p>H154 Where the Board of Directors decides not to use the risk pooling schemes administered by NHS Resolution for any one or other of the risks covered by the schemes, the Director of Finance shall ensure that the Board of Directors 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.</p>
23.3.84.3	DIRECTOR OF FINANCE	H155 Ensure documented procedures cover management of claims and payments below the deductible.

* Nominated officers and the areas for which they are responsible should be incorporated into the Trust's Scheme of Delegation document.

Note: The Trust's authorisation limits table can be found within the Standing Financial Instructions.

THE SHREWSBURY AND TELFORD HOSPITAL NHS TRUST
STANDING FINANCIAL INSTRUCTIONS

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1 Introduction

1.1 General

- 1.1.1 The Code of Accountability requires that each NHS Trust 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). There will be a training and communication programme administered by the Director of Finance to affect these SFIs.
- 1.1.2 These Standing Financial Instructions detail the financial responsibilities, policies and procedures adopted by the Trust. They are designed to ensure that the Trust's 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 Powers Reserved to the Board of Directors and the Scheme of Delegation adopted by the Trust (known as Scheme of Reservation and Delegation).
- 1.1.3 These Standing Financial Instructions identify the financial responsibilities that apply to everyone working for the Trust and its constituent organisations, including Divisions. They do not provide detailed procedural advice and should be read in conjunction with the detailed departmental and financial procedure notes, to provide sound internal control. **All financial procedures must be approved by the Director of Finance.**
- 1.1.4 Should any difficulties arise regarding the interpretation or application of any of the Standing Financial Instructions then the advice of the Director of Finance **MUST BE SOUGHT BEFORE ACTING**. The user of these Standing Financial Instructions should also be familiar with and comply with the provisions of the Trust's Standing Orders and Schedule of Powers Reserved to the Board of Directors.
- 1.1.5 The Standing Financial Instructions apply to all staff (substantive, bank and agency), including temporary contractors, volunteers and staff employed by other organisations to deliver services in the name of the Shrewsbury and Telford Hospital NHS Trust. **FAILURE TO COMPLY WITH STANDING FINANCIAL INSTRUCTIONS AND STANDING ORDERS IS A DISCIPLINARY MATTER THAT COULD RESULT IN DISMISSAL.**
- 1.1.6 **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 and Risk Assurance Committee (ARAC) 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 to the Director of Finance as soon as possible.

1.2 Terminology

- 1.2.1 Any expression to which a meaning is given in Health Service Acts, or in Directions made under the Acts, shall have the same meaning in these instructions;
- (a) **“Accountable Officer”** means the NHS Officer responsible and accountable for funds entrusted to the Trust. They shall be responsible for ensuring the proper stewardship of public funds and assets. For the Trust it shall be the Chief Executive;
- (b) **“Audit and Risk Assurance Committee”** means a committee whose functions are concerned with the arrangements for the establishment and maintenance of an effective system of governance, risk management and internal control;

- (c) **"Board of Directors"** means the Trust Chair, Executive and Non-Executive Directors of the Trust collectively as a body;
- (d) **"Budget"** means a resource, expressed in financial terms, proposed by the Board of Directors for the purpose of carrying out, for a specific period, any or all of the functions of the Trust;
- (e) **"Budget Holder"** means the director or employee with delegated authority to manage finances (Income and Expenditure) for a specific area of the organisation;
- (f) **"Chief Executive"** means the Accountable Officer of the Trust;
- (g) **"Committee"** means a committee created and appointed by the Board of Directors to whom responsibilities are delegated;
- (h) **"Director"** means a person appointed as a Director in accordance with the constitution. The Directors of the Trust will be:
 - (i) "Executive Director" means an officer of the Trust. Up to five will be voting member of the Board of Directors, appointed in accordance with the Membership and Procedure Regulations, 1990. The remainder will not be eligible to vote on the Board of Directors.
 - (ii) "Non-Executive Director" means a member of the Trust who is not an officer of the Trust and is not to be treated as an officer by virtue of the Membership and Procedure Regulations.
- (i) **"Director of Finance"** means the chief financial officer of the Trust;
- (j) **"Finance and Performance Assurance Committee"** means the committee whose functions are concerned with the arrangements for the preparation and content of strategic and business plans. Monitor financial performance and operational delivery against plans.
- (k) **"Funds held on trust"** shall mean those funds which the Trust holds on date of incorporation, receives on distribution by statutory instrument or chooses subsequently to accept under powers set out under the NHS Act 2006, as amended. Such funds may or may not be charitable;
- (l) **"Legal Adviser"** means the properly qualified person appointed by the Trust to provide legal advice;
- (m) **"Officer"** means employee of the Trust or any other person holding a paid appointment or office with the Trust;
- (n) **"Trust"** means The Shrewsbury and Telford Hospital NHS Trust.
- (o) **"Trust Chair"** is the person appointed by NHS England to lead the Board of Directors and to ensure that it successfully discharges its overall responsibility for the Trust as a whole. The expression "the Trust Chair of the Trust shall be deemed to include the Vice-Chair of the Trust if the Trust Chair is absent from the meeting or is otherwise unavailable;

1.2.2 Wherever the title Chief Executive, Director of Finance, or other nominated officer is used in these instructions, it shall be deemed to include such other director or employees who

have been duly authorised to represent them.

- 1.2.3 Wherever the term "employee" is used and where the context permits it shall be deemed to include employees of third parties contracted to the Trust when acting on behalf of the Trust.

1.3 Responsibilities and Delegation

- 1.3.1 The Board of Directors exercises financial supervision and control by:

- (a) formulating and approving the financial strategy;
- (b) requiring the submission and approval of budgets that deliver the financial target set for the Trust within approved allocations and overall income;
- (c) defining and approving essential features in respect of important procedures and financial systems including the need to obtain value for money; and
- (d) defining specific responsibilities placed on members of the Board of Directors and employees as indicated in the Scheme of Delegation document.

- 1.3.2 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 document (Scheme of Reservation and Delegation).

- 1.3.3 The Board of Directors will delegate responsibility for the performance of its functions in accordance with the Scheme of Delegation document adopted by the Trust.

- 1.3.4 Within the Standing Financial Instructions, it is acknowledged that the Chief Executive is ultimately accountable to the Board of Directors, and as Accountable Officer, to the Secretary of State for Health and Social Care, for ensuring that the Board of Directors meets its obligation to perform its functions within the available financial resources. The Chief Executive has overall executive responsibility for the Trust's activities; is responsible to the Trust Chair and the Board of Directors for ensuring that its financial obligations and targets are met and has overall responsibility for the Trust's system of internal control.

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

- 1.3.6 It is a duty of the Chief Executive to ensure that existing members of the Board of Directors and employees and all new appointees are notified of, and **understand**, their responsibilities within these Standing Financial Instructions.

- 1.3.7 The Director of Finance is responsible for:

- (a) implementing the Trust's financial policies and for co-ordinating any action necessary to further these policies;
- (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 Trust's transactions, in order to disclose, with reasonable accuracy, the financial position of the Trust at any time.

and, without prejudice to any other functions of the Trust, and employees of the Trust, the duties of the Director of Finance include:

- (d) the provision of financial advice to the Trust and its employees;
- (e) the design, implementation and supervision of systems of internal financial control; and
- (f) the preparation and maintenance of such accounts, certificates, estimates, records and reports as the Trust may require for the purpose of carrying out its statutory duties.

1.3.8 All staff, including members of the Board of Directors, severally and collectively, are responsible for:

- (a) the security of the property of the 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.

1.3.9 Any contractor (including temporary contractors) or employee of a contractor who is empowered by the Trust to commit the Trust to expenditure or who is authorised to obtain income shall be covered by these instructions.

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

1.4 Escalation Procedures for Non-Compliance

1.4.1 Any instance of non-compliance with Standing Financial Instructions must be notified to the Director of Finance as soon as it has been identified.

1.4.2 The Director of Finance will investigate all significant instances and report the detailed circumstances of each to Audit and Risk Assurance Committee at its next meeting.

1.4.3 The Director of Finance will determine what disciplinary or other action, if any, is necessary, having sought appropriate advice from the Director of People and Organisational Development.

1.4.4 If the Director of Finance is suspected of breaching Standing Financial Instructions, then this should be notified to the Chief Executive who will similarly take action identified above.

1.4.5 Any potential breaches of Standing Financial Instructions by executive directors will be escalated to the Chair of the Audit and Risk Assurance Committee, who will advise on further actions to be instigated in accordance with the approved Governance and Compliance Framework. Any such breaches not involving the Director of Finance will also be reported to the Director of Finance.

2 Audit

2.1 Audit and Risk Assurance Committee

2.1.1 In accordance with Standing Orders, the Board of Directors shall formally establish an Audit and Risk Assurance Committee, with clearly defined terms of reference. The Committee will seek assurance for the Board of Directors on the range of issues in accordance with guidance from the HFMA NHS Audit Committee Handbook, which will provide an independent and objective view of internal control by:

- (a) overseeing internal and external audit services. The Committee will review the work and findings of the auditors and consider the implications of, and management's response to their work;
- (b) reviewing financial and information systems and monitoring the integrity of the financial statements and reviewing significant financial reporting judgements;
- (c) reviewing the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation's activities (both clinical and non-clinical), that supports the achievement of the organisation's objectives;
- (d) monitoring compliance with Standing Orders and Standing Financial Instructions;
- (e) reviewing the arrangements in place to support the Assurance Framework on behalf of the Board of Directors and advising the Board of Directors accordingly;
- ~~(f)~~ satisfying itself that the organisation has adequate arrangements in place for counter fraud and security that meet NHS Counter Fraud Authority standards and shall review the outcomes of work in these areas;
- ~~(f)~~~~(g)~~ ensuring that the systems for financial reporting to the Board of Directors including those of budgetary control are subject to review as to the completeness and accuracy of the information provided;
- ~~(g)~~~~(h)~~ reviewing the annual report and financial statements before submission to the Board of Directors, including the process for reviewing the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors;
- ~~(h)~~~~(i)~~ reviewing the effectiveness of the arrangements in place for allowing staff to raise (in confidence) concerns about possible improprieties in financial, clinical or safety matters and ensure that any such concerns are investigated proportionately and independently; and
- ~~(i)~~~~(j)~~ reviewing how cyber security arrangements are being managed including appropriate risk mitigation strategies.

2.1.2 Where the Audit and Risk Assurance Committee considers there is evidence of ultra vires transactions, evidence of improper acts, or if there are other important matters that the committee wish to raise, the Chair of the Audit and Risk Assurance Committee should raise the matter at a full meeting of the Board of Directors. Exceptionally, the matter may need to be referred to NHS England and the Department of Health and Social Care, but this should be via the Trust's Director of Finance in the first instance.

2.1.3 It is the responsibility of the Director of Finance to ensure an adequate internal audit service is provided and the Audit and Risk Assurance Committee shall be involved in the selection process when/if an internal audit service provider is changed.

2.1.4 Further detail on the role, responsibility and powers of the Audit and Risk Assurance Committee are contained in its Terms of Reference and the Scheme of Reservation and Delegation.

2.2 Director of Finance

2.2.1 The Director of Finance is responsible for:

- (a) ensuring there are arrangements to review, evaluate and report on the effectiveness of internal financial control and efficient use of resources, including the establishment of an effective internal audit function;
- (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 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 and Risk Assurance Committee of the coverage and results of the work of the service. The report must cover:
 - (i) a clear opinion on the effectiveness of internal control in accordance with current assurance framework guidance issued by the Department of Health and Social Care including for example compliance with control criteria and standards;
 - (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 covering the coming three years; and
 - (vi) a detailed plan for the coming year.

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 or employees of the Trust;
- (c) the production of any cash, stores or other property of the Trust under the control of any member of the Board of Directors or an employee's control; and
- (d) explanations concerning any matter under investigation.

2.2.3 The Trust's Chief Executive and Director of Finance are responsible for ensuring access

rights are given to NHS Counter Fraud Authority where necessary for the prevention, detection and investigation of cases of fraud, bribery and corruption, in accordance with NHS Counter Fraud Authority standards for NHS Providers.

2.3 Role of Internal Audit

2.3.1 The Internal Audit service shall:

- (a) provide an independent and objective opinion on risk management, control and governance arrangements by measuring and evaluating their effectiveness; and
- (b) operate independently of the decisions made by the Trust and its employees; and of the activities which it audits. No member of the team providing the internal audit service will have executive responsibilities.

2.3.2 The Internal Audit will review, appraise and report upon:

- (a) establish and monitor the achievement of the Trust's strategic and operational objectives;
- (b) identify, assess and manage strategic and operational risks to achieving the organisation's objectives;
- (c) identify the extent of compliance with, and the financial effect of, the relevant established policies, plans and procedures;
- (d) identify the adequacy and application of financial and other related management Controls;
- (e) ensure the integrity and reliability of information, accounts and data, including internal and external reporting and accountability processes;
- (f) identify the extent to which the 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; and
 - (iv) any form of risk, especially business and financial risk but not exclusively so.
- (g) internal audit shall also independently verify the board assurance framework statements in accordance with guidance from the Department of Health and Social Care.

2.3.3 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.

2.3.4 The Head of Internal Audit will provide an annual opinion on the effectiveness of the whole system of internal control.

2.3.5 The Head of Internal Audit will make suitable provision to form an opinion on key systems operated on behalf of other organisations, and key systems being operated by other organisations, either by deriving the opinions themselves or by relying on the opinions provided by other auditors/review bodies.

- 2.3.6 The Head of Internal Audit will normally attend Audit and Risk Assurance Committee meetings and has a right of access to all Audit and Risk Assurance Committee members, the Trust Chair and Chief Executive of the Trust.
- 2.3.7 The Head of Internal Audit shall be accountable to the Director of Finance. The reporting system for internal audit shall be agreed between the Director of Finance, the Audit and Risk Assurance Committee and the Head of Internal Audit. The agreement shall be in writing and shall comply with the guidance on reporting contained in the NHS Internal Audit Standards. The reporting system shall be reviewed at least every three years.
- 2.3.8 The designated officers must carry out agreed audit recommendations within the timescale for action agreed with the Head of Internal Audit. Failure to do so shall be reported to the Audit and Risk Assurance Committee and to the Chief Executive who shall take necessary action to ensure compliance with such recommendations.

2.4 Fraud and Corruption

- 2.4.1 In line with their responsibilities, the Trust Chief Executive and Director of Finance shall monitor and ensure compliance with the requirements included in the NHS Standard Contract on fraud and corruption (section 24), and with the requirements of the Bribery Act 2010 and other relevant legislation that has been or may be enacted.
- 2.4.2 The Trust shall nominate a suitable person to carry out the duties of the Local Counter Fraud Specialist as specified by the NHS Counter Fraud Authority (NHSCFA).
- 2.4.3 The Local Counter Fraud Specialist shall report to the Director of Finance and shall work with staff in NHS Counter Fraud Authority in accordance with the NHS Standard Contract service conditions.
- 2.4.4 The Local Counter Fraud Specialist will provide a written report, at least annually, on counter fraud work within the Trust.

2.5 External Audit

- 2.5.1 The external auditor is appointed by an [Auditor](#) Appointment Panel constituted of members of the Audit and Risk Assurance Committee with delegated authority from the Board of Directors and paid for by the Trust. The Audit and Risk Assurance Committee must ensure a cost-efficient service. Should there appear to be a problem then this should be raised with the external auditor and referred to the Audit and Risk Assurance Committee if it cannot be resolved.

3 Allocations, Business Planning, Budgets, Budgetary Control and Monitoring

3.1 Preparation and Approval of Business Plans and Budgets

- 3.1.1 The Chief Executive will compile and submit to the Board of Directors 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; and
 - (b) details of major changes in workload, delivery of services or resources required to achieve the plan; [and](#)
 - (c) An assessment of risks and plans for their management.

- 3.1.2 Prior to the start of the financial year the Director of Finance will, on behalf of the Chief Executive, prepare and submit budgets for approval by the Board of Directors. Such budgets will:
- (a) be in accordance with the aims and objectives set out in the Trust's business plan and its long term financial strategy;
 - (b) accord with financial and other targets, and with workforce and activity plans;
 - (c) be produced following discussion with appropriate budget holders;
 - (d) be prepared within the limits of available funds; and
 - (e) identify potential risks.
- 3.1.3 The Director of Finance shall monitor financial performance against budget and business plan, periodically review them, and report to the Board of Directors.
- 3.1.4 All budget holders must provide information as required by the Director of Finance to enable budgets to be compiled and financial performance against budgets to be monitored.
- 3.1.5 All budget holders will sign up to their allocated budgets at the commencement of each financial year.
- 3.1.6 The Director of Finance has a responsibility to ensure that adequate training is delivered on an on-going basis to budget holders to help them manage their budgets successfully.

3.2 Budgetary Delegation

- 3.2.1 The Chief Executive may delegate the management of a budget to permit the performance of a defined range of activities. 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) authority to exercise virement;
 - (e) achievement of planned levels of service; and
 - (f) the provision of regular reports.
- 3.2.2 The Chief Executive and delegated budget holders must not exceed the budgetary total or virement limits set by the Director of Finance (see Appendix A).
- 3.2.3 Any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Chief Executive, subject to any authorised use of virement.
- 3.2.4 Non-recurring budgets should not be used to finance recurring expenditure without the authority in writing of the Chief Executive, as advised by the Director of Finance.

3.3 Budgetary Control and Reporting

- 3.3.1 The Director of Finance will devise and maintain systems of budgetary control. These will

include:

- (a) monthly financial reports to the Board of Directors in a form approved by the Board of Directors containing:
 - (i) income and expenditure to date showing trends and forecast year-end position;
 - (ii) movements in working capital;
 - (iii) movements in cash and capital;
 - (iv) capital project spend and projected outturn against plan;
 - (v) explanations of any material variances from plan; and
 - (vi) details of any corrective action where necessary and the Chief Executive's and/or Director of Finance's view of whether such actions are sufficient to correct the situation.
- (b) investigation and reporting of variances from financial and workforce budgets;
- (c) the issue of timely, accurate and comprehensible advice and financial reports to each budget holder, covering the areas for which they are responsible;
- (d) monitoring of management action to correct variances; and
- (e) arrangements for the authorisation of budget transfers.

3.3.2 Each budget holder is responsible for ensuring that:

- (a) any likely overspending or reduction of income that cannot be met by virement is not incurred without the prior consent of the Board of Directors;
- (b) 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;
- (c) no permanent employees are appointed without confirmation that funding to support the appointments has been established through the Finance Department and authorised as such by the Director of Finance or delegated officer.
- (d) they comply with the Trust's Budgetary Control Policy as devised by the Director of Finance;

3.3.3 The Chief Executive is responsible for identifying and implementing cost improvements and income generation initiatives in accordance with the requirements of the annual business plan. .

3.4 Capital Expenditure

3.4.1 The general rules applying to delegation and reporting shall also apply to capital expenditure (the particular applications relating to capital are contained in section 11).

3.4.2 The capital programme will be approved in advance by the Finance and Performance Assurance Committee and then approved by the Board of Directors.

3.4.3 Any capital expenditure approved as part of the agreed capital plan will be subject to in year authorisation and following of the mandatory procurement process (see SFI 11.1.4);

officers are subject to the authorisation limits set out in Appendix A and the requirement for an approved business case as part of the authorisation process to ensure value for money, as set out by the Director of Finance .

3.4.4 If there is a variation to the agreed capital plan, the Director of Finance and Finance and Performance Assurance Committee must be notified. This does not include instances of reactive backlog works and replacement of redundant equipment where the required expenditure is in line with the overall backlog and equipment replacement programme.

3.4.5 Further detail on the role, responsibility and powers of the Finance and Performance Assurance Committee are contained in its Terms of Reference and the Scheme of Reservation and Delegation.

3.5 Monitoring Returns

3.5.1 The Chief Executive is responsible for ensuring that the appropriate monitoring forms are submitted to the requisite monitoring organisation in accordance with the prescribed deadlines.

4 Annual Accounts and Reports

4.1 The Director of Finance, on behalf of the Trust, will:

- (a) prepare financial returns in accordance with the accounting policies and guidance given by the Department of Health and Social Care and the Treasury, the Trust's accounting policies, and generally accepted accounting practice;
- (b) prepare and submit annual financial reports to the Department of Health and Social Care and NHS England in accordance with current guidelines; and
- (c) submit financial returns to the Department of Health and Social Care for each financial year in accordance with the timetable prescribed by the Department of Health and Social Care.

4.2 The Trust's annual accounts must be audited by an auditor appointed by the Audit and Risk Assurance Committee. The Trust's audited annual accounts must be presented to a public meeting and made available to the public.

4.3 The Trust will publish an annual report, in accordance with national guidelines on local accountability, and present it at a public meeting.
-The document will comply with the Department of Health and Social Care's Group Accounting Manual.

5 Bank Accounts

5.1 General

5.1.1 The Director of Finance is responsible for managing the Trust's banking arrangements and for advising the Trust on the provision of banking services and operation of accounts. This advice will take into account guidance and Directions issued by the Department of Health and Social Care.

5.1.2 The Board of Directors shall approve the banking arrangements.

5.2 Bank and Government Banking Service (GBS) Accounts

5.2.1 The Director of Finance is responsible for:

- (a) bank accounts and GBS accounts;
- (b) establishing separate bank accounts for the Trust's non-exchequer funds, including charitable funds;
- (c) ensuring payments made from bank or GBS accounts do not exceed the amount credited to the account except where arrangements have been made;
- (d) reporting to the Board of Directors all arrangements made with the Trust's bankers for accounts to be overdrawn;
- (e) monitoring compliance with Department of Health and Social Care guidance on the level of cleared funds; and
- (f) ensuring covenants attached to bank borrowing are adhered to.

5.3 Banking Procedures

- 5.3.1 The Director of Finance will prepare detailed instructions, on the operation of all Trust bank accounts that must include:
- (a) the conditions under which each bank and GBS account is to be operated, including the overdraft limit if applicable;
 - (b) those authorised to approve payments, bank transfers, sign cheques or other orders drawn on the Trust's accounts.
- 5.3.2 The Director of Finance must advise the Trust's bankers in writing of the conditions under which each account will be operated.
- 5.3.3 It is the responsibility of the Director of Finance to monitor the banking arrangements to ensure best value for money is obtained.
- 5.3.4 The Director of Finance should monitor authorisation levels and check signatories to ensure thresholds and individuals meet with the ongoing needs of the Trust.

5.4 Tendering and Review

- 5.4.1 The Director of Finance will review the commercial banking arrangements of the Trust at regular intervals to ensure they continue to reflect best value for money.
- 5.4.2 This review is not necessary for GBS accounts.
- 5.4.3 Competitive tenders should be sought at least every five years. The Director of Finance shall report to the Board of Directors the reason(s) for continuing existing banking arrangements for longer than five years, without competitive review.
- 5.4.4 The Director of Finance shall report the results of any tendering exercise to the Board of Directors.

5.5 External Borrowing

- 5.5.1 The Director of Finance will advise the Board of Directors concerning the Trust's ability to pay dividend on, and repay Public Dividend Capital (PDC) and any proposed new borrowing, within the limits set by the Department of Health and Social Care. The Director of Finance is also responsible for reporting periodically to the Board of Directors concerning the PDC debt and all loans and overdrafts.
- 5.5.2 The Board of Directors shall agree the list of employees authorised to make short term borrowings on behalf of the Trust. This shall include the Chief Executive and the Director of Finance.
- 5.5.3 The Director of Finance must prepare detailed procedural instructions concerning applications for loans and overdrafts.
- 5.5.4 All short term borrowings should be kept to the minimum period of time possible, consistent with the overall cash flow position, represent good value for money and comply with the latest guidance from the Department of Health and Social Care. Any short term borrowing required must be authorised by the Director of Finance.

6 Income, Fees and Charges and Security of Cash, Cheques and Other Negotiable Instruments

6.1 Income Systems

- 6.1.1 The Director of Finance is responsible for designing, maintaining and ensuring compliance with systems for the proper recording, invoicing, and collection and coding of all monies due.
- 6.1.2 The Director of Finance is also responsible for the prompt banking of all monies received.

6.2 Fees and Charges

- 6.2.1 The Trust shall follow the Department of Health and Social Care's advice in setting prices for service agreements.
- 6.2.2 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 and Social Care 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 and Social Care's Commercial Sponsorship – Ethical standards in the NHS shall be followed, along with the Trust's Managing Conflicts of Interest Policy and Marketing, Communications, Commercial Sponsorship and Advertising Policy.
- 6.2.3 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 in order to facilitate the timely raising of invoices and collection of debt.

6.3 Debt Recovery

- 6.3.1 The Director of Finance is responsible for the appropriate recovery action on all outstanding debts.

6.3.2 Income not received should be dealt with in accordance with losses procedures in section 16 (see also section 13).

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

6.4 Security of Cash, Cheques and Other Negotiable Instruments

6.4.1 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;
- (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 Trust.

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

6.4.3 All cheques, postal orders, payable orders, cash etc., shall be banked intact. Disbursements shall not be made from cash received, except under arrangements approved by the Director of Finance.

6.4.4 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 Trust is not to be held liable for any loss, and written indemnities must be obtained from the organisation or individuals absolving the Trust from responsibility for any loss.

6.4.5 Under no circumstances will the Trust accept cash payments of €10,000 (or equivalent in any currency) in respect of any single transaction or series of transactions which appear to be linked (in line with HM Revenue and Customs guidance on "Money laundering supervision for high value dealers"). Any attempts by an individual to effect payment above this amount should be notified immediately to the Director of Finance.

7 NHS Service Agreements for the Provision of Services

7.1 Service Level Agreements (SLAs) and Contracts

7.1.1 The Chief Executive, as the Accountable Officer, is responsible for ensuring the Trust enters into suitable Service Level Agreements (SLA) with service commissioners for the provision of NHS services, using the standard NHS contract terms and conditions where appropriate, detailing the basis on which the Trust will provide healthcare services.

All SLAs and contracts should aim to implement the agreed priorities contained within the Trust's annual business plan and be consistent with the long term plan of the local Integrated Care System (ICS)/integrated care strategy of the local Integrated Care Partnership and NHS Long Term Plan. In discharging this responsibility, the Chief Executive should take into account:

- (a) the standards of service quality expected;
- (b) the relevant national service or quality framework (if any);

- (c) the provision of reliable information on cost and volume of services; and
- (d) the NHS System Oversight Framework.

7.2 Reports to the Board of Directors and SLAs

- 7.2.1 The Chief Executive, as the Accountable Officer, will need to ensure that regular reports are provided to the Board of Directors detailing actual and forecast income from contracts and SLA's. This will include information on costing arrangements, which increasingly should be based upon Healthcare Resource Groups (HRGs). Where HRGs are unavailable for specific services, all parties should agree a common currency for application across the range of SLAs.

8 Terms of Service, Allowances and Payment of Members of the Board of Directors and Executive Committee and Employees

8.1 Remuneration and Terms of Service

- 8.1.1 In accordance with Standing Orders the Board of Directors shall establish a Remuneration Committee, with clearly defined terms of reference, specifying which posts fall within its area of responsibility, its composition, and the arrangements for reporting (see also Standing Order 5.8).
- 8.1.2 The Committee's role is outlined within the Scheme of Delegation and Reservation and within its agreed terms of reference.

8.2 Funded Establishment

- 8.2.1 The workforce plans incorporated within the annual budget will form the funded establishment. Changes to the funded establishment require the authorisation of the Director of Finance or delegated officer.
- 8.2.2 The funded establishment of any department may not be varied in any way which causes expenditure to exceed the authorised annual budget without the approval of the Director of Finance.

8.3 Staff Appointments

- 8.3.1 No officer or member of the Board of Directors 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 respect of remuneration unless:
- (a) they have delegated authority in accordance with the Scheme of Delegation;
 - (b) the change is in accordance with Trust policies;
 - (c) the appointment is within the limit of their approved budget and funded establishment; and
 - (d) they are exercising economy and efficiency in the use of human resources.
- 8.3.2 Where changes do not comply with the above, authorisation must be gained from the Chief Executive before committing to any change.
- 8.3.3 It is the budget holder's responsibility to ensure the Finance Department are made

aware of any such changes to their approved budget to enable the transaction of a budget variation.

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

8.4 Processing Payroll

- 8.4.1 Regardless of the arrangements for providing the payroll service, 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.

- 8.4.2 The Director of Finance is responsible for:

- (a) specifying timetables for submission of properly authorised time records, expense claims and other notifications;
- (b) the final determination of pay and allowances;
- (c) making payment on agreed dates; and
- (d) agreeing method of payment.

- 8.4.3 The Director of Finance will issue instructions regarding:

- (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 and General Data Protection Regulation (GDPR);
- (g) methods of payment available to various categories of employee and officers;
- (h) procedures for payment by cheque, bank credit including BACS, or cash to employees and officers;
- (i) procedures for the recall of cheques and bank credits including BACS;
- (j) pay advances and their recovery;
- (k) maintenance of regular and independent reconciliation of pay control accounts;
- (l) separation of duties of preparing records and handling cash; and
- (m) a system to ensure the recovery from those leaving the employment of the Trust of sums of money and property due by them to the Trust.

8.4.4 Appropriately nominated managers have delegated responsibility for:

- (a) submitting time records, travel, subsistence and removal expense claims and other notifications in accordance with agreed timetables;
- (b) completing and authorising time records, travel, subsistence and removal expense claims and other notifications in accordance with the Director of Finance's instructions and in the form prescribed by the Director of Finance; and
- (c) submitting termination forms in the prescribed form immediately upon knowing the effective date of an employee's or officer's resignation, termination or retirement. Where an employee fails to report for duty or to fulfil obligations in circumstances that suggest they have left without notice, the Director of Finance must be informed immediately.

8.5 Salary Advances, Overpayment and Recovery

8.5.1 Trust employees are expected to be truthful and honest in relation to salary overpayment and repayment;

8.5.2 Salary advances will only be considered for amounts above £100;

8.5.3 When salary overpayments occur, the Trust will pursue repayment in accordance with its Overpayments Recovery Policy.

8.6 Salary Sacrifice

8.6.1 The salary sacrifice schemes are subject to the applicable policies which provide detailed guidance.

8.5.7 Employee Expenses

8.5.7.1 Amount Paid

The Director of Finance shall be responsible for determining the correct payment of claims for travelling and other expenses, including deduction of amounts liable to the Inland Revenue under the appropriate regulations. The Director of Finance will not be liable to pay such claims where, in their opinion, it has not been possible for the certifying manager to verify the accuracy of the data.

8.5.7.2 Certification of Claims

Certification of claims by, or on behalf of, the budget holder shall be taken to mean that the certification officer is satisfied that the journeys made were authorised, that expenses claimed were properly and necessarily incurred, and that allowances are properly payable by the Trust. The employee will upload any receipts onto the electronic expenses system which the certifying manager will examine before certification. All original receipts will be kept by the employee or the certifying manager.

8.5.7.3 Date of Claim

Eligible employee's authorised claims for reimbursement of expenses shall be done electronically. Where appropriate, completed and authorised claims shall be submitted to the Director of Finance on a regular basis, in accordance with an agreed timetable and as soon as practical after the expense has been incurred. Claims for reimbursement of expenses, which relate to a period or date more than three months (unless otherwise

stated within an approved policy) previous to the date of receipt of the claim form by the Director of Finance, shall be accompanied by a letter detailing the reasons for such delay. Expense claims that are more than nine months previous to the date of receipt of the claim form by the Director of Finance, shall, subject to the discretion of the Director of Finance, not be paid.

8.68.8 Contracts of Employment

~~8.6.18.8.1~~ The Board of Directors shall delegate responsibility to an officer 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 legislation; and
- (b) dealing with variations to, or termination of, contracts of employment.

8.78.9 Agency, Self-Employed or Third Party Workers Including Contract for Services

~~8.7.18.9.1~~ Where exceptional circumstances exist within a department e.g. high levels of escalation and acuity, self-employed workers or workers supplied via a third party are to be retained, then:

- (a) the contract may only be entered into by a budget holder having sufficient resources within the limit of their budget or who is authorised for that purpose by the Chief Executive or his delegated officer; and
- (b) the Director of Finance shall be consulted and must give authorisation if the contractor is not on framework/the current list of authorised suppliers;

~~8.7.28.9.2~~ Where there is not sufficient resource within the approved budget permission must be sought prior to an increase in temporary staffing levels through the appropriate director/director on-call.

~~8.7.38.9.3~~ It is the responsibility of the budget holder at the earliest opportunity to review staffing levels to ensure value for money is obtained and funding is both identified and approved to cover the increased cost.

~~8.7.48.9.4~~ The Director of People & Organisational Development shall establish procedures to ensure that the Trust's interests are protected in the contractual arrangements entered into with self-employed consultants and contractors. These procedures shall ensure that the contractual arrangements do not contravene HM Revenues and Customs' requirements regarding the avoidance of tax and national insurance contributions through the use of intermediaries, such as service companies or partnerships, known as Intermediaries Legislation, or "IR 35".

~~8.7.58.9.5~~ All Trust officers responsible for procuring services from self-employed individuals shall ensure that they comply with the procedures established.

8.7.68.9.6 Changes to Bank/Internal Locum Rates

- (a) the Director of Finance will oversee the process of agreeing bank/locum rates of payment within the Trust for all staff;
- (b) this process will be documented and communicated throughout the Trust;
- (c) any proposals (short-term or long-term) to operate outside of this process will require Finance involvement with the approval limits in Appendix A setting out the level of authorisation required;

- (d) when there are other fees involved in addition to the hourly rate (e.g. engagement fees), these need to be approved by the respective budget holder prior to appointment. The budget holder must ensure that budget has been clearly identified to cover the cost of the fees prior to appointment;
- (e) the Trust's temporary staffing functions (medical and non-medical) will oversee the operationalisation and exception reporting of the process.

8.7.78.9.7 Approving External Agency Rates

- (a) the Director of Finance will oversee the process of agreeing the financial parameters for the engagement of agency staff within the Trust ensuring compliance with latest NHS England's agency rules (using the available price card as a reference);
- (b) this process will be documented and communicated throughout the Trust;
- (c) the process will include an escalation process should the potential rates being negotiated exceed the Trust's agreed parameters; and
- (d) the Trust's temporary staffing functions (medical and non-medical) will oversee the operationalisation and exception reporting of the process.

9 Non-Pay Expenditure

9.1 Delegation of Authority

- 9.1.1 The Board of Directors will approve the level of non-pay expenditure on an annual basis and the Chief Executive will determine the level of delegation to budget holders.
- 9.1.2 The Director of Finance will set out:
 - (a) the list of managers who are authorised to place requisitions for the supply of goods and services; and
 - (b) the maximum level of each requisition and the system for authorisation above that level.
- 9.1.3 The Chief Executive shall set out procedures on the seeking of professional advice regarding the supply of goods and services and this shall be followed when entering into any agreement. Contract terms and conditions used in contract shall only be those approved by the Trust.

9.2 Choice, Requisitioning, Ordering, Receipt and Payment for Goods and Services

- 9.2.1 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 Trust. In so doing, the advice of the Trust's adviser on supply will be sought, prior to commitment. In order to commit expenditure the requisitioner must follow the Trust's standard procurement process. Where this advice is not acceptable to the requisitioner, the Director of Finance and/or the Chief Executive shall be consulted.
- 9.2.2 The Director of Finance shall be responsible for the prompt payment of accounts and claims. Payment of contract invoices shall be in accordance with contract terms, or otherwise, in accordance with national guidance.

9.2.3 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 Standing Orders and regularly reviewed;
- (b) prepare procedural instructions or guidance, 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 Board of Directors members/employees (including specimens of their signatures) authorised to certify invoices.
 - (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; and
 - 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. The only exceptions are set out in paragraph 9.2.4.

- (f) The Director of Finance is responsible for ensuring, as far as possible, payments are made in accordance with the Better Payment Practice Code.

9.2.4 Prepayments

- (a) Prepayments are only permitted where exceptional circumstances apply.

In such instances:

- (i) Prepayments are only permitted where normally it would be expected that the financial advantages outweigh the disadvantages ;
- (b) the appropriate officer 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 Trust if the supplier is at some time during the course of the prepayment agreement unable to meet his commitments;
- (c) the Director of Finance will need to be satisfied with the proposed arrangements before contractual arrangements proceed (taking into account the ~~EU public procurement rules~~Public Contract Regulations where the contract is above a stipulated financial threshold) and in all circumstances the Director of Finance should approve all prepayments; and
- (d) the budget holder is responsible for ensuring that all items due under a prepayment contract are received and they must immediately inform the appropriate Director or Chief Executive if problems are encountered.

9.2.5 Official Orders must:

- (a) be consecutively numbered;
- (b) be in a form approved by the Director of Finance;
- (c) state the Trust's terms and conditions of trade including the need for suppliers to quote a valid order number when submitting invoices for payment; and
- (d) only be issued to, and used by, those duly authorised by the Chief Executive. Lists of authorised officers shall be maintained and a copy of each list supplied to the Director of Finance; and
- (e) be authorised, prior to being issued, according to the Trust's Scheme of Delegation.

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

- (a) all contracts (except as otherwise provided for in 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;
- (b) contracts above specified thresholds are advertised and awarded in accordance with ~~EU The Public Contract Regulations~~rules on public procurement;
- (c) where consultancy advice is being obtained, the procurement of such advice must be in accordance with guidance issued by the Department of Health and Social Care and NHS England and NHS Improvement;
- (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;
- (f) all goods, services, or works are ordered on an official order except works and services executed in accordance with a contract, purchases from petty cash or on purchase cards;
- (g) verbal orders must only be issued very exceptionally - by an employee designated by the Chief Executive 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 Trust to a future uncompetitive purchase;
- (j) changes to the list of directors/employees and officers authorised to certify invoices are notified to the Director of Finance;
- (k) purchases from petty cash are restricted in value and by type of purchase in accordance with instructions issued by the Director of Finance; and
- (l) petty cash records are maintained in a form as determined by the Director of Finance.

9.2.7 The Chief Executive 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 the guidance contained within NHS Estates guidance. The technical audit of these contracts shall be the responsibility of the relevant Director.

9.2.8 Should a tender be required the process adopted is stipulated in these Standing Financial Instructions (see section 12).

9.3 Ensuring Segregation of Duties

9.3.1 Officers must ensure that effective segregation of duties are maintained throughout the procurement process. This means that the same officer cannot both requisition and approve the procurement of any goods, services or works. This applies to transactions undertaken via purchase orders or on a non-purchase order basis.

9.39.4 Joint Finance Arrangements with Local Authorities and Voluntary Bodies

9.4.1 Payments to local authorities and voluntary organisations made under the powers of section 75 and section 256 of the NHS Act 2006 (as amended) shall comply with procedures laid down by the Director of Finance which shall be in accordance with this Act (see also Standing Order 11.5).

9.5 Use of Trust Corporate Credit Card

- 9.5.1** Officers can utilise the Trust credit card only when there is no other means of payment, i.e. web companies. Procurement should first be approached to find an alternative supplier who will take other methods of payment before the credit card request is made.
- 9.5.2** A credit card request form must be completed by the person wanting to use the credit card including supplier name, reason for the payment, amount and the budget code to be charged. The form must be approved by one of the Trust's authorised signatories.
- 9.5.3** The use of the credit card is overseen by the Finance Director who is responsible for:
- (a)** approving changes to the scope and scale of its use
 - (b)** defining the posts or departments that should be issued with a credit card
 - (c)** defining the goods and services that can be purchased on these cards
 - (d)** approving the credit limit associated with the cards
 - (e)** approving the Corporate Credit Card Policy.
- 9.5.4** The Trust's current Nat West credit card limit is £300,000 per month with individual transactions limited to £5,000.

10 Financial Framework

- 10.1** The Director of Finance shall ensure that members of the Board of Directors and the Executive Team are aware of the Financial Framework within the NHS England's System Oversight Framework, within which the Trust is required to operate.

11 Capital Investment, Managed Service Contracts, Private Financing, Fixed Asset Registers and Security of Assets

11.1 Capital Investment Including Managed Service Contracts

- 11.1.1** The Chief Executive:
- (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 confirmation of purchaser(s) support and the availability of resources to finance all revenue consequences, including capital charges.
- 11.1.2** For every capital expenditure proposal, including the potential to purchase the asset through a managed service contract the Chief Executive shall ensure:
- (a) that a business case (in line with the guidance contained within the current Department of Health and Social Care's guidance), 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;
 - (ii) appropriate project management and control arrangements; and
 - (iii) the involvement of appropriate Trust personnel and external agencies;

- (b) that the Director of Finance has certified professionally to the costs and revenue consequences detailed in the business case. For a managed service contract this includes whether it is an operating or finance lease and impact on the Trust's Capital Departmental Expenditure Limit (CDEL) and VAT liability. The certification may be derived through external expert advice.
- (c) Where the sum involved exceeds delegated limits, the business case must be referred to NHS England and/or the Department of Health and Social Care in line with current guidelines.

11.1.3 For capital schemes where the contracts stipulate stage payments, the Chief Executive will issue procedures for their management, incorporating the recommendations of NHS Estates guidance.

The 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 capital expenditure.

11.1.4 The approval of a capital programme shall not constitute approval for the initiation of expenditure on any scheme, because it is also necessary to undertake the mandatory procurement processes of the Trust.

The Chief Executive, shall issue to the manager responsible for any capital scheme:

- (a) specific authority to commit expenditure;
- (b) authority to proceed to tender; and
- (c) approval to accept a successful tender.

The Chief Executive will issue a scheme of delegation for capital investment management in accordance with NHS Estates guidance and the Trust's Standing Orders. The appropriate signatories shall be governed by the authorisation levels set out in Appendix A.

11.1.5 The Director of Finance shall issue procedures governing financial management, including variations to contract, of capital investment projects and valuation for accounting purposes. These procedures shall fully take into account the delegated limits for capital schemes as notified by the Department of Health and Social Care.

11.2 Private Finance

11.2.1 The Trust should normally test for private finance when considering a capital procurement. When the Trust proposes to use finance that is to be provided other than through its Allocations, the following procedures shall apply:

- (a) the Director of Finance shall demonstrate that the use of private finance represents value for money and genuinely transfers significant risk to the private sector;
- (b) the proposal must be specifically agreed by the Board of Directors; and
- (c) where the sum involved exceeds delegated limits, the business case must be referred to the appropriate Directorate of the Department of Health and Social Care and/or treated as per current guidelines.

11.3 Leases (Finance and Operating)

- 11.3.1 Where it is proposed that leasing (either operating or finance) shall be considered in preference to capital procurement then the following should apply:
- (a) The selection of a contract/finance company shall be on the basis of competitive tendering and quotations sought via the procurement department;
 - (b) all proposals to enter into a leasing agreement shall be referred to the Director of Finance before acceptance of any offer;
 - (c) the Director of Finance shall ensure that the proposal demonstrates best value for money; and
 - (d) the proposal shall be agreed in writing by the Director of Finance prior to acceptance of any offer to the lease.

11.4 Asset Registers

- 11.4.1 The Chief Executive 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 once a year.
- 11.4.2 The Trust shall maintain an up-to-date asset register recording fixed assets. The minimum data set to be held within these registers shall be as specified in the Group Accounting Manual as issued by the Department of Health and Social Care.
- 11.4.3 Additions to the fixed asset register must be clearly identified to an appropriate budget holder and be validated by reference to:
- (a) properly authorised and approved agreements, architect certificates, supplier 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.
- 11.4.4 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).
- 11.4.5 The Director of Finance shall approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.
- 11.4.511.4.6 The Director of Finance shall ensure that appropriate accounting policies are adopted to ensure appropriate ongoing valuation of all assets.
- 11.4.611.4.7 The value of each asset shall be valued in accordance with a modern equivalent assets valuation in accordance with methods specified by the Department of Health and Social Care.
- 11.4.711.4.8 The value of each asset shall be depreciated using methods and rates in line with guidance specified by the Department of Health and Social Care.

~~44.4.8~~11.4.9 The Director of Finance of the Trust shall calculate and pay capital charges as specified in the NHS Group Accounting Manual issued by the Department of Health and Social Care.

11.5 Security of Assets

11.5.1 The overall control of fixed assets is the responsibility of the Chief Executive.

11.5.2 Asset control procedures (including fixed assets, inventories, 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 by reference to its location;
- (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; and
- (f) reporting, recording and safekeeping of cash, cheques, and negotiable instruments.

11.5.3 All discrepancies revealed by verification of physical assets to fixed asset register shall be notified to the Director of Finance.

11.5.4 Whilst each employee and officer has a responsibility for the security of property of the Trust, it is the responsibility of Board of Directors members 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 agreed procedures.

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

11.5.6 Where practical, assets should be marked as Trust property. Particular care should be taken to safeguard valuable portable items such as laptops, desktops and mobile phones.

12 Tendering and Contracting Procedure

12.1 Duty to comply with Standing Financial Instructions

12.1.1 The procedure for making a contract by or on behalf of the Trust shall comply with these Standing Financial Instructions.

12.2 EU Directives Governing Public Procurement

12.2.1 European Union Directives on public sector purchasing promulgated by the Department of Health and Social Care (under Public Contract Regulation 2015) prescribing procedures for awarding all forms of contracts shall have effect as if incorporated in these Standing Financial Instructions.

12.2.2 The Trust shall comply as far as is practicable with the requirements of the Department of

Health and Social Care, NHS England and Estate code (estates guidance) in respect of capital investment and estate and property transactions. In the case of management consultancy contracts the Trust shall comply as far as is practicable with Department of Health and Social Care guidance "The Procurement and Management of Consultants within the NHS" and guidance from NHS England and NHS Improvement.

12.3 Shropshire Healthcare Procurement Service (SHPS)

- 12.3.1 The Trust hosts a procurement service for its purchasing needs. The service operates on behalf of the NHS throughout Shropshire in order to maximise the benefits of joint purchasing power. The roles and responsibilities of the service are defined by Service Level Agreement. The staff within the service are employees of the Trust and operate within the Trust's Scheme of Delegation; they do also undertake activities on behalf of other Trusts and operate within their Scheme of Delegation.

12.4 Advertised Competitive Procurement

- 12.4.1 The Trust shall ensure that advertised competitive contract award processes, that are based on objective, relevant and proportionate criteria are undertaken for the supply of goods and services including all forms of management consultancy services (other than specialised services sought from or provided by the Department of Health and Social Care); for the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens); and for disposals.

12.5 Commissioning of Healthcare Services

- 12.5.1 The Trust shall follow the requirements of the applicable public contracts legislation for provider selection and ensure that competitive procurement is undertaken as per the threshold detailed in Appendix B. The Trust may invite tenders for sub-threshold healthcare services where benefits are expected and will select a procurement process proportionate to the contract value to ensure the principles of fair and equal treatment are observed.

12.6 Joint Purchasing

- 12.6.1 A single approach to tender and quotation for competitive procurement limits should apply to all contracts which are to be placed for goods and services that are required for more than one Trust. In such instances the limits are defined in Appendix B to these SFIs. Any deviation from these limits should be agreed in advance with Audit & Risk Assurance Committee.

12.7 Exceptions and instances where formal procurement procedures need not be applied

- 12.7.1 Formal tendering procedures **need not be applied** where:
- (a) the estimated total expenditure does not, or is not reasonably expected to exceed the level set in the Scheme of Delegation; it is a breach of SFIs to split contracts to avoid thresholds; and
 - (b) where the supply is proposed under special arrangements negotiated by the Department of Health and Social Care or its agencies, in which event the said special arrangements must be complied with.
- 12.7.2 Competitive procurement procedures **may be waived** in the following circumstances:
- (a) The waiving of competitive tendering procedures should not be used to:

- (i) avoid competition, or
 - (ii) avoid public procurement legislation/FTS (Find a Tender Service), or
 - (iii) for the administrative convenience, or
 - (iv) award further work originally appointed through a competitive procedure.
- (b) in very exceptional circumstances where the Chief Executive or Director of Finance decides that formal tendering procedures would not be practicable or the estimated expenditure or income would not warrant formal tendering procedures, and the circumstances are detailed in an appropriate Trust record;
 - (c) where the requirement is covered by an existing contract;
 - (d) where contracts have been awarded for the benefit of Public Sector Bodies, to which the Trust is entitled to access (e.g. Framework Contracts);
 - (e) where a national or regional purchasing consortium arrangement is in place and a lead organisation has been appointed to carry out tendering activity on behalf of the consortium members;
 - (f) where the timescale genuinely precludes competitive tendering but failure to plan the work properly would not be regarded as a justification for a single tender;
 - (g) where specialist expertise is required and is available from only one source;
 - (h) when the task is essential to complete the project, and arises as a consequence of a recently completed assignment and engaging different consultants for the new task would be inappropriate;
 - (i) there is a clear benefit to be gained from maintaining continuity with an earlier project. However, in such cases the benefits of such continuity must outweigh any potential financial advantage to be gained by competitive tendering; and
 - (j) for the provision of legal advice and services providing that any legal firm or partnership commissioned by the Trust is regulated by the Law Society for England and Wales for the conduct of their business (or by the Bar Council for England and Wales in relation to the obtaining of Counsel's opinion) and are generally recognised as having sufficient expertise in the area of work for which they are commissioned. The Director of Finance will ensure that any fees paid are reasonable and within commonly accepted rates for the costing of such work.

12.7.3 Where it is decided that competitive tendering is not applicable and should be waived,

- (a) a non-competitive quotation in writing will be obtained using the appropriate terms and condition of contract; and
- (b) the fact of the waiver should be documented with reasons on a

Competitive Waiver form obtained via the Procurement Department.

In accordance with the Scheme of Delegation, all waivers, with the exception of those for pharmaceuticals, must be signed off by the ~~Head~~Director of Procurement or their deputy, prior to authorisation.

Waivers must be reported to the Audit and Risk Assurance Committee.

- 12.8** The Trust shall ensure that invitations to tender are sent to a sufficient number of firms/individuals to provide fair and adequate competition as appropriate, and in no case less than three firms/individuals, as far as practicable having regard to their capacity to supply the goods or materials or to undertake the services or works required.

12.9 Invitation to Tender

12.9.1 Paper based or electronic tenders

The tendering process may be paper based or using an electronic tendering system. For tenders managed by the Procurement department, they use a fully audited electronic sealed bid process, where quotations and tenders cannot be opened until the set date and time. There is a complete electronic audit trail built into this process.

The following paragraphs indicate where the tendering process is different between paper and electronic.

- (a) All invitations to tender shall state the date and time as being the latest time for the receipt of tenders.
- (b) For paper tenders, all invitations to tender shall state that no tender will be accepted unless:
 - (i) submitted in a plain sealed package or envelope bearing a pre-printed label supplied by the Trust (or the word "tender" followed by the subject to which it relates) and the latest date and time for the receipt of such tender addressed to the Chief Executive or nominated Manager; and
 - (ii) that tender envelopes/packages shall not bear any names or marks indicating the sender. The use of courier/postal services must not identify the sender on the envelope or on any receipt so required by the deliverer.
- (c) For electronic tenders, the invitation shall state that only tenders submitted electronically will be considered.
- (d) Every tender for goods, materials, services or disposals shall embody such of the NHS Standard Contract Conditions as are applicable.
- (e) ~~Every tender for building or engineering works (except for maintenance work, when Estatecode guidance shall be followed) shall embody or be in the terms of the current edition of one of the Joint Contracts Tribunal Standard Forms of Building Contract or Department of the Environment (GC/Wks) standard forms of contract amended to comply with relevant estates construction guidance; or, when the content of the work is primarily engineering, the General Conditions of Contract recommended by the Institution of Mechanical and Electrical Engineers and the Association of Consulting Engineers (Form A), or (in the case of civil engineering work) the General Conditions of Contract recommended by the Institute of Civil Engineers, the Association of Consulting Engineers and the Federation of Civil Engineering Contractors. These documents shall be modified and/or amplified to accord with Department of Health and Social Care guidance and, in minor respects, to cover special features of individual projects.~~ Every tender for building and engineering works shall reflect Department of Health and Social Care Estates Technical Guidance and, except any tender for maintenance work only, shall embody or be in the terms issued by either the Joint Contracts tribunal (JCT) Standard Forms of Building Contract, or for major projects, the appropriate New

Engineering Contract (NEC) form of contract shall be used. Where appropriate, a Model Form of Engineering Contract should be used when the content of the work is primarily engineering. Procurement of professional services for the delivery of works should also be made using the form of professional services contract appropriate to the construction works being undertaken.

12.9.2 Receipt and safe custody of tenders

- (i) For paper tenders, the Chief Executive or his nominated representative will be responsible for the receipt, endorsement and safe custody of tenders received until the time appointed for their opening. The date and time of receipt of each tender shall be endorsed on the tender envelope/package.
- (ii) For electronic tenders, the tenders are locked automatically until the published date and time of opening. The date and time of receipt of each tender is stored electronically.

12.9.3 Opening tenders and Register of tenders (paper tenders)

- (i) 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 two senior officers/managers designated by the Chief Executive and not from the originating department.
- (ii) The 'originating' department will be taken to mean the department sponsoring or commissioning the tender.
- (iii) The involvement of Finance Directorate staff in the preparation of a tender proposal will not preclude the Director of Finance or any approved Senior Manager from the Finance Directorate from serving as one of the two senior managers to open tenders.
- (iv) All Executive Directors/members will be authorised to open tenders regardless of whether they are from the originating department provided that the other authorised person opening the tenders with them is not from the originating department.

The Trust's Company Secretary will count as a Director for the purposes of opening tenders.

- (v) Every tender received shall be marked with the date of opening and initialled by those present at the opening.
- (vi) A register shall be maintained by the Chief Executive, or a person authorised by him/her, to show for each set of competitive tender invitations despatched:
 - the name of all firms individuals invited;
 - the names of firms individuals from which tenders have been received;
 - the date the tenders were opened;
 - the persons present at the opening;
 - the price shown on each tender; and
 - a note where price alterations have been made on the tender.

Each entry to this register shall be signed by those present. A note shall be made in the register if any one tender price has had so many alterations that it cannot be readily read or understood.

- (vii) Incomplete tenders, i.e. those from which information necessary for the adjudication of the tender is missing, and amended tenders i.e., those amended by the tenderer

upon his own initiative either orally or in writing after the due time for receipt, but prior to the opening of other tenders, should be dealt with in the same way as late tenders.

12.9.4 **Opening tenders and Register of tenders (electronic tenders)**

- (i) Because the Procurement department use a fully audited electronic sealed bid process, where quotations and tenders cannot be opened until the set date and time, there is a complete electronic audit trail of viewing, opening dates, times, responses and amendments, automatically built into the process.
- (ii) After the closing date the tender documents are available electronically to see. Only ~~senior managers in~~ the Procurement department have this access.

12.9.5 **Admissibility**

- (a) If for any reason the designated officers are of the opinion that the tenders received are not strictly competitive (for example, because their numbers are insufficient or any are amended, incomplete or qualified) no contract shall be awarded without the approval of the Chief Executive.
- (b) Where only one tender is sought and/or received, the Chief Executive and Director of Finance shall, as far practicable, ensure that the price to be paid is fair and reasonable and will ensure value for money for the Trust.

12.9.6 **Late tenders**

- (i) Tenders received after the due time and date, but prior to the opening of the other tenders, may be considered only if the Chief Executive or his nominated officer decides that there are exceptional circumstances i.e. despatched in good time but delayed through no fault of the tenderer.
- (ii) Only in the most exceptional circumstances will a tender be considered which is received after the opening of the other tenders and only then if the tenders that have been duly opened have not left the custody of the Chief Executive or his nominated officer or if the process of evaluation and adjudication has not started.
- (iii) While decisions as to the admissibility of late, incomplete or amended tenders are under consideration, the tender documents shall be kept strictly confidential, recorded, and held in safe custody by the Chief Executive or his nominated officer.

12.9.7 **Acceptance of formal tenders**

- (i) Any discussions with a tenderer which are deemed necessary to clarify technical aspects of their tender before the award of a contract will not disqualify the tender.
- (ii) The most economically advantageous tender shall be accepted unless there are good and sufficient reasons to the contrary. Such reasons shall be set out in either the contract file, or other appropriate record.

It is accepted that for professional services such as management consultancy, the most economically advantageous price does not always represent the best value for money. Other factors affecting the success of a project include:

- (a) experience and qualifications of team members;
- (b) understanding of client's needs;
- (c) feasibility and credibility of proposed approach; and
- (d) ability to complete the project on time.

Where other factors are taken into account in selecting a tenderer, these must be clearly recorded and documented in the contract file, and the reason(s) for not accepting the most economically advantageous tender clearly stated.

- (iii) No tender shall be accepted which will commit expenditure in excess of that which has been allocated by the Trust and which is not in accordance with these Instructions except with the authorisation of the Chief Executive.
- (iv) The use of these procedures must demonstrate that the award of the contract was:
 - (a) not in excess of the going market rate/price current at the time the contract was awarded; and
 - (b) that best value for money was achieved.
- (v) All tenders should be treated as confidential and should be retained for inspection.

12.10 Quotations: Competitive and Non-Competitive

12.10.1 General Position on Quotations

Quotations are required where formal tendering procedures are not adopted and where the intended expenditure or income exceeds the tendering limits set out in Appendix B.

12.11 Competitive Quotations

- (i) Quotations should be obtained from at least 3 firms/individuals as far as practicable, based on specifications or terms of reference prepared by, or on behalf of, the Trust.
- (ii) Quotations should be in writing unless the Chief Executive or his nominated officer determines that it is impractical to do so in which case quotations may be obtained by telephone. Confirmation of telephone quotations should be obtained as soon as possible and the reasons why the telephone quotation was obtained should be set out in a permanent record.
- (iii) All quotations should be treated as confidential and should be retained for inspection.
- (iv) The Chief Executive or his nominated officer should evaluate the quotation and select the quote which gives the best value for money. If this is not the most economically advantageous, then the choice made and the reasons why should be recorded in a permanent record.

12.12 Non-Competitive Quotations

Non-competitive quotations in writing may be obtained in the following circumstances:

- (i) the supply of proprietary or other goods of a special character and the rendering of services of a special character, for which it is not, in the opinion of the responsible officer, possible or desirable to obtain competitive quotations;

- (ii) the supply of goods or manufactured articles of any kind which are required quickly and are not obtainable under existing contracts;
- (iii) miscellaneous services, supplies and disposals;

where the goods or services are for building and engineering maintenance the responsible works manager must certify that the first two conditions of this paragraph apply.

12.13 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 Trust and which is not in accordance with Standing Financial Instructions except with the authorisation of either the Chief Executive or Director of Finance (within their delegated limits).

12.14 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 officers of the Trust provided this is within their delegated limits.

Formal authorisation must be put in writing. In the case of authorisation by the Board of Directors this shall be recorded in their minutes.

12.15 Instances where formal competitive tendering or competitive quotation is not required

Where competitive tendering or a competitive quotation is not required the Trust should adopt one of the following alternatives:

- (a) the Trust shall use NHS Supply Chain direct award frameworks for procurement of all goods and services unless the Chief Executive or nominated officers deem it inappropriate. The decision to use alternative sources must be documented.
- (b) if the Trust does not use the NHS Supply Chain, the Trust shall procure goods and services in accordance with procurement procedures approved by the Director of Finance.

12.16 Private Finance

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

- (a) the Director of Finance shall demonstrate that the use of private finance represents value for money and genuinely transfers risk to the private sector;
- (b) where the sum exceeds delegated limits, a business case must be referred to the appropriate Directorate of the Department of Health and Social Care for approval and/or treated as per current guidelines.
- (c) the proposal must be specifically agreed by the Board of Directors; and
- (d) the selection of a contractor/finance company must be on the basis of competitive tendering or quotations.

12.17 Contracts

The Board of Directors may only enter into contracts on behalf of the Trust within the statutory powers delegated to it by the Secretary of State for Health and Social Care and shall comply with:

- (a) the Trust's Standing Orders;
- (b) the Trust's Standing Financial Instructions;
- (c) ~~EU Directives~~ The Public Contract Regulations and other statutory provisions;
- (d) any relevant directions including: the –NHS England Capital regime, investment and property business case approval guidance for NHS Providers; Group Accounting Manual; Estatecode; and guidance on the Procurement of Management Consultants (*this is not an exhaustive list*); and
- (e) such of the NHS Standard Contract Conditions as are applicable.

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.

Every contract for building and engineering works which exceeds the limit set out in Appendix B shall be executed under the Common Seal of the Trust and should be embodied in a formal contract document which shall conform to the Standing Orders, NHS construction guidance, EU Directives and other statutory provisions. This formal contract document should reflect any change in the terms and conditions of contract agreed following receipt of tenders. An official order for every contract resulting from an invitation to tender shall be issued for all building and engineering works.

- 12.18** In all contracts made by the Trust, the Board of Directors shall endeavour to obtain best value for money. The Chief Executive shall nominate an officer who shall oversee and manage each contract on behalf of the Trust.

12.19 Personnel and Agency or Temporary Staff Contracts

- (i) The Chief Executive shall nominate officers with delegated authority to enter into contracts of employment, regarding staff, agency staff or temporary staff service contracts via framework/the current list of approved suppliers.
- (ii) The Director of Finance shall be consulted and must give authorisation if the contractor is not on framework/the current list of authorised suppliers.

12.20 Healthcare Services Agreements

Service agreements with NHS providers for the supply of healthcare services shall be drawn up in accordance with the relevant NHS guidelines. Service agreements are not contracts in law and therefore not enforceable by the courts. However, a contract with a Foundation Trust, being a Public Benefit Corporation, is a legal document and is enforceable in law.

The Chief Executive shall nominate officers to commission service agreements with providers of healthcare in line with a commissioning plan approved by the Board of Directors.

12.21 Cancellation of Contracts

Except where specific provision is made in model Forms of Contracts or standard Schedules of Conditions approved for use within the NHS and in accordance with Standing Orders 9.2 and 9.3, there shall be inserted in every written contract a clause empowering the Trust to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation, if the contractor shall have offered, or given or agreed to give, any person any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to do any action in relation to the obtaining or execution of the contract or any other contract with the Trust, or for showing or forbearing to show favour or disfavour to any person in relation to the contracts or any other contract with the Trust, or if the like acts shall have been done by any person employed by him/her or acting on his behalf (whether with or without the knowledge of the contractor), or if in relation to any contract with the Trust the contractor or any person employed by him/her or acting on their behalf shall have committed any offence under the Bribery Act 2010 and other appropriate legislation.

12.22 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 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.

12.23 Contracts involving Funds Held on Trust

These Instructions shall not only apply to expenditure from Exchequer funds but also to works, services and goods purchased from the Trust's funds and private resources.

13 Disposals

13.1 Competitive tendering or quotation procedures 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 or their nominated officer;
- (b) obsolete or condemned articles and stores, which may be disposed of in accordance with the policy for the management and/or disposal of assets;
- (c) items to be disposed of with a collective estimated sale value of less than £10,000, 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; and
- (e) land or buildings concerning which Department of Health and Social Care guidance has been issued but subject to compliance with such guidance.

14. In-House Services

- 14.1 The Chief Executive shall be responsible for ensuring that the best value for money can be demonstrated for all services on an in-house basis. The Trust may also determine from time to time that in-house services should be market tested by competitive tendering.
- 14.2 In all cases where the Board of Directors determines that in-house services should be subject to competitive tendering the following groups shall be set up:
- ~~(a)~~ Specification group, comprising the Chief Executive or nominated officer/s and specialist;
 - ~~(a)~~~~(b)~~ In-house tender group, comprising a nominee of the Chief Executive and technical support; and
 - ~~(b)~~~~(c)~~ Evaluation team, comprising normally a specialist officer, a procurement officer and a Director of Finance representative. For services having a likely annual expenditure exceeding that competitive tendering value stated in Standing Financial Instructions, a Non-Executive Director should be a member of the evaluation team.
- 14.3 All groups should work independently of each other and individual officers may be a member of more than one group but no member of the in-house tender group may participate in the evaluation of tenders.
- 14.4 The evaluation team shall make recommendations to the Board of Directors.
- 14.5 The Chief Executive shall nominate an officer to oversee and manage the contract on behalf of the Trust.

15 Stores and Receipt of Goods

15.1 General Position

- (a) stores, defined in terms of controlled stores and departmental stores (for immediate use) should be:
- (b) kept to a minimum;
- (c) subjected to annual stock take; and
- (d) valued at the lower of cost and net realisable value.

15.2 Control of Stores, Stocktaking, Condemnations and Disposal

- (a) 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. The day-to-day responsibility may be delegated by them 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 the Chief Pharmacist; the control of any fuel oil and coal of the Head of Estates.
- (b) The responsibility for security arrangements and the custody of keys for any stores and locations shall be clearly defined in writing by the designated manager/Pharmaceutical Officer. Wherever practicable, stocks should be marked

as health service property.

- (c) The Director of Finance shall set out procedures and systems to regulate the stores, including records for receipt of goods, issues, and returns to stores, and losses.
- (d) 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.
- (e) Where a complete system of stores control is not justified, alternative arrangements shall require the approval of the Director of Finance.
- (f) The designated manager/Pharmaceutical Officer 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 section 13). Procedures for the disposal of obsolete stock shall follow the procedures set out for disposal of all surplus and obsolete goods.

15.3 Goods Supplied by NHS Supply Chain

- (a) For goods supplied via the warehouses and Regional Distribution Centres of Supply Chain Coordination Limited (the management function of the NHS Supply Chain), the Chief Executive shall identify those authorised to requisition and accept goods from the store. The authorised person shall check receipt against the delivery note before forwarding this to the Director of Finance who shall satisfy him/herself that the goods have been received before accepting the recharge.

16 Disposals and Condemnations, Losses and Special Payments

16.1 Disposals and Condemnations

- 16.1.1 The Director of Finance must prepare detailed procedures for the disposal of assets including condemnations, and ensure that these are notified to managers.
- 16.1.2 When it is decided to dispose of a Trust asset, the policy for the management and/or disposal of assets must be adhered to. If required 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.
- 16.1.3 The appropriate signatories shall be governed by the authorisation levels set out in Appendix A.
- 16.1.4 If the Trust wishes to sell land it shall follow agreed Government procedures for the disposal of surplus public land.
- 16.1.5 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 that 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.
- 16.1.6 The Condemning Officer shall satisfy themselves 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.

16.2 Losses and Special Payments

- 16.2.1 The Director of Finance must prepare procedural instructions on the recording of and accounting for condemnations, losses, and special payments. The definition of losses and special payments can be found within the Group Accounting Manual.
- 16.2.2 Any employee or officer discovering or suspecting a loss of any kind must either immediately inform their head of department, who must immediately inform the Chief Executive and the Director of Finance or inform an officer charged with responsibility for responding to concerns involving loss. This officer will then appropriately inform the Director of Finance and/or Chief Executive. 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 and corruption or of anomalies that may indicate fraud or corruption, the Director of Finance must inform the relevant Local Counter Fraud Specialist.
- 16.2.3 The Director of Finance must notify the Local Counter Fraud Specialist and external audit of all frauds.
- 16.2.4 For losses apparently caused by theft, arson, neglect of duty or gross carelessness, except if trivial, the Director of Finance must immediately notify:
- (a) the Board of Directors, and
 - (b) the External Auditor.
- 16.2.5 Within limits delegated to it by the Department of Health and Social Care, the Audit and Risk Assurance Committee shall approve the writing-off of losses.
- 16.2.6 The Director of Finance shall be authorised to take any necessary steps to safeguard the Trust's interests in bankruptcies and company liquidations.
- 16.2.7 For any loss, the Director of Finance should consider whether any insurance claim could be made.
- 16.2.8 The Director of Finance shall maintain a Losses and Special Payments Register in which write-off action is recorded.
- 16.2.9 No special payments exceeding delegated limits shall be made without the prior approval of the Department of Health and Social Care.
- 16.2.10 All losses and special payments must be reported to the Audit and Risk Assurance Committee at regular intervals.

17 Information Technology

- 17.1 The Trust's nominated Senior Information Risk Owner (SIRO) who is responsible for the accuracy and security of the computerised data of the Trust will need to ensure that the organisation's approach to information risk is effective in terms of resources, commitment and execution and that the Board of Directors is adequately briefed on information risk issues.
- 17.2 The Director of Finance, who is responsible for the accuracy and security of the computerised financial data of the Trust shall:
- (a) devise and implement any necessary procedures to ensure adequate (reasonable) protection of the Trust's data, programs and computer hardware for which they are

responsible from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Data Protection Act 2018 (UK's implementation of the General Data Protection Regulation (GDPR)).;

- (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; and
- (d) ensure that an adequate audit trail exists through the computerised system and that such computer audit reviews as they or Data Protection Officer (DPO) may consider necessary are being carried out.

17.3 The Director of Finance shall need to ensure 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 must be obtained from them prior to implementation.

17.4 Responsibilities and Duties of Other Directors and Officers in Relation to Computer Systems of a General Application

17.5 The Chief Executive 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~~ the Trust that ~~we are made~~ publicly available.

17.6 In the case of computer systems which are proposed General Applications (i.e. including those applications, which the majority of NHS bodies in the locality/region wish to sponsor jointly) all responsible directors and employees will send to the Director of Finance:

- (a) details of the outline design of the system; and
- (b) in the case of packages acquired either from a commercial organisation, from the NHS, or from another public sector organisation, the operational requirement.

17.7 Contracts for Computer

17.7.1 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.

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

17.8 Requirements for Computer Systems that have an impact on Corporate Financial Systems

17.8.1 Where computer systems have an impact on corporate financial systems the Director of Finance shall need to be satisfied that:

- (a) systems acquisition, development and maintenance are in line with corporate

policies such as, but not limited to, a Digital 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 are being carried out as are considered necessary.

17.9 Risk Assessment

The Director of Finance 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.

18 Patients' Property

- 18.1 The 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.
- 18.2 The Chief Executive is responsible for ensuring that patients or their guardians, as appropriate, are informed before or at admission by:
 - (a) notices and information booklets;
 - (b) hospital admission documentation and property records; and
 - (c) the oral advice of administrative and nursing staff responsible for admissions,that the Trust will not accept responsibility or liability for patients' property brought into Health Service premises, unless it is handed in for safe custody and a copy of an official patients' property record is obtained as a receipt.
- 18.3 The Director of Finance must provide 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.
- 18.4 Where Department of Health and Social Care instructions require the opening of separate accounts for patients' monies, these shall be opened and operated under arrangements agreed by the Director of Finance. Due care should be exercised in the management of a patient's money in order to maximise the benefits to the patient.
- 18.5 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.
- 18.6 Staff should be informed, on appointment, by the appropriate departmental or senior manager of their responsibilities and duties for the administration of the property of

patients.

18.7 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.

18.8 Patients' income, including pensions and allowances, shall be dealt with in accordance with current Department of Health and Social Care and Department of Social Security instructions and guidelines.

19 Funds Held on Trust

19.1 Corporate Trustee

- (1) The Board of Directors is responsible as a corporate trustee, for the management of funds it holds on trust. The Board of Directors must comply with Charities Commission latest guidance and best practice.
- (2) The discharge of the Trust's corporate trustee responsibilities are distinct from its responsibilities for Exchequer funds and may not necessarily be discharged in the same manner, but there must still be adherence to the overriding general principles of financial regularity, prudence and propriety. Trustee responsibilities cover both charitable and non-charitable purposes.
- (3) The Director of Finance shall ensure that each trust fund which the Trust is responsible for managing is managed appropriately with regard to its purpose and to its requirements.

19.2 Accountability to Charity Commission and Secretary of State for Health and Social Care

- (1) The trustee responsibilities must be discharged separately and full recognition given to the Trust's dual accountabilities to the Charity Commission for charitable funds held on trust and to the Secretary of State for Health and Social Care for all funds held on trust.
- (2) The Schedule of Matters Reserved to the Board of Directors and the Scheme of Delegation make clear where decisions regarding the exercise of discretion regarding the disposal and use of the funds are to be taken and by whom. All of the Board of Directors and Trust officers must take account of that guidance before taking action.

19.3 Applicability of Standing Financial Instructions to funds held on Trust

- (1) In so far as it is possible to do so these Standing Financial Instructions will apply to the management of funds held on trust.
- (2) 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.

20 Investments

20.1 Temporary cash surpluses must only be held as authorised by the Department of Health

and Social Care and authorised by the Board of Directors.

20.2 The Director of Finance is responsible for advising the Board of Directors on investments and shall report periodically to the Board of Directors concerning the performance of investments held.

20.3 The Director of Finance will prepare detailed procedural instructions on the operation of investment accounts and on the records to be maintained.

21 Acceptance of Gifts by Staff and declaration of interests

21.1 The Chief Executive, via the Director of Governance and Communications, shall ensure that all staff are made aware of the Trust policy on acceptance of gifts and other benefits in kind by staff and declaring interests. All Trust officers should comply with the Trust's Managing Conflicts of Interest Policy.

22 Retention of Documents

22.1 The Chief Executive shall be responsible for maintaining archives for all documents required to be retained in accordance with Department of Health and Social Care guidelines.

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

22.3 Documents held in accordance with latest Department of Health and Social Care guidelines shall only be destroyed at the express instigation of the Chief Executive. Details shall be maintained of records and information so destroyed.

23 Risk Management

23.1 Programme of Risk Management

23.1.1 The Chief Executive shall ensure that suitable internal controls exist for all aspects of the Trust's management. Such controls should ensure the accuracy, completeness and validity of data and that all of the Trust's assets are safeguarded from misuse, inefficient use, theft, fraud and any malpractice.

23.1.2 The Chief Executive shall ensure that the Trust has a programme of risk management, in accordance with current Department of Health and Social Care assurance framework requirements, which must be approved by the Board of Directors and monitored by the Audit and Risk Assurance Committee.

23.1.3 Risk responsibility and risk performance is delegated to the Executive Directors.

23.1.4 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) decision on which risks shall be insured; and
- (g) arrangements to review the risk management programme.

The existence, integration and evaluation of the above elements will assist in providing a basis to complete the annual governance statement within the annual report and accounts as required by current Department of Health and Social Care guidance.

23.2 Insurance: Risk Pooling Schemes Administered by NHS Resolution

- 23.2.1 The Board of Directors shall decide if the Trust will insure through the risk pooling schemes administered by NHS Resolution (NHSR) or self insure for some or all of the risks covered by the risk pooling schemes. If the Board of Directors decides not to use the NHSR 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.

23.3 Insurance Arrangements with Commercial Insurers

- 23.3.1 There is a general prohibition on entering into insurance arrangements with commercial insurers. There are however, three exceptions when Trusts may enter into insurance arrangements with commercial insurers. The exceptions are:

- (1) insuring motor vehicles owned by the Trust including insuring third party liability arising from their use;
- (2) where the Trust is involved with a consortium in a Private Finance Initiative contract and the other consortium members require that commercial insurance arrangements are entered into; and
- (3) where income generation activities take place. Income generation activities should normally be insured against all risks using commercial insurance. If the income generation activity is also an activity normally carried out by the Trust for a NHS purpose the activity may be covered in the risk pool. Confirmation of coverage in the risk pool must be obtained from NHS Resolution (NHSR).

In any case of doubt concerning the Trust's powers to enter into commercial insurance arrangements the Director of Finance should first consult NHSR then the Department of Health and Social Care.

23.4 Board of Directors Arrangements to be Followed in Agreeing Insurance Cover

- 23.4.1 Where the Board of Directors decides to use the risk pooling schemes administered by NHSR the Director of Finance shall ensure that the arrangements entered into are appropriate and complementary to the risk management programme. The Director of Finance shall ensure that documented procedures cover these arrangements.
- 23.4.2 Where the Board of Directors decides not to use the risk pooling schemes administered by the NHSR for one or other of the risks covered by the schemes, the Director of Finance shall ensure that the Board of Directors 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 that will not be reimbursed.
- 23.4.3 All the NHSR risk pooling schemes require Scheme members to make some contribution to the settlement of claims (the 'deductible' element). The Director of Finance should ensure documented procedures also cover the management of claims and payments below the deductible in each case.

23.5 Security Management

The Chief Executive will monitor compliance with directions issued by the Secretary of State for Health and Social Care on NHS security management.

The Chief Executive shall nominate a suitable person to carry out the duties of the Security Management Specialist as specified in the Secretary of State for Health and Social Care guidance on NHS security management.

The Chief Executive has overall responsibility for controlling and coordinating security. However, key tasks are delegated to the relevant director and the appointed Security Management Specialist.

The Security Management Specialist shall work with the staff in NHS Counter Fraud Authority in accordance with the Department of Health and Social Care Security Management Manual.

The Security Management Specialist will provide a written report, at least annually, to the Audit and Risk Assurance Committee on security management work within the Trust.

23.6 Senior Information Risk Owner (SIRO)

The Board of Directors shall nominate an Executive Director to be responsible to the Board of Directors for information risk management (the Senior Information Risk Owner).

The role of the Senior Information Risk Owner is defined in the Data Security and Protection Toolkit and is a Board of Directors level post. The Senior Information Risk Owner is the leading advocate for information risk to the Board of Directors, advising how information security risks could impact the strategic goals of the Trust.

23.7 Information Governance

The Chief Executive shall be responsible for ensuring that the Trust has registered with the Information Commissioner's Office for compliance with the Data Protection Act 2018 (UK's implementation of the General Data Protection Regulation (GDPR)) and shall ensure that information is published and maintained in accordance with the requirements of the Freedom of Information Act 2000.

An Officer specifically appointed by the Chief Executive shall devise and implement any necessary procedures to ensure adequate protection of the Trust's manual and computer data, programs and hardware for which the Chief Executive is responsible, from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Data Protection Act and any defined NHS-wide security requirements.

An Officer specifically appointed by the Chief Executive shall ensure that adequate controls exist over data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of all Trust financial systems and data as well as the efficient and effective operation of the system.

The Director of Finance shall ensure that contracts for computing services for financial applications with another 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 agency provides a computer service for financial applications, the Director of Finance shall periodically seek assurances that adequate controls as

outlined above are in operation.

The Director of Finance and an Officer specifically appointed by the Chief Executive shall ensure that adequate controls exist to maintain the security, privacy, accuracy and completeness of financial data sent over transmission networks.

24 Taxation & Excise Duties

- 24.1 The Director of Finance shall ensure that the Trust's liabilities of taxation and excise duty is managed appropriately, taking full account of available concessions, through maintenance of appropriate records, the preparation and submission of required returns and recovery of deductions at source.

APPENDIX A

Authorisation Limits

PERSONNEL	CHEQUES/ BACS/ CHAPS	CAPITAL EXPENDITURE*, ** Note 4/6	REVENUE EXPENDITURE/BUDGET VIREMENT Note 1/2/3	ASSET DISPOSALS
		Inclusive of VAT	Inclusive of VAT	Inclusive of VAT
BOARD OF DIRECTORS (AS GROUP)	See Bank Mandate	Up to £5,000,000 Note 3	Unlimited***	Unlimited***
CHIEF EXECUTIVE		Up to £500,000	Up to £500,000	Up to £100,000
DIRECTOR OF FINANCE		Up to £250,000	Up to £250,000	Up to £100,000
EXECUTIVE DIRECTORS AND OTHER DIRECTORS AS DESIGNATED BY CHIEF EXECUTIVE		Nil	Up to £150,000	Up to £5,000
ASSOCIATE DIRECTOR OF ESTATES		Up to £50,000 Note 6	Up to £50,000	Up to £5,000
DIGITAL DIRECTOR		Up to £50,000	Up to £50,000	Up to £5,000
DEPUTY CHIEF OPERATING OFFICER			Up to £75,000	Up to £5,000
DIVISIONAL DIRECTORS AND CORPORATE DEPUTIES		Nil	Up to £50,000	Up to £5,000
ESTATES HEADS OF SERVICE		Up to £10,000 Note 6	Up to £10,000	Up to £1,000
CENTRE MANAGERS / DIVISIONAL NURSING DIRECTORS/HEADS OF SERVICE		Nil	Up to £10,000	Up to £1,000
ASSISTANT CENTRE MANAGERS/MATRONS/ASSISTANT HEADS OF SERVICE		Nil	Up to £5,000	Nil
WARD MANAGER AND OPERATIONAL MANAGER		Nil	Up to £1,000	Nil
SUPERVISORS			Up to £500	
SENIOR PHARMACISTS (drugs only)			Up to £50,000	

* For expenditure within the approved capital programme

**Business cases must be approved for items in the approved capital programme over £0.25m in line with the above

***Within delegated NHS England powers

CHARITABLE FUNDS (see Charity Policy)

Personnel	Value
Fund Manager. The request is verified against the charitable fund plan and charity policy, if the proposal meets these criteria it is approved and processed by the department and charity finance team.	Expenditure up to £2,000
The request is verified against the charitable fund plan and charity policy. If the proposal meets the criteria it is authorised by 2 members of the Charitable Funds Committee (CFC) one of who must be a director. It is processed by the department and charity finance team after approval from the Capital Planning Group if over £5,000.	Expenditure >£2,000 and <£15,000
The request is verified against the fund plan and charity policy, if it meets the criteria it is submitted to the Charitable Funds Committee for authorisation. If time pressures exist approval can be sought virtually. If the proposal is agreed against these criteria it is authorised by two members of the CFC one must be a director. It is processed by the department and charity finance team after approval from the Capital Planning Group if over £5,000.	Expenditure <£15,000 and <£75,000
Approval of the Corporate Trustee is required. The request is reviewed against the fund plan and charity policy, if it meets the criteria it is submitted to the Charitable Funds Committee. A request is then submitted to the Board Secretary for the proposal to be reviewed by the Corporate Trustee outside of the Board meeting. If the proposal is agreed it is authorised by 2 members of the CFC, one must be a Director. It is processed by the department and charity finance team after approval from the Capital Planning Group if over £5,000.	Expenditure greater than £75,000

Notes:

1. Subject to an approved annual budget being in place, and where the proposed values are in line with the annual budget, any single transaction, where contracts have been placed for services such as utilities or existing and routine expenditure or call off orders that have followed a compliant procurement route, the authorisation process shall follow the principles detailed within the Trust's Budgetary Control Policy. All such transactions will be reported to Board of Directors retrospectively.

2. Limits apply to business cases, budget virements, purchase orders and requisitions, within resource of the annual plan.

3. Any new expenditure which is not included in the annual budget as a cost pressure will require a business case which should be authorised in line with the above approval limits.

Note 4.

Financial value of the capital investment of property transaction	Approving person/committee/board	Key stage documentation
Up to £5 million	Board of Directors	In line with Trust processes
Above £5 million	NHS England	In line with NHSE processes, as advised by NHSE

5. All values are **inclusive of the current rate of Value Added Tax**.

6. Authorisation limits applicable only where it is within the agreed capital plan. Any reactive/emergency work undertaken and approved from a contingency must be notified to the Director of Finance.

7. Authorisation limits can apply under virtual signature during exceptional circumstances in order for the business to respond in a timely way.

APPENDIX B

Tendering Limits for Purchasing

The following tables outline the correct procurement process to be followed relative to value and the type of product or service being purchased.

All threshold values relate to the contract's lifetime value (lifecycle cost) (e.g. a 5 year contract of £25k per year requires £125k procurement process and contract authorisation).

VALUE (Excluding VAT)				Contract signing and Purchase Order approval must be in line with the Trust Authorisation Levels set out in Appendix A	Minimum Form of Contract
Category	Procurement Process	From	To	Contract Signing Authority	
All	No formal competitive procurement requirement	Up to £ 20,000			Purchase Order (PO)
Goods & Services	Advertised Competitive Quotations*	£ 20,000	£ 50,000	Executive Directors and other directors as designated	PO (with Contract if necessary)
		£ 50,000	£ 115,633	Director of Finance	Contract and PO
	Advertised Competitive Tender (under Public Contract Reg /FTS)	£ 115,633 and above		Director of Finance and Chief Executive	Contract as specified in Tender and PO
Commissioning of Clinical / Healthcare Services	Advertised Competitive Tender	Up to £20,000 to £ 552,950			
	Advertised Competitive Tender (under Public Contract Regs/FTS)	£ 552,950 and above			
Building & Engineering	Advertised Competitive Quotations*	£ 20,000	£ 49,999	Executive Directors and other directors as designated	PO
		£ 50,000	£ 135,000	Director of Finance	Contract and PO
	Advertised Competitive Tender	£ 135,001	£4,733,252	Director of Finance and Chief Executive	Contract as specified in Tender and PO
	Advertised Competitive Tender (under Public Contract Regs/FTS)	£4,447,448 and above			
Waiving quotes and tenders subject to SFIs: Only following approval by Chief Executive or Director of Finance					

*processes should be undertaken using the Trust eProcurement platform, but where this is not possible;
a minimum of 3 written quotations must be sought for contracts between £20k and £50k and
a minimum of 6 written quotations must be sought for contracts between £50k and the applicable PCR/FTS value.

APPENDIX C

Documents Referred to in SFIs

Document	Holder of Document
The Code of Accountability	Director of Corporate Governance and Communications
<u>Standing Financial Instructions (SFI's)</u>	<u>Director of Finance</u>
Scheme of Reservation & Delegation	Director of Finance <u>Governance</u>
Standing Orders	Director of Finance <u>Governance</u>
Financial Procedures	Director of Finance
NHS Standard Contract (www.england.nhs.uk/nhs-standard-contract/)	Director of Finance
NHS terms and conditions for the procurement of Goods and Services (www.england.nhs.uk/publication/nhs-terms-and-conditions-for-the-procurement-of-non-clinical-goods-and-services/)	Director of Finance
Department of Health and Social Care' Group Accounting Manual	Director of Finance
Department of Health and Social Care's Commercial Sponsorship – Ethical Standards	Director of Finance
NHS System Oversight Framework	Chief Executive
Trust's Terms and Conditions of Trade	Director of Finance
NHS Counter Fraud Authority Standards	Director of Governance and <u>and</u> <u>Director of Finance</u> Communications
Estatecode (estates related guidance)	Associate Director of Estates
NHS Internal Audit Standards	Head of Internal Audit
Budgetary Control Policy	Director of Finance