

Cover Sheet

Trust Board Meeting in Public: Wednesday 08 November 2023

TB2023.115

Title: **Audit Committee Chair's Report**

Status: **For Information**

History: **This is a regular report to the Board**

Board Lead: **Committee Chair**

Author: **Laura Lauer, Deputy Head of Corporate Governance**

Confidential: **No**

Key Purpose: **Assurance**

Audit Committee Chair's Report

1. Purpose

- 1.1. As a Committee of the Trust Board, the Audit Committee provides a regular report to the Board on the main issues raised and discussed at its meetings.
- 1.2. Since the last report to the Board held in public, the Audit Committee has met on 18 October 2023.
- 1.3. Under its terms of reference, the Committee is responsible for providing assurance to the Trust Board on the Trust's system of internal control by means of independent and objective review of financial and corporate governance and risk management arrangements, including compliance with law, guidance, and regulations governing the NHS.

2. Audit and Counter Fraud

Internal Audit

- 2.1. The Trust's internal auditors, BDO, presented two reports:
 - 2.1.1. Getting It Right First Time [GIRFT] (Design: Moderate Assurance; Effectiveness: Moderate Assurance);
 - 2.1.2. Performance Framework (Design: Substantial Assurance; Effectiveness: Moderate Assurance).
- 2.2. The Committee noted the recommendations associated with each report. In the case of the Performance Framework, members sought assurance that internal audit and management had agreed which indicators should have a target.
- 2.3. It was noted that a plan was in place to close the overdue action in relation to the audit of the DSP Toolkit.

External Audit

- 2.4. The Committee received an update from management on progress made against external audit recommendations. Members received assurances that the timetable was realistic and that the expectations of the finance team and EY were aligned.
- 2.5. Management and EY had met to review the 2022/23 audit and make improvements to the 2023/24 audit process, including bringing work forward to the interim audit, aligning expectations on evidence and working papers, and ensuring any backlog in the fixed asset register was cleared by M11.

Counter Fraud

- 2.6. The Trust's Counter Fraud Specialist Advisors, TIAA, summarised activities undertaken across the Trust.
- 2.7. The Chief People Officer outlined the process developed to ensure that recommendations were appropriately disseminated and acted on. A central tracker, accessible by HR and finance fraud leads, had been established. Any Trust-wide actions were considered for incorporation into Trust policies and procedures with approvals following Trust governance routes.

3. Risk, Assurance, Governance and Regulation

Corporate Risk Register (CRR) and Board Assurance Framework (BAF)

- 3.1. The Committee reviewed the Board Assurance Framework and Corporate Risk Register.

Clinical Audit Plan – six month update

- 3.2. The Committee discussed progress on the Clinical Audit Plan and received an update on work to improve and support a robust clinical audit process.
- 3.3. Members focused on the process by which the Clinical Audit Plan was developed and approved. This would be clarified as part of the Committee's next update.
- 3.4. The Committee reviewed the audits undertaken and noted that results were reported through governance channels and as part of external reporting when appropriate.

4. Standing Financial Instructions and Scheme of Reservation and Delegation

- 4.1. The Standing Financial instructions, Board Reservation and Delegation of Powers and Limits of Delegation Policy had last been reviewed in 2020/21. A light touch review had been undertaken to update the language in the documents to be consistent with the Trust structure and legislative and regulatory framework and to harmonise approval limits.
- 4.2. The Committee reviewed the proposed changes and was satisfied that robust Trust Board oversight and assurance was in place in relation to any increase in approval limits.
- 4.3. The rationale behind separating the Board Reservation and Delegation of Powers (including Scheme of Delegation) from the Standing Financial Instructions was explained and accepted by the Committee.
- 4.4. Areas for further clarification were addressed outside the Committee meeting, but did not result in further amendment.

- 4.5. The Committee recommended the revisions to the Standing Financial Instructions, Board Reservation and Delegation of Powers, and Limits of Delegation Policy to the Trust Board for approval.

5. Financial Governance

- 5.1. The Committee received reports that provided analysis of approved single tender waiver applications (inclusive of retrospective waivers) and a summary of losses and special payments.

6. Other Updates on Existing Areas of Focus for the Committee

Preparation for Review of Annual Report and Accounts

- 6.1. The Committee received a report which provided a mid-year review of judgements and estimates.
- 6.2. The Trust planned to evaluate its judgements and estimates against those of other providers. Any proposed changes to management's position resulting from this review would be presented to the Committee. The Committee heard that this approach was supported by EY.
- 6.3. The Committee received assurance that management fully understood EY's expectations regarding going concern and would provide evidence in a timely manner and to an agreed template.

Cash Improvement and Cash Forecasting

- 6.4. The Committee was updated on the actions taken to mitigate the Trust's cash position and the cash management and cash improvement work being undertaken following advice from Seagry Consulting Ltd.
- 6.5. Members reviewed the process improvement and cash improvement actions and requested that the impact of these actions be quantified.
- 6.6. The Committee would continue to review the cash forecast and improvement actions.

7. Recommendations

- 7.1. The Trust Board is asked to **note** the contents of this report.
- 7.2. The Trust Board is asked to **approve** the revisions Standing Financial Instructions, Board Reservation and Delegation of Powers, and Limits of Delegation Policy (Appendix 1).



Oxford University Hospitals
NHS Foundation Trust

Limits of Delegation Policy

Version: 9

Approved by: Audit Committee October 23

Review date: November 2025

Trust Intranet Folder(s): Trust Policies / Corporate Policies

Trust Web site folder(s):

Author:

Lead Director: Chief Finance Officer

Document Management reference: *(for future use)*

Once printed off, this is an uncontrolled document. Please check the intranet for the most up to date copy.

CONTENTS		Page
1	Introduction	5
2	Definitions	5
3.	Scheme of Delegation	
	Section A - Approval of Business cases and Service Developments not part of previously agreed plans.	
A.1	Revenue Income & Expenditure	8
A.2	Capital Income & Expenditure	9
A.3	Asset Disposal	10
A.4	Set up of a Special Purpose Vehicle or Joint Ventures	10
A.5	Approval of Equity Investment in another entity	10
A.6	Approval of Merger or Acquisition	11
A.7	Divestment of a Service	11
A.8	Tender for the provision of a service to a third party.	11
	Section B – Quotations, Tenders and Selection of Suppliers	
B.1	Revenue income and expenditure	12
B.2	Capital Income & Expenditure	12
B.3	Authority to approve Single Tender waiver (STW)	13
B.4	Receipt of Tenders & decision to accept late tenders	14
B.5	Opening tenders	14
B.6	Contract Ratification (revenue)	14
B.7	Contract extension of items previously tendered	15
	Section C – Committing Expenditure	
C.1	Requisitioning within approved financial plans or business cases.	15
C.2	Non-Purchase Order revenue expenditure	16
C.3	Management Consultants	17
C.4	Interim Manager requests	18
C.5	Redundancy	18
C.6	Pharmacy Orders	19
C.7	Capital Works & Expenditure	19
C.8	Leasing	20
C.9	Losses, Write-off and Compensation	
C.9.1	Losses due to theft, fraud or arson	20
C.9.2	Bad Debts and Claims Abandoned Only	20
C.9.3	All other Losses	21
C.10	Authority to expend Charitable Funds	
C.10.1	Pay Expenditure	21
C.10.2	Non-Pay Expenditure (designated or restricted funds)	22
C.10.3	Non-Pay Expenditure (General funds)	22
C.11	Process for approving variations to previously approved Capital & Revenue Business Cases	23

CONTENTS		Page
4	Budgetary Control	
4.1	General Provisions	23
4.2	Planning	23
4.3	Budgetary Control	23
4.4	Establishment Control	24
4.5	Budget Virement	25
4.6	Planned Savings	26
4.7	Financial Consequences of Service Changes	26
4.8	Trading Accounts	26
5	Other Delegated Financial Issues	
5.1	Maintenance / Operation of Bank Accounts	26
5.2	Setting of Fees and Charges	26
5.3	Maintenance & Update on Trust Financial Procedures	27
5.4	Investment of Funds	27
5.5	In-House Competitive Tendering	27
5.6	Petty cash	27
5.7	Credit notes	
5.7.1	Authorisation of credit notes relating to healthcare contracts	27
5.7.2	Authorisation of credit notes (non-healthcare income)	27
5.8	Research & Development	28
5.9	Hosted Bodies	29
5.9.1	Hosted Bodies - Approval of Business Cases & Service Developments not part of previously agreed plans	29
5.9.2	Hosted Bodies - Quotations, Tenders & Selection of Suppliers	29
5.9.3	Hosted Bodies - Authority to approve Single Tender Waiver (STW)	30
5.9.4	Hosted Bodies - Requisitioning within approved financial plans or business cases.	30
5.9.5	Hosted Bodies - Authority to recruit staff to vacancies outside agreed establishment.	30
5.9.6	Hosted Bodies - Authority to recruit staff to vacancies within agreed establishment.	30
5.10	Commercial Sponsorship	
5.10.1	Process for approving commercial sponsorship	31
5.10.2	Process for approving small commercial sponsorship for The Hill	32
6	Signature of Legally Binding Documents & External Monitoring Returns	32
6.1	Signature to approve invoices or otherwise commit expenditure	32
6.2	Signature of any document that will be a necessary step in legal proceedings involving the Trust	32
6.3	Signature of certain property documents	32
6.4	Signature of other contracts or other legally binding documents not required to be executed as a deed	32
6.5	Signature of contracts or other legally binding documents required to be executed as a deed	33
6.6	Signature of contracts or agreements (for goods or services) that contain committed values or volumes of expenditure that will later be subject to approval via purchase order	33
6.7	Authority to sign off "monitoring returns" due to be sent to NHS England	33

CONTENTS		Page
6.8	Signature of non-legally binding documents	34
7	Earned Autonomy/Extra Controls	34
8	Monitoring Arrangements	35
Annex 1	Request for Approval to dispose of a surplus asset	36
Annex 2	Request for Waiver of Standing Orders / Standing Financial Instructions in respect of Procurement / external expenditure	37
Annex 3	Delegated Authority for authorising PFI Invoices and other regular items	38
Annex 4	Authorisation to issue Credit note in respect of healthcare contracts	41
Annex 5	Process for approving variations to previously approved Capital & Revenue Business Cases	42

1. Introduction

- 1.1. The Code of Accountability requires that, inter alia, 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 senior executives (a scheme of delegation).
- 1.2. Annex 7 of the Constitution sets out the Standing Orders for the Board of Directors and paragraph 18 details the arrangements for the exercise of trust functions by delegation.
- 1.3. This document details those financial responsibilities that the Board has agreed to delegate and to whom they have been delegated. This detailed Limits of Delegation Policy (LoD) has effect as if incorporated into the Standing Orders (SO's) and Standing Financial Instructions (SFI's).
- 1.4. It may be varied from time to time by agreement of the Board of Directors. It should be used as a guide for all Trust staff to ensure that everybody employed or engaged by the Trust is operating within their delegated authority at all times. It should be read in conjunction with the SFIs which provide more detail on some specific roles and responsibilities such as those of the Chief Finance Officer that are not repeated in this appendix.
- 1.5. The Board Reservation and Delegation of Powers and Standing Financial Instructions separately describe those responsibilities that are delegated to committees by the Board.
- 1.6. Some responsibilities (for example those in relation to workforce such as approval of leave) can be found in the relevant workforce policies on the Trust intranet. This document describes delegated responsibilities but not detailed processes and procedures, which staff should also ensure that they are familiar with and follow.

2. Definitions

- 2.1. This document refers to a number of roles across the Trust. Wherever a role title is used in these instructions, it should be deemed to include such other officers who have been duly authorised to represent them – for example through a formal and documented acting up, interim or deputising arrangement, or as Senior Responsible Officer for a strategic project. However, no individual is authorised to empower anybody who is not under their own organisational control, and delegation of responsibility does not remove accountability from the individual delegating.
 - 2.1.1. **"Accountable Officer"** means the NHS Officer responsible and accountable for funds entrusted to the Trust. The officer shall be responsible for ensuring the proper stewardship of public funds and assets. For this Trust it shall be the Chief Executive Officer.
 - 2.1.2. **"Accounting Officer"** is the person who from time to time discharges the functions specified in paragraph 25(5) of Schedule 7 to the 2006 Act.
 - 2.1.3. **"Associate Member"** means a person appointed to perform specific statutory and non-statutory duties which have been delegated by the Trust Board for them to perform and these duties have been recorded in an appropriate Trust Board minute or other suitable record.
 - 2.1.4. **"Board"** means the Board of Directors as defined by the Constitution of Oxford University Hospitals NHS Foundation Trust.
 - 2.1.5. **"Board of Directors"** means the Chair, officer (executive) and non-officer (non-executive) members of the Trust collectively as a body.
 - 2.1.6. **"Budget"** means a resource, expressed in financial terms, proposed by the Board for the purpose of carrying out, for a specific period, any or all of the functions of the Trust.
 - 2.1.7. **"Budget Manager (Budget Holder)"** means the director or employee with delegated authority to manage finances (Income and Expenditure) for a specific area of the organisation.

- 2.1.8. **"Chair of the Board (or Trust)"** is the person appointed by the Council of Governors to lead the Board and to ensure that it successfully discharges its overall responsibility for the Trust as a whole. The expression "the Chair of the Trust" shall be deemed to include the Vice-Chair of the Trust if the Chair is absent from the meeting or is otherwise unavailable.
- 2.1.9. "Chief Executive" means the Chief Executive Officer of the Trust.
- 2.1.10. **"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.
- 2.1.11. **"Committee"** means a committee or sub-committee created and appointed by the Board or by an authorised committee, group or officer.
- 2.1.12. **"Committee members"** means a person formally appointed by the Board or by an authorised committee, group or officer to sit on or to chair specific committees.
- 2.1.13. **"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.
- 2.1.14. **"Financial decision maker"** is a substantive member of staff who is a Budget holder or person corporately responsible for the expenditure; however, they may delegate the responsibility for implementation to a senior authorising user.
- 2.1.15. **"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 derived under S.90 of the NHS Act 1977, as amended. Such funds may or may not be charitable.
- 2.1.16. **"Integrated Assurance Committee"** means a committee of the Board whose functions are concerned with receiving, scrutinising and triangulating the main sources of evidence across the Trust to enable the Board to assess its level of confidence in the assurances provided regarding:
- the Trust's values and culture;
 - the organisation's financial and operational performance;
 - the quality of services (including clinical effectiveness, patient experience and safety) across the organisation; and
 - the appropriate identification, assessment and management of risks.
- 2.1.17. **"Lead Officer"** as used in SFI section B.11.2.6.c. means the senior manager operationally responsible for the use of the goods / services and the budget holder with the greatest expenditure across the contract.
- 2.1.18. **"Member"** means officer or non-officer member of the Board as the context permits. Member in relation to the Board does not include its Chair.
- 2.1.19. **"NHS England"** is the organisation that leads and oversees the NHS
- 2.1.20. **"Nominated officer"** means an officer charged with the responsibility for discharging specific tasks within Standing Orders and Standing Financial Instructions.
- 2.1.21. **"Non-officer member"** means a member of the Board of Directors 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. Non-officer Board members are commonly called Non-executive Directors.
- 2.1.22. **"Officer"** means employee of the Trust or any other person holding a paid appointment or office with the Trust.
- 2.1.23. **"Officer member"** means a member of the Board of Directors who is either an officer of the Trust or is to be treated as an officer by virtue of regulation 1(3) (i.e. the Chair of the Trust or any person nominated by such a Committee for appointment as a Trust member). Officer Board members are commonly called Executive Directors or Chief Officers.

- 2.1.24. **"Secretary"** means a person appointed to act independently of the Board of Directors to provide advice on corporate governance issues to the Board of Directors and the Chairman and monitor the Trust's compliance with the law, Standing Orders, and NHS England / Department of Health guidance.
- 2.1.25. **"Senior Authorising User"** A person who is responsible for operationally administering the budget
- 2.1.26. **"Senior Manager"** those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments.
- 2.1.27. **"SFIs"** means Standing Financial Instructions.
- 2.1.28. **"SOs"** means Standing Orders of the Board of Directors as set out in Annex 7 of the Constitution for Oxford University Hospitals NHS Foundation Trust.
- 2.1.29. **"Trust"** means Oxford University Hospitals NHS Foundation Trust.
- 2.1.30. **"Vice-Chair"** means the non-officer member appointed by the Board of Directors to take on the Chair's duties if the Chair is absent for any reason.
- 2.2. The delegated limits described in this document are the lowest level of delegation that has been approved by the Board and is the default level that applies in the absence of any other formal guidance. Individual managers, directors or the Executive Board may choose to take back any delegated authority to a higher level at any time if they so wish (for example, agency staff expenditure approval may be required at a higher level). This should be clearly communicated to all individuals concerned.
- 2.3. As a general principle, all decisions will require the approval of the relevant operational staff and an independent internal member of staff (often but not exclusively from finance / procurement). The individuals involved will vary depending on the specific circumstances of the case.
- 2.4. The Trust maintains a hierarchy of individuals and posts together with their approval limits, to ensure financial control. It is the responsibility of each individual to whom powers have been delegated in this document to ensure that they:
- Clearly define the budget holders in their area of responsibility and which areas they are budget holders for;
 - Ensure that all budget holders in their area of responsibility are aware of their delegated authority and responsibilities; and
 - Communicate any changes in budget holders to a) their business partner, and b) the finance systems team to ensure that the hierarchy is appropriately maintained.
- 2.5. When reading this document, it is important to distinguish between the different parts of the process for expenditure:
- a) Approval of a financial envelope – the approval of budgets and business cases within which individuals can exercise their delegated authority. Without this approval, individuals may not exercise the authority defined in this document. Section B.3 of the SFIs describes in more detail the responsibilities in relation to budget management and financial targets.
 - b) Quotations, tenders and selection of suppliers - the approval of the process by which a supplier is selected.
 - c) Commitment and approval of expenditure (e.g., requisitioning and invoice approval) – approving and placing orders on behalf of the Trust, and approving invoices for payment. This is distinct from approval of the financial envelope and the quotation and tender and contract process above, which are required prior to expenditure being committed.

Related commitments must not be split in order to bring below the relevant approval threshold.

d) Signature – only certain individuals can sign contracts and legal documents on behalf of the Trust. This responsibility is distinct from all of the above. Further information can be found in the SOs. It is important to note that this applies to legally binding contracts that may appear to have no financial value attached to them.

2.6. For all of the above, this detailed Limits of Delegation policy (LoD) applies equally to paper-based approval and authorisation processes and electronic equivalents.

2.7. As set out in Section 7 extra controls may be put in place should the financial position of the Trust deteriorate materially from the plan.

2.8. All figures and thresholds below are exclusive of recoverable VAT.

3 Scheme of Delegation

Section A – Approval of Business cases and Service Developments not part of previously agreed plans.				
(Setting of pay and non-pay budgets as part of setting annual financial plans within financial targets is outside the scope of these approval limits and subject to a separate process)				
Ref	Matter Delegated	Financial Limit	Delegated to	Note
A.1	Revenue Income and Expenditure (five year values)			
		>£1,000,000	Board Approval	
		£1,000,000	Trust Management Executive (via Business Case)	2
		£100,000	All Chief Officers	
		£50,000	Deputy Director of Finance - Technical and Developments	
		£25,000	Divisional Director of Operations / Director of Procurement & Supply Chain	
		£10,000	Clinical Director or Operational Services Manager / Corporate Directors	
		£2,500	Departmental Manager or Budget Holder / Matron / Senior Manager responsible for managing more than one budget holder.	
	<p><u>Note</u></p> <ol style="list-style-type: none"> Further information can be found in the Guide to Business Planning. A business case must be submitted to the Trust Management Executive for any investment over £100,000 any capital business case and all consultant appointments (with the exception of locum appointments for a replacement post which meet certain criteria). 			

	<p>3. In the case of any proposal to incur revenue expenditure in return for the provision of equipment & consumables, the proposal must first be the subject of a business case to evaluate the proposal to determine that it represents the most economically advantageous solution for the Trust and to ensure the Trust has appropriate resources available. The implementation of IFRS 16 means that any such managed service contracts must be assessed by finance before any approval can be made. The business case would follow the normal approvals route for capital business cases via Business Planning Group and Capital Management Group.</p> <p>4. Clinical and Corporate Divisions do not have any authority to spend capital other than against schemes in the approved capital programme where they are running that scheme; it is a breach of Standing Financial Instructions to attempt to circumvent this by charging an item to revenue.</p> <p>5. Should the actual financial implications of the proposal vary and as a result the revised value raise the approved delegation limit then approval should be sought from the next tier in the hierarchy. (subject to the provisions of section C.11 and annex 5 process for approving variations to agreed business cases) where appropriate.</p>
--	---

Ref	Matter Delegated	Financial Limit	Delegated to	Note
A.2	Capital Income & expenditure			
			Any proposed scheme defined as major within the Foundation Trust Compliance arrangements must be approved by the Board and reported to NHS England	
		>£1,000,000	Board Approval	4
		£1,000,000	Trust Management Executive (via Business Case)	
		<£100,000	Chief Estates and Facilities Officer or Chief Officer with Estates Portfolio or Director of Estates Facilities and Capital Development	5
	<p>Note</p> <p>1. Capital expenditure as defined by the International Accounting Standards Board and supplementary guidance unless directed otherwise by the NHS foundation trust annual reporting manual. Capital expenditure is deferred on the Balance Sheet and depreciated over a number of years; revenue expenditure is expensed as it occurs. Revenue funding cannot be used to fund capital expenditure and capital funding cannot be used to fund revenue expenditure.</p> <p>2. Clinical and Corporate Divisions or Directors do not have any authority to spend capital other than against schemes in the approved capital programme where they are running that scheme. This includes funding capital expenditure from revenue resources. Further information can be found in the Guide to Business Planning.</p> <p>3. Items exceeding £1,000,000 must go to the Board for approval.</p>			

	<p>4. In respect of any Leases or contracts, the value should be determined by the whole life cost (Capital value). In each case a supporting paper setting out the reasons for the request should be produced and all requests should initially be sent to the Deputy Director of Finance - Technical and Developments The values quoted above include the authorization of any actions resulting from post-tender negotiations.</p> <p>5. Small items under a value of £100,000 may be eligible to be considered against the small schemes budget in the capital programme. To be considered, an item would need to be approved by the Division and submitted to the Director of Estates, Facilities and Capital Development for his / her approval as a charge against this budget as he / she is the budget holder (scheme manager) for this item.</p> <p>6. Should the actual financial implications of the proposal vary and as a result the revised value raise the approved delegation limit then approval should be sought from the next tier in the hierarchy. (subject to the provisions of section C.11 and annex 5 process for approving variations to agreed cases) where appropriate.</p>
--	--

Ref	Matter Delegated	Financial Limit	Delegated to	Note
A.3	Asset Disposal (Higher of Net Book Value or Sale Proceeds)			
		>£100,000	Board Approval	
		£100,000	Chief Executive Officer	
		£50,000	Chief Finance Officer or Director of Finance	
		£25,000	Other Chief Officers, Divisional Directors of Operations or Deputy Director of Finance	
		£5,000	Divisional Nurse or Clinical Director or Operational Services Manager	
	<p>Note</p> <ol style="list-style-type: none"> Where the sales proceeds of a fixed asset exceed £5,000 it is treated as a central resource and not Divisional income limits based on anticipated sale proceeds, request form at annex 2 If any capital assets are to be disposed, even if the anticipated sale proceeds are below £5,000, the Capital Accountant must be informed so any necessary adjustments to the Asset Register can be made. 			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
A.4	Set up of a subsidiary or Joint Venture	Trust's total investment, (projected over initial three years)		1

		> £500,000	Board (via Finance & Performance Committee)	
		£500,000	Trust Management Executive	
	<p>Note</p> <p>1. For the purpose of this clause, a subsidiary is defined as an entity in which the Trust has a controlling interest (i.e. greater than 50%)</p>			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
A.5	Approval of non-cash Equity Investment in another entity	Trust's total investment, (projected over initial three years)		1, 2,
		> £500,000	Board (via Investment Committee)	
		£500,000	Chief Executive Officer and Chief Finance Officer	3
	<p>Note</p> <p>1. In any such cases, the Trust will become the corporate shareholder and the exercise of the responsibilities this confers on the Trust shall be delegated to the Chief Finance Officer.</p> <p>2. The non-cash investment may take the form of an investment of certain of the Trust's Intellectual property rights</p> <p>3. All such investments shall be notified periodically to the Board of Directors</p>			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
A.6	Approval of Merger or Acquisition	No Delegation	Board (via Investment Committee) and Council of Governors if required by the Trust constitution or prevailing legislation	

Ref	Matter Delegated	Financial Limit	Delegated to	Note
A.7	Divestment of a Service			
		>£1,000,000	Board	1,2
		<£1,000,000	Trust Management Executive	1,2
		<£100,000	Chief Finance Officer or Director of Finance	1,2
		<£50,000	Executive Director	1,2
	<p>Note</p> <p>1. This clause refers to services provided under the terms of the NHS contract</p> <p>2. Financial Limit applies to value of annual turnover</p> <p>3. Some services may be designated as "commissioner requested services" which may not be divested of without commissioner approval. Advice should be sought from the Director of Planning and Contracting or Director of Finance before proceeding, regardless of financial value.</p>			

	4. This includes decisions not to submit a tender for services currently provided by the Trust which are put out to tender.
--	---

Ref	Matter Delegated	Financial Limit	Delegated to	Note
A.8	Tender for the provision of a Service to a third party			
		>£1,000,000	Board	1,2,3
		<£1,000,000	Trust Management Executive	1,2,3
		<£100,000	Chief Finance Officer or Director of Finance	1,2
		<£50,000	Other Chief Officers	1,2
	<p>Note</p> <ol style="list-style-type: none"> Financial Limit applies to value of annual turnover Advice should be sought from the Director of Planning and Contracting or Director of Finance before proceeding, regardless of financial value. Where a tender to be submitted is in line with Trust Strategy and support by the Business Planning Group approval to submit may be made by the Chief Finance Officer or Director of Finance and reported to the next Board or Trust Management Executive as applicable. The Strategic Asset Management Team must be consulted on any proposals which involve a change in the use of space and the implications of any change in space, agreed with them, must be reflected in the business case setting out the proposal. 			

Section B - Quotations, Tenders and Selection of Suppliers.

(See also section 7 of the SFIs and refer to the Procurement and Supply Chain Directorate for further guidance: in many cases goods and services will already have been subject to a competitive exercise and there may be no requirement for further quotations or competition.)

Ref	Matter Delegated	Financial Limit	Delegated to	Note
B.1	Revenue income and expenditure			
		>UK Tender limit	Must comply with UK legislation and be conducted by Procurement	
		£20,000-UK tender limit (Current threshold £138,760)	Competitive Tender (min 4 tenders sought)	
		£5,001-<£20,000	3 written quotations	
		<£5,000	1 single written quotation	
	<ol style="list-style-type: none"> See section 7 of Standing Financial Instructions In line with clause 7.7.2 of Standing Financial Instructions formal tendering and competitive quotation must be carried out with the support of the Trust's Strategic 			

	<p>Procurement department. Staff should not sign agreements or accept quotations on supplier terms and conditions which could be disadvantageous to the Trust.</p> <ol style="list-style-type: none"> 3. In all cases where the “contract” may generate income for the Trust, the advice of the Trust’s Strategic Procurement department should be sought before any arrangement is entered. 4. Particular care should be taken in respect of any contracts with companies for the display of advertising on display screens and appointment cards at Trust premises and in these instances, the “contract” must be negotiated with the support of the Trust’s Strategic Procurement department. 5. In cases where less than the requisite number of tenders / quotes were received (but not in the case of single tender action), authorization to proceed shall be as follows: <ol style="list-style-type: none"> a. For contracts less than or equal to UK procurement limit – Director of Procurement and Supply Chain b. For contracts above UK procurement limit – Chief Executive Officer or Chief Finance Officer
--	---

Ref	Matter Delegated	Financial Limit	Delegated to	Note
B.2	Capital Income & Expenditure			
		>UK Tender Limit	Must comply with UK legislation and be conducted by Procurement	
		£20,000-UK Tender Limit	Competitive Tender (min 4 tenders sought)	
		£5,001- <£20,000	3 written quotations	
		<£5,000	1 single written quotation	
	<ol style="list-style-type: none"> 1. See section 7 of Standing Financial Instructions 2. Different UK thresholds apply depending on whether the contract is for goods & services or works. Currently (January 2022, these thresholds are £138,760 for goods and services and £5,336,937 for works contracts 3. In line with section 7 of Standing Financial Instructions formal tendering and competitive quotation must be carried out with the support of the Trust’s Strategic Procurement department. Staff should not sign agreements or accept quotations on supplier terms and conditions which could be disadvantageous to the Trust. 4. In cases where less than the requisite number of tenders / quotes were received (but not in the case of single tender action), authorization to proceed shall be as follows: <ol style="list-style-type: none"> a. For contracts less than or equal to £100,000 – Chief Estates and Facilities Officer or Chief Officer with Estates Portfolio. b. For contracts above £100,000 – Chief Executive Officer or Chief Finance Officer. 			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
B.3	Authority to approve Single Tender waiver (STW)			
		>£1,000,000	Board Approval	
		£1,000,000	Chief Executive Officer or Chief Finance Officer	

		£UK tender Limit	Chief Finance Officer or Director of Finance	
		£50,000	Deputy Director of Finance - Technical and Developments	
	<p>Note</p> <ol style="list-style-type: none"> 1. Approval request power form at https://forms.office.com/r/15TD3EzTV9 2. Before presentation for approval the STW form must be signed by a Divisional Director, Directorate Manager, Corporate Director or Finance Manager before being sent to the procurement department. 3. All approved STW will be included on a schedule to be presented to the next Audit Committee. 4. Items exceeding £1,000,000 must go to the Board for approval. 5. In respect of any Leases or contracts, the value should be determined by the whole life value. In each case a supporting paper setting out the reasons for the request should be produced and all completed cases, should initially be sent to Deputy Director of Finance - Technical and Developments <p>5 Areas of spend not requiring an STW will be as follows, Intra Trust trading where the service provided is core to the organisations. e.g. health related services, also Membership of organisations.</p>			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
B.4	Receipt of Tenders & decision to accept late tenders		Chief Executive Officer or duly authorised officer	

Ref	Matter Delegated	Financial Limit	Delegated to	Note
B.5	Opening tenders			
	Estimated value	>£1,000,000	A member of the Trust Board will be required to be one of the two approved persons present for the opening of tenders estimated above £1,000,000.	
		<£1,000,000	Two senior officers/managers designated by the Chief Executive Officer and not from the originating department.	
	<p>Note</p> <ol style="list-style-type: none"> 1 See SFI's section 7.6.3 2 Trust preference is for Electronic Tenders to be used. 			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
B.6	Contract Ratification (revenue)			
		>£1,000,000	A paper to go to TME and then Investment Committee and Trust Board for Board Approval	
		£1,000,000	Chief Executive Officer or Chief Finance Officer or Director of Finance	
		<UK procurement limit	Director of Procurement & Supply chain	
	<p>Note</p> <ol style="list-style-type: none"> 1. In respect of any contracts, the value should be determined by the whole life value. Currently the UK limit is £138,760 as at January 2022 2. The values quoted above include the authorization of any actions resulting from post-tender negotiations. 3. Consignment agreements for goods and medical devices constitute a contract and should be ratified as such. The value of the 'consignment agreement contract' should be based on the value of the goods included in the agreement. Advice should be sought from the Procurement Department for all consignment agreements. 4. Significant amendments to a contract that will change the value or liability within an existing contract should be formally recorded using a Contract Change Notification (CCN). In all cases CCNs should be ratified based on the financial thresholds above. 5. Some research projects and clinical trials involve the contracting, supply and use of medical devices (e.g., orthopedic implants) Advice should be sought from the Procurement Department for all such arrangements and contracts should be ratified based on the financial thresholds above. 			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
B.7	Contract extension of items previously tendered. (revenue)			
		>£1,000,000	Board Approval	
		£1,000,000	Chief Executive Officer or Chief Finance Officer or Director of Finance	
		<UK procurement limit	Director of Procurement & Supply chain	
	<p>Note</p> <ol style="list-style-type: none"> 1. In respect of any contracts, the value should be determined by the whole life value 2. The values quoted above include the authorization of any actions resulting from post-tender negotiations. 3. The UK limit is currently £138,760 as at January 2022 			

Section C – Committing Expenditure				
Ref	Matter Delegated	Financial Limit	Delegated to	Note
C.1	Requisitioning within approved financial plans or business cases.			
		>£1,000,000	Chief Finance Officer and Director of Finance or Chief Executive Officer	
		£1,000,000	Chief Finance Officer or Director of Finance and Relevant Chief Officer	
		£500,000	Chief Executive Officer	
		£200,000	Director of Finance	
		£100,000	Other Chief Officers	
		£50,000	Deputy Director of Finance - Technical and Developments	
		£25,000	Divisional Director of Operations / Director of Procurement & Supply Chain / Director of Estates, Facilities and Capital Development/Director of Digital Services	
		£10,000	Clinical Director / Operational Services Manager/ Corporate Directors	
		£2,500	Departmental Manager / Budget Holder	
	<p>Note</p> <ol style="list-style-type: none"> All limits are subject to sufficient budget being available Delegated authority for authorizing PFI invoices and other regular items is set out annex 3. Approval for Revenue Expenditure where there is insufficient budget will be referred to the Divisional Director / Chief Officer, via the Divisional Director of Operations / senior corporate manager. In the case of any proposal to incur revenue expenditure in return for the provision of equipment & consumables, the proposal must first be the subject of a business case to evaluate the proposal to determine that it represents the most economically advantageous solution for the Trust and to ensure the Trust has appropriate resources available. The implementation of IFRS 16 means that any such managed service contracts must be assessed by finance before any approval can be made. The business case would follow the normal approvals route for business cases via Business Planning Group. If the Chief Finance Officer and Director of Finance are both unavailable then the Deputy Director of Finance - Technical and Developments is authorized to deputize for them, in the scheme above. 			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
C.2	Non-Purchase Order revenue expenditure			
		>£1,000,000	Chief Finance Officer and Director of Finance or Chief Executive Officer	
		£1,000,000	Chief Finance officer or Director of Finance and Relevant Chief Officer	
		£500,000	Chief Executive Officer	
		£200,000	Director of Finance	
		£100,000	All other Chief Officers	
		£50,000	Deputy Director of Finance - Technical and Developments	
		£25,000	Divisional Director of Operations/ Director of Procurement & Supply Chain	
		£10,000	Clinical Director or Operational Services Manager / or Corporate Director	
		£2,500	Departmental Manager or Budget Holder	
	<p>Note</p> <ol style="list-style-type: none"> 1. All limits are subject to sufficient budget being available. 2. Staffing budgets, vacancies and establishment controls are covered in section 4. 3. In respect of any Leases or contracts, the value should be determined by the whole life value. In each case a supporting paper setting out the reasons for the request should be produced and all requests should initially be sent to the Deputy Director of Finance - Technical and Developments. 4. Delegated authority for authorizing PFI invoices and other regular items is set out in annex 3. 5. Approval for revenue expenditure where there is insufficient budget will be referred to the Divisional Director / Chief Officer, via the Divisional Director of Operations / senior corporate manager. 6. In the case of any proposal to incur revenue expenditure in return for the provision of equipment & consumables, the proposal must first be the subject of a business case to evaluate the proposal to determine that it represents the most economically advantageous solution for the Trust and to ensure the Trust has appropriate resources available. The implementation of IFRS 16 means that any such managed service contracts must be assessed by finance before any approval can be made. The business case would follow the normal approvals route for business cases via Business Planning Group. 			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
-----	------------------	-----------------	--------------	------

C.3	Management Consultants			
		>£50,000	Chief Finance Officer / Director of Finance	1,2,4,5
		<£50,000	Chief Finance Officer / Director of Finance	1,
<p>Note</p> <ol style="list-style-type: none"> 1. All Management Consultancy requests must be signed off by the Director of Finance or the Deputy Director of Finance - Technical and Developments and a “MANAGEMENT CONSULTANCY APPROVAL FORM” must be completed. In the case of Oxford AHSN, the Director of Finance has delegated his authority to approve cases valued at below £50,000(including unrecoverable VAT and costs) to Oxford AHSN in accordance with their scheme of delegation. 2. All Management Consultancy requests that are accounted for as revenue expenditure, above the £50,000 threshold will require a NHS England / Trust Consultancy Business Case to be completed and approved by NHS England before any expenditure is committed. 3. Contracts, accounted for as capital, do not currently require NHS Improvement approval. 4. The £50,000 threshold includes irrecoverable VAT and other costs (e.g., expenses). 5. If the £50,000 threshold is reached due to a proposed contract extension or variation, then the NHS England approval process is triggered, and the contract extension or variation can only precede once NHS England have approved the business case. 6. NHS England will publish a list of contracts approved, at regular intervals. 				

Ref	Matter Delegated	Financial Limit	Delegated to	Note
C.4	Interim Manager requests			
		>£750 per day	Chief Finance Officer /Director of Finance	
		<£750 per day	Chief Finance Officer /Director of Finance	
<p>Note</p> <ol style="list-style-type: none"> 1. All Interim Manager Requests must be signed off by the Director of Finance or the Deputy Director of Finance - Technical and Developments and an “INTERIM MANAGER APPROVAL FORM” must be completed. In the case of Oxford AHSN, the Director of Finance has delegated his authority to approve cases valued at below £50,000(including unrecoverable VAT and costs) to Oxford AHSN in accordance with their scheme of delegation. 2. All requests for agency “very senior managers” (VSM) where the daily rate exceeds £750, including costs will require a NHS England / Trust Consultancy Business Case to be completed and NHS England to approve the case before an appointment can be made. 3. The daily rate is assumed to apply to a working day of at least 7.5 hours. 4. The £750 threshold includes on costs of: holiday pay, employer national insurance, employer pension contributions, administration fee/agency fee and any other fixed 				

	or variable fees or payments to the worker or agency (e.g., travel, accommodation, finder's fee, bonuses)
--	---

Ref	Matter Delegated	Financial Limit	Delegated to	Note
C.5	Redundancy			
		All cases at /or over £100,000	Remuneration & Appointments Committee	1, 4, 5, 6, 7
		Cases less than £100,000	Chief People Officer or nominated deputy, Chief Financial Officer or Chief Executive Officer	2, 3, 4, 5, 6

Note

1. The Remuneration & Appointment Committee will scrutinise and agree severance terms for the termination of a contract of employment at or above £100,000 giving due regard to Treasury requirements and ensuring compliance with the NHS England guidance on processes for making severance payments.
2. The Chief People Officer or nominated deputy, the Chief Financial Officer and Chief Executive Officer have delegated authority to authorise severance payments of less than £100,000 subject to any requirements of NHS England.
3. The Chief People Officer will ensure that the Remuneration Committee is advised of all severance payments of less than £100,000 that have been agreed.
4. In normal circumstances notice periods should be worked to ensure the NHS receives benefit during the notice period. Therefore payment in lieu of notice should only be paid in circumstances where it is not considered appropriate for notice to be worked and must be supported by a clear business case to demonstrate the equity and cost effectiveness of the proposal.
5. There is a legal obligation to seek to avoid redundancy by trying to identify suitable alternative employment for any displaced staff
6. Severance payments in excess of or outside of statutory or contractual entitlements or payments which are novel and/or contentious should be exceptional and require HM Treasury approval as well as NHS England approval.
7. Where Remuneration Committee approval is required, this should not be substituted by Chair's action unless there are exceptional circumstances, which the Trust should be able to evidence as required.

Ref	Matter Delegated	Financial Limit	Delegated to	
C.6	Pharmacy Orders (orders placed via the pharmacy system)			
		>£200,000	Chief Executive Officer or Chief Finance Officer or Director of Finance	
		£200,000	Clinical Director of Pharmacy and Medicines Management	

		£50,000	Medicines Effectiveness Pharmacist	
		£20,000	Pharmacy Purchasing & Distribution Operational Manager	
	Note			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
C.7	Capital Works and Expenditure on Approved Schemes			
			Any proposed scheme defined as major within the Foundation Trust Compliance arrangements must be approved by the Board and reported to NHS England	1
		>£1,000,000	Chief Finance Officer and Director of Finance	3
		£1,000,000	Chief Finance Officer or Director of Finance and Chief Estates and Facilities Officer or Chief Officer with Estates Portfolio	4
		£100,000	Chief Estates and Facilities Officer or Chief Officer with Estates Portfolio	4
		£25,000	Director of Capital Development	
	<p>Note</p> <ol style="list-style-type: none"> 1. Approval must be via NHS England process as set out in NHS England's guidance on transactions for NHS Foundation Trusts. 2. In respect of any Leases or contracts, the value should be determined by the Capital value of the whole life cost. In each case a supporting paper setting out the reasons for the request should be produced and all requests should initially be sent to the Deputy Director of Finance - Technical and Developments before going onto Capital Management Group. 3. Subject to the scheme being part of the programme and the financial value being less or equal to the amount approved by the Board as part of the programme. 4. The values quoted above include the authorization of any actions resulting from post-tender negotiations. 			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
C.8	Leasing within approved Financial Plans or Business Cases			1
		>£1,000,000	Chief Finance Officer and Director of Finance	2, 3

		<£1,000,000	Chief Finance Officer or Director of Finance	2, 3
		<£100,000	Deputy Director of Finance - Technical and Developments	2, 3
	<p>Note</p> <ol style="list-style-type: none"> 1. This section is equally applicable when the Trust acts as a Lessor or Lessee. 2. In respect of any Leases the value should be determined by the whole life value. In each case a supporting paper setting out the reasons for the request should be produced and all requests should initially be sent to the Deputy Director of Finance - Technical and Developments before going to Capital Management Group. Appropriate approval must be sought before any decisions are taken to exercise any early termination of existing leases or to invoke options to terminate a lease prior to the end of the duration of the agreement. 3. For the avoidance of doubt, Trust staff are not permitted to occupy space without a suitable lease being put in place or where no rent is involved, an agreement in a format to be specified by the Strategic Asset Management Team, being put in place. 			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
C.9	Losses, Write-off and Compensation (A summary of Losses & Special Payments is presented regularly to Audit Committee meetings)			
C.9.1	Losses due to theft, fraud or arson	No Delegation	Trust Board	1
	<p>Note</p> <ol style="list-style-type: none"> 1. All losses and special payments involving theft, fraud or arson must go to the Board for approval. 			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
C.9.2	Bad Debts and Claims Abandoned Only			
		>£100,000	Board Approval	
		£100,000	Chief Executive Officer & Chief Finance Officer or Director of Finance	
		£50,000	Deputy Director of Finance - Technical and Developments & Budget Holder	

Ref	Matter Delegated	Financial Limit	Delegated to	Note
C.9.2	Bad Debts and Claims Abandoned Only			
		£20,000	Head of Operational Finance & Budget Holder	

Ref	Matter Delegated	Financial Limit	Delegated to	Note
C.9.3	All other Losses			
		>£100,000	Board Approval	
		£100,000	Chief Executive Officer or Chief Finance Officer or Director of Finance	1
		£50,000	Deputy Director of Finance - Technical and Developments	1
		£20,000	Executive Director or Divisional Director or Divisional Director of Operations or Head of Operational Finance	1
		£10,000	Divisional Nurse or Clinical Director or Operational Services Manager	1
		£2,000	Budget Holder	1
	<p>Note</p> <p>1. All losses and special payments except those involving theft, fraud, arson, Bad Debts, clinical negligence, personal injury or maladministration.</p>			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
C.10	Authority to expend Charitable Funds			
C.10.1	Pay Expenditure			
	Ad-hoc payments (with OUH contracts)	>£10,000	Fund Advisor & Charitable Funds Finance Manager or the Head of Operational Finance.	1,2,3,4,5,6, 7 & 8
	Ad-hoc payments (with OUH contracts)	£10,000	Fund Advisor	1,2,3,4,5,6, 7 & 8
	Staff with OUH contracts	£5,000	Two Charitable funds signatories	
C.10.2	Non-Pay Expenditure (designated or restricted funds)			
		>£50,000	Fund Advisor & Trustees	1,2,3, 8,9 & 10

Ref	Matter Delegated	Financial Limit	Delegated to	Note
		>£5,000	Two Charitable funds signatories	1,2,3, 8,9 & 10
		£5,000	Fund Advisor	1,2,3, 8,9 & 10
C.10.3	Non-Pay Expenditure (General funds)			
		>£5,000	Trustees	1,2,3, 8,9 & 10
		£5,000	Fund Manager for relevant general fund (e.g., NOC fund 9000 or Oxford Hospitals General Fund 0300 and HGH General Fund 1600)	1,2,3, 8,9 & 10
<p><u>Note</u></p> <ol style="list-style-type: none"> 1. Subject to funds being available and proposed expenditure is compliance with Trust deed. 2. For projects in excess of £100,000 having cross-Divisional implications or impacting on the Trust's reputation, business case approval should be sought 3. Any bids based on setting up or expanding a service must have income projections confirmed by the Director of Business Planning or the Chief Operating Officer. 4. No payment may be made towards the cost of staff on OUH contracts from charitable funds where they are providing core NHS care. 5. Staff with OUH contracts must be paid via the OUH payroll. Where such staff are recruited an electronic vacancy control form (eVCF) must be sent to HR and approved by appropriate staff. 6. Where ad-hoc payments are made to OUH staff, these must be made via the OUH payroll. The fund advisor may sign these off up to £10,000 p.a. Payments over £10,000 p.a. require the additional signature of the Charitable Funds Finance Manager or the Head of Operational Finance. 7. No regular payments should be made for the services of people who hold neither OUH nor Oxford University contracts, and where these might be liable to UK tax, unless to a limited company or on proof of self-employed status. 8. For all expenditure over £1,000 (pay and non-pay) the Ethics Committee reference number must be quoted. 9. For all equipment bids: <ol style="list-style-type: none"> i. The new Technologies Advisory Group (TAG) will be required to support all equipment for new techniques/technologies. ii. The Divisional Team will then review, support and confirm they can meet all resultant revenue costs of the equipment i.e., pay and non-pay. iii. The Divisional team will then submit the bid to the Medical Equipment Prioritisation Group (MEPG) for funding. 				

Ref	Matter Delegated	Financial Limit	Delegated to	Note
	iv. Where Trust funding is unavailable, charitable funding may then be considered as an option. 10. All purchases of medical or IT equipment (and all non-pay purchases over £10k) must be made via the OUH Procurement team. No payment may be made for medical equipment without a Clinical Engineering number.			

C.11 Process for approving variations to previously approved Capital & Revenue Business Cases

Details are set out in annex 5.

4. Budgetary Control

4.1. General Provisions

- 4.1.1. In line with section B.3.3.1 of Standing Financial Instructions, the Trust needs to set out clearly the scheme of delegation for the management of budgets.
- 4.1.2. Key details are set out below and further details on budgetary control procedures can be found in the Trust’s Budgetary Control Procedure document.

4.2. Planning

- 4.2.1. The Chief Executive Officer will compile and submit to the Board an annual Integrated Business Plan which takes into account financial targets and forecast limits of available resources. The annual Business Plan will contain:
 - 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.
- 4.2.2. The Chief Finance Officer shall, on behalf of the Chief Executive Officer, and in advance of the financial year, to which they refer, prepare and submit budgets within the forecast limits of available resources and planning policies to the Board of Directors for its approval. Budgets will be in accordance with the aims and objectives set out in the Trust’s service strategy and the business plan.
- 4.2.3. Clinical Divisions and Directorates are responsible for the planning of patient services to cover both the near and long-term future. Each year an annual Business Plan should be developed covering such matters as: forecast activity levels, manpower, and money, use of beds and operating theatres, and clinical governance. Budget estimates must be completed no later than the end of February for the commencement of the financial year on 1 April. The final version of the Business Plan should be submitted to the Chief Executive Officer at the same time to enable the Integrated Business Plan to be formulated.
- 4.2.4. Business Plans will be finalised in accordance with agreements and contracts made with commissioners.
- 4.2.5. Clinicians and Managers will be responsible for the provision of an agreed quantity and quality of service within a fixed level of resources as agreed through the Business Planning process as set out in the Integrated Business Plan.

4.3. Budgetary Control

- 4.3.1. In carrying out their duties the Chief Executive Officer shall not exceed the budgetary or virement limits set by the Board of Directors, and officers shall not exceed the budgetary limits set them by the Chief Executive Officer. The Chief Executive Officer may vary the budgetary limit of an officer within the Chief Executive Officer's own budgetary limit.
- 4.3.2. Except where otherwise approved by the Chief Executive Officer, taking account of advice of the Chief Finance Officer, budgets shall be used only for the purpose for which they were provided and any budgeted funds not required for their designated purpose shall revert to the immediate control of the Chief Executive Officer, unless covered by delegated powers of virement.
- 4.3.3. The total budgets of a Clinical / Corporate Directorate or Division may not be overspent, and the Head of Service or Director is responsible for ensuring that expenditure is contained within budgets even if this involves constraining patient activity. It is essential that no expenditure be incurred without identifying both the sources and availability of funds. Where significant reductions in patient activity are proposed, this will require agreement at Divisional and Trust Management Executive levels.
- 4.3.4. Expenditure for which no provision has been made in an approved budget and which is not subject to funding under the delegated powers of virement shall only be incurred after authorisation by the Chief Executive Officer or the Board of Directors as appropriate.
- 4.3.5. No member of staff is authorised to overspend their budget. Where overspending is occurring, the Budget Manager must account to their line manager for the overspend and identify the means of addressing it. It is expected that the Budget Manager will seek the advice of their Business Partner / Divisional Head of Finance in formulating their response. It is accepted that a budget may be exceeded for a short period in the year due to the phasing of expenditure.
- 4.3.6. Budgets for non-staff items for a Clinical / Corporate Directorate represent an agreed maximum which may not be exceeded.
- 4.3.7. A budget transfer may be approved from budgets of other services to meet any forecast overspend, subject to authorisation in line with the delegated limits for virement
- 4.3.8. Where overspending has arisen through excess activity this should be escalated through management channels to ensure that the matter is addressed with commissioners as soon as possible.

4.4. Establishment Control

- 4.4.1. Where managers have responsibility for staff budgets these are identified both financially and in terms of a maximum manpower establishment which may not be exceeded.
- 4.4.2. If a vacancy arises, appropriate authorisation to recruit must be submitted and approved before recruitment commences.
- 4.4.3. The Chief People Officer will be responsible for informing the Remuneration Committee of all appointments made by the Trust where remuneration offered exceeds £100,000.
- 4.4.3. All changes to the funded establishment will be approved by
 - 4.4.3.1. Chief Operating Officer and Chief Finance Officer or Director of Finance for posts within the Clinical Divisions

- 4.4.3.2. Chief Officer responsible for the relevant Corporate Division and Chief Finance Officer or Director of Finance
- 4.4.4. Banding claims / grade reviews cannot take place unless there is a vacancy within the approved establishment at the grade expected. Requests for banding reviews where a vacancy does not exist will require the prior approval by the Chief Operating Officer / Corporate Executive Director through the establishment change request process.
- 4.4.5. Promotion of individuals cannot take place unless there is a vacancy within the approved establishment.
- 4.4.6. The establishment control rules apply equally to any appointments which may initially be made to a third-party payroll (e.g., a university) but which is subsequently recharged to the Trust. Trust authority to proceed must be obtained in the usual fashion before any such appointments are made to the third-party payroll.

4.5. Budget Virement

- 4.5.1. In line with section B.3.3.1 of Standing Financial Instructions, the Trust needs to set out clearly the scheme of delegation for the approval of any proposed budget virements. This scheme is reproduced below.

Ref	Type of Virement	Financial Amount (per annum)	Both budgets controlled by same budget holder	Budgets controlled by different budget holders in same division	Budgets controlled by different budget holders in different divisions
			Authority delegated to	Authority delegated to	Authority delegated to
1	Virement between 2 recurrent budgets	Up to <£10,000	Budget Holder & Assistant Business Partner	Both budget holders & Assistant Business Partner	Chief Finance officer & Director of Finance
2	Virement between 2 recurrent budgets	from £10,000 but < £50,000	Head of Finance & Divisional Director of Operations	Head of Finance & Divisional Director of Operations	Chief Finance officer & Director of Finance
3	Virement between 2 recurrent budgets	£50,000 or more	Chief Finance Officer & Director of Finance	Chief Finance officer & Director of Finance	Chief Finance officer & Director of Finance

- 4.5.2. Virement may take place between Clinical / Corporate Directorates subject to agreement of the appropriate Clinical / Corporate Directors, in accordance with the limits of delegation set out in 4.5.1. In exceptional cases it may be decided that the effect of the virement is such that Trust Board policies may be jeopardised and in such circumstances the request would require the approval of the Trust Board.

- 4.5.3. Virement may not take place from non-recurring underspending to recurring budgets (e.g., pay) although permanent virement between recurring headings is acceptable subject to condition 4.5.1 above, and subject to being in accordance with the Clinical / Corporate Directorates Business Plan.

4.6. Planned Savings

- 4.6.1.** Planned savings should normally be identified in Business Plans. Planned savings beyond agreed cost improvement target levels may be retained by the Clinical / Corporate directorate, at the discretion of the Chief Executive Officer, to fund their own developments. This will depend on the financial status of the Trust as a whole and the priority assigned to other Trust developments.
- 4.6.2.** Budget Managers should identify future changes in practices, technology or demand for the services provided which may lead to changes (+ or -), in the level of resources required. This requires regular discussion and liaison with other managers and should normally be incorporated into Business Plans for agreement prior to any change taking place.
- 4.6.3.** Executive Directors, Corporate / Clinical Directors, Service Leads and budget managers should constantly review working methods and the use of equipment, premises, and consumables to identify ways of achieving better value for money.

4.7. Financial Consequences of Service Changes

- 4.7.1.** Executive Directors, Corporate / Clinical Directors, Service Leads and budget managers are responsible for meeting the cost of capital charges and the optimum use of capital assets.
- 4.7.2.** Executive Directors, Corporate / Clinical Directors, Service Leads and budget managers must ensure that the revenue and future capital costs incurred from an item purchased from non-NHS funds, are contained within existing budgets

4.8. Trading Accounts

- 4.8.1.** Executive Directors, Corporate / Clinical Directors, Service Leads and budget managers, who are responsible for "trading" activities, must ensure the integrity and supply of information to other users. Price increases in such departments should be monitored by the Chief Financial Officer / Director of Finance to ensure that overall efficiency and value for money is maintained.

5 Other Delegated Financial Issues

Ref	Delegated Matter	Authority Delegated To	Reference Documents	Note
5.1	Maintenance / Operation of Bank Accounts	Director of Finance	SFIs section 5	
5.2	Setting of Fees and Charges <ol style="list-style-type: none"> Private Patients, Overseas Visitors, Income Generation and other patient related services Prices associated with Long Term Service Agreements as agreed with the Commissioners 	Director of Finance or Nominated Deputy Director of Finance or Nominated Deputy	SFIs section 6 SFIs section 8	
5.3	Maintenance & Update on Trust Financial Procedures	Director of Finance	SFIs section 1.1.3	
5.4	Investment of Funds	Director of Finance	SFIs section 12	
5.5	In-House Competitive Tendering	Chief Officer of area tendered	SFIs section 7.16	1
	Note <ol style="list-style-type: none"> For services having a likely annual expenditure exceeding £1,000,000 a non-executive director should be a member of the evaluation team. 			
5.6	Petty cash		SFIs section 11.2.6	1
	Note <ol style="list-style-type: none"> The maximum amount that can be claimed via Petty Cash is £100. 			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
5.7	Credit notes			
5.7.1	Authorisation of credit notes relating to healthcare contracts			
		>£500,000	Chief Finance Officer	1

		<£500,000	Director of Planning and Contracting / Director of Finance	1
5.7.2	Authorisation of credit notes (non-healthcare income)	List of Trust Officers permitted to approve credit notes” (maintained by Director of Finance)		
Note				
1. Form at annex 4				

Ref	Matter Delegated	Financial Limit	Delegated to	Note
5.8	Research & Development			
	Authority to sign Research Grant applications and contracts on behalf of the Oxford University Hospitals NHS Foundation Trust is delegated subject to the authorisation limits set out below			
		>£10,000,000	Board Approval	
		>£2,000,000 - £10,000,000	Chief Financial Officer and Chief Medical Officer / Director of R & D	
		Up to and including £2,000,000	Director of R & D or Head of R & D operations or Head of Research Governance or Head of IP and Research Contracts or Head of R&D Finance	1
	<p>Note</p> <p>1Also delegated to the following staff:</p> <ul style="list-style-type: none"> • Head of R&D Operations • Head of Research Governance • Head of IP and Research Contracts • Head of R&D Finance <p>authority to sign the following on behalf of the Oxford University Hospitals NHS Foundation Trust ...</p> <p>a) Research grant applications where the amount being sought is up to £2m and where the grant conditions are deemed acceptable to the Trust</p> <p>b) Research grant applications where the amount is greater than £2m and where these have been approved by Trust R&D Director</p>			

Ref	Matter Delegated	Financial Limit	Delegated to	Note
	<p>c) All documents relating to the acceptance or start of awards, if the related applications were properly authorised in the first instance on behalf of the Trust or can be so authorised retrospectively.</p> <p>d) Letters of agreement with other Trusts, universities, public bodies and private sector organisations covering collaborative grants</p> <p>e) UK/EC related research contracts and accession forms</p> <p>f) Research funding agreements, subject to their being covered by the Trusts insurance policies and up to a value of £2m.</p> <p>g) Other non-funding research-related agreements (such as MTA, confidentiality agreements and purchase orders) which follow forms consistent with those which have been previously negotiated and accepted by the Trust and which are covered by the Trusts insurance policies.</p>			
2	Some research projects and clinical trials involve the contracting, supply and use of medical devices (e.g., orthopaedic implants) Advice should be sought from the Procurement Department for all such arrangements and contracts should be ratified based on the financial thresholds set out in section B.6			
3	All expenditure from R&D cost centres must comply with the Scheme of Delegation limits as set out in this document. This would include any expenditure for OUH against the CRN, BRC, and other NIHR funds held.			

Ref				
5.9	Hosted Bodies			
	<p>A simplified set of Delegated Limits is proposed for OUHFT hosted bodies subject to the agreement of their funders. This currently applies to the following organisations</p> <ul style="list-style-type: none"> • Oxford Academic Health Science Network (AHSN) • Oxford Academic Health Science Centre (AHSC) • Cochrane UK 			

5.9.1 Approval of Business Cases & Service Developments not part of previously agreed plans (AHSN/AHSC)				
Matter Delegated	Financial Limit	Delegated to	Note	
Revenue & Capital Expenditure	>£1,000,000	OUH Board Approval		
	>£250,000 - £1,000,000	Trust CFO & AHSN Board/ AHSC Board of partners		
	Up to £250,000	Hosted Body Director / CEO /COO		

5.9.1 Approval of Business Cases & Service Developments not part of previously agreed plans (Cochrane)			
Matter Delegated	Financial Limit	Delegated to	Note
Revenue & Capital Expenditure	>£1,000,000	OUH Board Approval	
	>£250,000 - £1,000,000	Trust CFO & Cochrane UK Advisory Board	
	>£100,000 to £250,000	Cochrane UK Advisory Board	
	<£100,000	Cochrane UK Director	

5.9.2 Quotations, Tenders & Selection of Suppliers (All hosted bodies)			
Matter Delegated	Financial Limit	Delegated to	Note
Revenue & Capital Expenditure	<£5,000	1 single written quotation	
	£5,001- <£20,000	3 written quotations	
	£20,000-UK Current threshold £138,760)	Competitive Tender (min 4 tenders sought)	
	>UK Procurement Threshold	Must comply with UK legislation and be conducted by Procurement	

5.9.3 Authority to approve Single Tender Waiver (STW) (All hosted bodies)			
Matter Delegated	Financial Limit	Delegated to	Note
Revenue & Capital Expenditure	>£1,000,000	OUH Board Approval	
	>£138,760 - £1,000,000	Trust CFO & AHSN Board/ AHSC Board of partners / Cochrane UK Advisory Board	
	Up to £138,760	Hosted Body Director / CEO /COO	

5.9.4 Requisitioning within approved financial plans or business cases. (All hosted bodies)			
Matter Delegated	Financial Limit	Delegated to	Note
Revenue & Capital Expenditure	>£1,000,000	OUH Board Approval	
	>£250,000 - £1,000,000	Trust CFO & AHSN Board/ AHSC Board of partners / Cochrane UK Advisory Board	
	Up to £250,000	Hosted Body Director / CEO /COO (subject to note 1 below)	1
1. Any requests in respect of Management Consultants and / or Interim Managers must follow the more detailed OUHFT processes set out in sections C.3 & C.4 of the main Limits of Delegation policy. This is to ensure compliance with NHS England guidelines.			

5.9.5 Authority to recruit staff to vacancies outside agreed establishment. (All hosted bodies)			
Matter Delegated	Financial Limit	Delegated to	Note
	Band 8 and above Or equivalent	AHSN Board/ AHSC Board of partners / Cochrane UK Advisory Board	
	Band 7 and below Or equivalent	Hosted Body Director / CEO /COO	

5.9.6 Authority to recruit staff to vacancies within agreed establishment. (All hosted bodies)			
Matter Delegated	Financial Limit	Delegated to	Note
	Band 8 and above Or equivalent	Hosted Body Director / CEO /COO	
	Band 7 and below Or equivalent	Line Manager	

Ref		Financial Limit	Authorisation delegated to	Note
5.10.1	Process for approving Commercial Sponsorship	Value of proposed arrangement over lifetime of agreement.		1, 2, 3, 4
		>£1,000,000	Board Approval	
		£1,000,000	Trust Management Executive	
		£100,000	Chief Finance Officer	
		£50,000	Commercial Director	
		£10,000	Divisional Director of Operations / Director of Procurement & Supply Chain	

Note	
1	Each proposal should be covered by an appropriate agreement setting out the terms of the arrangement. In addition to professional legal advice, advice on proposed agreements should be sought from the Commercial Directorate and Communications Directorate.
2	Directorate seeking sponsorship must carry out appropriate due diligence into the proposed arrangement. Advice on due diligence is available from the Head of Corporate Governance and it is anticipated that the review would consider: - <ul style="list-style-type: none"> <i>The area of operation of the proposed sponsor</i>

	<ul style="list-style-type: none"> The financial standing of the proposed sponsor (e.g., is the organisation viable or currently under investigation) The ethical stance and reputation of the proposed sponsor If there are any other existing or potential arrangements between the Trust & the proposed sponsor (e.g., is it involved in any significant commercial negotiations with the Trust) Does the sponsor support the principles and values underpinning the NHS Identity? Will sponsorship dilute the Trust’s message? Sponsorship should only be used to enhance activities, not to create them as a vehicle purely for promoting the sponsor. Could there be any justifiable cause for complaint – from either the public or the media – if the sponsorship goes ahead? The Trust must not – and must not appear to – endorse the sponsoring company or its products, and sponsors must not generally use the activity as a direct sales channel for its products or services.
2	The results of the due diligence and the proposed agreement to be shared with the Commercial team and the Director of Communications and Engagement for review and endorsement.
3	Agreement to signed off as per the Scheme of Delegation above
4	Details of any agreed “sponsorship” to be appropriately published to ensure transparency. The Director of Communications and Engagement will be able to advise on this.

Ref	Value of Variation	Authorisation delegated to	Note
5.10.2	Process for approving small commercial sponsorship for “The Hill”		
	“The Hill” is unusual in funding a wide variety of its activities via commercial sponsorship. Many of these agreements will be for a financial value below £25,000 and it is proposed that in such circumstances		
	Commercial Sponsorship cases valued below £25,000	Programme Director The Hill	

6 Signature of Legally Binding Documents

(all individuals signing contracts have a responsibility to review and assure themselves that they provide value for money and that due care has been exercised in their preparation, with formal legal advice provided if necessary. This applies to contracts that appear to have no financial value, as these might have financial or non-financial implications from termination).

Ref	Matter Delegated	Delegated to	Note
6.1	Signature to approve invoices or otherwise commit expenditure (e.g., engagement letter), without any further legally binding obligations	See section 3.C (committing expenditure within budget) above	

Ref	Matter Delegated	Delegated to	Note
6.2	Signature of any document that will be a necessary step in legal proceedings involving the Trust (excluding valuation tribunal appeals and similar day-to-day property-related matters)	Chief Executive Officer or any Executive Director	
6.3	Signature of the following property documents when part of day-to-day business and within approved business plans and financial envelopes: <ul style="list-style-type: none"> - Notices to activate rent reviews and lease expiries - Notices requiring signature on the granting of leases and licences - Licences permitting alterations or minor works by us in third party property or by others in our properties - Licences permitting occupation of vacant property by guardians 	Chief Estates and Facilities Officer or Chief Officer Director with Estates Portfolio or duly authorised deputy.	
6.4	Signature of other contracts or other legally binding documents not required to be executed as a deed (see Standing Orders annex 7.22) for guidance on documents to be executed as a deed), the subject matter and nature of which has been approved by the Board or committee to which the Board has delegated appropriate authority.	Chief Executive Officer or other executive director For equipment leases, Chief Finance officer and for property Leases / Licences Chief Finance Officer and Chief Estates and Facilities Officer or Chief Officer with Estates portfolio	
6.5	Signature of contracts or other legally binding documents required to be executed as a deed (requires seal – see Standing Orders annex 7.22 for further guidance). These documents MUST first be approved by the Board except if they are for an extension of existing leases/licences on broadly similar financial and commercial terms which should be reported to the Executive Board.	Two senior managers duly authorised by the Chief Executive Officer and not from the originating department.	
6.6	Signature of contracts or agreements (for goods or services) that contain committed values or volumes of expenditure that will later be subject to approval via purchase order, where this will include consignment stock agreements, non- disclosure agreements, framework access agreements, commitment charters, pricing agreements and contract changes <ul style="list-style-type: none"> • Up to UK limit (£138,760) 	Director of Procurement & Supply Chain	

Ref	Matter Delegated	Delegated to	Note
	<ul style="list-style-type: none"> Over UK limit (£138,760) Over £1,000,000 	<p>Chief Executive Officer or Chief Finance Officer or Director of Finance</p> <p>A paper to go to TME and then Trust Board for Board Approval</p>	
Significant amendments to a contract that will change the value or liability within an existing contract should be formally recorded using a Contract Change Notification (CCN). In all cases CCNs should be ratified based on the financial thresholds above.			
The guidance above in relation to signature of contracts applies equally to variations and exit of existing contracts, unless specifically delegated otherwise.			

Ref	Matter Delegated	Delegated to	Note
6.7	Authority to sign off “monitoring returns” due to be sent to NHS England		
6.7a	<u>Financial Returns</u>		
		All financial returns should be signed by either Chief Finance Officer or Director of Finance	1, 2
6.7b	<u>Workforce Returns</u>		
		All workforce returns should be signed by either Chief People Officer or Director of Workforce	1,2
6.7c	<u>Activity Returns</u>		
		All activity returns should be signed by either Chief Operating Officer, Deputy Chief Operating Officer or Director of Planning and Contracting	1,2
	Note		
	<ol style="list-style-type: none"> Categories defined by “Monitoring log” maintained by the Deputy Head of Corporate Governance. All returns to NHS England need to be logged with the Deputy Head of Corporate Governance. 		
6.8	Signature of non-legally binding documents		
6.8a	<u>Heads of Terms & / or Memoranda of Understand which may be the precursor to subsequent legally binding documents</u>		
	All such documents should be signed by the Chief Executive Officer or other relevant Chief Officer.		
6.8b	<u>Other documents which may give rise to a reputational risk to the Trust should it wish to subsequently renegotiate the terms in the original document.</u>		

Ref	Matter Delegated	Delegated to	Note
i	Such documents should be signed by the Chief Executive Officer or other relevant Chief Officer if the implied financial sum involved exceeds [£200,000].		
ii	If the implied financial sum is less than [£200,000,] the authority to sign is delegated to: - <ul style="list-style-type: none"> • Director of Finance • Divisional Directors • Divisional Director of Operations • Deputy Director of Finance - Technical and Developments Director of Business Planning and Contracting If it is envisaged that the document may be contentious, it is recommended that advice is sought from the relevant Chief Officer before signature.		

7 Earned Autonomy/Extra Controls

The foregoing paragraphs have set out the standard control environment which applies by default to all business units that are delivering on their budgets year to date and are forecasting to deliver for the full year. Where this is not the case, the control environment can be varied if the circumstances of the Trust dictate the need for this. Extra controls will be introduced should the financial position of the Trust deteriorate significantly from the plan. Authority to introduce these controls is delegated to the Trust Management Executive. Any use of this delegation will be reported to the Chair of the Audit Committee within a week and will be reported to the next meeting of the Audit Committee.

These tighter controls on pay and non-pay would require additional approvals from an Executive Panel to be gained before any commitment was made to commit expenditure. These measures would be short-term and designed to ensure that the Trust’s financial performance did not deteriorate further. The authority to lift these additional requirements is delegated to the Trust Management Executive which will determine if and when it is appropriate to remove these additional controls. TME will also decide if it is appropriate to lift all or some of these additional controls across the whole Trust or just in respect of certain defined areas (e.g., a single division) of the Trust.

8 Monitoring Arrangements

To support the arrangements described above, it is the responsibility of the Director of Finance to maintain a list of authorised requisitioners and approvers.

Checks will be undertaken within Finance and Procurement to ensure the approvers comply with this policy and any instances of non-compliance will be referred to the originator for rectification prior to processing the transaction concerned. Any repeated instances of non-compliance from the same source will be followed up with senior management and may result in disciplinary action.

In respect of those transactions covered by **annex 1**, they will be reported to the Trust Management Executive on a quarterly basis. In respect of those transactions covered by **annex 2** they will be reported to the next scheduled Audit Committee.

Annex 1

Request for Disposal of Surplus Assets where anticipated sale proceeds exceed £5,000

Form on the Intranet at.

<http://ouh.oxnet.nhs.uk/Finance/Document%20Library/Forms/AllItems.aspx?RootFolder=%2fFinance%2fDocument%20Library%2fFinance%20Forms&FolderCTID=0x010100B8D667E6D53D4008BD59E0D3C18CDFE000B2C58F219D6E6E4B8B62E633060DEC9C&View=%7b2776ECD9%2d56FA%2d4C9F%2d9F10%2d320661BC9EF5%7d>

Annex 2

REQUEST FOR WAIVER OF STANDING ORDERS/STANDING FINANCIAL INSTRUCTIONS IN RESPECT OF PROCUREMENT/EXTERNAL EXPENDITURE

Smart form to complete with guidance is available at <https://forms.office.com/r/15TD3EzTV9>

Annex 3

Delegated Authority for Authorising PFI Invoices and other regular items

The Trust has a number of invoices each month which are either above the limit of £1m for the Chief Finance Officer and Director of Finance or above the level for Chief Officers but which are regular in nature and in line with previously agreed contracts. Under the standard delegated procedures, if any of these regular invoices is in excess of £1m, they would need to be approved by the Chief Finance Officer and Director of Finance. In order to avoid unnecessary bureaucracy and delay, it is proposed that the delegate authorisation for these areas is as follows: -

a	<p><u>PFI Invoices</u></p> <p>For each of the PFI Contracts, the Trust Board should delegate authorisation of these regular routine invoices, provided they are in line with the provisions of the agreed contracts, to the Deputy Director of Finance - Technical and Developments or their nominated deputy.</p>
b	<p><u>PAYE ,NIC and other HMRC Payments</u></p> <p>The monthly payments from the Trust to HM Revenue and Customs for tax, National Insurance contributions and other deductions. As these are the cumulative sums of the individual deductions from the payroll system, it is proposed that authority to authorise these bulk payments is delegated to the Deputy Director of Finance - Technical and Developments or their nominated deputy for cumulative sums over £10,000. Authorisation for sums between £5,000 and £10,000 to the Head of Operational Finance or their nominated deputy and authorisation for sums below £5,000 to the Finance Manager or Head of Financial Services.</p>
c	<p><u>Other Payroll deductions</u></p> <p>The monthly payments from the Trust in respect of payroll deductions (such as rents, salary sacrifice schemes etc). As these are the cumulative sums of the individual deductions from the payroll system, it is proposed that authority to authorise these bulk payments is delegated to the Deputy Director of Finance - Technical and Developments or their nominated deputy for cumulative sums over £10,000. Authorisation for sums between £5,000 and £10,000 to the Head of Operational Finance or their nominated deputy and authorisation for sums below £5,000 to the Finance Manager or Head of Financial Services.</p>
d	<p><u>Invoices from NHS Professionals</u></p> <p>The weekly/monthly payments from the Trust to NHS Professionals. As these invoices are the sum of individual authorised shifts, it is proposed that authority to authorise these payments is delegated to the Deputy Director of Finance - Technical and Developments or their nominated deputy.</p>
e	<p><u>Monthly payment to / Quarterly invoices from pensions agency</u></p>

	<p>The monthly/quarterly payments from the Trust to the Pensions Agency. As these are the cumulative sums of the individual deductions from the payroll system, it is proposed that authority to authorise these payments is delegated to the Deputy Director of Finance - Technical and Developments or their nominated deputy.</p>																		
f	<p><u>Under / Over Performance on Healthcare SLA's</u></p> <p>From time to time actual performance against an SLA will vary from the agreed total specified in the SLA. In such circumstances, adjustments may be required in respect of the amount invoiced to the commissioner. Adjustments may also be required as a result of resolving any invoices disputed by commissioners. In each case, this may necessitate the issuing of new invoices or credit notes and possibly the cancellation of previous invoices.</p> <p>Whilst administratively it may be sensible to completely credit the initial invoices issued and reissue new invoices for the revised amount, for governance purposes the approval limits below refer to the amount of the net financial adjustment.</p> <p>For net variations in invoiced amount below £0.5 million, authority to authorise these adjustments is delegated to either the Director of Business Planning and Contracting, or the Deputy Director of Finance - Performance & Reporting.</p> <p>For net variations in invoiced amount of £0.5 million or more, authority to authorise these adjustments is delegated to the Chief Finance Officer or nominated deputy.</p>																		
g	<p><u>Pharmacy Orders not on the Pharmacy System</u></p> <p>From time-to-time certain pharmacy orders, not processed by the Pharmacy System will be consolidated into a single monthly invoice. It is appropriate that these specialist invoices should be authorised by the specialist staff working in this area and hence authority to authorise to sign such consolidated invoices will be delegated as follows: -</p> <table border="1" data-bbox="224 1270 1458 1686"> <thead> <tr> <th><u>Invoice value</u></th> <th><u>Financial Limit</u></th> <th><u>Delegated to</u></th> </tr> </thead> <tbody> <tr> <td></td> <td>>£100,000</td> <td>Deputy Director of Finance - Technical and Developments / Director of Finance</td> </tr> <tr> <td></td> <td>£100,000</td> <td>Clinical Director of Pharmacy</td> </tr> <tr> <td></td> <td>£50,000</td> <td>Medicines Effectiveness Pharmacist</td> </tr> <tr> <td></td> <td>£20,000</td> <td>Pharmacy Purchasing & Distribution Operational Manager</td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p><u>Note</u></p> <ol style="list-style-type: none"> 1. All limits are subject to sufficient budget being available 2. Approval for Revenue Expenditure where there is insufficient budget will be referred to the Divisional Director / Executive Director. 	<u>Invoice value</u>	<u>Financial Limit</u>	<u>Delegated to</u>		>£100,000	Deputy Director of Finance - Technical and Developments / Director of Finance		£100,000	Clinical Director of Pharmacy		£50,000	Medicines Effectiveness Pharmacist		£20,000	Pharmacy Purchasing & Distribution Operational Manager			
<u>Invoice value</u>	<u>Financial Limit</u>	<u>Delegated to</u>																	
	>£100,000	Deputy Director of Finance - Technical and Developments / Director of Finance																	
	£100,000	Clinical Director of Pharmacy																	
	£50,000	Medicines Effectiveness Pharmacist																	
	£20,000	Pharmacy Purchasing & Distribution Operational Manager																	

h	<p><u>Payment in exceptional circumstances</u></p> <p>Exceptionally, circumstances may arise whereby the Trust becomes contractually committed to pay for goods even though the formal processes have not been followed. In such circumstances, the Chief Finance Officer or his nominated deputy is authorised to make any such payments and to investigate the circumstances which led to this situation arising.</p>
i	<p><u>Apprenticeship Levy</u></p> <p>The apprenticeship levy is a statutory payment that employers with payroll bills >£3m per annum have to pay over the HMRC. The payment which is made monthly reflects 0.5% of the value of salary payments made through our payroll. As this payment is calculated from the sum of payments on the payroll system, it is proposed that authority to authorise these payments is delegated to the Deputy Director of Finance - Technical and Developments or their nominated deputy.</p>
j	<p><u>Direct Engagement Payroll</u></p> <p>The weekly payments from the Trust to meet the cost of temporary workers on the direct engagement model are as a result of individual authorised shifts it is proposed that authority to authorise these payments is delegated to the Deputy Director of Finance - Technical and Developments or their nominated deputy.</p>
k	<p><u>NHS Supply Chain</u></p> <p>The weekly invoices from NHS Supply Chain reflect the sum of large numbers of individually received items. It is proposed that authority to authorise these payments is delegated to the Deputy Director of Finance - Technical and Developments or their nominated deputy.</p>
<p><u>Other Items</u></p>	
l	<p><u>New Supplier Approvals</u></p> <p>Apart from those suppliers that meet the criteria of sundry suppliers, all new suppliers should only be added to the Oracle Fusion system via a New Supplier form signed by the Director of Procurement and Supply Chain.</p>

Annex 4

Finance and Procurement				
Authorisation to issue credit note in respect of healthcare contracts				
Please arrange for a credit note to be issued in respect of the healthcare contract as detailed below (Please complete in BLOCK CAPITALS)				
Debtor:				
FAO:				
Address:				
Postcode:				
Contract Reference	Cost Centre	Subjective Code	Reason for Credit Note	£
			Total	£
Prepared by	Dept./ Hospital	Telephone number	Email address	Date
Special Instructions (if any)				
Signed: _____ (Authorised Officer)				
Delegated Authority to Authorise				
Value			Authorised Officer	
For net variations in invoiced amount below £0.5 million			Director of Business Planning and Contracting/ Deputy Director of Finance - Performance & Reporting.	
For net variations in invoiced amount above £0.5 million			Chief Finance Officer	
<p>Please send the completed form to: Income Department, OUHC, 1st Floor, Unipart House, Garsington Road, Oxford OX4 2PG Alternatively send via Fax: 01865 572 364 or Email: debtors.enquiries@ouh.nhs.uk <u>Please note: do not send this form direct to a customer - it is not a credit note</u></p>				
FOR USE BY INCOME TEAM ONLY				
Account number	Credit Note raised by		Credit Note number	Date

Annex 5**Process for approving variations to previously approved Capital & Revenue Business Cases**

Ref	Value of Variation	Authorisation delegated to	Note
C.11.1	Capital Works and Expenditure		
	Up to 5% of the original scheme value subject to a maximum value variation of £50,000	Scheme manager or Director of Capital	1,2,3
	Up to 20% of the original scheme value subject to a maximum value variation of £100,000	Chief Finance Officer	1,2,3
	Over 20% of the original scheme value		
	Value of variation less than £500,000	Chief Finance Officer	1,2,3
	Value of variation over £500,000	TME	1,2,4
	Value of variation over £1m	Trust Board	1,2,4,5

Note	
1	Wherever possible, action should be taken to minimise any adverse variations incurred
2	For schemes that involve both capital and revenue the scheme value is determined by adding the capital costs to the projected change in revenue costs over 5 years.
3	Before the variation is authorised, an explanatory report should be considered by the Capital Management Group.
4	Before the variation is authorised, an explanatory report should be considered by both the Capital Management Group and Business Planning Group and a report should then be submitted to TME to seek authorisation to the variation.
5	Should in exceptional circumstances the value of the variation exceed £1m, the TME must seek authorisation from the Trust Board.
6	The values quoted should take account of all costs & income (including irrecoverable VAT)

Ref	Value of Variation	Authorisation delegated to	Note
C.11.2	Revenue Business Cases		
	Up to 5% of the original scheme value subject to a maximum value variation of £50,000	Executive Director	1,2,3
	Up to 20% of the original scheme value subject to a maximum value variation of £100,000	Chief Executive Officer / Chief Finance Officer	1,2,3
	Over 20% of the original contract		
	Value of variation less than £100,000	Chief Executive Officer / Chief Finance Officer	1,2,3
	Value of variation over £100,000	TME	1,2,4
	Value of variation over £1m	Trust Board	1,2,4,5

Note	
1	Wherever possible, action should be taken to minimise any adverse variations incurred
2	For schemes that involve just revenue the scheme value is determined by the projected change in revenue costs over 5 years.
3	Before the variation is authorised, an explanatory report should be considered by the Business Planning Group.
4	Before the variation is authorised, an explanatory report should be considered by both the Business Planning Group and a report should then be submitted to TME to seek authorisation to the variation.
5	Should in exceptional circumstances the value of the variation exceed £1m, the TME must seek authorisation from the Trust Board.
6	The values quoted should take account of all costs & income (including irrecoverable VAT)

BOARD RESERVATION AND DELEGATION of POWERS

October 2023

Approved by the Board of Directors DD MMM 2023

Once printed off, this is an uncontrolled document. Please check the intranet for the most up to date copy.

Contents

Section A - Interpretations and Definitions for Trust Governing Documents	3
Section B – Scheme of Reservation and Delegation of Powers	6
Introduction	6
Decisions Reserved to the Board of Directors	6
Decisions / Duties Delegated by the Board of Directors to Committees.....	10
Scheme of Delegation Derived from the Accounting Officer Memorandum	16
Scheme of Delegation Derived from the Codes of Conduct and Accountability	18
Scheme of Delegation from the Constitution (Annexes 5, 6 and 8 to the Constitution)	20
Scheme of Delegation from Standing Orders for Board of Directors (Annex 7 to the Constitution)	22
Scheme of Delegation from Standing Financial Instructions	23

Section A - Interpretations and Definitions for Trust Governing Documents

- 1.1. Save as otherwise permitted by law, at any meeting the Chair of the Trust shall be the final authority on the interpretation of Standing Financial Instructions (on which they should be advised by the Chief Executive Officer, Chief Finance Officer or Secretary to the Board).
- 1.2. Unless otherwise stated, words or expressions contained in this constitution shall bear the same meaning as in the National Health Service Act 2006 as amended by the Health and Social Care Act 2012 and the Health and Care Act 2022.
 - 1.2.1. 'the 2006 Act' is the National Health Service Act 2006.
 - 1.2.2. 'the 2012 Act' is the Health and Social Care Act 2012.
 - 1.2.3. 'the 2022 Act' is the Health and Care Act 2022.
- 1.3. Words importing the masculine gender only shall include the feminine gender; words importing the singular shall import the plural and vice versa. and in addition:
 - 1.3.1. **"Accountable Officer"** means the NHS Officer responsible and accountable for funds entrusted to the Trust. The officer shall be responsible for ensuring the proper stewardship of public funds and assets. For this Trust it shall be the Chief Executive Officer.
 - 1.3.2. **"Accounting Officer"** is the person who from time to time discharges the functions specified in paragraph 25(5) of Schedule 7 to the 2006 Act.
 - 1.3.3. **"Associate Member"** means a person appointed to perform specific statutory and non-statutory duties which have been delegated by the Trust Board for them to perform and these duties have been recorded in an appropriate Trust Board minute or other suitable record.
 - 1.3.4. **"Board"** means the Board of Directors as defined by the Constitution of Oxford University Hospitals NHS Foundation Trust.
 - 1.3.5. **"Board of Directors"** means the Chair, officer (executive) and non-officer (non-executive) members of the Trust collectively as a body.
 - 1.3.6. **"Budget"** means a resource, expressed in financial terms, proposed by the Board for the purpose of carrying out, for a specific period, any or all of the functions of the Trust.
 - 1.3.7. **"Budget Manager (Budget Holder)"** means the director or employee with delegated authority to manage finances (Income and Expenditure) for a specific area of the organisation.
 - 1.3.8. **"Chair of the Board (or Trust)"** is the person appointed by the Council of Governors to lead the Board and to ensure that it successfully discharges its overall responsibility for the Trust as a whole. The expression "the Chair of the Trust" shall be deemed to include the Vice-Chair of the Trust if the Chair is absent from the meeting or is otherwise unavailable.
 - 1.3.9. **"Chief Executive"** means the Chief Executive Officer of the Trust.
 - 1.3.10. **"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.

- 1.3.11. **"Committee"** means a committee or sub-committee created and appointed by the Board or by an authorised committee, group or officer.
- 1.3.12. **"Committee members"** means a person formally appointed by the Board or by an authorised committee, group or officer to sit on or to chair specific committees.
- 1.3.13. **"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.
- 1.3.14. **"Financial decision maker"** is a substantive member of staff who is a [Budget holder](#) or [person corporately responsible for the expenditure](#); however, they may delegate the responsibility for implementation to a senior authorising user.
- 1.3.15. **"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 derived under S.90 of the NHS Act 1977, as amended. Such funds may or may not be charitable.
- 1.3.16. **"Integrated Assurance Committee"** means a committee of the Board whose functions are concerned with receiving, scrutinising and triangulating the main sources of evidence across the Trust to enable the Board to assess its level of confidence in the assurances provided regarding:
- the Trust's values and culture;
 - the organisation's financial and operational performance;
 - the quality of services (including clinical effectiveness, patient experience and safety) across the organisation; and
 - the appropriate identification, assessment and management of risks.
- 1.3.17. **"Lead Officer"** as used in SFI section B.11.2.6.c. means the senior manager operationally responsible for the use of the goods / services and the budget holder with the greatest expenditure across the contract.
- 1.3.18. **"Member"** means officer or non-officer member of the Board as the context permits. Member in relation to the Board does not include its Chair.
- 1.3.19. **"NHS England"** is the organisation that leads and oversees the NHS
- 1.3.20. **"Nominated officer"** means an officer charged with the responsibility for discharging specific tasks within Standing Orders and Standing Financial Instructions.
- 1.3.21. **"Non-officer member"** means a member of the Board of Directors 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. Non-officer Board members are commonly called Non-executive Directors.
- 1.3.22. **"Officer"** means employee of the Trust or any other person holding a paid appointment or office with the Trust.
- 1.3.23. **"Officer member"** means a member of the Board of Directors who is either an officer of the Trust or is to be treated as an officer by virtue of regulation 1(3) (i.e. the Chair of the Trust or any person nominated by such a Committee

for appointment as a Trust member). Officer Board members are commonly called Executive Directors.

- 1.3.24. **"Secretary"** means a person appointed to act independently of the Board of Directors to provide advice on corporate governance issues to the Board of Directors and the Chair and monitor the Trust's compliance with the law, Standing Orders, and NHS England / Department of Health and Social Care guidance.
 - 1.3.25. **"Senior Authorising User"** A person who is responsible for operationally administering the budget
 - 1.3.26. **"Senior Manager"** those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments.
 - 1.3.27. **"SFIs"** means Standing Financial Instructions.
 - 1.3.28. **"SOs"** means Standing Orders of the Board of Directors as set out in Annex 7 of the Constitution for Oxford University Hospitals NHS Foundation Trust.
 - 1.3.29. **"Trust"** means Oxford University Hospitals NHS Foundation Trust.
 - 1.3.30. **"Vice-Chair"** means the non-officer member appointed by the Board of Directors to take on the Chair's duties if the Chair is absent for any reason.
- 1.4. Wherever the title Chief Executive Officer, Chief Finance Officer or other nominated officer is used, it shall be deemed to include such other directors or employees who have been duly authorized to represent them. Wherever the term "officer" is used and the context permits it shall be deemed to include employees of third parties contracted to the Trust when acting on behalf of the Trust.

Section B – Scheme of Reservation and Delegation of Powers

Introduction

This document sets out those decisions that are Reserved to the Trust Board and those that are Delegated to Committees of the Board or Officers of the Trust. This document should be read in conjunction with the Trust Constitution and specifically the Trust's Standing Orders (SOs) of the Board of Directors (Annex 7) and the Standing Financial Instructions (SFIs).

Decisions Reserved to the Board of Directors

REF	THE BOARD OF DIRECTORS	Decisions reserved to the Board of Directors
NA	BOARD OF DIRECTORS	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.

REF	THE BOARD OF DIRECTORS	Decisions reserved to the Board of Directors
NA	BOARD OF DIRECTORS	<p>Regulations and Control</p> <ol style="list-style-type: none"> 1. Approve Standing Orders (SOs), a schedule of matters reserved to the Board of Directors and Standing Financial Instructions for the regulation of its proceedings and business. 2. Suspend Standing Orders. 3. Vary or amend the Standing Orders. 4. Ratify any urgent decisions taken by the Chair and Chief Executive officer in public session 5. Approve a scheme of delegation of powers from the Board of Directors to committees. 6. Require and receive the declaration of Board members' interests that may conflict with those of the Trust and determining the extent to which that member may remain involved with the matter under consideration in accordance with paragraph 33 of the constitution. 7. Require and receive the declaration of officers' interests that may conflict with those of the Trust in accordance with paragraph 33 of the constitution. 8. Approve arrangements for dealing with complaints and receive an annual report on complaints. 9. Adopt the organisation structures, processes and procedures to facilitate the discharge of business by the Trust and to agree modifications thereto. 10. Receive reports from committees including those that the Trust is required by the Secretary of State or other regulation to establish and to take appropriate action on such reports. 11. Confirm the recommendations of the Trust's committees where the committees do not have executive powers. 12. Establish terms of reference and reporting arrangements of all committees and sub-committees that are established by the Board of Directors. 13. Approve arrangements relating to the discharge of the Trust's responsibilities as a bailer for patients' property. 14. Authorise use of the seal. 15. Ratify or otherwise instances of failure to comply with Standing Orders brought to the Chief Executive Officer's attention in accordance with SO 18.8 16. Discipline members of the Board of Directors or employees who are in breach of statutory requirements or SOs.

REF	THE BOARD OF DIRECTORS	Decisions reserved to the Board of Directors
NA	BOARD OF DIRECTORS	<p>Appointments/ Dismissal</p> <ol style="list-style-type: none"> 1. Appoint the Senior Independent Director of the Trust (in consultation with the Council of Governors), who shall perform the role set out in the NHS Foundation Trust Code of Governance. 2. The appointment and dismissal of Associates of the Trust Board 3. Appoint and dismiss committees (and individual members) that are directly accountable to the Board of Directors 4. The non-executive directors shall appoint or remove the Chief Executive Officer in accordance with paragraph 28 of the constitution 5. Appoint, discipline and dismiss Executive Directors (in accordance with paragraph 28 of the constitution & subject to appropriate NHS England approval in any cases involving severance payments) 6. Confirm appointment of members of any committee of the Trust as representatives on outside bodies. 7. Appoint, discipline and dismiss the Board Secretary 8. Approve proposals of the Remuneration and Appointments Committee regarding directors and senior employees and those of the Chief Executive Officer for staff not covered by the Remuneration and Appointments Committee.
NA	BOARD OF DIRECTORS	<p>Strategy, Plans and Budgets</p> <ol style="list-style-type: none"> 1. Define the strategic aims and objectives of the Trust each year. 2. Approve proposals for ensuring quality and developing clinical governance in services provided by the Trust, having regard to any guidance issued by NHS England. 3. Approve the Trust's policies and procedures for the management of risk. 4. Approve the Trust's policies and procedures for the management of health and safety and receive an annual report on health and safety. 5. Approve Outline and Final Business Cases for Capital Investment (subject to any guidance issued by NHS England). 6. Approve the budgets and the Trust's financial plan. 7. Approve annually Trust's proposed organisational development proposals. 8. Ratify proposals for acquisition, disposal or change of use of land and/or buildings. 9. Approve PFI proposals (subject to any guidance issued by NHS England). 10. Approve the opening of bank or investment accounts. 11. Approve proposals on individual contracts (other than NHS contracts) of a capital or revenue nature amounting to, or likely to amount to over £1,000,000 over a 3 year period or the period of the contract if longer. 12. Approve proposals in individual cases for the write off of losses or making of special payments above the limits of delegation to the Chief Executive Officer and Chief Finance Officer (for losses and special payments) previously approved by the Board of Directors. 13. Approve individual compensation payments. 14. Approve proposals for action on litigation against or on behalf of the Trust. 15. Review use of NHS Resolution risk pooling schemes (LPST/CNST/RPST). 16. Receive annual reports on Child protection, comments and Complaints, and Control of Infection.

REF	THE BOARD OF DIRECTORS	Decisions reserved to the Board of Directors
NA	BOARD OF DIRECTORS	Policy Determination 1. To determine which policies require its approval, defined by reference to the Policy Management Framework in force at the time in the Trust.
NA	BOARD OF DIRECTORS	Audit 1. To note the appointment (and, where necessary, dismissal) of the External Auditor, and advise NHS England on the appointment. 2. Receive the annual management letter received from the external auditor and agreement of proposed action, taking account of the advice, where appropriate, of the Audit Committee. 3. Receive an annual report from the Internal Auditor and agree action on recommendations where appropriate of the Audit Committee. 4. To approve the appointment (and where necessary dismissal) of the internal auditors.
NA	BOARD OF DIRECTORS	Annual Reports and Accounts 1. Receipt and approval of the Trust's Annual Report and Annual Accounts.
NA	BOARD OF DIRECTORS	Monitoring 1. Receive such reports as the Board of Directors sees fit from committees in respect of their exercise of powers delegated. 2. Continuous appraisal of the affairs of the Trust by means of the provision of information to the Board as the Board may require from directors, committees, and officers of the Trust as set out in management policy statements. All monitoring returns required by NHS England shall be reported, at least in summary, to the Board of Directors. 3. Receive reports on all aspects of the Trust's performance, and particularly those covering performance against budget, financial plans, performance improvement plans, internal or national targets, and measures of activity and quality.

[Return to Contents](#)

Decisions / Duties Delegated by the Board of Directors to Committees

Ref.	Committee	Decisions/Duties delegated by the Board of Directors to Committees
SFI 2.1.1	AUDIT COMMITTEE	<p>The Committee will:</p> <p><u>Internal Control and Risk Management</u></p> <ol style="list-style-type: none"> 1. ensure the provision and maintenance of an effective system of financial risk identification and associated controls, reporting and governance. 2. maintain an oversight of the Trust's general risk management structures, processes and responsibilities, including the production and issue of any risk and control related disclosure statements. 3. review the risk register at each meeting or as the Board determines. 4. monitor and review the Board Assurance Framework, and ensure its presentation to the Board of Directors at intervals that the Board determines 5. receive and consider the Annual Governance Statement, making recommendations to the Board for approval, where appropriate. 6. review the adequacy of the policies and procedures for all counter fraud work. 7. review the adequacy of the Trust's arrangements by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting and control, or related matters or other matters of concern. 8. oversee the maintenance of the policy framework of the Trust, in particular the Policy for the Development of Procedural Documents. 9. oversee the effective governance of key anti-bribery and corruption activities and risks <p><u>Internal Audit</u></p> <ol style="list-style-type: none"> 10. oversee the effective operation of Internal Audit and ensure its co-ordination with External Audit. 11. review the Internal Audit programme, consider the major findings of Internal Audit investigations and management's response, and monitor progress on implementation of recommendations. <p><u>External Audit</u></p> <ol style="list-style-type: none"> 12. assess the External Auditor's work and fees on an annual basis. 13. discuss with the External Auditor, before the audit commences, the nature and scope of the audit, and ensure co-ordination, as appropriate, with other External Auditors in the local health economy. 14. review External Audit reports, including the Annual Audit Letter, together with the management response, and to monitor progress on the implementation of recommendations. 15. develop and implement a policy on the External Auditor to supply non-audit services. <p><u>Annual Account Review</u></p> <ol style="list-style-type: none"> 16. review the Trust's annual statutory accounts, before they are presented to the Trust Board, to determine their objectivity,

Ref.	Committee	Decisions/Duties delegated by the Board of Directors to Committees
		<p>integrity and accuracy. This review will cover:</p> <ul style="list-style-type: none"> - The meaning and significance of the figures, notes and significant changes; - Accounting policies and practices followed and significant changes; - Explanation of estimates or provisions having material effect; - The schedule of losses and special payments; - Any reservations and disagreements between the External Auditors and management not satisfactorily resolved. <p><u>Standing Orders, Standing Financial Instructions and Standards of Business Conduct</u></p> <p>17. review on behalf of the Trust Board the operation of, and proposed changes to the Standing Orders and Standing Financial Instructions, Codes of Conduct and Standards of Business Conduct; including maintenance of registers of interest.</p> <p>18. examine the circumstances of any significant departure from the requirements of any of the foregoing.</p> <p>19. review the Scheme of Delegation.</p> <p><u>Other audit related issues</u></p> <p>20. review performance indicators relevant to the Committee.</p> <p>21. examine any other matter referred to the Committee by the Trust Board and to initiate investigation as determined by the Committee.</p> <p>22. annually review the accounting policies, judgements and material misstatements of the Trust and make appropriate recommendations to the Trust Board.</p> <p>23. identify annual objectives of the Committee, produce an annual work plan in the agreed Trust format, measure performance at the end of the year and produce an annual report.</p> <p>24. Undertake any other responsibilities as delegated by the Trust Board</p>

Ref.	Committee	Decisions/Duties delegated by the Board of Directors to Committees
SFI 10.1.1	REMUNERATION AND APPOINTMENTS COMMITTEE	<p>The Committee will have delegated authority to:</p> <ol style="list-style-type: none"> 1. Determine the remuneration policy and management of the Chief Executive, Executive Directors (which are defined as Board members); Divisional Directors; and all other VSMs that are not covered by Agenda for Change or Medical and Dental Terms and Conditions. 2. Determine the remuneration for the above individuals and groups in (1), including base pay, variable pay contingent on performance, contracts and terms of service, termination arrangements and pensions, ensuring they are fairly rewarded for their individual contribution to the organisation – having proper regard to the organisation’s circumstances and performance, to the provisions of any national agreements where appropriate 3. review and agree: <ol style="list-style-type: none"> 3.1. overall market positioning of the remuneration package 3.2. individual base salaries and increases 3.3. relevant targets for performance related schemes 4. ensure that the right performance and talent management arrangements are in place for the individuals and groups in (1) 5. Oversee the setting of objectives for the Chief Executive; Executive Directors and Divisional Directors on an annual basis. 6. Monitor and evaluate the performance of the Chief Executive; Executive Directors; and Divisional Directors. 7. Ensure that succession planning and skills assessments are applied as and when necessary. 8. Consider Agenda for Change and Medical and Dental salaries compared to the remuneration of the individuals and groups in (1) to review the relativities between them and ensure equity as far as possible. 9. Play a role in monitoring the effectiveness of action to address equity and equality, including the gender pay gap across the Trust, taking in account equal value and equal pay principles and legislation. 10. Approve the contract of employment for the Chief Executive; Executive Directors and Divisional Directors., 11. Scrutinise and agree severance terms for the termination of a contract of employment giving due regard to HM Treasury requirements and ensuring compliance with the NHS England guidance for NHS foundation trusts on processes for making severance payments. 12. Have regard to the Trust’s overarching reward and benefit strategy for all staff, the arrangements in the wider NHS and any extant guidance from NHS England and HM Treasury, together with any relevant laws, codes and regulations in determining remuneration policy and packages for the individuals and groups in (1). 13. Undertake any other duties as directed by the Board of Directors.
	INTEGRATED ASSURANCE COMMITTEE	<p>The Committee will:</p> <p style="text-align: center;"><u>Annual Planning</u></p> <ol style="list-style-type: none"> 1. Monitor the development of the annual plan and the setting of the annual budget, ensuring that plans are appropriate in the context the Trust’s strategic objectives and the Trust’s risk profile. <p style="text-align: center;"><u>Integrated Performance</u></p>

Ref.	Committee	Decisions/Duties delegated by the Board of Directors to Committees
		<p>2. Review the integrated performance of the Trust, assessing:</p> <ul style="list-style-type: none"> • the Trust’s performance against its annual financial plan and budgets; • the Trust’s performance indicators relevant to workforce and organisational development (including culture); • the performance of the Trust’s corporate and non-clinical services; • the performance indicators relevant to the remit of the Committee; and • any other areas of performance referred to the Integrated Assurance Committee by the Trust Board. <p>3. Monitor the effectiveness of the Trust’s integrated performance reporting systems ensuring a clear alignment of strategy and performance and the provision of high quality information regarding organisational performance, in the quality, effectiveness and safety of services across the organisation.</p> <p>4. Review improvement programmes, ensuring they relate to priorities emerging from the integrated performance reporting, support sustainable change and create a culture that continuously improves and delivers quality care for our patients.</p> <p style="text-align: center;"><u>Quality</u></p> <p>5. Monitor and review the effectiveness of</p> <ul style="list-style-type: none"> • clinical systems developed and implemented by the Clinical Governance Committee to ensure they maintain compliance with the Care Quality Commission’ Fundamental Standards of quality & safety. • systems for safety within the Trust, with a particular focus on patient safety, staff safety and wider health & safety requirements, including a consideration of quality impact assessments of financial improvements and other change processes. • systems for delivering a high quality experience for all its patients and service users, including carers, with particular focus on involvement and engagement for the purposes of learning and making improvement. • systems for the monitoring of clinical outcomes and clinical effectiveness; with particular focus on ensuring patients receive the best possible outcomes of care across the full range of Trust activities. <p style="text-align: center;"><u>Finance</u></p> <p>6. Monitor the development and delivery of the Trust’s annual financial plan, including the annual efficiency savings programme.</p> <p>7. Monitor the development and delivery of the Trust’s strategy for medium term financial sustainability.</p> <p>8. Ensure that appropriate clinical advice and involvement in the medium and long term financial models is provided.</p> <p>9. Monitor the effectiveness of the Trust’s financial and operational performance reporting systems, ensuring that the Board is assured of continued compliance through its regular reporting, reporting by exception where required.</p>

Ref.	Committee	Decisions/Duties delegated by the Board of Directors to Committees
		<p style="text-align: center;"><u>Risk Management</u></p> <p>10. Consider any relevant risks within the Board Assurance Framework and Corporate Risk Register and the extent to which these are being appropriately managed and mitigated, reporting any areas of significant concern to the Audit Committee.</p> <p>11. Identify any new or emerging corporate risks or opportunities.</p> <p>12. Undertake deep dives on specific risk areas for more detailed scrutiny of issues of significance than is permitted by standard reporting.</p> <p style="text-align: center;"><u>Governance and Regulation</u></p> <p>13. Ensure the Trust's compliance with all legislative, regulatory and professional requirements.</p> <p>14. Ensure the Trust's compliance with its Care Quality Commission registration by maintaining suitable systems of internal control, risk management and quality management, with particular emphasis on the Fundamental Standards of quality and safety.</p> <p>15. Monitor and review the system for Quality Governance, Information Governance, Workforce Governance, Research & Development Governance ensuring that the Board is assured of continued compliance through its annual report, reporting by exception where required.</p> <p style="text-align: center;"><u>Other</u></p> <p>16. Undertake any other responsibilities as delegated by the Trust Board.</p> <p>17. Identify annual objectives of the Committee, produce an annual work plan in the agreed Trust format, measure performance at the end of the year and produce an annual report. This will also include an assessment of compliance with the Committee's terms of reference and a review of the effectiveness of the committee.</p>
	INVESTMENT COMMITTEE	<p>The Committee is responsible for advising the Trust Board in relation to investments. The following matters are subject to review by the Committee::</p> <ol style="list-style-type: none"> 1. The Trust's approach to making and monitoring investments including the policies by which investments are considered; 2. The Trust's approach to financing investments over the medium to long term; 3. Capital cases including leases and asset disposals that are subject to Trust Board approval. At the Chair of the Committee's discretion some cases may not require review based on considerations of value and risk; 4. Proposals to set up special purpose vehicles where such an action requires Trust Board approval; 5. Progress made in implementing larger or higher profile investment cases; and 6. Any other matters related to investments that are referred to the Committee by the Trust Board, Chief Executive Officer or Chief Finance Officer.
	TRUST	The Committee will:

Ref.	Committee	Decisions/Duties delegated by the Board of Directors to Committees
	MANAGEMENT EXECUTIVE (TME)	<ol style="list-style-type: none"> 1. Develop and agree objectives for submission to the Trust Board, in the form of the annual business plan, to deliver the agreed strategy and agree detailed capital and revenue business plans to deliver the objectives 2. Ensure, where appropriate, the alignment of the Trust's strategy with the strategy of the University of Oxford and other key partners 3. Develop the Trust's clinical service strategies, ensuring co-ordination and alignment across the clinical divisions. 4. Closely monitor standards of care, quality and safety by ensuring appropriate actions are taken, 5. Identify and mitigate risk by monitoring the corporate risk register and board assurance framework, agreeing resourced action plans and ensuring their delivery, and ensure compliance and appropriate escalation in accordance with the Trust's risk management systems and processes. 6. Develop, agree and monitor implementation of plans to improve the efficiency, effectiveness and quality of the Trust's services. 7. Monitor the delivery of the Trust's service activity and financial objectives and agree actions, allocate responsibilities, and ensure delivery where necessary to deliver the Trust's objectives or other obligations. 8. Monitor and ensure the delivery of all specific actions agreed by the Trust Board, by the Trust Management Executive and by committees of both. 9. Monitor the delivery of the Trust's enabling strategies, as advised by the Trust Management Executive's sub-committees 10. Devise the trust's annual and longer term capital programme and monitor its delivery. 11. Agree all relevant policies – other than those retained by the Trust Board - to ensure the delivery of external and internal governance and best practice requirements and compliance. 12. Approve the Terms of Reference for all the sub-committees and groups of the Committee, delegate work as appropriate and hold the respective Chairs to account for compliance with their responsibilities.

Scheme of Delegation Derived from the Accounting Officer Memorandum

REF	DELEGATED TO	DUTIES DELEGATED
7	CHIEF EXECUTIVE OFFICER(CEO)	Accountable through NHS Accounting Officer to Parliament for stewardship of Trust resources
9	CEO AND CHIEF FINANCE OFFICER (CFO)	Ensure the accounts of the Trust are prepared under principles and in a format in accordance with directions given by NHS England. Accounts must disclose a true and fair view of the Trust's income and expenditure and its state of affairs. Sign the accounts on behalf of the Board of Directors.
10	CHIEF EXECUTIVE OFFICER	Sign a statement in the accounts outlining responsibilities as the Accountable Officer. Sign a statement in the accounts outlining responsibilities in respect of Internal Control.
12 & 13	CHIEF EXECUTIVE OFFICER	<i>Ensure effective management systems that safeguard public funds and assist the Trust Chair to implement requirements of corporate governance including ensuring managers:</i> <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.”
12	CHAIR	Implement requirements of corporate governance.
13	CHIEF EXECUTIVE OFFICER	Achieve value for money from the resources available to the Trust and avoid waste and extravagance in the organisation's activities. Follow through the implementation of any recommendations affecting good practice as set out on reports from such bodies as the National Audit Office (NAO).
15	CHIEF FINANCE OFFICER	Operational responsibility for effective and sound financial management and information.
15	CHIEF EXECUTIVE OFFICER	Primary duty to see that the Chief Finance Officer discharges this function.
16	CHIEF EXECUTIVE OFFICER	Ensuring that expenditure by the Trust complies with Parliamentary requirements.
18	CEO and Chief Finance Officer	Chief Executive Officer, supported by Chief Finance Officer, to ensure appropriate advice is given to the Board on all matters of probity, regularity, prudent and economical administration, efficiency and effectiveness.
19	CHIEF EXECUTIVE OFFICER	If CEO considers the Board of Directors or Chair is doing something that might infringe probity or regularity, he/she should set this out in writing to the Chair and the Board of Directors. If the matter is unresolved, he/she should ask the Audit Committee to inquire and if necessary NHS England.

REF	DELEGATED TO	DUTIES DELEGATED
21	CHIEF EXECUTIVE OFFICER	If the Board of Directors is contemplating a course of action that raises an issue not of formal propriety or regularity but affects the CEO's responsibility for value for money, the CEO should draw the relevant factors to the attention of the Board of Directors. If the outcome is that he/she is overruled it is normally sufficient to ensure that his/her advice and the overruling of it are clearly apparent from the papers. Exceptionally, the CEO should inform NHS England. In such cases, and in those described in paragraph 24, the CEO should as a member of the Board of Directors vote against the course of action rather than merely abstain from voting.

[Return to Contents](#)

Scheme of Delegation Derived from the Codes of Conduct and Accountability

REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
1.3.1.7	BOARD OF DIRECTORS	Approve procedure for declaration of hospitality and sponsorship.
1.3.1.8	BOARD OF DIRECTORS	Ensure proper and widely publicised procedures for voicing complaints, concerns about misadministration, breaches of Code of Conduct, and other ethical concerns.
1.3.1.9 & 1.3.2.2	ALL BOARD MEMBERS	Subscribe to Code of Conduct.
1.3.2.4	BOARD OF DIRECTORS	Board members share corporate responsibility for all decisions of the Board of Directors.
1.3.2.4	CHAIR AND NON-EXECUTIVE/OFFICER MEMBERS	Chair and non-officer members are responsible for monitoring the executive management of the organisation and are responsible to Monitor for the discharge of those responsibilities.
1.3.2.4	BOARD OF DIRECTORS	<p>The Board of Directors has six key functions for which it is held accountable by the NHS England 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; 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. In conjunction with the Council of Governors, 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.
1.3.24	BOARD OF DIRECTORS	<p>It is the Board's 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 measures 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

REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
		<p>ensure the Board of Directors can fully undertake its responsibilities;</p> <p>6. establish Audit and Remuneration Committees on the basis of formally agreed terms of reference that set out the membership of the sub-committee, the limit to their powers, and the arrangements for reporting back to the main Board of Directors.</p>
1.3.2.5	CHAIR	<p>It is the Chair's role to:</p> <ol style="list-style-type: none"> 1. provide leadership to the Board of Directors and Council of Governors; 2. enable all Board of Directors members and Governors to make a full contribution to the Trust's affairs and ensure that the Board of Directors 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 members through a formally-appointed Remuneration Committee of the main Board of Directors on the appointment, appraisal and remuneration of the Chief Executive Officer and (with the latter) other Executive Board members; 6. appoint Non-Executive Board members to an Audit Committee of the main Board of Directors; 7. advise the Council of Governors and NHS England on the performance of Non-Executive Board members.
1.3.2.5	CHIEF EXECUTIVE OFFICER	<p>The Chief Executive Officer is accountable to the 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.</p> <p>The Chief Executive Officer should be allowed full scope, within clearly defined delegated powers, for action in fulfilling the decisions of the Board of Directors.</p> <p>The other duties of the Chief Executive Officer as Accountable Officer are laid out in the Accountable Officer Memorandum.</p>
1.3.2.6	NON-EXECUTIVE DIRECTORS	<p>Non-Executive Directors are appointed by the Council of Governors at a general meeting of the Council of Governors to bring independent judgement to bear on issues of strategy, performance, key appointments and accountability.</p>
1.3.2.8	CHAIR AND DIRECTORS	<p>Declaration of conflict of interests.</p>
1.3.2.9	BOARD OF DIRECTORS	<p>NHS FT Boards must comply with 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.</p>

[Return to Contents](#)

Scheme of Delegation from the Constitution (Annexes 5, 6 and 8 to the Constitution)

ANNEX 5 REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
Annex 5, Section 1.3	HEAD OF CORPORATE GOVERNANCE	Monitor the eligibility of governors to serve on the Council of Governors
ANNEX 6 (SO) REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
4.2.2	CHAIR	Call meetings.
4.3	CHAIR	Serve notice of a Council of Governors meeting on governors
4.6	CHAIR	Chair all Council of Governors meetings and associated responsibilities.
4.7	CHAIR	Determine motions to be debated at the Council of Governors
4.8	CHAIR	Give final ruling in questions of order, relevancy and regularity of meetings.
4.8	CHAIR	Final authority in interpretation of Standing Orders (SOs).
4.9.1	CHAIR	Having a second or casting vote in the case of equality of votes.
4.10	HEAD OF CORPORATE GOVERNANCE	Draw up the minutes of a Council of Governors meeting
4.12	COUNCIL OF GOVERNORS	Suspension of Standing Orders of the Council of Governors
4.13	COUNCIL OF GOVERNORS	Variation and Amendment of Standing Orders of Council of Governors
5.1	COUNCIL OF GOVERNORS	Formal delegation of powers to sub committees or joint committees and approval of their constitution and terms of reference.
ANNEX 6 (SO) REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
6.1	EACH GOVERNOR	Declare relevant and material interests.
6.1.3	CHAIR	Determine whether a governor has a material conflict of interest
6.4	HEAD OF CORPORATE GOVERNANCE	Maintain Register(s) of Interests.
7	EACH GOVERNOR	Comply with the trust's Code of Conduct and any guidance and directions issued by NHS England, in particular the NHS Foundation Trust Code of Governance.
8.4	EACH GOVERNOR	Disclose relationship between self and candidate for staff appointment. (CEO to report the disclosure to the Board of Directors.)

11.1	HEAD OF CORPORATE GOVERNANCE	Shall provide a copy of these Standing Orders to each governor and endeavour to ensure that each governor understand their responsibilities within Standing Orders.
11.3	ALL GOVERNORS	Disclosure of non-compliance with Standing Orders to the Chair as soon as possible.
13.1	COUNCIL OF GOVERNORS	Nominate one of its governors as the nominated lead governor
13.2	NOMINATED LEAD GOVERNOR	Provide there contact details to NHS England and update these as appropriate.
ANNEX 8 REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
Section 2	HEAD OF CORPORATE GOVERNANCE	Inform disqualified members that they will be / have been removed from the register of members

[Return to Contents](#)

Scheme of Delegation from Standing Orders for Board of Directors (Annex 7 to the Constitution)

SO REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
4.1.2	CHAIR	Call meetings.
8.4	CHAIR	Having a second or casting vote in the case of an equal vote.
11	CHAIR	Chair all Council of Governors meetings and Board of Directors meetings and associated responsibilities.
12.1	COUNCIL OF GOVERNORS	Appointment of Deputy Chair
12.2	BOARD OF DIRECTORS	Appointment of Senior Independent Director
17	CHAIR	Give final ruling in questions of order, relevancy and regularity of meetings.
17	CHAIR	Final authority in interpretation of Standing Orders (SOs) and Standing Financial Instructions (SFIs).
18.3	CHAIR & CHIEF EXECUTIVE OFFICER	The powers which the Board has retained to itself within these Standing Orders may in emergency be exercised by the Chair and Chief Executive Officer after having consulted at least one other Non-Executive member.
18.5	CHIEF EXECUTIVE OFFICER	The Chief Executive Officer shall prepare a Scheme of Delegation identifying his/her proposals that shall be considered and approved by the Board of Directors, subject to any amendment agreed during the discussion.
18.8	ALL	Disclosure of non-compliance with Standing Orders to the Chief Executive Officer as soon as possible.
19.1	BOARD OF DIRECTORS	Formal delegation of powers to sub committees or joint committees and approval of their constitution and terms of reference. (Constitution and terms of reference of sub committees may be approved by the Chief Executive Officer.)
20	BOARD OF DIRECTORS	Declare relevant and material interests.
21-23	CHIEF EXECUTIVE OFFICER	Keep seal in safe place and maintain a register of sealing.
24	CHIEF EXECUTIVE OFFICER/ EXECUTIVE DIRECTOR	Approve and sign all documents which will be necessary in legal proceedings.
25	BOARD OF DIRECTORS	Suspension of Standing Orders
25	AUDIT COMMITTEE	Audit Committee to review every decision to suspend Standing Orders (power to suspend Standing Orders is reserved to the Board) and record each in an annual report.
28	CHIEF EXECUTIVE OFFICER	Ensure that existing members of the Board of Directors and officers and all new appointees are notified of and understand their responsibilities within Standing Orders and Standing Financial Instructions. Updated copies to be issued to staff designated by the Chief Executive Officer,

[Return to Contents](#)

Scheme of Delegation from Standing Financial Instructions

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
1.1.3	CHIEF FINANCE OFFICER	Approval of all financial procedures.
1.1.4	CHIEF FINANCE OFFICER	Advice on interpretation or application of SFIs.
1.1.6	ALL MEMBERS OF THE BOARD AND EMPLOYEES	Have a duty to disclose any non-compliance with these Standing Financial Instructions to the Chief Finance Officer as soon as possible.
1.2.3	CHIEF EXECUTIVE OFFICER	Responsible as the Accountable Officer to ensure financial targets and obligations are met and have overall responsibility for the system of Internal Control.
1.2.3	CHIEF EXECUTIVE OFFICER & CHIEF FINANCE OFFICER	Accountable for financial control but will, as far as possible, delegate their detailed responsibilities.
1.2.4	CHIEF EXECUTIVE OFFICER	To ensure all Board members, officers and employees, present and future, are notified of and understand Standing Financial Instructions.
1.2.5	CHIEF FINANCE OFFICER	Responsible for: 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 the Board of Directors and staff; e) Maintaining such accounts, certificates etc. as are required for the Trust to carry out its statutory duties.
1.2.6	COUNCIL OF GOVERNORS	All members of the Council of Governors are responsible for: a) holding the non-executive directors individually and collectively to account for the performance of the Board of Directors, and b) representing the interests of the members of the trust as a whole and the interests of the public.
1.2.7	ALL MEMBERS OF THE BOARD AND EMPLOYEES	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.
1.2.8	CHIEF EXECUTIVE OFFICER	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.
2.1.1	AUDIT COMMITTEE	Provide independent and objective view on internal control and probity.
2.1.2	CHAIR	Raise the matter at the Board of Directors meeting where Audit Committee considers there is evidence of ultra vires transactions or improper acts.

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
2.1.3 & 2.2.1	CHIEF FINANCE OFFICER	Ensure an adequate internal audit service, for which he/she is accountable, is provided (and involve the Audit Committee in the selection process when/if an internal audit service provider is changed.)
2.2.1	CHIEF FINANCE OFFICER	Decide at what stage to involve police in cases of misappropriation and other irregularities not involving fraud or corruption.
2.3	HEAD OF INTERNAL AUDIT	Review, appraise and report in accordance with NHS Internal Audit Manual and best practice.
2.4	AUDIT COMMITTEE	Ensure cost-effective External Audit.
2.5	CHIEF EXECUTIVE OFFICER & CHIEF FINANCE OFFICER	Monitor and ensure compliance with NHS Counter Fraud Authority's 'Standards for Providers' on fraud and corruption including the appointment of the Local Counter Fraud Specialist.
2.6	CHIEF EXECUTIVE OFFICER	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.
3.1.1	CHIEF EXECUTIVE OFFICER	Compile and submit to the Board of Directors an Integrated Business Plan which takes into account financial targets and forecast limits of available resources. The Integrated Business Plan will contain: <ul style="list-style-type: none"> • a statement of the significant assumptions on which the plan is based; • details of major changes in workload, delivery of services or resources required to achieve the plan.
3.1.1	CHIEF EXECUTIVE OFFICER	Identify and implement cost improvements and income generation activities in line with the Integrated Business Plan
3.1.2 & 3.2.1	CHIEF FINANCE OFFICER	Submit budgets to the Board of Directors for approval. Monitor performance against budget; submit to the Board of Directors financial estimates and forecasts.
3.2.1	CHIEF FINANCE OFFICER	Ensure adequate training is delivered on an on-going basis to budget Managers.
3.2.1	CHIEF FINANCE OFFICER	Devise and maintain systems of budgetary control.
3.3.1	BUDGET MANAGERS	Ensure that <ul style="list-style-type: none"> a) no overspend or reduction of income that cannot be met from virement is incurred without prior consent of the Board of Directors; b) approved budget is not used for any other than specified purpose subject to rules of virement; c) no permanent employees are appointed without the approval of the CEO other than those provided for within available resources and manpower establishment.
3.3.1	CHIEF EXECUTIVE OFFICER	Delegate budget to budget Managers.
3.3.2	CHIEF EXECUTIVE OFFICER & BUDGET MANAGERS	Must not exceed the budgetary total or virement limits set by the Board of Directors.
3.3.4	CHIEF EXECUTIVE OFFICER & CHIEF FINANCE OFFICER	Expenditure for which no budgetary provision has been made and which cannot be covered by delegated powers of transfer must not be incurred without the express permission of the Board of Directors. This power is delegated to the Chief Executive Officer and/or Chief Finance Officer.
3.5.1	CHIEF EXECUTIVE OFFICER	Submit monitoring returns

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
4.1	CHIEF FINANCE OFFICER	Preparation of annual accounts and reports.
5.1	CHIEF FINANCE OFFICER	Managing banking arrangements, including provision of banking services, operation of accounts, preparation of instructions and list of cheque signatories. (Board of Directors approves arrangements.)
6.	CHIEF FINANCE OFFICER	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	Duty to inform CHIEF FINANCE OFFICER of money due from transactions which they initiate/deal with.
7.	CHIEF EXECUTIVE OFFICER	Tendering and contract procedure.
7.5.3	CHIEF EXECUTIVE OFFICER	Waive formal tendering procedures.
7.5.3	CHIEF EXECUTIVE OFFICER	Report waivers of tendering procedures to the Board of Directors.
7.6.2	CHIEF EXECUTIVE OFFICER	Responsible for the receipt, endorsement and safe custody of tenders received.
7.6.3	CHIEF EXECUTIVE OFFICER	Shall maintain a register to show each set of competitive tender invitations despatched.
7.6.5	CHIEF EXECUTIVE OFFICER & CHIEF FINANCE OFFICER	Where one tender is received will assess for value for money and fair price.
7.6.7	CHIEF EXECUTIVE OFFICER	No tender shall be accepted which will commit expenditure in excess of that which has been allocated by the Board of Directors and which is not in accordance with these Instructions except with the authorisation of the Chief Executive Officer.
7.6.9	CHIEF EXECUTIVE OFFICER	Will appoint a manager to maintain a list of approved firms.
7.6.10	CHIEF EXECUTIVE OFFICER	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.
7.7.2	CHIEF EXECUTIVE OFFICER	The Chief Executive Officer or his nominated officer should evaluate the quotation and select the quote which gives the best value for money.
7.7.4	CHIEF EXECUTIVE OFFICER & CHIEF FINANCE OFFICER	No quotation shall be accepted which will commit expenditure in excess of that which has been allocated by the Board of Directors and which is not in accordance with these Instructions except with the authorisation of the Chief Executive Officer.
7.11	CHIEF EXECUTIVE OFFICER	The Chief Executive Officer shall demonstrate that the use of private finance represents value for money and genuinely transfers risk to the private sector.
7.11	BOARD OF DIRECTORS	All PFI proposals must be agreed by the Board of Directors.
7.12	CHIEF EXECUTIVE OFFICER	The Chief Executive Officer shall nominate an officer who shall oversee and manage each contract on behalf of the Trust.
7.13	CHIEF EXECUTIVE OFFICER	The Chief Executive Officer shall nominate officers with delegated authority to enter into contracts of employment, regarding staff, agency staff or temporary staff service contracts.

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
7.16	CHIEF EXECUTIVE OFFICER	The Chief Executive Officer shall be responsible for ensuring that best value for money can be demonstrated for all services provided on an in-house basis.
7.16.5	CHIEF EXECUTIVE OFFICER	The Chief Executive Officer shall nominate an officer to oversee and manage the contract on behalf of the Trust.
8.1.1	CHIEF EXECUTIVE OFFICER	Must ensure the Trust enters into suitable contracts with service commissioners for the provision of NHS services
8.3	CHIEF EXECUTIVE OFFICER	As the Accountable Officer, ensure that regular reports are provided to the Board detailing actual and forecast income from the contracts
10.1.1	BOARD OF DIRECTORS	Establish a Remuneration & Appointments Committee
10.1.2	REMUNERATION AND APPOINTMENTS COMMITTEE	Advise the Board of Directors on and make recommendations on the remuneration and terms of service of the CEO, other officer members and senior employees to ensure they are fairly rewarded having proper regard to the Trust's circumstances and any national agreements; Monitor and evaluate the performance of individual senior employees; Advise on and oversee appropriate contractual arrangements for such staff, including proper calculation and scrutiny of severance payments. Approval of all severance payments over £100,000
10.1.2.	CHIEF PEOPLE OFFICER	Advise the Remuneration & Appointments Committee of all severance payments below £100,000
10.1.3	REMUNERATION AND APPOINTMENTS COMMITTEE	Monitor the effectiveness of action to address the gender pay gap across the Trust
10.1.4	REMUNERATION AND APPOINTMENTS COMMITTEE	Report in writing to the Board of Directors its advice and its bases about remuneration and terms of service of directors and senior employees.
10.1.5	BOARD OF DIRECTORS	Approve proposals presented by the Chief Executive Officer for setting of remuneration and conditions of service for those employees and officers not covered by the Remuneration & Appointments Committee.
10.2.2	CHIEF EXECUTIVE OFFICER	Approval of variation to funded establishment of any department.
10.3	CHIEF EXECUTIVE OFFICER	Staff, including agency staff, appointments and re-grading.
10.3.3	CHIEF PEOPLE OFFICER	<i>Advise the Remuneration & Appointments Committee annually of all appointments made by the Trust where remuneration offered exceeds £100,000.</i>
10.4.1 and 10.4.2	CHIEF PEOPLE OFFICER	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; e) issuing instructions
10.4.1.m	CHIEF FINANCE OFFICER	Shall ensure there is maintenance of regular and independent reconciliation of pay control accounts.

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
10.4.3	APPROPRIATELY NOMINATED MANAGERS	Submit time records in line with timetable. Complete time records and other notifications in required form. Submitting termination forms in prescribed form and on time.
10.4.4	CHIEF PEOPLE OFFICER	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.
10.5	CHIEF PEOPLE OFFICER	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 Deal with variations to, or termination of, contracts of employment.
11.1	BUDGET MANAGER	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.
11.1.3	CHIEF EXECUTIVE OFFICER	Set out procedures on the seeking of professional advice regarding the supply of goods and services.
11.2.1	CHIEF EXECUTIVE Officer	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.
11.2.2	CHIEF FINANCE OFFICER	Shall be responsible for the prompt payment of accounts and claims.
11.2.3	CHIEF FINANCE OFFICER	<ul style="list-style-type: none"> 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 [where not already provided in the Scheme of Delegation or procedure notes for budget Managers] 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; e) A timetable and system for submission to the CHIEF FINANCE OFFICER of accounts for payment; provision shall be made for the early submission of accounts subject to cash discounts or otherwise requiring early payment; f) Instructions to employees regarding the handling and payment of accounts within the Finance Department; g) Be responsible for ensuring that payment for goods and services is only made once the goods and services are received
11.2.4	APPROPRIATE EXECUTIVE DIRECTOR	Make a written case to support the need for a prepayment.
11.2.4	CHIEF FINANCE OFFICER	Approve proposed prepayment arrangements.
11.2.4	BUDGET MANAGER	Ensure that all items due under a prepayment contract are received (and immediately inform Chief Finance Officer if problems are encountered).

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
11.2.5	CHIEF EXECUTIVE OFFICER	Authorise who may use and be issued with official orders.
11.2.6	ALL MEMBERS OF THE BOARD OF DIRECTORS AND EMPLOYEES	Ensure that they comply fully with the guidance and limits specified by the Chief Finance Officer
11.2.7	CHIEF EXECUTIVE OFFICER & CHIEF FINANCE OFFICER	Ensure that the arrangements for financial control and financial audit of building and engineering contracts and property transactions comply with the guidance contained within CONCODE and Health Building Note 00-08 Part A & B (formally ESTATECODE). The technical audit of these contracts shall be the responsibility of the relevant Director.
12.1.1	CHIEF FINANCE OFFICER	The Chief Finance Officer will advise the Board of Directors on the Trust's ability to pay dividend on PDC and report, periodically, concerning the PDC debt and all loans and overdrafts.
12.1.2	BOARD OF DIRECTORS	Approve a list of employees authorised to make short term borrowings on behalf of the Trust. (This must include the CEO and Chief Finance Officer.)
12.1.3	CHIEF FINANCE OFFICER	Prepare detailed procedural instructions concerning applications for loans and overdrafts.
12.1.4	CHIEF EXECUTIVE OFFICER & CHIEF FINANCE OFFICER	Be on an authorising panel comprising one other member for short term borrowing approval.
12.2.2	CHIEF FINANCE OFFICER	Will advise the Board of Directors on investments and report, periodically, on performance of same.
12.2.3	CHIEF FINANCE OFFICER	Prepare detailed procedural instructions on the operation of investments held.
13.1.1 & 2	CHIEF EXECUTIVE OFFICER	Capital investment programme: a) ensure that there is adequate appraisal and approval process for determining capital expenditure priorities and the effect that each has on plans b) responsible for the management of capital schemes and for ensuring that they are delivered on time and within cost; c) ensure that capital investment is not undertaken without availability of resources to finance all revenue consequences; d) ensure that a business case is produced for each proposal.
13.1.2	CHIEF FINANCE OFFICER	Certify professionally the costs and revenue consequences detailed in the business case for capital investment.
13.1.3	CHIEF EXECUTIVE OFFICER	Issue procedures for management of contracts involving stage payments.
13.1.4	CHIEF FINANCE OFFICER	Assess the requirement for the operation of the construction industry taxation deduction scheme.
13.1.5	CHIEF FINANCE OFFICER	Issue procedures for the regular reporting of expenditure and commitment against authorised capital expenditure.
13.1.6	CHIEF EXECUTIVE OFFICER	Issue manager responsible for any capital scheme with authority to commit expenditure, authority to proceed to tender and approval to accept a successful tender. Issue a scheme of delegation for capital investment management.

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
13.1.7	CHIEF FINANCE OFFICER	Issue procedures governing financial management, including variation to contract, of capital investment projects and valuation for accounting purposes.
13.2.1	CHIEF FINANCE OFFICER	Demonstrate that the use of private finance represents value for money and genuinely transfers significant risk to the private sector.
13.2.1	BOARD OF DIRECTORS	Proposal to use PFI must be specifically agreed by the Board of Directors.
13.3.1	CHIEF EXECUTIVE OFFICER	Maintenance of asset registers (on advice from Chief Finance Officer).
13.3.5	CHIEF FINANCE OFFICER	Approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.
13.4.1	CHIEF EXECUTIVE OFFICER	Overall responsibility for fixed assets.
13.4.2	CHIEF FINANCE OFFICER	Approval of fixed asset control procedures.
13.4.4	BOARD, EXECUTIVE MEMBERS AND ALL SENIOR STAFF	Responsibility for security of Trust assets including notifying discrepancies to Chief Finance Officer, and reporting losses in accordance with Trust procedure.
14.2	CHIEF EXECUTIVE OFFICER	Delegate overall responsibility for control of stores (subject to Chief Finance Officer responsibility for systems of control). Further delegation for day-to-day responsibility subject to such delegation being recorded.
14.2	CHIEF FINANCE OFFICER	Responsible for systems of control over stores and receipt of goods.
14.2	DESIGNATED PHARMACEUTICAL OFFICER	Responsible for controls of pharmaceutical stocks
14.2	CHIEF FINANCE OFFICER.	Responsible for control of stocks of fuel oil and coal.
14.2	CHIEF FINANCE OFFICER.	Security arrangements and custody of keys
14.2	CHIEF FINANCE OFFICER	Set out procedures and systems to regulate the stores.
14.2	CHIEF FINANCE OFFICER	Agree stocktaking arrangements.
14.2	CHIEF FINANCE OFFICER	Approve alternative arrangements where a complete system of stores control is not justified.
14.2	CHIEF FINANCE OFFICER	Approve system for review of slow moving and obsolete items and for condemnation, disposal and replacement of all unserviceable items.
14.2	DIRECTOR OF PROCUREMENT & SUPPLY CHAIN	Operate system for slow moving and obsolete stock, and report to Chief Finance Officer evidence of significant overstocking.
14.3.1	CHIEF EXECUTIVE OFFICER	Identify persons authorised to requisition and accept goods from stores.
15.1.1	CHIEF FINANCE OFFICER	Prepare detailed procedures for disposal of assets including condemnations and ensure that these are notified to managers.
15.2.1	CHIEF FINANCE OFFICER	Prepare procedures for recording and accounting for losses, special payments. Must ensure a Counter Fraud Policy is in place.

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
15.2.2	ALL STAFF	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 CEO and Chief Finance Officer
15.2.2	CHIEF FINANCE OFFICER	Where a criminal offence is suspected, Chief Finance Officer must inform the police if theft or arson is involved. In cases of fraud and corruption Chief Finance Officer must inform the relevant LCFS and NHS Counter Fraud Authority in line with their guidance.
15.2.2	CHIEF FINANCE OFFICER	Notify NHS Counter Fraud Authority and External Audit of all frauds.
15.2.3	CHIEF FINANCE OFFICER	Notify Board of Directors and External Auditor of losses caused theft, arson, neglect of duty or gross carelessness (unless trivial).
15.2.4	CHIEF FINANCE OFFICER	Shall take any necessary steps to safeguard the Trust's interests in bankruptcy and company liquidations.
15.2.5	CHIEF FINANCE OFFICER	Consider whether any insurance claim can be made.
15.2.6	CHIEF FINANCE OFFICER	Maintain losses and special payments register.
15.2.7	BOARD OF DIRECTORS	Approve write off of losses (within limits delegated by NHS England / DH).
15.2.8	CHIEF FINANCE OFFICER	Report losses and special payments to each Audit Committee meeting
16.1	CHIEF FINANCE OFFICER	Responsible for accuracy and security of computerised financial data.
16.1	CHIEF FINANCE OFFICER	Satisfy himself 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 assurance of adequacy must be obtained from them prior to implementation.
16.1.3	CHIEF EXECUTIVE OFFICER	Shall publish and maintain a Freedom of Information Scheme.
16.2.1	RELEVANT OFFICERS	Send proposals for general computer systems to CHIEF DIGITAL AND PARTNERSHIP OFFICER
16.3	CHIEF FINANCE OFFICER	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. Seek periodic assurances from the provider that adequate controls are in operation.
16.4	CHIEF DIGITAL AND PARTNERSHIP OFFICER	Ensure that risks to the Trust from use of IT are identified and considered and that disaster recovery plans are in place.
16.5	CHIEF DIGITAL AND PARTNERSHIP OFFICER	Where computer systems have an impact on corporate financial systems satisfy himself that: a) systems acquisition, development and maintenance are in line with corporate policies; b) data assembled for processing by financial systems is adequate, accurate, complete and timely, and that a management rail exists; c) CHIEF FINANCE OFFICER and staff have access to such data; d) Such computer audit reviews are being carried out as are considered necessary.
17.2	CHIEF EXECUTIVE OFFICER	Responsible for ensuring patients and guardians are informed about patients' money and property procedures on admission.

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
17.3	CHIEF FINANCE OFFICER	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.
17.6	DEPARTMENTAL MANAGERS	Inform staff of their responsibilities and duties for the administration of the property of patients.
19	HEAD OF CORPORATE GOVERNANCE	Ensure all staff are made aware of the Trust policy on the acceptance of gifts and other benefits in kind by staff
20.1	ALL STAFF	All research and development activities within the Trust shall be notified to the Chief Medical Officer
20.3	CHIEF FINANCE OFFICER	Ensure procedures are put in place to ensure that all such activities are properly accounted for and that all funding is utilized appropriately.
21	CHIEF EXECUTIVE OFFICER	Retention of document procedures in accordance with official guidelines
22.1	CHIEF EXECUTIVE OFFICER	Ensure the Trust has a programme of Quality and Risk Management.
22.1	BOARD OF DIRECTORS	Approve and monitor risk management programme.
22.2	BOARD OF DIRECTORS	Decide whether the Trust will use the risk pooling schemes administered by the NHS Resolution or self-insure for some or all of the risks (where discretion is allowed). Decisions to self-insure should be reviewed annually.
22.4	CHIEF FINANCE OFFICER	Where the Board decides to use the risk pooling schemes administered by NHS Resolution Chief Finance Officer shall ensure that the arrangements entered into are appropriate and complementary to the risk management programme. The Chief Finance Officer shall ensure that documented procedures cover these arrangements. Where the Board of Directors decides not to use the risk pooling schemes administered by the NHS Resolution for any one or other of the risks covered by the schemes, the Chief Finance Officer 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 Chief Finance Officer 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.
22.4. c.	CHIEF FINANCE OFFICER	Ensure documented procedures cover management of claims and payments below the deductible.

[Return to Contents](#)

STANDING FINANCIAL INSTRUCTIONS

October 2023

Approved by the Board of Directors DD MMM 2023

Once printed off, this is an uncontrolled document. Please check the intranet for the most up to date copy.

Contents

Section A - Interpretations and Definitions for Standing Financial Instructions	6
Section B - Standing Financial Instructions	9
1. Introduction	9
1.1. General	9
1.2. Responsibilities and Delegation	9
1.2.1 The Board of Directors	9
1.2.3 The Chief Executive Officer and Chief Finance Officer.....	10
1.2.5 The Chief Finance Officer	10
1.2.6 Council of Governors	11
1.2.7 Members of the Board of Directors and Employees	11
1.2.8 Contractors and their employees.....	11
2. Audit.....	12
2.1. Audit Committee.....	12
2.3. Role of Internal Audit.....	13
2.4. External Audit.....	14
2.5. Fraud, Bribery and Corruption.....	14
2.6. Security Management	14
3. Allocations, Planning, Budgets, Budgetary Control and Monitoring	16
3.1. Preparation and Approval of Plans and Budgets	16
3.2. Budgetary Control and Reporting	16
3.3. Budgetary Delegation.....	16
3.4. Capital Expenditure.....	17
3.5. Monitoring Returns.....	17
4. Annual Accounts and Reports	18
5. Bank and Government Banking Service (GBS) Electronic Accounts	19
5.1. General.....	19
5.2. Bank Accounts	19
5.3. Banking Procedures.....	19
5.4. Tendering and Review	20
6. Income, Fees and Charges and Security of Cash, Cheques and Other Negotiable Instruments	21
6.1. Income Systems.....	21
6.2. Fees and Charges.....	21
6.3. Debt Recovery	21
6.4. Security of Cash, Cheques and other Negotiable Instruments.....	21
6.5. Money Laundering	22
7. Tendering and Contracting Procedure.....	23

7.1.	Duty to comply with Standing Orders and Standing Financial Instructions	23
7.2.	UK rules Governing Public Procurement	23
7.3.	Reverse eAuctions	23
7.4.	Capital Investment Manual and other Guidance	23
7.5.	Formal Competitive Tendering (contract value of £20,000 excluding VAT or more)	23
7.5.1	General Applicability	23
7.5.2	Health Care Services	24
7.5.3	Exceptions and instances where formal tendering need not be applied.....	24
7.5.4	Building and Engineering Construction Works.....	25
7.5.5	Items which subsequently breach thresholds after original approval	25
7.6.	Contracting/Tendering Procedure	25
7.6.1	Invitation to tender.....	25
7.6.2	Receipt and safe custody of tenders	26
7.6.3	Opening tenders and Register of tenders	26
7.6.4	E-Tendering	27
7.6.5	Admissibility	28
7.6.6	Late tenders.....	28
7.6.7	Acceptance of formal tenders (See overlap with SFI No. 7.7)	28
7.6.8	Tender reports to the Board of Directors	29
7.6.9	Building and Engineering Construction Works.....	29
7.6.10	Financial Standing and Technical Competence of Contractors	29
7.7.	Quotations: Competitive and Non-competitive.....	30
7.7.1	General Position on quotations	30
7.7.2	Competitive Quotations.....	30
7.7.3	Non-Competitive Quotations (contract value under £5,000 excluding VAT)	30
7.7.4	Quotations to be within Financial Limits	30
7.8.	Authorisation of Tenders and Competitive Quotations.....	31
7.9.	Signing of Documents	31
7.10.	Instances where formal competitive tendering or competitive quotation is not required	31
7.11.	Private Finance for capital procurement (see overlap with SFI No. 13).....	31
7.12.	Compliance requirements for all contracts	32
7.13.	Personnel and Agency or Temporary Staff Contracts	32
7.14.	Healthcare Services Agreements (see overlap with SFI No. 8).....	32
7.15.	Disposals (See overlap with SFI No. 15).....	32
7.16.	In-house Services.....	33
7.17.	Applicability of SFIs on Tendering and Contracting to funds held in trust (see overlap with SFI No. 18).....	33
7.18.	Cancellation of Contracts.....	33
7.19.	Determination of Contracts for Failure to Deliver Goods or Materials.....	33

7.20.	Use of Electronic Auctions	34
7.21.	ICT procurement.....	36
8.	NHS Contracts for Provision of Services (see overlap with SFI No. 7.14).....	37
8.1.	Contracts.....	37
8.2.	Involving Partners and jointly managing risk.....	37
8.3.	Reports to Board of Directors on Health Service Contracts	37
9.	Commissioning.....	38
10.	Terms of Service, Allowances and Payment of Members of the Trust Board and Executive Committee and Employees	38
10.1.	Remuneration and Terms of Service (see overlap with SO No. 19)	38
10.2.	Funded Establishment	39
10.3.	Staff Appointments	39
10.4.	Processing Payroll.....	39
10.5.	Contracts of Employment	40
11.	Non-pay Expenditure	42
11.1.	Delegation of Authority	42
11.2.	Choice, Requisitioning, Ordering, Receipt and Payment for Goods and Services (see overlap with Standing Financial Instruction No. 7).....	42
11.2.1.	Requisitioning.....	42
11.2.2.	System of Payment and Payment Verification	42
11.2.4.	Prepayments	43
11.2.5.	Official orders	43
11.2.6.	Duties of Managers and Officers	44
12.	External Borrowing	46
12.2.	Investments	46
13.	Capital Investment, Private Financing, Fixed Asset Registers and Security of Assets	47
13.1.	Capital Investment.....	47
13.2.	Private Finance (see overlap with SFI No. 7.10).....	48
13.3.	Asset Registers	48
13.4.	Security of Assets.....	49
14.	Stores and Receipt of Goods.....	50
14.1.	General position	50
14.2.	Control of Stores, Stocktaking, condemnations and disposal.....	50
14.3.	Goods supplied by NHS Supply Chain	50
	Return to Contents	50
15.	Disposals and Condemnations, Losses and Special Payments	51
15.1.	Disposals and Condemnations	51
15.2.	Losses and Special Payments.....	51
16.	Information Technology	52
16.1.	Responsibilities and duties of the Chief Finance Officer	52

16.2.	Responsibilities and duties of other Directors and Officers in relation to computer systems of a general application	53
16.3.	Contracts for Computer Services with other health bodies or outside agencies	53
16.4.	Risk Assessment	53
16.5.	Requirements for Computer Systems which have an impact on corporate financial systems	53
17.	Patients' Property	54
18.	Funds Held on Trust	55
18.1.	General.....	55
19.	Acceptance of Gifts by Staff and Link to Standards of Business Conduct (see overlap with paragraph 33 of the Constitution)	55
20.	Research & Development.....	56
21.	Retention of Records	56
22.	Risk Management and Insurance	56
22.1.	Programme of Quality and Risk Management.....	56
22.2.	Insurance: Risk Pooling Schemes administered by NHS Resolution	57
22.3.	Insurance arrangements with commercial insurers	57
22.4.	Arrangements to be followed by the Board in agreeing Insurance cover.....	57

Section A - Interpretations and Definitions for Standing Financial Instructions

- 1.1. Save as otherwise permitted by law, at any meeting the Chair of the Trust shall be the final authority on the interpretation of Standing Financial Instructions (on which they should be advised by the Chief Executive Officer/ Chief Finance Officer or Secretary to the Board).
- 1.2. Unless otherwise stated, words or expressions contained in this constitution shall bear the same meaning as in the National Health Service Act 2006 as amended by the Health and Social Care Act 2012 and the Health and Care Act 2022.
 - 1.2.1. 'the 2006 Act' is the National Health Service Act 2006.
 - 1.2.2. 'the 2012 Act' is the Health and Social Care Act 2012.
 - 1.2.3. 'the 2022 Act' is the Health and Care Act 2022.
- 1.3. Words importing the masculine gender only shall include the feminine gender; words importing the singular shall import the plural and vice versa. and in addition:
 - 1.3.1. **"Accountable Officer"** means the NHS Officer responsible and accountable for funds entrusted to the Trust. The officer shall be responsible for ensuring the proper stewardship of public funds and assets. For this Trust it shall be the Chief Executive Officer.
 - 1.3.2. **"Accounting Officer"** is the person who from time to time discharges the functions specified in paragraph 25(5) of Schedule 7 to the 2006 Act.
 - 1.3.3. **"Associate Member"** means a person appointed to perform specific statutory and non-statutory duties which have been delegated by the Trust Board for them to perform and these duties have been recorded in an appropriate Trust Board minute or other suitable record.
 - 1.3.4. **"Board"** means the Board of Directors as defined by the Constitution of Oxford University Hospitals NHS Foundation Trust.
 - 1.3.5. **"Board of Directors"** means the Chair, officer (executive) and non-officer (non-executive) members of the Trust collectively as a body.
 - 1.3.6. **"Budget"** means a resource, expressed in financial terms, proposed by the Board for the purpose of carrying out, for a specific period, any or all of the functions of the Trust.
 - 1.3.7. **"Budget Manager (Budget Holder)"** means the director or employee with delegated authority to manage finances (Income and Expenditure) for a specific area of the organisation.
 - 1.3.8. **"Chair of the Board (or Trust)"** is the person appointed by the Council of Governors to lead the Board and to ensure that it successfully discharges its overall responsibility for the Trust as a whole. The expression "the Chair of the Trust" shall be deemed to include the Vice-Chair of the Trust if the Chair is absent from the meeting or is otherwise unavailable.
 - 1.3.9. **"Chief Executive"** means the Chief Executive Officer of the Trust.
 - 1.3.10. **"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.
 - 1.3.11. **"Committee"** means a committee or sub-committee created and appointed by the Board or by an authorised committee, group or officer.

- 1.3.12. **"Committee members"** means a person formally appointed by the Board or by an authorised committee, group or officer to sit on or to chair specific committees.
- 1.3.13. **"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.
- 1.3.14. **"Financial decision maker"** is a substantive member of staff who is a [Budget holder or person corporately responsible for the expenditure](#); however, they may delegate the responsibility for implementation to a senior authorising user.
- 1.3.15. **"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 derived under S.90 of the NHS Act 1977, as amended. Such funds may or may not be charitable.
- 1.3.16. **"Integrated Assurance Committee"** means a committee of the Board whose functions are concerned with receiving, scrutinising and triangulating the main sources of evidence across the Trust to enable the Board to assess its level of confidence in the assurances provided regarding:
- the Trust's values and culture;
 - the organisation's financial and operational performance;
 - the quality of services (including clinical effectiveness, patient experience and safety) across the organisation; and
 - the appropriate identification, assessment and management of risks.
- 1.3.17. **"Lead Officer"** as used in section B.11.2.6.c. means the senior manager operationally responsible for the use of the goods / services and the budget holder with the greatest expenditure across the contract.
- 1.3.18. **"Member"** means officer or non-officer member of the Board as the context permits. Member in relation to the Board does not include its Chair.
- 1.3.19. **"NHS England"** is the organisation that leads and oversees the NHS
- 1.3.20. **"Nominated officer"** means an officer charged with the responsibility for discharging specific tasks within Standing Orders and Standing Financial Instructions.
- 1.3.21. **"Non-officer member"** means a member of the Board of Directors 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. Non-officer Board members are commonly called Non-executive Directors.
- 1.3.22. **"Officer"** means employee of the Trust or any other person holding a paid appointment or office with the Trust.
- 1.3.23. **"Officer member"** means a member of the Board of Directors who is either an officer of the Trust or is to be treated as an officer by virtue of regulation 1(3) (i.e. the Chair of the Trust or any person nominated by such a Committee for appointment as a Trust member). Officer Board members are commonly called Executive Directors or Chief Officers.
- 1.3.24. **"Secretary"** means a person appointed to act independently of the Board of Directors to provide advice on corporate governance issues to the Board of

Directors and the Chairman and monitor the Trust's compliance with the law, Standing Orders, and NHS England / Department of Health guidance.

- 1.3.25. **“Senior Authorising User”** A person who is responsible for operationally administrating the budget
 - 1.3.26. **“Senior Manager”** those persons in senior positions having authority or responsibility for directing or controlling the major activities of the NHS body. This means those who influence the decisions of the entity as a whole rather than the decisions of individual directorates or departments.
 - 1.3.27. **“SFIs”** means Standing Financial Instructions.
 - 1.3.28. **“SOs”** means Standing Orders of the Board of Directors as set out in Annex 7 of the Constitution for Oxford University Hospitals NHS Foundation Trust.
 - 1.3.29. **“Trust”** means Oxford University Hospitals NHS Foundation Trust.
 - 1.3.30. **“Vice-Chair”** means the non-officer member appointed by the Board of Directors to take on the Chair's duties if the Chair is absent for any reason.
- 1.4. Wherever the title Chief Executive Officer, Chief Finance Officer or other nominated officer is used, it shall be deemed to include such other directors or employees who have been duly authorized to represent them. Wherever the term “officer” is used and the context permits it shall be deemed to include employees of third parties contracted to the Trust when acting on behalf of the Trust.

Section B - Standing Financial Instructions

1. Introduction

1.1. General

- 1.1.1. These Standing Financial Instructions (SFIs) are issued in accordance with the Trust's Standing Orders (SOs) of the Board of Directors (Annex 7 to the Constitution). They shall have effect as if incorporated in the Standing Orders of the Trust.
- 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 with Government policy in order to achieve probity, accuracy, economy, efficiency and effectiveness. They should be used in conjunction with the Schedule of Decisions Reserved to the Board and the Scheme of Delegation (Board Reservation and Delegation of Powers) adopted by the Trust.
- 1.1.3. These Standing Financial Instructions identify the financial responsibilities which apply to everyone working for the Trust and its constituent organisations including Trading Units. They do not provide detailed procedural advice and should be read in conjunction with the detailed departmental and financial procedure notes. All financial procedures must be approved by the Chief Finance Officer.
- 1.1.4. Should any difficulties arise regarding the interpretation or application of any of the Standing Financial Instructions then the advice of the Chief Finance Officer **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.
- 1.1.5. **The failure to comply with Standing Financial Instructions and Standing Orders can in certain circumstances be regarded as 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 Committee for referring action or ratification. All members of the Board of Directors and staff have a duty to disclose any non-compliance with these Standing Financial Instructions to the Chief Finance Officer as soon as possible.
- 1.1.7. **Outsourced Services** – Where any operation is carried out on the Trust's behalf by NHS Shared Business Services or any other Board approved outsourced service provider, detailed procedures will be the responsibility of such a provider.

1.2. Responsibilities and Delegation

1.2.1 The Board of Directors

The Board of Directors exercises financial supervision and control by:

- a. formulating the financial strategy;

- b. requiring the submission and approval of budgets within approved allocations/overall income;
 - c. defining and approving essential features in respect of important procedures and financial systems (including the need to obtain value for money);
 - d. defining specific responsibilities placed on members of the Board of Directors and employees as indicated in the Scheme of Delegation.
- 1.2.2. The Board of Directors has resolved that certain powers and decisions may only be exercised by them in formal session. These are set out in the Board Reservation section of ('Board Reservation and Delegation of Powers'). All other powers have been delegated to such other committees as the Trust has established, as set out in the Scheme of Delegation in the Board Reservation and Delegation of Powers.

1.2.3 The Chief Executive Officer and Chief Finance Officer

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

Within the Standing Financial Instructions, it is acknowledged that the Chief Executive Officer is ultimately accountable to the Board of Directors, and as Accountable Officer, to the Public Accounts Committee of Parliament, for ensuring that the Board of Directors meets its obligation to perform its functions within the available financial resources. The Chief Executive Officer has overall executive responsibility for the Trust's activities; is responsible to the 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.

- 1.2.4. It is a duty of the Chief Executive Officer to ensure that Members of the Board of Directors and, employees and all new appointees are notified of, and put in a position to understand their responsibilities within these Instructions.

1.2.5 The Chief Finance Officer

The Chief Finance Officer is responsible for:

- a. implementing the Trust's financial policies and for coordinating any corrective 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 Chief Finance Officer include:

- d. the provision of financial advice to other members of the Board of Directors and employees;
- e. the design, implementation and supervision of systems of internal financial control;
- 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.

1.2.6 Council of Governors

All members of the Council of Governors, severally and collectively, are responsible for:

- a. holding the non-executive directors individually and collectively to account for the performance of the Board of Directors, and
- b. representing the interests of the members of the trust as a whole and the interests of the public.

1.2.7 Members of the Board of Directors and Employees

All members of the Board of Directors and employees, 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;
- d. conforming to the requirements of Standing Orders, Standing Financial Instructions, Financial Procedures and the Scheme of Delegation.

1.2.8 Contractors and their employees

Any contractor 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. It is the responsibility of the Chief Executive Officer to ensure that such persons are made aware of this.

- 1.2.9. For all members of the Board of Directors and any 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 Chief Finance Officer.

[Return to Contents](#)

2. Audit

2.1. Audit Committee

- 2.1.1. In accordance with Standing Orders, the Board of Directors shall formally establish an Audit Committee, with clearly defined terms of reference and following guidance from the NHS Audit Committee Handbook (2011) and the Audit Code for NHS Foundation Trusts published by the Independent Regulator, which will provide an independent and objective view of internal control by:
- a. overseeing Internal and External Audit services;
 - b. reviewing financial and information systems and monitoring the integrity of the financial statements and reviewing significant financial reporting judgments;
 - c. work with the Integrated Assurance Committee to 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;
 - d. monitoring compliance with Standing Orders and Standing Financial Instructions;
 - e. reviewing schedules of losses and compensations and making recommendations to the Board of Directors;
 - f. Reviewing the arrangements in place to support the Assurance Framework process prepared on behalf of the Board and advising the Board accordingly.
- 2.1.2. Where the Audit Committee considers there is evidence of ultra vires transactions, evidence of improper acts, or if there are other important matters that the Committee wishes to raise, the Chair of the Audit Committee should inform the Chief Executive Officer and Chief Finance Officer and raise the matter at a full meeting of the Board of Directors. Exceptionally, the matter may need to be referred to NHS England.
- 2.1.3. It is the responsibility of the Chief Finance Officer to ensure an adequate Internal Audit service is provided and the Audit Committee shall be involved in the selection process when/if an Internal Audit service provider is changed.

2.2. CHIEF FINANCE OFFICER

- 2.2.1. The Chief Finance Officer is responsible for:
- a. ensuring there are arrangements to review, evaluate and report on the effectiveness of internal financial control 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 Committee and the Board of Directors. 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;
 - vi) a detailed plan for the coming year.
- 2.2.2. The Chief Finance Officer 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 or members of the Board of Directors or Council of Governors or employee of the Trust;
 - c. the production of any cash, stores or other property of the Trust under a member of the Board of Directors and / or an employee's control; and
 - d. explanations concerning any matter under investigation.

2.3. Role of Internal Audit

- 2.3.1. Internal Audit will review, appraise and report upon:
- a. the extent of compliance with, and the financial effect of, relevant established policies, plans and procedures;
 - b. the adequacy and application of financial and other related management controls;
 - c. the suitability of financial and other related management data;
 - d. the extent to which the Trust's assets and interests are accounted for and safeguarded from loss of any kind, arising from:
 - i) fraud and other offences;
 - ii) waste, extravagance, inefficient administration;
 - iii) poor value for money or other causes.
 - e. Internal Audit shall also independently verify the Assurance Statements in accordance with guidance from NHS England / the Department of Health and Social Care.
- 2.3.2. 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 Chief Finance Officer must be notified immediately.
- 2.3.3. The Head of Internal Audit will normally attend Audit Committee meetings and has a right of access to all Audit Committee members, the Chair and Chief Executive Officer of the Trust.
- 2.3.4. The Head of Internal Audit shall be accountable to the Chief Finance Officer. The reporting system for internal audit shall be agreed between the Chief Finance Officer, the Audit 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.

- 2.3.5. Managers in receipt of audit reports referred to them have a duty to take appropriate remedial action within the timescales specified in the report. The Chief Finance Officer shall identify a formal review process to monitor the extent of compliance with audit recommendations. Where appropriate remedial action has failed to take place within a reasonable period, the matter shall be reported to the Chief Finance Officer. Changes implemented must be maintained in the future and not viewed as merely satisfying an immediate audit point.

2.4. External Audit

- 2.4.1. The External Auditor is appointed by the Council of Governors. The Audit Committee must ensure a cost-efficient service. If there are any problems relating to the service provided by the External Auditor, then these should be raised with the External Auditor and the Council of Governors advised of the problems and of plans to resolve them.

2.5. Fraud, Bribery and Corruption

- 2.5.1. In line with their responsibilities, the Chief Executive Officer and Chief Finance Officer shall monitor and ensure compliance with the NHS Counter Fraud Authority Requirements which set the standards for countering fraud, bribery and corruption in adherence with the 'Government Functional Standards GoVs 013: Counter Fraud'. In addition, they will ensure the Trust complies with the NHS Contract in respect of fraud and corruption and provide commissioners with appropriate assurances regarding counter fraud provision.
- 2.5.2. 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 in accordance with its current strategy and the Fraud Manual.
- 2.5.3. The Local Counter Fraud Specialist (Anti-Crime Specialist) is responsible for tackling fraud, bribery and corruption affecting the Trust. 2.5.3. The Local Counter Fraud Specialist shall report to the Chief Finance Officer in accordance with National NHS Counter Fraud Authority requirements and the Fraud Manual and guidance. Investigations will be carried out where appropriate within the context of the Bribery Act 2010 and the Fraud Act 2006.
- 2.5.4. The Local Counter Fraud Specialist will provide a written report, at least annually, on counter fraud work within the Trust.
- 2.5.5. The Trust shall ensure that an Anti-Fraud, Bribery and Corruption Policy is in place, implemented, and reviewed and updated to reflect the current NHS Counter Fraud Authority's Strategy and compliance with the NHSCFA Requirements for the Government Functional Standard GoVs 013: Counter Fraud.

2.6. Security Management

- 2.6.1. In line with their responsibilities, the Chief Executive Officer will monitor and ensure compliance with Directions issued directly by the Secretary of State for Health and Social Care on NHS security management.

- 2.6.2. The Trust shall nominate a suitable person to carry out the duties of the Local Security Management Specialist (LSMS) as specified by the Secretary of State for Health and Social Care guidance on NHS security management.
- 2.6.3. The Trust shall nominate a Non-Executive Director to be responsible to the Board of Directors for NHS security management.
- 2.6.4. The Chief Executive Officer has overall responsibility for controlling and coordinating security. However, key tasks are delegated to the Chief Finance Officer and the appointed Local Security Management Specialist (LSMS).

[Return to Contents](#)

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

3.1. Preparation and Approval of Plans and Budgets

- 3.1.1. The Chief Executive Officer will compile and submit to the Board an annual Integrated Business Plan which takes into account financial targets and forecast limits of available resources. The annual Business Plan will contain:
 - a. a statement of the significant assumptions on which the plan is based;
 - b. details of major changes in workload, delivery of services or resources required to achieve the plan.
- 3.1.2. The Chief Finance Officer shall, on behalf of the Chief Executive Officer, and in advance of the financial year, to which they refer, prepare and submit budgets within the forecast limits of available resources and planning policies to the Board of Directors for its approval. Budgets will be in accordance with the aims and objectives set out in the Trust's service strategy and the business plan.

3.2. Budgetary Control and Reporting

- 3.2.1. The Chief Executive Officer shall require the Chief Finance Officer to devise and maintain systems of budgetary control. All officers whom the Board of Directors may empower to engage staff, to otherwise incur expenditure, or to collect or generate income, shall comply with the requirements of those systems. The systems of budgetary control shall incorporate the reporting of, and investigation into, financial, activity or workforce variances from budget. The Chief Finance Officer shall be responsible for providing budgetary information and advice to enable the Chief Executive Officer and other officers to carry out their budgetary responsibilities.
- 3.2.2. The Chief Finance Officer shall keep the Chief Executive Officer and the Board of Directors informed of the financial consequences of changes in policy, pay awards and other events and trends affecting budgets and shall advise on the financial and economic aspects of future plans and projects.

3.3. Budgetary Delegation

- 3.3.1. The Chief Executive Officer may delegate management of a budget or part of a budget to officers to permit the performance of defined activities. The Schemes of Delegation shall include a clear definition of individual and group responsibilities for control of expenditure, exercise of virement, achievement of planned levels of services and the provision of regular reports upon the discharge of those delegated functions to the Chief Executive Officer.
- 3.3.2. In carrying out their duties the Chief Executive Officer shall not exceed the budgetary or virement limits set by the Board of Directors, and officers shall not exceed the budgetary limits set them by the Chief Executive Officer. The Chief Executive Officer may vary the budgetary limit of an officer within the Chief Executive Officer's own budgetary limit.
- 3.3.3. Except where otherwise approved by the Chief Executive Officer, taking account of advice of the Chief Finance Officer, budgets shall be used only for the purpose for which they were provided and any budgeted funds not required for their designated purpose shall revert to the immediate control of the Chief Executive Officer, unless covered by delegated powers of virement.
- 3.3.4. Expenditure for which no provision has been made in an approved budget and which is not subject to funding under the delegated powers of virement,

shall only be incurred after authorisation by the Chief Executive Officer or the Board of Directors as appropriate.

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 SFI section 13).

3.5. Monitoring Returns

- 3.5.1. The Chief Executive Officer is responsible for ensuring that the appropriate monitoring forms are submitted to the requisite monitoring organisation.

[Return to Contents](#)

4. Annual Accounts and Reports

- 4.1. The Chief Finance Officer, on behalf of the Trust, will:
 - a. prepare financial returns in accordance with the accounting policies and guidance given by NHS England, the Trust's accounting policies, and generally accepted accounting practice, as embodied in the International Financial Reporting Standards (IFRS);
 - b. prepare and submit annual financial reports to NHS England certified in accordance with current guidelines;
 - c. submit financial returns to NHS England for each financial year in accordance with the timetable prescribed by NHS England.
- 4.2. The Annual Accounts must be formally approved by the Board of Directors.
- 4.3. The Trust's annual accounts must be audited by the external auditor appointed by the Council of Governors. The Trust's audited Annual Accounts together with the auditor's report upon them must be presented to a public meeting and made available to the public.
- 4.4. The Trust will publish an annual report, in accordance with guidelines on local accountability, and present it at a public meeting. The document will comply with the guidance set out by NHS England in the FT ARM.

[Return to Contents](#)

5. Bank and Government Banking Service (GBS) Electronic Accounts

5.1. General

- 5.1.1. The Chief Finance Officer 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/ Directions issued from time to time by NHS England. In line with 'Cash Management in the NHS' Trusts should minimize the use of commercial bank accounts and use the electronic banking systems of the Government Banking Service (GBS) for all banking services and where applicable the National Loans Fund for term investment of surplus cash.
- 5.1.2. The Board shall approve the banking arrangements.

5.2. Bank Accounts

- 5.2.1. The Chief Finance Officer is responsible for:
 - a. bank accounts, and the trust accounts associated with the electronic banking system run on behalf of GBS
 - b. establishing separate bank accounts for the Trust's non-exchequer 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 all arrangements made with the Trust's bankers for accounts to be overdrawn;
 - e. monitoring compliance with NHS England guidance on the level of cleared funds;
 - f. where sufficient funds have been identified considering if this should be invested with the National Loans Fund;

5.3. Banking Procedures

- 5.3.1. The Chief Finance Officer will prepare detailed instructions on the operation of bank and GBS accounts which must include:
 - a. the conditions under which each bank and GBS account is to be operated;
 - b. those authorised to sign cheques or other orders drawn on the Trust's accounts;
 - c. the limit to be applied to any overdraft;
 - d. the conditions required to invest surplus cash with the National Loans Fund
- 5.3.2. The Chief Finance Officer must advise the Trust's bankers in writing of the conditions under which each account will be operated.
- 5.3.3. The Chief Finance Officer shall approve security procedures for any cheques issued without a handwritten signature. Manually produced cheques shall be signed by the authorized officer(s) in accordance with the bank mandate. All cheques shall be treated as controlled stationary, in charge of a duly designated officer controlling their issue.

5.4. Tendering and Review

- 5.4.1. The Chief Finance Officer will review the commercial banking arrangements of the Trust at regular intervals to ensure they reflect best practice and represent best value for money by periodically seeking competitive tenders for the Trust's commercial banking business.
- 5.4.2. Competitive tenders should be sought at least every five years where the annual cost of the accounts tendered exceed £5,000. The results of the tendering exercise should be reported to the Board. This review is not necessary for GBS accounts nor the utilisation of the National Loans Fund

[Return to Contents](#)

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

6.1. Income Systems

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

6.2. Fees and Charges

- 6.2.1. The Trust shall follow relevant NHS England advice in setting prices for NHS service agreements and contracts with other non-NHS organizations.
- 6.2.2. The Chief Finance Officer is responsible for approving and regularly reviewing the level of all fees and charges other than those determined by NHS England, 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.
- 6.2.3. All employees must inform the Chief Finance Officer promptly of money due arising from transactions which they initiate/deal with, including all contracts, leases, tenancy agreements, private patient undertakings and other transactions.

6.3. Debt Recovery

- 6.3.1. The Chief Finance Officer 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.
- 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 Chief Finance Officer is responsible for:
 - a. approving the form of all receipt books, agreement forms, or other means of officially acknowledging or recording monies received or receivable (no form of receipt which has not been specifically authorized by the Chief Finance Officer should be used) ;
 - 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;
 - 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 or IOUs.
- 6.4.3. All cheques, postal orders, cash etc., shall be banked intact. Disbursements shall not be made from cash received, except under arrangements approved by the Chief Finance Officer.
- 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.

6.5. Money Laundering

- 6.5.1. To minimise the risk of being used for money laundering purposes and avoid the need to comply with the Money Laundering Regulations the Trust will not accept payment in cash exceeding £1,000 for any single transaction other than in respect of funds banked on behalf of a patient who has been admitted with such funds.

[Return to Contents](#)

7. Tendering and Contracting Procedure

7.1. Duty to comply with Standing Orders and Standing Financial Instructions

- 7.1.1. The procedure for making all contracts by or on behalf of the Trust shall comply with the Standing Orders and these Standing Financial Instructions (except where Standing Order No. 25 Suspension of Standing Orders is applied).
- 7.1.2. Prior to tenders being invited, it must be confirmed that funding approval has been granted by the relevant board committee or budget holder; the proposed goods, services or works have been adequately specified; as appropriate, the design brief and drawings have been approved and signed off by the primary users; any required statutory approvals have been obtained.

7.2. UK rules Governing Public Procurement

- 7.2.1. UK rules as enacted by Parliament regarding how public bodies may award contracts, shall have effect as if incorporated in the Standing Orders and these Standing Financial Instructions.
- 7.2.2. In the event of exceptional circumstances, the Chief Executive Officer, the Chief Finance Officer or one of his / her nominated deputies may authorize non-compliance with the UK rules on a specific, time-limited basis where strictly necessary, provided plans are put in place to amend the non-compliance wherever possible.

7.3. Reverse eAuctions

- 7.3.1. The Trust should have policies and procedures in place for the control of all tendering activity carried out through Reverse eAuctions and by means of electronic quotation or tendering. For further guidance on Reverse eAuctions see http://webarchive.nationalarchives.gov.uk/20110601212617/http://ogc.gov.uk/documents/OGC_Guidance_on_eAuctions.pdf

7.4. Capital Investment Manual and other Guidance

- 7.4.1. The Trust shall comply as far as is practicable with the requirements of the Department of Health and Social Care "Capital Investment Manual" and "HBN 00-08 (formally Estate code)" 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 all relevant NHS England /Department of Health and Social Care guidance.

7.5. Formal Competitive Tendering (contract value of £20,000 excluding VAT or more)

7.5.1 General Applicability

The Trust's Procurement Department should be consulted for advice relating to all expenditure with a contract value of £20,000 (excluding VAT) or more, other than for pharmacy or works contracts.

Where the value of a contract over the life of the contract is £20,000 (excluding VAT) or more, the Trust shall ensure that, unless national contracts or valid framework agreements or similar procedures are followed, competitive tenders are invited for:

- the supply of goods, materials and manufactured articles;

- the rendering of 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);
- The maintenance of equipment
- for disposals.

7.5.2 Health Care Services

Where the Trust elects to invite tenders for the supply of healthcare services these Standing Orders and Standing Financial Instructions shall apply as far as they are applicable to the tendering procedure and need to be read in conjunction with Standing Financial Instruction No.8 and No 9.

7.5.3 Exceptions and instances where formal tendering need not be applied

Formal tendering procedures **need not be applied** where:

- a. the estimated expenditure or income does not, or is not reasonably expected to, exceed £20,000; (exclusive of VAT) (this figure to be reviewed annually);
- b. where the supply is proposed under special arrangements negotiated by the Department of Health and Social Care in which event the said special arrangements must be complied with;
- c. regarding disposals as set out in Standing Financial Instructions No.15;
- d. Where NHS Supply Chain, the Government Procurement Service or any other public sector led agreement (such as by a collaborative procurement hub) are in place which are legally constructed to permit the Trust's participation
- e. Where a consortium or a national agreement or contract is in place and a lead organisation has been appointed to carry out tendering activity on behalf of the consortium members where the Chief Finance Officer or their nominated deputy is satisfied that the arrangements conform to statute and represent best value.

Formal tendering procedures **may only be waived** in the following circumstances:

- f. in very exceptional circumstances where the Chief Executive Officer 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;
- g. 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;
- h. where there is only one supplier of the goods or services or where specialist expertise is required and is available from only one source. This includes compatible or propriety product for existing machinery or equipment;
- i. 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;

- j. 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;
- k. 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 Chief Finance Officer will ensure that any fees paid are reasonable and within commonly accepted rates for the costing of such work.

- l. where allowed and provided for in the Guidance issued by NHS England
- m. For the provision of equipment maintenance with the original equipment manufacturer (OEM)
- n. To support standardisation within the Trust which reduces clinical risk and training requirements.

The waiving of competitive tendering procedures should not be used to avoid competition or for administrative convenience or to award further work to a consultant originally appointed through a competitive procedure.

However, a non-competitive quote will still be sought in cases where anticipated expenditure or income exceeds £20,000 but competitive tendering is waived under (f) to (n) above.

Where it is decided that competitive tendering is not applicable and should be waived, the fact of the waiver and the reasons should be documented and recorded in an appropriate Trust record and reported to the Audit Committee at each meeting.

7.5.4 Building and Engineering Construction Works

Competitive Tendering cannot be waived for building and engineering construction works and maintenance (other than in accordance with Concode) without NHS England approval.

7.5.5 Items which subsequently breach thresholds after original approval

Items estimated to be below the limits set in this Standing Financial Instruction for which formal tendering procedures are not used which subsequently prove to have a value above such limits shall be reported to the Chief Executive Officer and be recorded in an appropriate Trust record. Authorisation to procure and subsequent award of contract must be directly correlated. That is, the value and the period of contract that is awarded must be the same as that was given mandate in the original requirement. If the period of the contract is to be extended, this is only permitted if the original authorisation and value included the value of the extensions. Where this authority was not provided in the original mandate, further authorisation must be sought in accordance with the Limits of Delegation policy.

7.6. Contracting/Tendering Procedure

7.6.1 Invitation to tender

The Trusts preferred method of Tendering is E-Tendering see 7.6.4. Where this is not possible the following will apply.

- (i) All invitations to tender shall state the date and time as being the latest time for the receipt of tenders.
- (ii) All invitations to tender shall state that no tender will be accepted unless:
 - a. 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 Officer or nominated Manager;
 - b. 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.
- (iii) Every tender for goods, materials, services (including consultancy services) or disposals shall embody such of the NHS Standard Contract Conditions as are applicable. Every tenderer must have given or give a written undertaking not to engage in collusive tendering or other restrictive practices.
- (iv) Every tender for building or engineering works (except for maintenance work, when HBN 00-08 (formally Estmancode) 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 Concode; 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.

7.6.2 Receipt and safe custody of tenders

The Chief Executive Officer or nominated representative will be responsible for the receipt, endorsement and safe custody of tenders received until the time appointed for their opening unless the tender has been carried out on an electronic tendering system in which case this activity is controlled by the system.

The date and time of receipt of each tender shall be endorsed on the tender envelope/package.

7.6.3 Opening tenders and Register of 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 Officer and not from the originating department.
- (ii) A member of the Trust Board will be required to be one of the two approved persons present for the opening of tenders estimated above £1,000,000. The rules relating to the opening of tenders will need to be

read in conjunction with any delegated authority set out in the Trust's Scheme of Delegation.

- (iii) The 'originating' Department will be taken to mean the Department sponsoring or commissioning the tender.
- (iv) The involvement of Finance Directorate staff in the preparation of a tender proposal will not preclude the Chief Finance Officer or any approved Senior Manager from the Finance Directorate from serving as one of the two senior managers to open tenders.
- (v) All Executive Directors / Chief Officers will be authorised to open tenders unless they are from the originating department.
- (vi) The Trust's Head of Corporate Governance, should the Trust have one, will count as a Director for the purposes of opening tenders.
- (vii) Every tender received shall be marked with the date of opening and initiated by those present at the opening.
- (viii) A register shall be maintained by the Chief Executive Officer, 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;
 - 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.

- (ix) 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. (Standing Financial Instructions. 7.6.5 below).

7.6.4 E-Tendering

E-Tendering is the Trust's preferred method for sending and receiving tenders. In the case of goods and services procured via E-tendering, the above procedure will be modified to reflect that:-

- Tenders are received electronically by the E-tendering system
- Tenders will be opened at the official opening time / date by procurement staff and the system will maintain a log of access.
- The system will log any documents added during the procurement period and all communication between the parties using the system
- Any amendments to documents post opening will be logged manually along with the identity of the person making the change and the reason for the change.

- The system's audit log and the manual log will be periodically reviewed by a senior officer and will be available for inspection by Internal Audit as and when required.

UK Procurement rules state that all activities and communications relating to the entire tendering process are disclosable to relevant third parties so it is essential that sound records are kept, principals of transparency and competition are adhered to and all communication documented

7.6.5 Admissibility

- 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 Officer.
- Where only one tender is sought and/or received, the Chief Executive Officer and /or Chief Finance Officer or their nominated deputy shall, as far practicable, ensure that the price to be paid is fair and reasonable and will ensure value for money for the Trust.

7.6.6 Late tenders

- 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 Officer or his/her nominated officer decides that there are exceptional circumstances i.e. despatched in good time but delayed through no fault of the tenderer.
- 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 Officer or his/her nominated officer or if the process of evaluation and adjudication has not started.
- 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 Officer or his/her nominated officer.
- Any acceptance of a late tender must be clearly documented along with the reason for acceptance and kept with the tender records.

7.6.7 Acceptance of formal tenders (See overlap with SFI No. 7.7)

- 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 and must be recorded in a permanent record.
- Prior to the release of the tender document, selection and award criteria must be clearly defined and articulated to the tenderers. The criteria for award should be made up of both price and quality aspects unless there is a very good reason for selecting the lowest price tender in which case this must be declared in the tender documents. The successful tender will be awarded on the Most Economically Advantageous Tender criteria as defined by best practise in procurement. The criteria may include (but not be limited to):
 - Quality
 - Technical properties

- c. Experience
- d. Functional qualities
- e. After sales service
- f. Delivery
- g. Price

The Trust recognises that the lowest price does not always represents 'best value' and as such will award tenders based on the requirements of the goods and / or services which for homogenous, simple products may be lowest price but is usually based on an assessment of a combination of criteria.

- (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 Officer.
- (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;
 - b. that best value for money was achieved.
- (v) Subject to the Freedom of Information Act, all tenders should be treated as confidential and should be retained for inspection.

7.6.8 Tender reports to the Board of Directors

Reports to the Board of Directors will be made on an exceptional circumstance basis only and in accordance with the Limits of Delegation Policy.

7.6.9 Building and Engineering Construction Works

- (i) Invitations to tender shall be made only to firms included on the separate maintenance lists compiled in accordance with Estmancode guidance (Health Notice HN (78)147).
- (ii) Firms included on the list shall ensure that when engaging, training, promoting or dismissing employees or in any conditions of employment, shall not discriminate against any person because of colour, race, ethnic or national origins, religion or sex, and will comply with the provisions of the Equal Pay Act 1970, the Sex Discrimination Act 1975, the Race Relations Act 1976, and the Disabled Persons (Employment) Act 1944 and any amending and/or related legislation.
- (iii) Firms shall conform at least with the requirements of the Health and Safety at Work Act and any amending and/or other related legislation concerned with the health, safety and welfare of workers and other persons, and to any relevant British Standard Code of Practice issued by the British Standard Institution. Firms must provide to the appropriate manager a copy of its safety policy and evidence of the safety of plant and equipment, when requested.

7.6.10 Financial Standing and Technical Competence of Contractors

The Chief Finance Officer may make or institute any enquiries he/she deems appropriate concerning the financial standing and financial suitability of

approved contractors. The Director with lead responsibility for clinical governance will similarly make such enquiries as is felt appropriate to be satisfied as to their technical / medical competence.

7.7. Quotations: Competitive and Non-competitive

7.7.1 General Position on quotations

Quotations are required where formal tendering procedures are not adopted and where the intended expenditure or income exceeds, or is reasonably expected to exceed £5,000 but not exceed £20,000. For intended expenditure less than £5,000, a single written quote is sufficient.

Where the potential supplier has the ability to use an e-quote system, this should be used in preference to a manual system.

7.7.2 Competitive Quotations

- (i) Quotations should be obtained from at least 3 firms/individuals based on specifications or terms of reference prepared by, or on behalf of, the Trust.
- (ii) Quotations should always be in writing and subject to NHS Terms and conditions.
- (iii) Subject to the Freedom of Information Act, all quotations should be treated as confidential and should be retained for inspection.
- (iv) The Chief Executive Officer or his/her nominated officer should evaluate the quotation and select the quote which gives the best value for money and most adequately meets the specification of requirements.
- (v) Staff should not sign agreements or accept quotations on supplier terms and conditions which could be disadvantageous to the Trust.

Formal tendering and competitive quotation must be carried out with the support of the Trust's Strategic Procurement department. This does not wholly preclude Divisions from undertaking activities themselves however legislative complexities are such that Procurement advice should be sought in all instances.

7.7.3 Non-Competitive Quotations (contract value under £5,000 excluding VAT)

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 urgently and are not obtainable under existing contracts;
- (iii) miscellaneous services, supplies and disposals;
- (iv) where the goods or services are for building and engineering maintenance the responsible works manager must certify that the first two conditions of this SFI (i.e.: (i) and (ii) of this SFI) apply.

7.7.4 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 Officer or Chief Finance Officer.

7.8. 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 ratified by the following staff to the value of the contract as follows:

- Director of Procurement & Supply Chain up to UK Threshold (Currently £138,360 from 1st January 2022 but subject to regular change)
- Chief Finance Officer or Chief Executive Officer up to £1,000,000
- Trust Board over £1,000,000.

These levels of authorisation may be varied or changed and need to be read in conjunction with the Trust Board's Scheme of Delegation and the Limits of Delegation Policy.

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

7.9. Signing of Documents

Section 24 of Standing Orders sets out the requirements in respect of signing documents.

7.10. Instances where formal competitive tendering or competitive quotation is not required

Where competitive tendering or a competitive quotation is not required the Trust should seek best value from a range of supply routes to include but not be limited to NHS Supply Chain, Government Procurement Service, any other collaborative procurement hub to which the trust has right to access.:

The procurement of goods and services across the Trust shall be in accordance with the Limits of Delegation Policy and these Standing Financial Instructions. Members of staff must not commit the Trust to expenditure with a supplier or sign contracts if they are not permitted to do so in accordance with these policies.

7.11. Private Finance for capital procurement (see overlap with SFI No. 13)

The Trust may market-test for PFI (Private Finance Initiative funding) when considering a capital procurement. When the Board proposes, or is required, to use finance provided by the private sector the following should apply:

- a. The Chief Executive Officer shall demonstrate that the use of private finance represents value for money and genuinely transfers risk to the private sector.
- b. Where the sum exceeds delegated limits, a business case must be referred to NHS England for approval.
- c. The proposal must be specifically agreed by the Board of the Trust, in the light of such professional advice as should reasonably be sought in particular with regard to vires.
- d. The selection of a contractor/finance company must be on the basis of competitive tendering or quotations.

7.12. Compliance requirements for all contracts

The Board may only enter into contracts on behalf of the Trust within the statutory powers set out in its licence and shall comply with:

- a. The Trust's Standing Orders and Standing Financial Instructions;
- b. UK procurement rules and other statutory provisions;
- c. any relevant directions including the Capital Investment Manual, HBN 00-08 (formally Estatecode) and guidance on the Procurement and Management of Consultants;
- d. The NHS England procedure for the approval of capital schemes
- e. such of the NHS Standard Contract Conditions as are applicable.
- f. contracts with Foundation Trusts must be in a form compliant with appropriate NHS guidance.
- g. Where appropriate contracts shall be in or embody the same terms and conditions of contract as was the basis on which tenders or quotations were invited.
- h. In all contracts made by the Trust, the Board shall endeavour to obtain best value for money by use of all systems in place. The Chief Executive Officer shall nominate an officer who shall oversee and manage each contract on behalf of the Trust.

7.13. Personnel and Agency or Temporary Staff Contracts

The Chief Executive Officer shall nominate officers with delegated authority to enter into contracts of employment, regarding staff, agency staff or temporary staff service contracts.

7.14. Healthcare Services Agreements (see overlap with SFI No. 8)

Contracts with NHS providers for the supply of healthcare services shall be drawn up in accordance with the NHS and Community Care Act 1990 and administered by the Trust.

7.15. Disposals (See overlap with SFI No. 15)

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 Officer or his/her nominated officer;
- b. obsolete or condemned articles and stores, which may be disposed of in accordance with the supplies policy of the Trust;
- c. items to be disposed of with the higher of an estimated sale value or net book value of less than £5,000, this figure to be reviewed on a periodic basis;
- d. items arising from works of construction, demolition or site clearance, which should be dealt with in accordance with the relevant contract;
- e. land or buildings concerning which DH / NHS England guidance has been issued but subject to compliance with such guidance.

All disposals of items on the asset register which originally cost not less than £5,000 must be notified to the Finance Department.

7.16. In-house Services

- 7.16.1. The Chief Executive Officer shall be responsible for ensuring that best value for money can be demonstrated for all services provided 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.
- 7.16.2. In all cases where the Board 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 Officer or nominated officer/s and specialist(s).
 - b. In-house tender group, comprising representatives of the in-house team, a nominee of the Chief Executive Officer and technical support.
 - c. Evaluation team, comprising normally a specialist officer, a supplies officer and a Chief Finance Officer representative. For services having a likely annual expenditure exceeding £1,000,000, a non-executive director should be a member of the evaluation team.
- 7.16.3. 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.
- 7.16.4. The evaluation team shall make recommendations to the Board.
- 7.16.5. The Chief Executive Officer shall nominate an officer to oversee and manage the contract on behalf of the Trust.

7.17. Applicability of SFIs on Tendering and Contracting to funds held in trust (see overlap with SFI No. 18)

These Instructions shall not only apply to expenditure from Exchequer funds but also to works, services and goods purchased from the Special Trustees trust funds and private resources.

7.18. Cancellation of Contracts

Except where specific provision is made in model Forms of Contracts or standard Schedules of Conditions approved for use within the National Health Service, 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, given or agreed to give to 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 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 or acting on his behalf shall have committed any offence under the Bribery Act 2010 or other appropriate legislation.

7.19. Determination of Contracts for Failure to Deliver Goods or Materials

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.

All contracts for building and engineering works shall include provision for liquidated damages having regards to the CONCODE provisions. Where a sum above the minimum is required, this shall be determined by the Project Officer in accordance with an estimate of the damages the Trust is likely to incur through late completion of the works by the contractor provided that the amount so derived does not in the opinion of the Project Director or their nominee amount to a penalty.

The Project Director shall determine when liquidated damages shall be enforce after consultation with the Design Team and, if the Project Director considers it necessary with lawyers.

7.20. Use of Electronic Auctions

7.20.1. Electronic Auctions are rarely used by the Trust. However, the Trust at its discretion may, if the category of procured goods or service is suitable, use an electronic auction to obtain tender submissions. The Crown Commercial Service definition of suitability identifies procurements that are of sufficient value to attract competition, with a requirement that can be accurately specified and for which there is a competitive market. It is important when deciding on a category that a firm specification is available. There must be no ambiguity as to the Trust's requirements prior to the eAuction. It must be possible to compare the products on a like for like basis.

7.20.2. The Trust may decide that the award of a public contract shall be preceded by an electronic auction only when the contract specifications can be established with precision.

7.20.3. The electronic auction shall be based:

- either solely on prices when the contract is awarded to the lowest price; or
- on prices and/or on the new values of the features indicated in the specification when the contract is awarded to the most economically advantageous tender.

7.20.4. Should it decide to hold an electronic auction, the Trust shall state that fact in the contract notice.

7.20.5. The specifications shall include, inter alia, the following details:

- a. the features of the products whose costs shall be the subject of electronic auction, provided that such features are quantifiable and can be expressed in figures or percentages;
- b. any limits on the values which may be submitted, as they result from the specifications relating to the subject of the contract;
- c. the information which will be made available to tenderers in the course of the electronic auction and, where appropriate, when it will be made available to them;
- d. the relevant information concerning the electronic auction process;

- e. the conditions under which the tenderers will be able to bid and, in particular, the minimum differences which will, where appropriate, be required when bidding;
 - f. the relevant information concerning the electronic equipment used and the arrangements and technical specifications for connection.
- 7.20.6. Before proceeding with the electronic auction, the Trust shall make a full initial evaluation of the specification in accordance with the award criteria set and the weighting fixed for them. Clarification will also be sought via the paper-based tender route that the tenderers accept the proposed terms and conditions and that the non-collusion document has been completed.
- 7.20.7. All tenderers who have been selected shall be invited simultaneously by electronic means to submit prices and/or values. The invitation shall contain all relevant information concerning individual connection to the electronic equipment being used and shall state the date and time of the start of the electronic auction. The electronic auction may take place in a number of successive phases. The electronic auction may not start sooner than two working days after the date on which invitations are sent out.
- 7.20.8. Throughout each phase of an electronic auction the Trust shall instantaneously communicate to all tenderers at least sufficient information to enable them to ascertain their relative rankings at any moment. The Trust may also communicate points of clarification via the electronic auction process provided that the specification is not changed in any way and that the information is sent to all participants. The Trust may also at any time announce the number of participants in that phase of the auction. In no case, however, may the Trust disclose the identities of the tenderers during any phase of an electronic auction, nor the values of their bids.
- 7.20.9. The Trust shall close an electronic auction at either of the following times:
 - a. in the invitation to take part in the auction, the date and time shall be indicated, fixed in advance;
 - b. closure will be when no more new prices are received, or new values which meet the requirements concerning minimum differences (in this case the Trust shall state in the invitation to take part in the auction the time which will be allowed to elapse after receipt of the last submission before the electronic auction is closed).
- 7.20.10. When the Trust has closed an electronic auction and satisfied itself as to specification compliance and value for money, the Trust shall award the contract in accordance with the Trust's Standing Orders and Standing Financial Instructions.
- 7.20.11. The Trust may not have improper recourse to electronic auctions nor may they be used in such a way as to prevent, restrict or distort competition or to change the subject of the contract as put up for tender in the published contract notice and defined in the specification.
- 7.20.12. Following tender approval / contract award the electronic tender documents shall be stored by the electronic auction service provider for the appropriate time period in accordance with official guidance concerning the preservation, retention and destruction of records.
- 7.20.13. The selection of the eAuction service provider shall meet the following standards:

- Means of communication must not restrict access to a tendering procedure for potential participants. They must be non-discriminatory, generally available and capable of operation with IT products in general use.
- The communication and storage of tenders must protect the integrity of the content.

7.20.14. The Trust must satisfy itself annually that the appointed service provider has the necessary protocols in place to meet the above requirements along with satisfactory archive and retrieval processes. The process shall be fully documented by the service provider with agreed service levels. Furthermore, the Trust shall obtain a formal and independent affirmation of the controls operated by any service provider which supports electronic auctions and receive periodic updates of this assurance.

7.21. ICT procurement

There is a need for a consistent approach to ICT procurement, security, development and practice in the Trust, to ensure value for money and that the opportunity and risks associated with the above are properly managed. The procurement of ICT will follow the procedures set out above and compliance with these policies and procedures is compulsory.

Systems (hardware/software) in use within the Trust, without due authority from the Chief Digital and Partnership Officer will not be supported and may result in disciplinary action being taken.

[Return to Contents](#)

8. NHS Contracts for Provision of Services (see overlap with SFI No. 7.14)

8.1. Contracts

8.1.1. The Chief Executive Officer, as the accountable officer, is responsible for ensuring the Trust enters into suitable legally binding service contracts with service commissioners for the provision of NHS services. All service contracts should aim to implement the agreed priorities contained within the Trust's Business Plan. In discharging this responsibility, the Chief Executive Officer should take into account:

- the licence from NHS England
- the standards of service quality expected;
- the relevant national service framework (if any);
- the provision of reliable information based on Payment by Results and HRGs
- the National Institute of Clinical Excellence
- the National Standard Local Action – Health and Social Care Standards and Planning Framework
- that service contracts build, where appropriate, on existing partnership arrangements;
- that service contracts are based on integrated care pathways.

8.1.2. The Chief Executive Officer shall be responsible for signing NHS Contracts over a value of £600 million in respect of any one agreement. For NHS Contracts below the value of £600 million the Chief Finance Officer shall be responsible for signing. The Chief Finance Officer shall report on the progress and outcome of agreement negotiations to the Board.

8.2. Involving Partners and jointly managing risk

A good contract will result from a dialogue of clinicians, users, carers, public health professionals and managers. It will reflect knowledge of local needs and inequalities. This will require the Chief Executive Officer to ensure that the Trust works with all partner agencies involved in both the delivery and the commissioning of the service required. The contract will apportion responsibility for handling a particular risk to the party or parties in the best position to influence the event and financial arrangements should reflect this. In this way the Trust can jointly manage risk with all interested parties.

8.3. Reports to Board of Directors on Health Service Contracts

The Chief Executive Officer, as the Accountable Officer, will need to ensure that regular reports are provided to the Board of Directors detailing actual and forecast income from the Health service contracts. This will include information on costing arrangements, which increasingly should be based upon Healthcare Resource Groups (HRGs). The service contract will also meet the minimum standards of the Payment by Results requirements. Where HRGs are unavailable for specific services, all parties should agree a common currency for application across the range of contracts.

[Return to Contents](#)

9. Commissioning

Where the Trust Commissions others to provide health services Sections 7 and 8 should be followed.

[Return to Contents](#)

10. Terms of Service, Allowances and Payment of Members of the Trust Board and Executive Committee and Employees

10.1. Remuneration and Terms of Service (see overlap with SO No. 19)

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

10.1.2. The Committee will:

- a. advise the Board about appropriate remuneration and terms of service for the Chief Executive Officer, other chief officers employed by the Trust and other senior employees including:
 - (i) all aspects of salary (including any performance-related elements/bonuses);
 - (ii) provisions for other benefits, including pensions and cars;
 - (iii) arrangements for termination of employment and other contractual terms, taking due regard of the requirements of NHS England for the approval of severance payments;
- b. make such recommendations to the Board on the remuneration and terms of service of executive directors / chief officers of the Board (and other senior employees) to ensure they 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 members and staff where appropriate;
- c. approve any severance payment at or above £100,000 and the Committee will be informed of any and all severance payments to all staff made on the termination of employment with the Trust.
- d. The Chief People Officer will be responsible for ensuring that the Remuneration and Appointments Committee is advised of all severance payments of less than £100,000 that have been agreed.
- e. The Chief People Officer will be responsible for informing the Remuneration and Appointments Committee of all appointments made by the Trust where remuneration offered exceeds £100,000.
- f. monitor and evaluate the performance of individual executive directors / chief officers (and other senior employees);
- g. advise on and oversee appropriate contractual arrangements for such staff including the proper calculation and scrutiny of termination payments taking account of such national guidance as is appropriate.

- 10.1.3. The Committee will also play a role in monitoring the effectiveness of action to address the gender pay gap across the Trust.
- 10.1.4. The Committee shall report in writing to the Board the basis for its recommendations. The Board shall use the report as the basis for their decisions, but remain accountable for taking decisions on the remuneration and terms of service of executive directors / chief officers. Minutes of the Board's meetings should record such decisions.
- 10.1.5. The Board will consider and need to approve proposals presented by the Chief Executive Officer for the setting of remuneration and conditions of service for those employees and officers not covered by the Committee.
- 10.1.6. The Trust will pay allowances to the Chair and non-officer members of the Board in accordance with levels approved by the Council of Governors.
- 10.1.7. The Trust may pay travelling and other expenses to members of the Council of Governors at rates determined by the Trust.

10.2. Funded Establishment

- 10.2.1. The manpower plans incorporated within the annual budget will form the funded establishment.
- 10.2.2. The funded establishment of any department may not be varied without confirmation of affordability by the Head of Finance and the prior approval of the relevant Chief Officer and Chief Finance Officer or Director of Finance.

10.3. Staff Appointments

- 10.3.1. No member of the Board of Directors or employee may engage, re-engage, or re-grade employees, either on a permanent or temporary nature, or hire agency staff, or agree to changes in any aspect of remuneration:
 - a. unless authorised to do so by the Chief Executive Officer;And it is
 - b. within the limit of their approved budget and funded establishment.
- 10.3.2. The Board will approve procedures presented by the Chief Executive Officer for the determination of commencing pay rates, condition of service, etc., for employees.
- 10.3.3. The Chief People Officer will advise the Remuneration and Appointment Committee annually of all appointments made by the Trust where remuneration offered exceeds £100,000.

10.4. Processing Payroll

- 10.4.1. The Chief People Officer is responsible, through the payroll contractor, for:
 - a. specifying timetables for submission of properly authorised time records and other notifications;
 - b. the final determination of pay and allowances;
 - c. making payment on agreed dates;
 - d. agreeing method of payment.
- 10.4.2. The Chief People Officer will ensure that appropriate instructions have been issued 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;
- g. methods of payment available to various categories of employee and directors;
- h. procedures for payment by cheque, bank credit, or cash to employees and directors;
- i. procedures for the recall of cheques and bank credits;
- j. pay advances and their recovery;
- k. separation of duties of preparing records and making payments;
- l. a system to ensure the recovery from those leaving the employment of the Trust of Trust property and any sums of money due by them to the Trust.
- m. the Chief Finance Officer shall ensure there is maintenance of regular and independent reconciliation of pay control accounts;

10.4.3. Appropriately nominated managers have delegated responsibility for:

- a. processing a signed copy of the contract/appointment form and such other documentation as may be required immediately upon an employee commencing duty;
- b. submitting time records, and other notifications in accordance with agreed timetables;
- c. completing time records and other notifications in accordance with the Chief People Officer's instructions and in the form prescribed by the Chief People Officer
- d. 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 Chief People Officer must be informed immediately.

10.4.4. Regardless of the arrangements for providing the payroll service, the Chief People Officer 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.

10.5. Contracts of Employment

10.5.1. The Board shall delegate responsibility to the Chief People Officer for:

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

[Return to Contents](#)

11. Non-pay Expenditure

11.1. Delegation of Authority

- 11.1.1. The Board will approve the level of non-pay expenditure on an annual basis and the Chief Executive Officer will determine the level of delegation to budget managers.
- 11.1.2. The Chief Executive Officer (or their nominated officers) will set out:
 - a. the list of managers who are authorised to place requisitions for the supply of goods and services;
 - b. the maximum level of each requisition and the system for authorisation above that level.
- 11.1.3. The Chief Executive Officer shall set out procedures on the seeking of professional advice regarding the supply of goods and services.

11.2. Choice, Requisitioning, Ordering, Receipt and Payment for Goods and Services (see overlap with Standing Financial Instruction No. 7)

11.2.1. Requisitioning

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 Procurement department shall be sought. All goods, services, or works shall be ordered on an official Trust Purchase Order except agreed purchases from petty cash or on NHS purchase cards or where they are agreed as recognisable exceptions, as determined by the Procurement department.

11.2.2. System of Payment and Payment Verification

The Chief Finance Officer 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.

11.2.3. The Chief Finance Officer will:

- a. advise the Board 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 Standing Financial Instructions and regularly reviewed. The current limits are set out in the Limits of Delegation Policy.
- b. prepare procedural instructions or guidance within the Scheme of Delegation on the obtaining of goods, works and services incorporating the thresholds. The current limits are set out in the Limits of Delegation Policy.
- c. be responsible for the prompt payment of all properly authorised accounts and claims;
- d. be responsible for designing and maintaining a system of verification, recording and payment of all amounts payable. The system shall provide for:
 - (i) A list of directors / employees (including specimens of their signatures where electronic approval not available) 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;
 - the account is in order for payment.
- (iii) A timetable and system for submission to the Chief Finance Officer 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 SFI No. 11.2.4 below.

11.2.4. Prepayments

Prepayments are only permitted where exceptional circumstances apply. In such instances:

- a. Prepayments are only permitted where the financial advantages outweigh the disadvantages.
- b. The appropriate Director 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 Chief Finance Officer will need to be satisfied with the proposed arrangements before contractual arrangements proceed (taking into account the UK public procurement rules where the contract is above a stipulated financial threshold);
- d. The budget Manager 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 Officer if problems are encountered.

11.2.5. Official orders

Official Orders must:

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

11.2.6. Duties of Managers and Officers

Managers and officers must ensure that they comply fully with the guidance and limits specified by the Chief Finance Officer and that:

- a. all contracts (except as otherwise provided for in the Scheme of Delegation and the associated Limits of Delegation Policy), leases, tenancy agreements and other commitments which may result in a liability are notified to the Chief Finance Officer in advance of any commitment being made;
- b. contracts above specified thresholds are advertised and awarded in accordance with this policy and UK rules on public procurement;
- c. For all contracts with a single supplier who's value exceeds £2m p.a. the lead officer within the Trust shall be designated as the "contract owner" for that contract and shall:-
 - (i) Ensure the contract is entered on the central contact register maintained by the Procurement & Supply Chain department.
 - (ii) Ensure that all contract documentation is lodged with the Procurement & Supply Chain department (a copy may also be retained within the originating department for administrative convenience)
 - (iii) Ensure appropriate contract management is in place.
 - (iv) Ensure that any significant change to the contract/service is formally agreed and documented as required by the SFI's or Limits of Delegation Policy.
- d. 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 / NHS England; this is available from the central procurement team on request.
- e. 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 in accordance with the Trusts hospitality policy;

(This provision needs to be read in conjunction with paragraph 33 of the Constitution and the principles outlined in the national guidance contained in HSG 93(5) "Standards of Business Conduct for NHS Staff");
- f. no requisition/order is placed for any item or items for which there is no budget provision unless authorised by the Chief Finance Officer on behalf of the Chief Executive Officer;

- g. all goods, services, or works are ordered on an official order except works and services executed in accordance with a contract and purchases from petty cash (subject to the petty cash limit – see scheme of delegated limits).
 - h. verbal orders must only be issued very exceptionally - by an employee designated by the Chief Executive Officer and only in cases of emergency or urgent necessity. These must be confirmed by an official order and clearly marked "Confirmation Order";
 - i. orders are not split or otherwise placed in a manner devised so as to avoid the financial thresholds;
 - j. goods and services are not taken on trial, pilot or loan in circumstances that could commit the Trust to a future uncompetitive purchase;
 - k. changes to the list of employees and officers authorised to certify invoices are notified to the Chief Finance Officer;
 - l. purchases from petty cash are restricted in value and by type of purchase in accordance with instructions issued by Chief Finance Officer;
 - m. petty cash records are maintained in a form as determined by the Chief Finance Officer.
 - n. An individual cannot order an item, receipt the item and certify the invoice for payment
 - o. The financial limits for officers' approval of payments are set out in the Scheme of Delegated limits
- 11.2.7. The Chief Finance Officer 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 CONCODE and HBN00-08 (formally ESTATECODE). The technical audit of these contracts shall be the responsibility of the relevant Director.

[Return to Contents](#)

12. External Borrowing

- 12.1.1. The Chief Finance Officer will comply with the Treasury Management Policy, as approved by the Board of Directors, when borrowing and investing surplus funds.
- 12.1.2. The Chief Finance Officer will advise the Board concerning the Trust's ability to pay interest on, and repay both Public Dividend Capital and any proposed borrowing. Any proposed borrowing will be within the limits established upon the Foundation Trust's authorisation or subsequently advised by NHS England. The Chief Finance Officer is also responsible for reporting periodically to the Board concerning the PDC debt and all loans and overdrafts.
- 12.1.3. The Board will agree the list of employees (including specimens of their signatures) who are authorised to make short term borrowings on behalf of the Trust. This must contain the Chief Executive Officer and the Chief Finance Officer.
- 12.1.4. The Chief Finance Officer must prepare detailed procedural instructions concerning applications for loans and overdrafts.
- 12.1.5. All short-term borrowings should be kept to the minimum period of time possible, consistent with the overall cash flow position. Any short-term borrowing requirement must be authorised as outlined in the bank mandate.
- 12.1.6. Any short-term borrowing must be with the authority of two members of an authorised panel, one of which must be the Chief Executive Officer or the Chief Finance Officer. The Board must be made aware of all short-term borrowings at the next Board meeting.
- 12.1.7. All long-term borrowing must be consistent with the plans outlined in the current Business Plan. Any long-term borrowing not included in the current Business Plan must be approved by the Board of Directors.

12.2. Investments

- 12.2.1. The Chief Finance Officer is responsible for advising the Board on investments and shall report periodically to the Board concerning the performance of investments held.
- 12.2.2. The Chief Finance Officer will prepare detailed procedural instructions on the operation of investment accounts and on the records to be maintained.

[Return to Contents](#)

13. Capital Investment, Private Financing, Fixed Asset Registers and Security of Assets

13.1. Capital Investment

13.1.1. The Chief Executive Officer:

- a. shall ensure that there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon business plans;
- b. is responsible for the management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost;
- 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.

13.1.2. For every capital expenditure proposal the Chief Executive Officer shall ensure:

- a. that a business case (in line with the guidance issued by NHS England) 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) the involvement of appropriate Trust personnel and external agencies;
 - (iii) appropriate project management and control arrangements;
- b. that the Chief Finance Officer has certified professionally to the costs and revenue consequences detailed in the business case.
- c. the appropriate level of approval has been obtained taking account of the NHS England procedure for the approval of capital schemes.

13.1.3. For capital schemes where the contracts stipulate stage payments, the Chief Executive Officer will issue procedures for their management, incorporating the recommendations of HBN00-08 (formally "Estatecode").

13.1.4. The Chief Finance Officer shall assess on an annual basis the requirement for the operation of the construction industry tax deduction scheme in accordance with HM Revenue & Customs guidance.

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

13.1.6. The approval of a capital programme shall not constitute approval for expenditure on any scheme.

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

- a. specific authority to commit expenditure;
- b. authority to proceed to tender (see overlap with SFI No. 7.6);
- c. approval to accept a successful tender (see overlap with SFI No. 7.6).

The Chief Executive Officer will issue a scheme of delegation for capital investment management in accordance with HBN00-08 (formally "Estatecode") guidance and the Trust's Standing Orders.

- 13.1.7. The Chief Finance Officer shall issue procedures governing the financial management, including variations to contract, of capital investment projects and valuation for accounting purposes. These procedures shall fully take into account the guidance produced by NHS England and any relevant conditions set out in the licence.

13.2. Private Finance (see overlap with SFI No. 7.10)

- 13.2.1. The Trust may test for PFI when considering capital procurement. When the Trust proposes to use finance which is to be provided other than through its Allocations, the following procedures shall apply:
- a. The Chief Finance Officer shall demonstrate that the use of private finance represents value for money and genuinely transfers significant risk to the private sector.
 - b. Where the sum involved exceeds delegated limits, the business case must be referred to NHS England or in line with any current guidelines.
 - c. The proposal must be specifically agreed by the Board.

13.3. Asset Registers

- 13.3.1. The Chief Executive Officer is responsible for the maintenance of registers of assets, taking account of the advice of the Chief Finance Officer 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.
- 13.3.2. Each Trust shall maintain an asset register recording fixed assets. The minimum data set to be held within these registers shall be determined by the Trust ensuring compliance with NHS England's FT ARM
- 13.3.3. Additions to the fixed asset register must be clearly identified to an appropriate budget Manager and be validated by reference to:
- a. properly authorised and approved agreements, architect's certificates, supplier's invoices and other documentary evidence in respect of purchases from third parties;
 - b. stores, requisitions and wages records for own materials and labour including appropriate overheads;
 - c. lease agreements in respect of assets held under a finance lease and capitalised.
- 13.3.4. 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).
- 13.3.5. Disposals of protected assets require the approval of NHS England.
- 13.3.6. The Chief Finance Officer shall approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.
- 13.3.7. The value of each asset shall be depreciated using methods and rates in accordance with NHS England's FT ARM.
- 13.3.8. The Chief Finance Officer shall calculate and pay dividends on Public Dividend Capital in accordance with NHS England's FT ARM.

13.4. Security of Assets

- 13.4.1. The overall control of fixed assets is the responsibility of the Chief Executive Officer.
- 13.4.2. Asset control procedures (including fixed assets, cash, cheques and negotiable instruments, and also including donated assets) must be approved by the Chief Finance Officer. This procedure shall make provision for:
 - a. recording managerial responsibility for each asset;
 - b. identification of additions and disposals;
 - c. identification of all repairs and maintenance expenses;
 - d. physical security of assets;
 - e. periodic verification of the existence of, condition of, and title to, assets recorded;
 - f. identification and reporting of all costs associated with the retention of an asset;
 - g. reporting, recording and safekeeping of cash, cheques, and negotiable instruments.
- 13.4.3. All discrepancies revealed by verification of physical assets to fixed asset register shall be notified to the Chief Finance Officer.
- 13.4.4. Whilst each employee and officer has a responsibility for the security of property of the Trust, it is the responsibility of Board 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. Any breach of agreed security practices must be reported in accordance with agreed procedures.
- 13.4.5. Any damage to the Trust's premises, vehicles and equipment, or any loss of equipment, stores or supplies must be reported by Board members and employees in accordance with the procedure for reporting losses.
- 13.4.6. Where practical, assets should be marked as Trust property.
- 13.4.7. Private use of Trust assets is not normally permitted. Exceptionally, and with the prior approval of the relevant Chief Officer, it will be allowed. In all cases the full costs must be reimbursed to the Trust.

[Return to Contents](#)

14. Stores and Receipt of Goods

14.1. General position

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

14.2. Control of Stores, Stocktaking, condemnations and disposal

- 14.2.1. Subject to the responsibility of the Chief Finance Officer for the systems of control, overall responsibility for the control of stores shall be delegated to an employee by the Chief Executive Officer. The day-to-day responsibility may be delegated by him/her to departmental employees and stores managers/keepers, subject to such delegation being entered in a record available to the Chief Finance Officer. The control of any Pharmaceutical stocks shall be the responsibility of a designated Pharmaceutical Officer; the control of any fuel oil and coal of a designated estates manager.
- 14.2.2. 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 NHS property.
- 14.2.3. The Chief Finance Officer shall set out procedures and systems to regulate the stores including records for receipt of goods, issues, and returns to stores, and losses.
- 14.2.4. Stocktaking arrangements shall be agreed with the Chief Finance Officer and there shall be a physical check covering all items in store at least once a year.
- 14.2.5. Where a complete system of stores control is not justified, alternative arrangements shall require the approval of the Chief Finance Officer.
- 14.2.6. The designated Manager/Pharmaceutical Officer shall be responsible for a system approved by the Chief Finance Officer 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 Chief Finance Officer any evidence of significant overstocking and of any negligence or malpractice (see also overlap with SFI No. 15 Disposals and Condemnations, Losses and Special Payments). Procedures for the disposal of obsolete stock shall follow the procedures set out for disposal of all surplus and obsolete goods.

14.3. Goods supplied by NHS Supply Chain

- 14.3.1. The authorised person shall check receipt against the delivery note and report any exceptions to the delegated officer as approved by the Chief Finance Officer. The delegated officer will be responsible for satisfying himself that the goods have been received before accepting the recharge.

[Return to Contents](#)

15. Disposals and Condemnations, Losses and Special Payments

15.1. Disposals and Condemnations

15.1.1. Procedures

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

15.1.2. When it is decided to dispose of a Trust asset, the Head of Department or authorised deputy will determine and advise Chief Finance Officer of the estimated market value of the item, taking account of professional advice where appropriate.

15.1.3. All unserviceable articles shall be:

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

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

15.2. Losses and Special Payments

15.2.1. Procedures

The Chief Finance Officer must prepare procedural instructions on the recording of and accounting for condemnations, losses, and special payments. The Chief Finance Officer must ensure that a Counter Fraud Policy is in place that sets out the action to be taken both by persons detecting a suspected fraud and those persons responsible for investigating it.

15.2.2. 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 Officer and the Chief Finance Officer or inform an officer charged with responsibility for responding to concerns involving loss. This officer will then appropriately inform Chief Finance Officer and/or Chief Executive Officer. Where a criminal offence is suspected, the Chief Finance Officer must immediately inform the police if theft or arson is involved. In cases of fraud and corruption or of anomalies which may indicate fraud or corruption, the Chief Finance Officer must inform the relevant LCFS and the NHS Counter Fraud Authority in accordance with their 'Standards for Providers'.

The Chief Finance Officer must notify the NHS Counter Fraud Authority and the External Auditor of all frauds.

15.2.3. For losses apparently caused by theft, arson, neglect of duty or gross carelessness, except if trivial, the Chief Finance Officer must immediately notify:

- a. the Board of Directors,
- b. the External Auditor.

15.2.4. The Chief Finance Officer shall be authorised to take any necessary steps to safeguard the Trust's interests in bankruptcies and company liquidations.

- 15.2.5. For any loss, the Chief Finance Officer should consider whether any insurance claim can be made.
- 15.2.6. The Chief Finance Officer shall maintain a Losses and Special Payments Register in which write-off action is recorded.
- 15.2.7. No special payments exceeding delegated limits advised by the Department of Health and Social Care shall be made without the prior approval of the Board of Directors.
- 15.2.8. All losses and special payments must be reported to the Audit Committee at every meeting.

[Return to Contents](#)

16. Information Technology

16.1. Responsibilities and duties of the Chief Finance Officer

- 16.1.1. The Chief Finance Officer, 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 the Director is responsible from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Data Protection Act 1998 and the Computer Misuse Act 1990;
 - b. ensure that adequate (reasonable) controls exist over data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;
 - c. ensure that adequate controls exist such that the computer operation is separated from development, maintenance and amendment;
 - d. ensure that adequate controls exist to maintain security, privacy, accuracy and completeness of financial data sent via transmission networks;
 - e. ensure that an adequate management (audit) trail exists through the computerised system and that such computer audit reviews as the Director may consider necessary are being carried out.
- 16.1.2. The Chief Finance Officer 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.
- 16.1.3. The Chief Executive Officer shall publish and maintain a Freedom of Information (FOI) Publication Scheme or adopt a model Publication Scheme approved by the Information Commissioner. A Publication Scheme is a complete guide to the information routinely published by a public authority. It describes the classes or types of information about our Trust that we make publicly available.

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

16.2.1. In the case of computer systems which are proposed General Applications (i.e. normally those applications which the majority of Trust's in the Region wish to sponsor jointly) all responsible directors and employees will send to the Chief Digital and Partnership Officer

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

16.3. Contracts for Computer Services with other health bodies or outside agencies

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

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

16.4. Risk Assessment

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

16.5. Requirements for Computer Systems which have an impact on corporate financial systems

Where computer systems have an impact on corporate financial systems the Chief Finance Officer shall need to be satisfied that:

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

[Return to Contents](#)

17. Patients' Property

- 17.1. 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.
- 17.2. The Chief Executive Officer is responsible for ensuring that patients or their guardians, as appropriate, are informed before or at admission by:
- notices and information booklets; (***notices are subject to sensitivity guidance***)
 - hospital admission documentation and property records;
 - 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.
- 17.3. The Chief Finance Officer 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. Due care should be exercised in the management of a patient's money in order to maximise the benefits to the patient.
- 17.4. Where Department of Health and Social Care / NHS England instructions require the opening of separate accounts for patients' moneys, these shall be opened and operated under arrangements agreed by the Chief Finance Officer.
- 17.5. 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.
- 17.6. 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.
- 17.7. 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.

[Return to Contents](#)

18. Funds Held on Trust

18.1. General

The Oxford Hospitals Charity is an independent legal entity separate from the Oxford University Hospitals NHS Foundation Trust and hence these Standing financial Instructions / Scheme of Delegation are not directly applicable to them. The Oxford Hospitals Charity has its own procedures for the control and administration of their charitable funds.

[Return to Contents](#)

19. Acceptance of Gifts by Staff and Link to Standards of Business Conduct (see overlap with paragraph 33 of the Constitution)

The Head of Corporate Governance shall ensure that all staff are made aware of the Trust policy on acceptance of gifts and other benefits in kind by staff. This policy follows the guidance contained in the Department of Health circular HSG (93) 5 'Standards of Business Conduct for NHS Staff' and is also deemed to be an integral part of the Standing Orders and these Standing Financial Instructions.

[Return to Contents](#)

20. Research & Development

- 20.1. All research and development activities within the Trust shall be notified to the Chief Medical Officer
- 20.2. All research and development activities undertaken by the Trust shall be subject to these Standing Orders/ Scheme of Delegation/ Standing Financial Instructions.
- 20.3. The Chief Finance Officer shall ensure procedures are put in place to ensure that all such activities are properly accounted for and that all funding is utilized appropriately.

[Return to Contents](#)

21. Retention of Records

- 21.1. The Chief Executive Officer, through the Chief Digital and Partnership Officer shall be responsible for maintaining archives for all records required to be retained in accordance with official guidelines.
- 21.2. The records held in archives shall be capable of retrieval by authorised persons.
- 21.3. Records held in accordance with latest Department of Health and Social Care guidance shall only be destroyed at the express instigation of the Chief Executive Officer. Detail shall be maintained of records so destroyed.

[Return to Contents](#)

22. Risk Management and Insurance

22.1. Programme of Quality and Risk Management

The Chief Executive Officer shall ensure that the Trust has a programme of quality and risk management, in accordance with the terms of the licence issued by NHS England. This programme will be approved and monitored by the Board or Board subcommittee with delegated authority.

The programme of risk management shall include:

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

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

22.2. Insurance: Risk Pooling Schemes administered by NHS Resolution

The Board of Directors shall decide if the Trust will insure through the risk pooling schemes administered by the NHS Resolution or self-insure for some or all of the risks covered by the risk pooling schemes. If the Board decides not to use the risk pooling schemes for any of the risk areas (clinical, property and employers/third party liability) covered by the scheme this decision shall be reviewed annually.

22.3. Insurance arrangements with commercial insurers

22.3.1. There are three probable areas where the Trust may enter into insurance arrangements with commercial insurers. They are:

- a. Trust's may enter commercial arrangements for insuring motor vehicles owned by the Trust including insuring third party liability arising from their use;
- b. 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
- c. 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.

22.3.2. In any case of doubt concerning a Trust's powers to enter into commercial insurance arrangements the Chief Finance Officer should consult NHS England.

22.4. Arrangements to be followed by the Board in agreeing Insurance cover

- a. Where the Board decides to use the risk pooling schemes administered by NHS Resolution the Chief Finance Officer shall ensure that the arrangements entered into are appropriate and complementary to the risk management programme. The Chief Finance Officer shall ensure that documented procedures cover these arrangements.
- b. Where the Board decides not to use the risk pooling schemes administered by the NHS Resolution for one or other of the risks covered by the schemes, the Chief Finance Officer shall ensure that the Board is informed of the nature and extent of the risks that are self-insured as a result of this decision. The Chief Finance Officer 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.
- c. All the risk pooling schemes require Scheme members to make some contribution to the settlement of claims (the 'deductible'). The Chief Finance Officer should ensure documented procedures also cover the management of claims and payments below the deductible in each case.

[Return to Contents](#)