

Cover Sheet

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Title: Update on Implementation of Revised Standing Financial Instructions and Scheme of Delegated Authorities

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Key Purpose: Assurance, Policy

Update on Implementation of Revised Standing Financial Instructions and Scheme of Delegated Authorities

1. Purpose

- 1.1. The purpose of this paper is to:
 - Brief the Trust Board on the status of implementation of the revised Standing Financial Instructions (SFIs) and Scheme of Delegated Authorities (SoDA), following Trustwide rollout in July 2025;
 - Outline key changes proposed to both documents, based on feedback received from Trust stakeholders to date and proposed next steps in relation to the review cycle of both documents;
 - Seek Trust Board approval of the revised documents.
- 1.2. This paper was previously reviewed and endorsed by TME and the Audit Committee.

2. Background

- 2.1. In Autumn 2024, TME and Audit Committee endorsed the proposal to undertake a comprehensive review of the Trust's financial governance framework. This involved a transition from standalone SFIs and the Limits of Delegation Policy (LoD), to interlinked SFIs and SoDA.
- 2.2. The new framework was rolled out across the Trust in July 2025, with most major changes in the following areas:
 - Business case approvals process and associated limits;
 - Authorisation process for procurement and tendering of expenditure;
 - Authorisation of non-pay expenditure in Oracle – specifically, approval of requisitions.
- 2.3. It was agreed that throughout the initial implementation period there would be a mechanism in place for more regular updates to both documents.
- 2.4. Two update cycles are planned for January and June of 2026, at which point the implementation status will be reassessed. A decision will then be made on whether to continue with quarterly review cycles, or whether the new framework has been sufficiently embedded to move on to an annual review process.

3. Implementation Process to Date and Summary of Key Changes

Feedback to date

- 3.1. As part of the SFI/SoDA review process, stakeholders from wider Finance, Commercial, Procurement, Legal, People, Corporate Governance and Divisional teams were asked for input and any further changes proposed.
- 3.2. The team have also received feedback from the wider organisation through other channels, for example, as part of the exercise to align requisitioning limits in Oracle to those agreed in the SoDA.
- 3.3. Key themes from feedback to date can be summarised as follows:
 - **Devolution of requisitioning responsibilities:** although there have been limited changes to the posts with authority to approve requisitions from the original Trust LoDs, it has been established that they had not previously been followed in practice. As a result, many grades and posts across the Trust had Oracle requisitioning rights the LoDs did not entitle them to. In some instances, this was included in their job description, in contravention of Trust policy.
 - **Approvals of contract ratifications:** contract ratification limits were revised to be assessed based on their annual values as part of the new SoDA, rather than the total value of the contract. The limits were also revised downwards.
 - This has created unintended consequences of TME receiving a number of contracts for ratification in excess of what is appropriate.
 - **Oversight of capital spend:** as part of the revised SoDA, it was agreed that all capital and revenue business cases require BPG review irrespective of their value. A request has been put forward to consider whether the Capital Management Group (CMG) or the Capital Oversight Committee require an approval limit to ease the burden on BPG.
 - **Business case approval limits:** a request has been put forward for a requirement for income generation business cases, where income does not cover Trust costs plus overhead, to be waived for R&D, as this would generate a significant number of low-value business cases.
 - **Need for agility and flexibility in respect of evolving commercial portfolio:** as the Trust continues to expand its commercial offering, for example, in relation to management of its equity investments and SDE activities, there is a need to remain flexible and continue developing governance arrangements as this evolves.

3.4. Proposals to address the feedback received to date are set out in sections below:

Procurement

3.5. It is proposed to revise contract ratification limits upwards as follows:

<u>Area of spend</u>	<u>Total contract value - current</u>	<u>Contract ratification - current</u>	<u>Total contract value - revised</u>	<u>Contract ratification - revised</u>
All	Up to £15,000	Director of Procurement and Supply Chain	Up to £15,000	Director of Procurement and Supply Chain
All	£15,000 - £75,000	Director of Procurement and Supply Chain	£15,000 - £75,000	Director of Procurement and Supply Chain
Goods and Services	£75,001 – Published UK Regulatory Limit	Director of Procurement and Supply Chain	£75,001 – Published UK Regulatory Limit	Director of Procurement and Supply Chain
	>published UK Regulatory Limit but <£500,000	Chief Executive Officer or Chief Finance Officer	>published UK Regulatory Limit but <£1,000,000	Chief Executive Officer or Chief Finance Officer
	>500,000	TME and Investment Committee and Trust Board	>£1,000,000 but <£3,000,000	TME
			>£3,000,000	Trust Board
Building and Engineering	£75,001 – £500,000	Director of Finance or Deputy Chief Estates and Facilities Officer	£75,001 – £1,000,000	Director of Finance or Deputy Chief Estates and Facilities Officer
	£500,000–published UK Regulatory Limit	Two of: Chief Finance Officer Chief Executive Chief Estates and Facilities Officer	£1,000,000 – published UK Regulatory Limit	Two of: Chief Finance Officer Chief Executive Officer Chief Estates and Facilities Officer
	>published UK Regulatory Limit	TME and Investment Committee and Trust Board	>published UK Regulatory Limit	TME and Trust Board

3.6. This is to reduce the volume of contracts requiring TME or Trust Board sign off. The limits are to be based on the **total** value of the contract, rather than the **annual** value.

3.7. Defining appropriate approval limits for contract ratification is an iterative process, and this will be reviewed again in June 2026.

Requisitioning approval limits

- 3.8. At this stage, there is no intention for a wholesale review of posts with requisitioning rights. Where Divisions or Departments have indicated that complying with the process as per the SoDA would cause them significant operational difficulties, they have been advised of an exceptions process.
- 3.9. All proposed exceptions will be reviewed and decided on a case-by-case basis by the Director of Finance and/or the Chief Finance Officer.
- 3.10. Following discussion and review of approval limits with the Estates function, it has been proposed that the Deputy Chief Estates & Facilities Officers are granted a requisitioning limit of £100,000 (rather than the standard budget holder limit of £10,000) to allow for a large volume of higher cost expenditure going through these cost centres to not have to be escalated to the Chief Estates & Facilities Officer.

Capital costs

- 3.11. It is proposed that, in order to more effectively manage corporate business cases, the Trust Capital Management Group (CMG) is given a sign off limit of £1m, to align with the Business Planning Group's limit.
- 3.12. This is with the expectation that the main route for the majority of Trust's capital investment continues to be the annual capital planning process. The CMG approval route would only be used for reprioritisation of capital or new capital spend in-year. CMG's Terms of Reference would need to be amended if this agreed.

Business case approval requirements

- 3.13. It is proposed that an exception is granted to R&D income generating contracts. Separate drafting on how the R&D team will ensure these contracts represent Value for Money for the Trust has been included in the R&D chapter of the SFIs

Commercial

- 3.14. A range of changes is proposed in relation to the Commercial portfolio:
 - The Commercial Director to be granted a limit for equity disposals of £100k, in line with that of Director of Finance.
 - Private patients, Overseas and International team to have a level of delegated authority to sign off payment plans (currently Director of Finance only) and to credit and re-raise an invoice where there is no material change to the invoice amount.

- Additional guidance has been included in the SFIs on management of Secure Data Environment Memoranda of Understanding and associated signing and approval rights.

4. Next Steps

- 4.1. Updated SFIs and SoDA are attached as Appendices A and B respectively, with all changes from the previous versions tracked. This includes some further immaterial clarification / wording changes not highlighted in this paper.
- 4.2. None of the changes have come into effect until discussion and approval by the Trust Board.
- 4.3. We will continue soliciting stakeholder feedback.

5. Recommendations

- 5.1. The Trust Board is asked to approve the proposed changes.



Oxford University Hospitals
NHS Foundation Trust

Standing Financial Instructions

July 2025

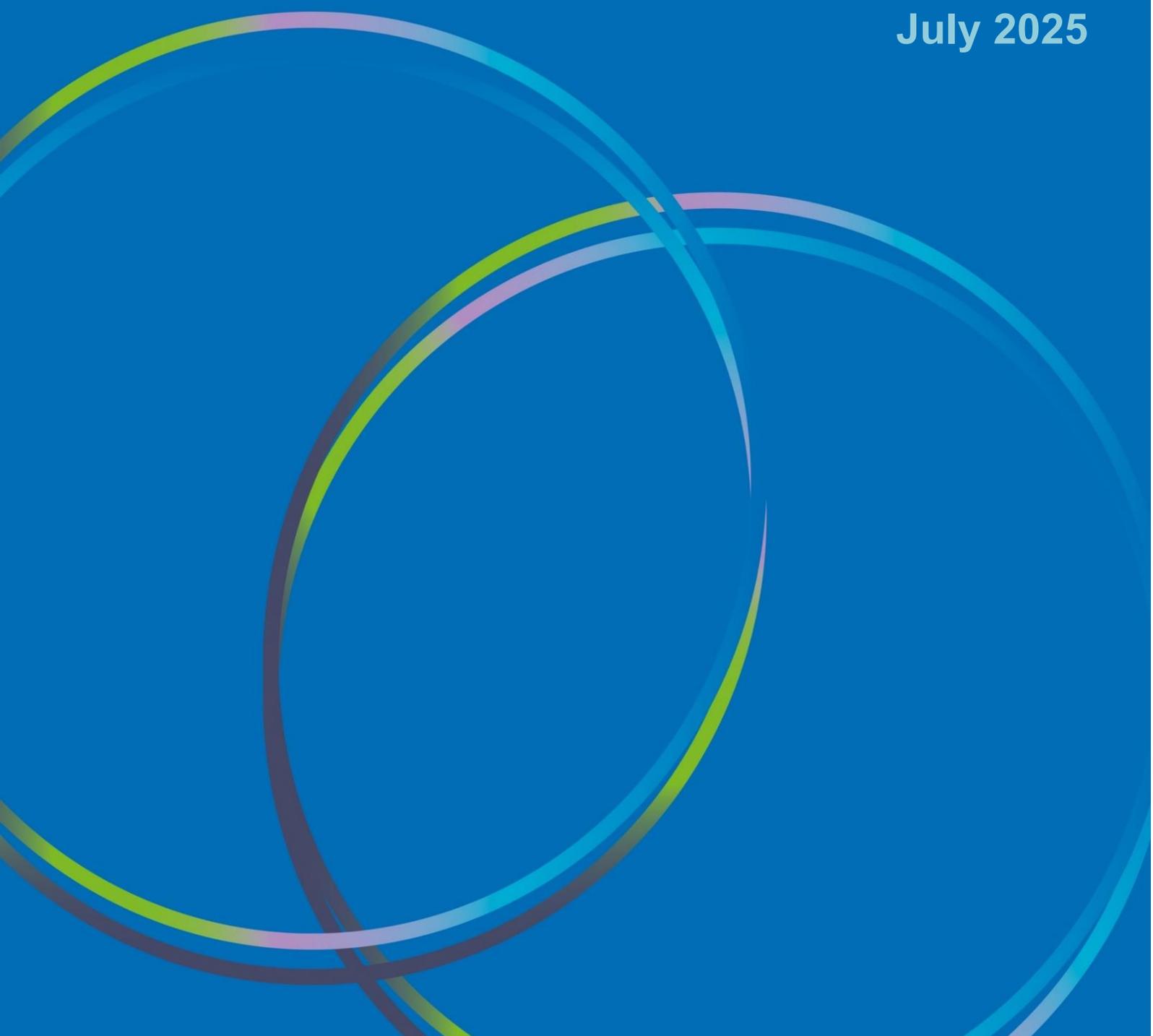


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1. INTRODUCTION

1.1 General

- 1.1.1 Oxford University Hospitals NHS Foundation Trust (the Trust) became a Public Benefit Corporation on 1 October 2015, following authorisation by the Independent Regulator of NHS Foundation Trusts pursuant to the National Health Service Act 2006.
- 1.1.2 These Standing Financial Instructions (SFIs) detail the financial responsibilities, policies and procedures to be adopted by the Trust. They are designed to ensure that the Trust's financial transactions are carried out in accordance with the law, with Government policy and with other good practice to achieve probity, accuracy, economy, efficiency and effectiveness.
- 1.1.3 The SFIs should be read in conjunction with the Scheme of Delegated Authorities, which:
- Summarise responsibilities delegated to individuals or governance functions through the SFIs
 - Assign financial values to delegations where these enable authorisation of spend or other activities resulting in financial impact on Trust business
- 1.1.4 They should also be used in conjunction with the Constitution, Board Reservation and Delegation of Powers and Standing Orders which have been adopted by the Trust, and relevant Independent Regulator and Department of Health and Social Care guidance - all as updated, replaced or superseded from time to time. They do not provide detailed procedural advice and should be read in conjunction with the detailed departmental and financial procedure notes. All financial procedure notes must be approved by the Chief Finance Officer.
- 1.1.5 Financial responsibilities set out in these SFIs apply to **everyone** working for the Trust, including temporary contractors, volunteers and staff employed by other organisations to deliver services in the name of the Trust.
- 1.1.6 Should any difficulties arise regarding the interpretation or application of any of the SFIs, the advice **must be sought before acting by contacting the financial governance function on FinancialGovernance@ouh.nhs.uk**.
- 1.1.7 A failure by an employee or officer of the Trust to comply with these SFIs, the Scheme of Delegated Authorities, the Constitution and the Standing Orders is a failure of their accountability to ensure a strong control environment in the Trust. **In the most serious cases this could be regarded as a disciplinary matter that may result in dismissal.**
- 1.1.8 If for any reason these SFIs are not complied with, full details of the non-compliance and any justification 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 Trust Board and all staff have a duty to disclose any non-compliance with these SFIs to the Chief Finance Officer or the Director of Finance as soon as possible. An exception reporting form is available via [MS Forms](#) – **self-reporting should not be used as a retrospective justification for non-compliance.**

1.2 Terminology

1.2.1 Any expression to which a meaning is given in Health Service Acts, or in the Financial Directions made under the Act, shall have the same meaning in these instructions; and:

- **Accounting Officer** – the officer responsible and accountable for funds entrusted to the Trust, in accordance with the NHS Foundation Trust Accounting Officer Memorandum. The National Health Service Act 2006 designates the Chief Executive as the Accounting Officer.
- **Board member** - the Chair or any Member of the Trust Board.
- **Budget** - a resource, expressed in financial terms, proposed by the Trust for the purpose of carrying out, for a specific period, any or all of the functions of the Trust.
- **Budget holder** - the director or employee with delegated authority to manage finances for a specific area of the organisation.
- **Chief Executive** - the Chief Executive Officer of the Trust, responsible for the overall performance of the executive functions of the Trust.
- **Chief Finance Officer** – Chief Finance Officer of the Trust, responsible for provision of financial advice and supervision of financial control and accounting systems.
- **Chief Officer (or Executive Director)** – an executive director of the Trust who is a voting member of the Trust Board in accordance with the Constitution.
- **Director of Finance** – the person responsible for operational management and delivery of the financial agenda.
- **Duty Director** – Chief Officer rostered as the on-call / out-of-hours Duty Director.
- **Independent Regulator** – regulatory organisation with responsibility for oversight of the performance of NHS Foundation Trusts.
- **Integrated Care Board** – Buckinghamshire, Oxfordshire and Berkshire West Integrated Care Board.
- **Legal Adviser** - the properly qualified person appointed by the Trust to provide legal advice.
- **Nominated officer** - an officer charged with the responsibility for discharging specific tasks within Standing Orders and Standing Financial Instructions.
- **The Trust or OUH** - Oxford University Hospitals NHS Foundation Trust.
- **Trust Board** - the Board of Directors as defined by the Constitution of Oxford University Hospitals NHS Foundation Trust.
- **Trust Chair** - 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. This shall be deemed to include the Vice-Chair of the Trust if the Chair is unavailable.

- **Virement** - transfer of budget from one budget line to another.

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

1.2.3 Wherever the term “employee” is used in these instructions, it shall be deemed to include employees of third parties contracted to the Trust when acting on behalf the Trust.

1.3 Responsibilities and Delegation

1.3.1 The **Trust Board** exercises financial supervision and control by:

- Considering and agreeing the financial strategy proposed by the Executive Directors;
- Considering and approving the Trust’s budgets within overall income allocation;
- Defining and approving essential features of the Trust’s financial governance framework and financial systems;
- Defining specific responsibilities placed on Trust Board members and employees as indicated in the Scheme of Delegated Authorities.

1.3.2 The **Trust Board** has resolved that certain powers and decisions may only be exercised by them in formal session. All other powers have been delegated. The details of this are set out in the Constitution, Board Reservation and Delegation of Powers, Standing Orders, Scheme of Delegated Authorities and these SFIs.

1.3.3 Within the SFIs, the **Chief Executive** is accountable to the Board for ensuring that the Trust meets its obligation to perform its functions within the available financial resources.

1.3.4 The **Chief Finance Officer** has the overall responsibility for implementing and maintaining effective financial management, performance and control systems and practices, and for ensuring sufficient records are maintained to show and explain the Trust’s financial position at any time.

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

1.3.6 It is a duty of the **Chief Officers** to ensure that employees, members of the Board and all new appointees are notified of and understand their responsibilities under these Instructions and the implications for failing to follow them.

1.3.7 All **Board members and employees**, severally and collectively, are responsible for:

- The security of the property of the Trust;
- Avoiding loss;

- Exercising economy and efficiency in the use of resources;
- Conforming to the requirements of the Independent Regulator, the conditions of the NHS Provider Licence, Standing Orders, SFIs and the Scheme of Delegated Authorities.

1.3.8 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 to ensure that such persons are made aware of this.

1.3.9 For **all members of the Board 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 and employees discharge their duties must be to the satisfaction of the Chief Finance Officer.

1.3.10 In the event of absence of the Nominated Officer, their deputy will temporarily be delegated the responsibilities and the relevant financial authorisation limits outlined within this document and the Scheme of Delegated Authorities. This temporary delegation will be to a period of up to 4 weeks. If, upon expiry, the nominated officer remains unavailable the delegated authority required will revert to the next level up.

1.4 Temporary Suspension of Procedures in Exceptional Circumstances

1.4.1 The Trust Board shall allow the SFIs or relevant elements of the Scheme of Delegated Authorities to be suspended temporarily by the Chief Executive or Chief Finance Officer in exceptional circumstances, where they meet the following criteria:

- A Trustwide problem, or an issue in one area that is of a scale or severity that means it is in effect a Trustwide problem; **and**
- Of sufficient scale or seriousness that failure to act quickly and decisively would:
 - (a) Put the Trust at significant financial and reputational risk, and / or
 - (b) Compromise the safety of patients, staff, members of the public or any other person, and / or
 - (c) Would hinder large scale emergency responses by other public services such as Police, Fire & Rescue, Ambulance, Local Authority, other healthcare bodies or other Government departments; **and**
- Unforeseen and / or rapidly developing; **and**
- Such that following normal procedures would hinder the recovery of the situation.

1.4.2 For the avoidance of doubt, this can be taken to give the Chief Executive or Chief Finance Officer authority to approve expenditure outside of budgets or business case approval in the circumstances described above.

1.4.3 The Chief Executive shall identify specific procedures to be followed in the instance of a recognised event of exceptional circumstance.

- 1.4.4 Any such use of the authority outlined in this section shall be communicated to the Trust Board at the earliest opportunity (outside a formal meeting if necessary) and should endure for the minimum period of time that is practical to allow the mitigation of the exceptional circumstances identified.
- 1.4.5 The Trust Board may revoke the authority to suspend the SFIs in specific cases or generally if it does not concur that the circumstances merit the suspension.

[RETURN TO CONTENTS](#)

2. AUDIT, FRAUD AND CORRUPTION

2.1 Audit Committee

- 2.1.1 The Board has established an Audit Committee with clearly defined [Terms of Reference](#), which will have primary responsibility for oversight of financial risk and associated controls, corporate governance and financial assurance.
- 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 and Chief Finance Officer and raise the matter at a full meeting of the Trust Board. Exceptionally, the matter may need to be referred to the Independent Regulator.

2.2 Chief Finance Officer

- 2.2.1 The Chief Finance Officer is responsible for:
- Ensuring there are arrangements to review, evaluate and report on the effectiveness of internal financial control, including an establishment or commissioning of an adequate and effective internal audit function which meets the NHS mandatory audit standards;
 - Ensuring that the Head of Internal Audit is sufficiently qualified and experienced to perform that role and to facilitate the effective discussion of the results of internal audit work with senior management;
 - Ensuring that an annual internal audit report is prepared (with interim progress reports) for the consideration of the Audit Committee, covering:
 - (a) A clear opinion on the effectiveness of internal control;
 - (b) Major internal controls weaknesses discovered;
 - (c) Progress on the implementation of the internal audit recommendations;
 - (d) Progress against plan over the previous year;
 - (e) A strategic internal audit plan covering the coming three years;
 - (f) A detailed internal audit plan for the coming year.
 - Ensuring there are arrangements in place to prevent and detect fraud;

- Deciding at what stage to involve the police in cases of fraud, misappropriation and other irregularities. Trust Counter Fraud & Bribery Policy must be referred to for detailed guidance on the appropriate course of action.

2.2.2 The Chief Finance Officer and/or designated internal and external auditors are entitled, without necessarily giving prior notice, to require and receive:

- Access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature;
- Access at all reasonable times to any land, premises or employee of the Trust;
- The production of any cash, stores or other property of the Trust under an employee's control; and
- Explanations concerning any matter under investigation.

2.3 Internal Audit

2.3.1 The Head of Internal Audit, appointed by the Chief Finance Officer, will have overall responsibility for the internal audit function.

2.3.2 Internal Audit shall provide an independent and objective opinion to the Chief Executive, the Audit Committee and the Trust Board on the degree to which risk management, control and governance support the achievement of the Trust's agreed objectives.

2.3.3 The Internal Audit service will review, appraise and report to management upon:

- The extent of compliance with, and the financial effect of, relevant established policies, plans and procedures;
- The adequacy and application of financial and other related management controls;
- The suitability of financial and other related management data;
- The extent to which the Trust's assets and interests are accounted for and safeguarded from loss of any kind, arising from:
 - (a) Fraud and other offences
 - (b) Waste, extravagance and inefficient administration
 - (c) Poor value for money or other causes
- Adequacy of follow-up actions to Internal Audit reports and, where appropriate, failure to take timely remedial action.

2.3.4 The Head of Internal Audit will agree an audit plan with the Chief Finance Officer, for agreement by the Chief Executive, and will present it to the Audit Committee for approval. The approval must be in writing and comply with the guidance on reporting contained in the Internal Audit Standards, the Department of Health and Social Care Group Accounting Manual and the NHS Foundation Trust Accounting Officer memorandum.

- 2.3.5 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 the Chief Executive of the Trust.
- 2.3.6 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.
- 2.3.7 A final internal audit report will be issued to the appropriate manager(s), Chief Officers and to the Chief Finance Officer. All final reports will be available to the Chief Executive and the Audit Committee members. The Audit Committee will also receive a report from the Head of Internal Audit at each of its meetings, summarising the final reports issued and the adequacy of the management response.
- 2.3.8 Managers in receipt of audit reports referred to them have a duty to take appropriate remedial action within agreed 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 Audit Committee.
- 2.3.9 The Head of Internal Audit shall co-ordinate internal audit plans and activities with line management, external audit, and other advisers to ensure most effective audit coverage is achieved and duplication of effort is minimised.

2.4 External Audit

- 2.4.1 The external auditor is appointed by the Council of Governors with advice from the Audit Committee and paid for by the Trust. The Audit Committee must ensure a cost-efficient service.
- 2.4.2 The external auditor is invited to attend the Audit Committee and has right of access to the Audit Committee Chair.
- 2.4.3 Consideration and approval of provision of non-audit services by the Trust's external audit provider will be undertaken in line with Trust's Use of External Auditors for Non-Audit Work Policy.

2.5 Fraud, Bribery and Corruption

Counter-fraud arrangements and prevention

- 2.5.1 In line with their responsibilities, as set out in the Secretary of State's Directions, the NHS Standard Contract and guidance provided by the NHS Counter Fraud Authority (NHSCFA), the Chief Executive and the Chief Finance Officer will ensure there is a robust system of internal control to minimise opportunities for fraud and corruption.
- 2.5.2 The Chief Finance Officer is the Chief Officer responsible for countering fraud, bribery and corruption in the Trust. This responsibility extends to ensuring that policies and procedures for all work related to fraud and bribery are implemented and the findings from investigations and proactive counter fraud work are acted upon accordingly.
- 2.5.3 The Trust shall nominate a professionally accredited Local Counter Fraud Specialist (LCFS) to conduct the full range of proactive and reactive counter-fraud, bribery and

corruption work on behalf of the Trust, as specified in the NHSCFA requirements and guidance.

- 2.5.4 The LCFS shall report to the Chief Finance Officer as the accountable Board member to support the Chief Executive as the Accounting Officer. The LCFS shall have right of access to the Audit Committee Chair when required.
- 2.5.5 The LCFS shall be responsible for producing counter fraud progress reports and presenting these to the Audit Committee. In addition, a counter fraud Annual Report and work plan will be produced at the end of each financial year.
- 2.5.6 The Audit Committee will receive the LCFS report and:
- Enable the LCFS to attend Audit Committee meetings;
 - Review the LCFS programme, considering the major findings of investigations and responding accordingly;
 - Ensure that policies/procedures for work related to fraud and corruption are implemented where appropriate.
- 2.5.7 The Trust will comply with counter-fraud, bribery and corruption reporting requirements, as prescribed by NHSCFA and the Independent Regulator. The Chief Finance Officer shall sign-off and authorise the submission of all relevant returns.
- 2.5.8 The Chief Finance Officer shall sign off the annual qualitative assessment (in years when this assessment is required) and submit it to the relevant authority.

Detection and resulting action

- 2.5.9 Staff are encouraged to raise concerns regarding suspected fraud and/or corruption through:
- The Trust’s LCFS;
 - The NHS National Fraud Hotline;
 - Internal Audit;
 - Chief Finance Officer;
 - The Freedom to Speak Up Guardian.
- 2.5.10 Where, as part of the LCFS workplan, risks or control gaps related to counter-fraud, bribery or corruption are identified, remedial work will be monitored by the Chief Finance Officer and outcomes fed back to the Audit Committee at regular intervals.
- 2.5.11 The Trust is committed to pursuing and / or supporting NHSCFA in pursuing the full range of available sanctions (criminal, civil and disciplinary) against those found to have committed fraud and / or bribery. Proven instances of fraud and corruption should be considered as gross misconduct.
- 2.5.12 The Trust seeks to recover, and / or support NHSCFA in seeking to recover NHS funds that have been lost or diverted through fraud and / or bribery.

- 2.5.13 If it is considered that evidence of offences exists and investigation and, possibly, prosecution is desirable, the LCFS will consult with the Chief Finance Officer to obtain the necessary authority and agree the appropriate route for pursuing any action e.g. referral to the police or NHSCFA. The LCFS will obtain approval as per the Scheme of Delegated Authorities prior to proceeding with any investigations arising from reactive counter fraud work.
- 2.5.14 Any abuse of the procedures, such as unfounded or malicious allegations, is itself subject to full investigation and appropriate disciplinary action.
- 2.5.15 It is expected that all Nominated Officers shall act with the utmost integrity, ensuring adherence to all relevant regulations and procedures. These will be documented in the Trust's Counter Fraud Policy. It is the responsibility of the Chief Finance Officer to make these available to the appropriate Chief Officers and Managers for dissemination to all staff. The Chief Finance Officer will be supported by the Trust's Fraud Champion.

2.6 Security Management

- 2.6.1 The Chief Executive has overall responsibility for safety and security of employees, patients and visitors of the Trust, as part of the Trust's role as an employer and healthcare provider. The Chief Executive also has overall responsibility for keeping the Trust's premises secure. However, the operational management of security risks within the Trust is delegated to the Chief Estates and Facilities Officer and to the appointed Local Security Management Specialists (LSMSs).

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3. ALLOCATIONS, PLANNING, BUDGETS, BUDGETARY CONTROL AND MONITORING AND INDEPENDENT REGULATION

3.1 Preparation and Approval of Annual Plans and Budgets

- 3.1.1 In accordance with the requirements of the Independent Regulator and/or the Integrated Care Board, the Chief Executive will ensure the compilation and submission to the Trust Board of an Annual Business Plan, which will encompass an annual Financial, Operational and Workforce Plan. This will take into account financial targets and forecast limits of available resources and contain:
- 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;
 - Such other contents as may be determined by the Independent Regulator.
- 3.1.2 The Trust will provide information as to its forward planning in respect of each financial year to the Independent Regulator. This information will be prepared by the Chief Officers, who must have regard to the view of the Council of Governors.

- 3.1.3 The Chief Finance Officer will submit to the Trust Board a paper outlining the annual budget-setting process for the year. This will include a baseline formed from a set of clearly defined assumptions.
- 3.1.4 As far as possible prior to the start of the financial year, the Chief Finance Officer will, on behalf of the Chief Executive and with support from the Director of Finance, prepare and submit budgets for approval by the Trust Board. Such budgets will:
- Be in accordance with the aims and objectives set out in the Annual Business Plan;
 - Be based on reasonable and realistic assumptions;
 - Triangulate with the demand, capacity and workforce plans;
 - Be produced following discussion with appropriate budget holders;
 - Be prepared within the limits of available funds;
 - Identify and assess potential financial risks.
 - Show how the plans will deliver against the financial targets and obligations set externally by the Department of Health and Social Care and relevant regulatory bodies at the time of setting budgets; and those set internally by the Trust.
- 3.1.5 Budget holders shall provide all financial, operational and other relevant information, including service, capacity, workforce and efficiency plans, as required by the Chief Finance Officer, to enable budgets to be compiled.
- 3.1.6 Each Division and Directorate will be enabled to submit a list of proposed Business Cases and cost pressures for consideration in budget setting. Only approved requests will be incorporated into delegated budgets.
- 3.1.7 The Chief Finance Officer will set a Cost Improvement Programme (CIP) savings target, delegated to each budget holder, and reduce the delegated expenditure budgets accordingly.
- 3.1.8 The Chief Finance Officer may set reserves to cover potential cost pressures and risks at the planning stage, which may then subsequently be delegated in-year.
- 3.1.9 All budget managers should sign up to their allocated budgets at the start of each financial year.

3.2 Budgetary Delegation

- 3.2.1 The Chief Executive may delegate the management of a budget to permit the performance of a defined range of activities. This delegation must be in writing and be accompanied by a clear definition of:
- The amount of the budget;
 - The purpose(s) of each budget heading;
 - Individual responsibilities;
 - Achievement of planned levels of service;

- The provision of regular reports;
 - Whole Time Equivalents (WTE) in respect of pay budgets.
- 3.2.2 Any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Chief Executive. A facility of virement is available, details of which are set out in the Scheme of Delegated Authorities.
- 3.2.3 The Chief Executive shall require Chief Officers and authorised budget managers to seek to deliver the financial outturn targets set by the Trust Board within the approved annual budget plan and the adjustments to those targets reflected in the re-forecasts performed during the year. The Chief Executive may change the financial outturn targets of any divisions, or services.
- 3.2.4 The Chief Executive and all delegated budget holders must not exceed the budgetary totals or virement limits set by the Trust Board. Variance in financial performance from permitted levels will be reported to the Integrated Assurance Committee and to the Trust Board as required.
- 3.2.5 Non-recurring budgets should **not** be used to finance recurring expenditure without the authority in writing of the Chief Executive, as advised by the Director of Finance or the Chief Finance Officer.

3.3 Budgetary Control and Reporting

- 3.3.1 All budget holders have a duty to monitor their allocated budgets and to manage them effectively. It is the duty of individual budget holders to seek further advice or training to assist in managing their allocated budgets, if required.
- 3.3.2 The Director of Finance shall monitor financial performance against budget and plan, periodically review them and report to the Trust Board. Detailed financial reporting will take place via the Integrated Assurance Committee.
- 3.3.3 The Director of Finance and the Chief Finance Officer will devise and maintain systems of budgetary control, which shall include:
- Regular financial reports to the Trust Management Executive, Trust Board and the Integrated Assurance Committee containing:
 - (a) Income and expenditure to date, showing trends and forecast year-end position;
 - (b) Movements in working capital;
 - (c) Movements in cash and capital;
 - (d) Financial performance against delegated budgets;
 - (e) Financial performance against contracts by exception;
 - (f) Summary cashflow;
 - (g) Capital spend and projected outturn against plan;
 - (h) Explanations of any material variances that explain any movement from the planned retained surplus/deficit at the end of the current month position;

- (i) Details of corrective action where necessary, and the Chief Executive's or Chief Finance Officer's view on whether such actions are sufficient;
 - (j) Key Performance Indicators;
 - (k) Financial risk and mitigating actions.
- Issue of timely, accurate and comprehensible advice and financial reports to each budget holder, covering the areas for which they are responsible;
 - Investigation and reporting of variances from financial, activity and manpower budgets;
 - Updating of the forecast income and allowable expenditure during the year, to reflect changes in contracted income, service capacity and delivery;
 - Monitoring of management action to correct variances; and
 - Arrangements for the authorisation of budget transfers.

3.3.4 The Director of Finance will keep the Chief Executive and the Trust Board informed of the financial consequences of changes in policy, pay awards, inflation and other events and trends affecting the financial position of the Trust.

3.3.5 The Chief Finance Officer and other Chief Officers are responsible for ensuring that the development of plans and strategies are consistent with achieving the Trust's financial plans and responsibilities, but the identification and implementation of savings programmes is a shared responsibility with all budget holders through the Trust's Scheme of Delegated Authorities.

3.4 Budget Holder Responsibility and Divisional Authority to Act

3.4.1 Each budget holder is responsible for ensuring that:

- They remain within their budget allocation;
- All expenditure within their budgets is lawful (in accordance with Managing Public Money) and is incurred in accordance with the No Purchase Order, No Payment protocol, unless subject to an exception defined in the Scheme of Delegated Authorities;
- All expenditure is incurred or committed in accordance with the SFIs and the Scheme of Delegated Authorities, including the appropriate levels of internal and external approval;
- All employees are appointed within the budgeted workforce establishment. Any planned expenditure beyond budgeted establishment will require prior approval in accordance with these SFIs and the Scheme of Delegated Authorities;
- They meet with their designated Divisional Head of Finance or other appropriate member of the Divisional Finance team regularly;
- Forecasting of expenditure against budget is robust and where a budget allocation is no longer fully needed or where there is a risk of overspending, this is reported to the Divisional Head of Finance;

- The amount provided in the approved budget is not used, in whole or in part, for any purpose other than that specifically authorised subject to the rules of virement;
- They identify and implement cost improvements and income generation initiatives in accordance with the requirements of the approved budget;
- Any proposal to increase revenue spending has an appropriate funding stream identified and that this has been in line with the Scheme of Delegated Authorities. This applies to all revenue developments, whether part of Annual Business Plan discussions or separate business case initiatives, however funded; and
- Where relevant, plans and proposals to recover adverse performance are in place.

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

3.4.3 All Trust Divisions have the Authority to Act based on the following principles:

- Divisions have full ownership, responsibility and accountability for their approved budgets, including delivery of the CIP;
- **Within allocated budgets**, Divisions can act without seeking financial approval for:
 - (a) Virement of budgets within their areas of control, as long as in line with the principles set out in section 3.5.
 - (b) Virement of budgets to other Divisions if jointly agreed, as long as in line with the principles set out in section 3.5.
 - (c) Authorise any aspect of spend in the delivery of the organisational objectives in line with the Scheme of Delegated Authorities
 - (d) Adjust and amend headcount, skill mix and grades;
 - (e) Amend budgets in delivery of the Cost Improvement Programme, subject to approved Quality and Equality Impact Assessments and any supplementary Trustwide guidance, **unless these areas have been subject to an establishment review approved by the Trust Board within the previous 12 months;**
 - (f) Commit capital spend:
 - Clinical or Corporate Divisions **do not** have authority to spend capital other than against schemes in Trust’s centrally approved and managed capital programme.
 - The only exception to this rule is small schemes under a value of £100,000, which may be eligible to be considered against the small schemes budget in the capital programme. To be considered, the budget

should be approved by the Division and submitted to the Chief Estates and Facilities Officer for their approval as the budget holder for the item.

- **Outside allocated budgets**, Divisions **do not** have the authority to act without seeking financial approval in line with the SFIs and the Scheme of Delegated Authorities, except in the case of an immediate and urgent safety/quality issue where they should seek the approval of the Duty Director.
- In these limited instances, budget holders can commit non-recurrent temporary resource whilst a long-term resolution is agreed; temporary spend should only be short term. If the permanent solution requires additional revenue spending without a corresponding income stream, then the Trust's business case process must be followed.
- In **all other circumstances**, any increase in revenue or capital spending outside of allocated budgets, including CIP, the Trust's business case process must be followed.

3.5 Budget Virements

3.5.1 The Chief Finance Officer may authorise budget virements in the following circumstances:

- To reflect an in-year business case approved through the relevant governance channel;
- To utilise reserves;
- To reflect where the distribution of income and expenditure has materially changed from the original plan, where this is net neutral for the Trust.

3.5.2 Budget transfer virement facility is available between budget holders / managers of different budgets. Virement can involve the following types of transfers:

- Transfers within the same category of non-pay budgets – allowable in line with the authorisation limits set out in the Scheme of Delegated Authorities;
- Transfers within the same category of pay budgets - allowable in line with the authorisation limits set out in the Scheme of Delegated Authorities;
- Transfers between pay and non-pay budgets – are **not** allowable, unless in exceptional circumstances and authorised by the Director of Finance.

3.5.3 In all cases, Divisional Head of Finance must be consulted. Virement changes must not undermine the overall integrity of the budgets.

3.6 Business Cases

3.6.1 Sections 3.4 and 3.5 of these SFIs provide a framework that sets out in-year Business As Usual changes allowable within the agreed annual budgeted envelope.

3.6.2 To obtain formal authorisation for new spend, or significant changes to existing spend, a business case may be required.

3.6.3 A business case **must** be produced in the following instances:

- For revenue spend (spending on day-to-day operations):
 - (a) To fund **new recurrent expenditure commitments that are unbudgeted and not included in the financial plan** – for example, establishment of a new service with cost attached or creation of new consultant posts;
 - (b) To fund **significant unbudgeted changes to existing services that would have an impact on integrity of existing budgets, as defined in the financial plan**, other than overspending on existing budgets - for example, changes in staffing models requiring recruitment above budget that cannot be funded from the existing financial envelope;
- For capital spend (spend on assets to be used for longer than one year), the Trust’s preferred route is through inclusion of a prioritised, defined set of schemes in its annual capital plan. However, business cases will be required to be produced:
 - (a) To fund **capital expenditure that is unbudgeted and / or not included in the annual capital plan as a distinctly identifiable constituent scheme or project** – for example, if approval is being sought for an IT scheme where the capital plan provides an approval for a spend envelope for Digital and IT, but this has not been broken down into constituent projects.
 - (b) For **centrally funded capital schemes, or schemes that are novel, contentious or repercussive** – as defined by the Independent Regulator.
- Specifically for income-generating opportunities that also attract a cost (~~for example, excluding~~ Research and Development contracts, which are subject to a separate governance process), a business case is required in **all instances** where the income is either:
 - (a) Non-recurrent; or
 - (b) Does not cover the associated costs, including overheads.

3.6.4 Chief Officers reserve the right to request that a business case be produced for any proposed new developments in instances not outlined above.

3.6.5 All business cases must be prepared in line with the Trust’s Investment Policy and business case guidance available on the [intranet](#).

3.6.6 The thresholds and authority for approval of business cases are set out in the Scheme of Delegated Authorities.

3.6.7 Budget virements for in-year business cases can only be allocated on an overall neutral basis, to ensure the budget remains balanced to the Annual Plan. Additional expenditure would require funding via additional income assumptions, release of reserves or additional savings above the required plan in another part of the budget.

3.7 Capital expenditure

3.7.1 The general rules applying to delegation and reporting shall also apply to capital expenditure.

3.7.2 Particular applications relating to capital are contained in Section 12.

3.8 Monitoring returns

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

3.8.2 Relevant monitoring returns must be signed off by the relevant Chief Officer responsible for the portfolio prior to submission.

3.8.3 The Chief Finance Officer should ensure that members of the Trust Board are aware of the NHS Provider Licence, Enforcement Notices and the Oversight Framework rating for the Trust, together with any recovery plans required.

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4. ANNUAL ACCOUNTS AND REPORTS

4.1 Annual Accounts

4.1.1 The Director of Finance, on behalf of the Trust, will keep accounts, and in respect of each financial year:

- Prepare financial returns in accordance with the accounting policies and guidance given by the Independent Regulator, the Department of Health and Social Care, HM Treasury, the Trust's accounting policies, and generally accepted accounting practice;
- Submit financial returns to the Independent Regulator or the Department of Health and Social Care for each financial year in accordance with the timetable prescribed by the Department of Health and Social Care;
- Ensure that, in preparing annual accounts, the Trust complies with any directions given by the Department of Health and Social Care and the Independent Regulator with the approval of the Treasury as to the methods and principles according to which the accounts are to be prepared, and the information to be given in the accounts.

4.1.2 In accordance with the Constitution, the Trust's annual accounts will be prepared by the Chief Finance Officer and must be audited by an auditor appointed by the Council of Governors and presented to a meeting of the Council of Governors (as defined in the Constitution).

4.1.3 The Trust's audited annual accounts must be presented to a public meeting and made available to the public.

4.2 Annual Report

4.2.1 The Chief Finance Officer is responsible for ensuring timely production of the Trust's annual report.

4.2.2 In accordance with the Constitution, guidelines on local accountability and NHS England's' NHS Foundation Trust Annual Reporting Manual, the Trust will present its

annual report to the Council of Governors and Annual Public Meeting and send it to the Independent Regulator after it has been laid before Parliament.

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5. BANK AND GOVERNMENT BANKING SERVICE (GBS) 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 issued from time to time by the Department of Health and Social Care.
- 5.1.2 All bank accounts used solely for the purposes of Trust activity must be in the name of the Trust and overseen by the Trust Finance function.
- 5.1.3 The Chief Finance Officer is responsible for negotiating the Trust's banking contracts, establishing any associated mandates and naming personnel to be signatories for banking transactions.
- 5.1.4 No employee may open or hold a bank account in the name and/or address of the Trust or of its constituent hospitals/departments. Any employee aware of the existence of such an account shall report the matter to the Director of Finance.
- 5.1.5 The Trust Board shall approve the banking arrangements on the recommendation of the Audit Committee.
- 5.1.6 The Audit Committee will approve recommendations regarding the opening of any bank account in the name of the Trust.

5.2 Bank and GBS Accounts

- 5.2.1 In line with public sector practice, the Trust's principal bankers are those commercial banks working in partnership with the GBS. However, these SFIs will apply to any other accounts opened in the name of the Trust or its subsidiaries from time to time.
- 5.2.2 The Chief Finance Officer is responsible for:
 - GBS bank accounts and any non-GBS bank accounts held for banking and merchant services;
 - Establishing separate bank accounts for the Trust's non-exchequer funds;
 - Ensuring payments made from bank or GBS accounts do not exceed the amount credited to the account, except where arrangements have been made;
 - Reporting to the Trust Board any arrangements made with the Trust's bankers for accounts to be overdrawn;
 - Monitoring compliance with the Independent Regulator, Department of Health and Social Care or any other relevant guidance on the level of cleared funds;

- Ensuring covenants attached to bank borrowings are adhered to;
- Reporting to the Trust Board of any external borrowing requirements;
- Ensuring that best value is obtained in securing loan finance and other sources of external funding.

5.3 Banking Procedures

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

- The conditions under which each bank account is to be operated;
- The limit to be applied at any overdraft; and
- Those authorised to sign orders drawn on the Trust’s accounts.

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.

5.4 Tendering and Review (applicable to any non-GBS accounts only).

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.

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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 will ensure that any restrictions on income imposed by the Independent Regulator will be complied with.

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

6.1.3 All such systems shall incorporate internal checks and separation of duties.

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

6.2 Fees and Charges

6.2.1 For its NHS activity, the Trust shall follow the financial regime as determined by the Independent Regulator and the Department of Health and Social Care where applicable. The Chief Finance Officer may agree alternative payment mechanisms with commissioners or the Integrated Care Board.

- 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 the Department of Health and Social Care or by Statute. Independent professional advice on matters of valuation may be taken as necessary.
- 6.2.3 The Commercial Director shall set the level of all fees and charges for private patients, overseas visitors, income generation and other patient-related services, including signature of agreements that give effect to pricing changes.
- 6.2.4 The Commercial Director shall have the delegated authority to negotiate renewals of, and changes to private patients' insurer contracts and international commercial contracts, provided there is no negative impact on the Trust financial position and there are no known relationship or reputational issues. In all other instances, these negotiations will be undertaken by the Chief Finance Officer.
- 6.2.5 For the Trust's private patients' function, advanced deposit must be obtained for all self-pay elective activity equivalent to the estimated cost of the treatment in advance of any treatment being provided.
- 6.2.6 All employees must inform the Director of Finance promptly of money due arising from other transactions which they initiate/deal with, including all contracts, leases, tenancy agreements, private patient undertakings and other transactions. Wherever possible, this should be by raising an invoice to the ledger or accruing income.
- 6.2.7 Employees must obtain the approval to income generation schemes prior to implementation in line with CIP procedures.

6.3 Debt Recovery

6.3.1 The Director of Finance is responsible for the appropriate recovery action on all outstanding debts, ~~including agreeing payment plans~~. Income not received, following robust credit control activity, should be dealt with in accordance with the losses' procedures, including use of external debt recovery agents.

~~6.3.16.3.2~~ Separate provisions on agreement of payment plans apply to the Private Patients, Overseas and International function. These are set out in the Scheme of Delegated Authorities.

~~6.3.26.3.3~~ Overpayments should be detected (or preferably prevented) whenever possible. Recovery should be initiated immediately once an overpayment has been detected. Income and salary overpayments not received, after all attempts at recovery have failed, should be written off in accordance the approval limits set out in the Scheme of Delegated Authorities.

6.4 Security of Cash, Cheques and Other Negotiable Instruments

- 6.4.1 The Director of Finance is responsible for designing and implementing processes to ensure security of cash, cheques and other negotiable instruments by:
- Approving the form of all receipt books, agreement forms, or other means of officially acknowledging or recording monies received or receivable;
 - Ordering and securely controlling any such stationery;

- 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;
 - Prescribing systems and procedures for handling cash and negotiable securities on behalf of the Trust.
- 6.4.2 All cheques, postal orders, cash and other monetary items, shall be banked promptly and intact. Disbursements shall not be made from cash received, except under arrangements approved in advance by the Director of Finance.
- 6.4.3 Official money shall not be used for the encashment of private cheques.
- 6.4.4 Trust accounts should not be used for ad hoc temporary banking of employee funds or other monies unrelated to Trust business and income, except patients' monies held in trust.
- 6.4.5 The holders of safe keys shall not accept unofficial funds for depositing in their safes unless such deposits are in special sealed envelopes or locked containers. It shall be made clear to the depositors that the Trust is not to be held liable for any loss, and written indemnities must be obtained from the organisation or individuals absolving the Trust from responsibility for any loss.
- 6.4.6 All payments made on behalf of the Trust to third parties should normally be made using the Bankers Automated Clearing System (BACS) and drawn in accordance with these instructions, except with the agreement of the Chief Finance Officer, as appropriate, who shall be satisfied about security arrangements.
- 6.4.7 Where appropriate, arrangements shall be made for the use of secure electronic payment methods to support e-commercial activities. This may include the use of procurement cards and credit cards.
- 6.4.8 The Money Laundering Regulations 2007 require that the Trust does not, under any circumstances, accept exchequer cash payments in excess of £10,000 in respect of any single transaction or several transactions which appear to be linked. Any attempts by an individual to effect payment above this amount should be notified immediately to the Director of Finance. Furthermore, any patient or service user depositing in excess of £500 for safekeeping with the Trust will be notified to the Chief Finance Officer or the Director of Finance their capacity as Corporate Appointee and Bailee.

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7. TENDERING AND CONTRACTING PROCEDURES

7.1 Overarching Approach to Tendering and Contracting

- 7.1.1 The Trust may enter into contracts within the statutory powers delegated to it. A contractual arrangement must be in place for all goods and services procured by the Trust. The nature of the contract or agreement will depend on the goods, services or works being provided.

- 7.1.2 The contract, tendering and procedure rules will be approved by the Chief Finance Officer. The relevant authorisation and approval limits for contracts and procurement can be found in the Scheme of Delegated Authorities.
- 7.1.3 For each contract, a Trust Officer shall be nominated and hence responsible for overseeing and managing the contract on behalf of the Trust.
- 7.1.4 All employees and officers of the Trust must follow procurement processes, follow advice from the Procurement function and must always obtain the best value for money for the Trust. Failure to follow procurement rules is a breach of these SFIs which, in certain cases, may result in disciplinary action.

7.2 Legislation and Guidance Regarding Public Procurement

- 7.2.1 The Trust shall comply with all UK procurement legislation and any retained European Union procurement law and directives in all its procurements, including any advertising and award requirements.
- 7.2.2 The Trust shall also comply, as far as it is practicable, with all procurement guidance and advice issued by the Independent Regulator and the Department of Health and Social Care.
- 7.2.3 Procurement Act 2023 and Procurement Contract Regulations 2015 (until superseded) prescribe procedures for awarding all forms of contracts and shall have effect as if incorporated in these SFIs. In the event of any conflict between these SFIs and such Regulations, the Regulations shall prevail.

7.3 Guiding Principles of Competitive Tendering and Quotations

- 7.3.1 The Chief Finance Officer shall advise the Trust Board regarding the setting of thresholds above which quotations or formal tenders **must** be obtained. Once approved, the thresholds shall be incorporated into the Scheme of Delegated Authorities and reviewed regularly.
- 7.3.2 The Chief Finance Officer shall ensure that the Trust gets appropriate assurance over compliance of its procurement processes with relevant guidance and regulation by:
- Mandating the Procurement function to assess whether suppliers invited to tender, or provide a quote, are suitable for the work being procured, after taking advice as required.
 - Mandating the Procurement function to provide assurance that tender processes and rules are in accordance with up-to-date and relevant specialist guidance, which is recognised or recommended by the Department of Health and Social Care.
- 7.3.3 The Trust Board shall ensure that, **wherever possible, competitive tenders or quotations are invited**, in line with the thresholds set out in the Scheme of Delegated Authorities, for:
- The supply of goods, materials and manufactured articles;
 - Services, including management consultancy services from non-NHS organisations;

- Design, construction and maintenance of building and engineering works, including construction and maintenance of grounds and gardens;
- Disposals.

7.3.4 The Trust Board shall allow for **exceptions** to the requirement for formal tendering or quotation procedures, where:

- The estimated contract value is not reasonably expected to exceed the tendering thresholds set out in the Trust's Scheme of Delegated Authorities;
- The supply is proposed under special arrangements negotiated by the Department of Health and Social Care, in which event the special arrangements must be complied with;
- The supply is a compliant direct award call-off against a Framework agreement , or other appropriate legal mechanism which has been established following a formal tendering process carried out by the Procurement function;
- The requirement is in relation to the purchase of memberships, licenses, permits, and permissions required by the Trust to carry out its normal business.

7.3.5 The Trust Board shall allow for the **requirement** for formal tendering procedures **to be waived** where:

- The Chief Executive decides that formal tendering procedures would not be practicable;
- The contract concerns the production of a prototype, or supply of other novel goods and services for the purposes of testing or viability research;
- The contract concerns goods purchased on a commodity market;
- Available timescales genuinely mean that competitive tendering is not a realistic option. **Failure to plan the work properly should not be regarded as a justification for waiving tendering procedures;**
- Specialist expertise, goods and services are required and are genuinely available from only one source - evidence of the unique status will be required to support any exemption;
- For additional or repeat goods, services or works where there is a clear benefit to be gained from maintaining continuity with an earlier supply - in such cases, the benefits of such continuity must outweigh any potential advantage to be gained from competitive tendering;
- Where the Trust is able to ensure advantageous terms due to the fact that the supplier is undergoing insolvency proceedings;
- In very limited circumstances to protect human life or protect public order or safety, and only where a Minister of the Crown may by regulations provide that specified public contracts may be awarded as if a direct award justification applies.

- 7.3.6 External legal advice shall not be commissioned, competitively or non-competitively, without compliance with the relevant Trust policy.**
- 7.3.7 Where competitive tendering or a competitive quotation is not required, the Trust shall use in preference and where possible the NHS Supply Chain or any other procurement public sector body whose agreements are legally constructed to permit the Trust's participation, unless the Director of Procurement and Supply Chain or nominated officers deem it inappropriate. The decision to use alternative sources must be documented.

Specific Guidance Regarding Single Tender Waivers

- 7.3.8 The Director of Procurement and Supply Chain shall ensure that waivers to competitive tendering procedures are not used to avoid competition, for administrative convenience, or to award further work to a supplier originally appointed through a competitive procedure beyond compliant tolerances.
- 7.3.9 Approval of any exemptions in 7.3.4 and 7.3.5 must be carried out in line with the Scheme of Delegated Authorities provisions for Single Tender Waivers (STWs).
- 7.3.10 Items estimated to be below the limits set out in the Scheme of Delegated Authorities for which formal tendering procedures are not used, and which subsequently breach such limits, shall be reported to the Director of Procurement and Supply Chain via a retrospective STW and approved via the process in the Scheme of Delegated Authorities.
- 7.3.11 All staff seeking a STW should make every effort to obtain approval in advance and may be called to the Audit Committee or any other relevant committee or forum to provide justification where this is deemed not to be possible.
- 7.3.12 Instances where STW process was exercised, including retrospectively, will be recorded and reported by the Chief Finance Officer to the Audit Committee.
- 7.3.13 **Property** leases, irrespective of whether the Trust is a lessor or a lessee, are not subject to Procurement regulation and do not require a Single Tender Waiver to be completed in order for the lease to be granted. Additional guidance can be sought from the Procurement function prior to proceeding.
- 7.3.14 Where both the supplier and the buyer are NHS entities, Teckal procurement exemption may apply and no STW will be required. **Advice on application of the Teckal exemption must always be sought from the Trust Procurement function prior to proceeding.**

7.4 Quotations: Competitive and Non-Competitive

- 7.4.1 The Trust Board shall approve the value range whereby formal tendering procedures are not adopted, but quotations will be required. These will be set out in the Scheme of Delegated Authorities.
- 7.4.2 Procurement processes requiring quotations can be handled entirely by the Procurement function in liaison with the respective department. **No quotations must be negotiated without first obtaining advice from the Procurement function.**
- 7.4.3 The following principles shall apply to the quotations process:

- The number of quotations to be obtained is set out in the Scheme of Delegated Authorities;
- All quotations should be in writing;
- All quotations should be treated as confidential and should be retained for inspection;
- The Director of Procurement and Supply Chain is responsible for ensuring that a process is in place to ensure that declarations of interest forms have been received for all individuals involved in evaluating the quotations prior to any contract award.

7.4.4 The Director of Procurement and Supply Chain or their nominated officers, and the respective Division, should evaluate the competitive quotation and select the quote which gives the best value for money.

- If the quotation selected is not the lowest quotation if payment is to be made by the Trust, or the highest if payment is to be received by the Trust, then the choice made, and the reasons why, should be recorded in a permanent record electronically;
- No quotation shall be accepted which will commit expenditure in excess of that which has been allocated by the Trust without prior approval by the Chief Finance Officer;
- If over the course of the contract, the actual expenditure exceeds the quotation limit, as specified in the Scheme of Delegated Authorities, Chief Finance Officer approval must be sought to formally approve the allocation of work without use of competitive tendering procedures.

7.5 Competitive Tendering: Provisions for All Contracts

Invitation to Tender

- 7.5.1** All invitations to tender shall be in electronic format, via the electronic e-tendering tool.
- 7.5.2** All invitations to tender shall state the date and time as being the latest time for the receipt of tenders.
- 7.5.3** The identity of firms being invited to tender shall not be revealed to other tenderers for that work (any exception to this as part of an eProcurement arrangement will need to follow procedural requirements set out in the Procurement policy and require endorsement by the Director of Procurement and Supply Chain).
- 7.5.4** Every tender must have given, or give a written undertaking, not to engage in collusive tendering or other restrictive practice.
- 7.5.5** Any Trust employee who is part of a supplier selection panel must update their conflicts of interest declaration prior to participation in the selection process.

Retention of Tender Documentation

- 7.5.6 The returned tender responses, the specification and evaluation notes and minutes must be retained electronically via the e-tendering tool for audit purposes for the financial year in which the tender exercise falls, plus seven financial years.
- 7.5.7 Internal and External Audit will periodically review all aspects of procurement, including the choice of companies invited to tender and the operation of these procedures.
- 7.5.8 The process may also be challenged by unsuccessful bidders. It is therefore vital that complete documentation demonstrating the decision-making process is produced and retained.

Admissibility of Tenders

- 7.5.9 If all tenders received exceed the approved estimate, the procuring officer, taking into account the advice of the appropriate senior manager and the Chief Finance Officer, shall determine how best to proceed.
- 7.5.10 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), the Director of Procurement and Supply Chain shall determine how best to proceed. The ultimate decision shall be recorded, together with any reasons.
- 7.5.11 Tenders received after the due time and date, but prior to the opening of the other tenders, may be regarded as having arrived in due time only if the Director of Procurement and Supply Chain decides that the tender was dispatched in good time but delayed through no fault of the tenderer.
- 7.5.12 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 process of evaluation and adjudication has not started. The reason for admitting a tender under such circumstances must be formally minuted and retained with the tender documentation.
- 7.5.13 As part of procurement process, the Trust may receive:
- Qualified tenders – i.e. where a contractor proposes conditions which differ from those laid down by the Trust Board;
 - Incomplete tenders – i.e. those from which information necessary for evaluation of the tender is missing;
 - Amended tenders – i.e. those amended by the tenderers either verbally or in writing after the receipt deadline; and
 - Tenders open in error prior to the closing date.
- 7.5.14 These tenders shall be considered by the Chief Executive, with advice from the Chief Finance Officer, who shall decide whether they are admissible and minute decisions taken.

7.5.15 While decisions as to the admissibility of late, qualified, incomplete or amended tenders or tenders opened in error are under consideration, the tender documents shall be kept strictly confidential.

Evaluation and Acceptance of Formal Tenders

7.5.16 Prior to the release of the tender document, selection and award criteria must be clearly defined and articulated to the tenderers.

7.5.17 The successful tender will be awarded on the Most Economically Advantageous Tender criteria as defined by best practice in procurement. The criteria may include (but not be limited to):

- Quality;
- Technical properties;
- Experience;
- Functional qualities;
- After sales service;
- Delivery;
- Price;
- Social Value.

7.5.18 Any discussions with a tenderer which are deemed necessary to clarify technical aspects of his tender before the award of a contract will not disqualify the tender.

7.5.19 All tenders should be treated as confidential and should be retained for inspection.

7.5.20 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.

7.5.21 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 SFIs except with the authorisation of the Chief Finance Officer.

7.5.22 Tenders for contracts shall only be awarded after they have been ratified by the appropriate authority, as set out in the Standing Orders and the Scheme of Delegated Authorities, and following confirmation from the Director of Procurement and Supply Chain that correct procedures have been adhered to.

7.5.23 Where only one tender is sought and/or received, the Director of Procurement and Supply Chain shall, as far as is practicable, ensure that the price to be paid is fair and reasonable and will ensure value for money for the Trust.

Contracting Terms and Conditions

7.5.24 In respect of tenders for goods, services or disposals, NHS Standard Contract Conditions will be referenced as applicable.

- 7.5.25 In respect of tenders for building or engineering works, the following terms and conditions shall apply:
- 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; **or**
 - the General Conditions of Contract recommended by the Institution of Mechanical and Electrical Engineers and the Association of Consulting Engineers (Form A); **or**
 - General Conditions of Contract recommended by the Institute of Civil Engineers, the Association of Consulting Engineers and the Federation of Civil Engineering Contractors.

7.5.26 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 Competitive Tendering: Specific Provisions for Property, Building and Engineering Contracts

7.6.1 Unless explicitly permitted by Standing Orders, competitive quotations/tenders will be sought for all building and engineering contracts according to the financial limits specified in the Scheme of Delegated Authorities.

7.6.2 Business case or alternative approval for a series of capital works and inclusion of those in the Trust Capital plan does not waive the requirement for obtaining the necessary approval for, and ratification of individual contracts in line with these SFIs and the Scheme of Delegated Authorities.

7.6.3 Tender lists for building and engineering works will be compiled by the Chief Estates and Facilities Officer, or their nominated Deputy, from the Trust's approved list of Contractors.

7.6.4 Before obtaining tenders for the execution of any work the Chief Estates and Facilities Officer will arrange for a pre-tender estimate to be prepared. This should include works, VAT, fees, equipment and any other costs.

7.6.5 Where there is a wide discrepancy (>10%) between the pre-tender estimate and the final total scheme cost, involving an increase in expenditure, this is to be reported by the Chief Estates and Facilities Officer to the Chief Finance Officer for further instructions.

7.6.6 A tender report will be completed by the relevant project team member. It will include the scheme name, pre-tender estimate, names of contractors invited, date of invitation and date and time of return. This will be approved and signed in accordance with the Scheme of Delegated Authorities.

7.6.7 All contract documentation must be finalised promptly (ideally prior to the commencement of the contract) after the award of contract, this should include presenting it to the Company Secretary to meet the requirement for signing and sealing where required.

7.7 Ratification of Tenders and Competitive Quotations

7.7.1 The Trust Board may only enter into contracts on behalf of the Trust within the statutory powers delegated to it by the Secretary of State when they:

- Are compliant with the Trust’s Standing Orders and SFIs;
- Are compliant with all relevant government and NHS guidance, directions and statutory provisions;
- Consistent with the terms and conditions of contract based on which the tenders or quotations were invited;
- Sufficiently evidence value for money obtained for the Trust.

7.7.2 Formal ratification and awarding of a contract, including contract signing, shall be in line with the Trust’s Standing Orders and Scheme of Delegated Authorities. A tender ratification report should be submitted to for approval or to seek authorisation.

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

7.7.4 The following provisions will apply to specific deeds that normally require the use of seal:

- **Collateral warranties requiring signature as part of construction projects** – where an industry-standard form is used and Legal review of terms has been undertaken, Chief Estates and Facilities Officer approval must be sought prior to signature and sealing of the document. Appropriate Legal advice should be sought prior to proceeding. This will only apply in instances where Trust Board approval is not explicitly required for any other reason.
- **Notices of Assignment, Change of Ownership and other third-party agreements entered into as part of long-term contracts (e.g. PFI)** – subject to legal review of terms, approval of signing and sealing of these will be delegated by the Trust Board to the Trust Management Executive. Trust Management Executive will reserve the right to escalate to the Trust Board for review and approval.

7.8 Extensions to Contract

7.8.1 In **all** cases where optional extensions to contract are outlined at the time of tendering, approval will be required as if it were a new contract.

7.8.2 Variations to all contracts shall be authorised in line with the Scheme of Delegated Authorities. These variations shall not be authorised if doing so would result in exceeding the values within the project approved business case.

7.8.3 Where a variation does result in the capital project approved business case financial value being exceeded, then further approval shall be required from the appropriate authorising body. These values are subject to the tolerances contained in the Scheme of Delegated Authorities.

7.8.4 Where building and engineering contracts are being varied to include new pieces of work outside the scope of the original business case, then a new business case will be required to be approved prior to this variation being issued.

7.9 Non-Disclosure Agreements

7.9.1 Non-disclosure agreements (also referred to as NDAs or confidentiality agreements) may be entered into by the Trust when it is developing a new product, service or process with someone else. The agreement will restrict the way in which any confidential information shared by the Trust and the other party can be used and ensure that this information and the fact that the parties are working together are kept confidential. These agreements are entered into at the outset of the process and will not generally have a financial value associated with them.

7.9.2 Legal advice should be sought when the Trust is asked to enter into a non-disclosure agreement or the agreement entered into should follow the format of the template nondisclosure agreement used by the Trust. Non-disclosure agreements must be authorised and signed by any Chief Officer and the Commercial Director.

7.9.3 The ~~Commercial Director~~ Director of Legal Services shall maintain a register of all Trust NDAs.

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8. CONTRACTS FOR THE PROVISION OF SERVICES

8.1 Commissioner-Related Services

8.1.1 Supported by the Chief Finance Officer, the Trust Board shall regularly review and shall maintain and ensure the capacity of the Trust to provide the Commissioner Requested Services referred to in the Trust's NHS Provider Licence and other Terms of Authorisation and related schedules.

8.1.2 The Chief Executive, as the Accountable Officer, is responsible for ensuring the Trust enters into suitable contracts and considering the extent to which mandatory NHS Standard Contract Conditions are applicable. In discharging this responsibility, the Chief Executive should consider:

- The relevant national service framework (if any);
- The provision of reliable information on cost and volume of services;
- That contracts build, where appropriate, on existing investment plans.

8.1.3 The Chief Executive is responsible for negotiating contracts for the provision of services to patients in accordance with the Annual / Operational Plan, and for establishing the arrangements for providing extra-contractual services. Chief Finance Officer advice should be sought regarding:

- Costing and pricing of services;
- Payment terms and conditions; and

- Amendments to contracts and extra-contractual arrangements.
- 8.1.4 Contracts should be so devised as to minimise risk whilst maximising the Trust’s opportunity to generate income. Contract prices should comply with the relevant Independent Regulator’s guidance, as in force at the time of the contract negotiations.
- 8.1.5 The Chief Executive and the Chief Finance Officer have the authority to sign contracts for commissioner-related services, as long as these are in line with the Annual Plan and in line with national Terms and Conditions for provision of services. All other contracts require authorisation in line with the Scheme of Delegated Authorities.
- 8.1.6 The Chief Finance Officer is responsible for ensuring that systems and processes are in place to record patient activity, raise invoices and collect monies due under the agreements for the provision of healthcare services.
- 8.1.7 The Director of Finance shall produce regular reports detailing actual and forecast contract income with a detailed assessment of the impact of the variable elements of income.
- 8.1.8 Any costing relating to the involvement of the Trust in a tender process or bid for additional external income must be reviewed by the Director of Finance.
- 8.1.9 In exceptional circumstances, for example where the Trust is seeking to retain existing business and / or to win new business, the Trust may decide that it is appropriate for it to enter into a loss-making contract (after accounting for overheads). The decision to enter into any such contract (and as to the terms of such a contract) shall be taken jointly on behalf of the Trust by the Chief Executive and the Chief Finance Officer.
- 8.1.10 Their decision must also be approved by Board.
- 8.1.11 Budget holders with responsibilities for managing delivery against service agreements must ensure they understand and use the contract monitoring information for the financial management of their service areas.
- 8.2 Partnerships and Joint Risk Management**
 - 8.2.1 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 to ensure that the Trust works with all partner agencies involved in both the delivery and the commissioning of the service required.
 - 8.2.2 Where partner agencies/bodies are involved, the contract should 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. Such contracts should be signed by all parties, meet best practice and be annually reviewed.
- 8.3 Research and Development**
 - 8.3.1 All applications for research funding shall be considered and approved by the Research and Development function. This applies to applications to NHS institutions such as grant requests to the National Institute for Health Research, and non-NHS organisations, including commercial sponsorship organisations, charitable bodies and research councils.

8.4 Sponsorship and Concession Agreements

- 8.4.1 The Chief Finance Officer shall maintain a register of sponsorship received by the Trust.
- 8.4.2 Sponsorship arrangements may be entered into subject to the limits set out in the Scheme of Delegated Authorities. Where sponsorship income (including items in kind such as clinical goods or loans of equipment) is considered, the most recent NHS guidance on managing conflicts of interest and sponsorship should be followed.
- 8.4.3 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 function and Communications function.
- 8.4.4 Directorates seeking sponsorship must carry out appropriate due diligence into the proposed arrangement; advice on how to undertake this process is available from the Head of Corporate Governance.
- 8.4.5 The Chief Finance Officer, advised by the Chief Estates and Facilities Officer or another individual with appropriate expertise within the Estates & Facilities function, shall review and proposed plans for all concession agreements proposed for the Trust, including arrangements that do not incur an immediate direct cost for the Trust, but can expose it indirectly to significant liability. The Chief Finance Officer shall authorise all concession agreements entered into by the Trust.

8.5 Non-Commissioner Related Contracts

- 8.5.1 Where the Trust enters into a relationship with a non-NHS body or another NHS organisation for the supply or receipt of other services, either clinical or non-clinical, or collaborative arrangements and non-financial contracts, the responsible contracting officer should ensure that an appropriate Service Level Agreement (SLA) is in place and has been signed by both parties. SLAs must be signed off as follows:
- For corporate SLAs, the Lead Chief Officer (or nominated deputy) in consultation with the Director of Finance;
 - For operational clinical SLAs subcontracting NHS activity, the Director of Commissioning and Contracts in consultation with the Director of Finance;
 - For operational clinical SLAs for out/insourcing, the relevant Divisional Director of Operations in consultation with the Director of Finance.
- 8.5.2 Such contracts should incorporate:
- A description of the service and indicative activity levels;
 - The term of the agreement including termination arrangements;
 - The value of the agreement;
 - The operational lead;
 - Performance and dispute resolution procedures; and
 - Risk management and clinical governance arrangements.

8.5.3 Non-commissioner contracts should be reviewed and agreed on an annual basis or as determined by the term of the agreement, so as to ensure value for money and to minimise the potential loss of income. Such contracts must follow the Business Case Process and should be clear as to significant service changes as a result of such contracts.

8.6 Credit notes

8.6.1 In some instances, the Trust may need to issue credit notes related to its healthcare contracts (either NHS or private healthcare), or to its non-healthcare income. Where this is the case, this should be done in line with the limits set out in the Scheme of Delegated Authorities.

8.7 Tendering Where OUH is a Competing Body

8.7.1 Where OUH participate in a tendering exercise (whether in competition with others or not) for a health-related service, approval must be sought according to the Scheme of Delegated Authorities. This includes bidding for external sources of capital or revenue funding.

8.7.2 No tender must be submitted without sign-off from the relevant authority. For absolute clarity, no Trust employee should sign a tender or contract unless they have authority, and the total contract value is within the stated financial limits as per the Scheme of Delegated Authorities. All tender decisions will be reported to the Trust Management Executive for noting.

8.8 Reports to the Trust Board and its Committees on Contracts

8.8.1 The Chief Executive will ensure that regular reports are provided to the Trust Board or its appropriate committee on contracts detailing actual and forecast income and liability from the contracts.

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9. TERMS OF SERVICE AND PAYMENT OF DIRECTORS AND EMPLOYEES

9.1 Remuneration and Terms of Service

9.1.1 In accordance with Standing Orders, the Trust Board has established a Remuneration and Appointments Committee, with clearly defined [Terms of Reference](#), specifying its delegated authority from the Trust Board, which posts fall within its area of responsibility, its composition, and the arrangements for reporting.

9.1.2 The Committee shall report in writing to the Trust Board the basis for its recommendations. The Trust Board shall use the report as the basis for its decisions, but remain accountable for taking decisions on the remuneration and terms of service of Chief Officers. Minutes of the Trust Board's meetings should record such decisions.

9.1.3 The Trust Board will approve proposals for setting of remuneration and conditions of service for those employees not covered by the Committee.

9.1.4 The Trust Board will pay allowances to the Chair and Non-Executive Directors of the Trust Board in accordance with instructions issued by the Council of Governors and the Constitution.

9.2 Funded Establishment

9.2.1 The funded establishment will be agreed by the Board as part of the annual plan and should be reflected in an aligned establishment in the Electronic Staff Record (ESR) and the Finance general ledger.

9.2.2 The funded establishment of any Department may not be varied without approval of the Chief Executive, unless in accordance with an establishment control procedure approved by the Trust Board.

9.2.3 All contracts of employment including recruitment, promotions and terminations will be transacted in the ledger and via ESR to maintain alignment between the two systems.

9.3 Contracts of Employment and Staff Appointments, Terminations and Changes

Contracts of Employment

9.3.1 The Chief People Officer has responsibility for designing and maintaining a robust control environment over contracts of employment for all staff:

- Ensuring that all employees are issued with a Contract of Employment in a form approved by the Trust Board, and which complies with employment and Health and Safety legislation;
- Dealing with variations to, or termination of, contracts of employment and establishing the required policies, rules and procedures to support this.

9.3.2 The Trust Board, or, where delegated, its Committees, will approve procedures presented by the Chief People Officer for the determination of commencing pay rates, condition of service, and other for employees. All employees will follow the processes established by the Chief People Officer.

9.3.3 No member of the Trust Board or employee may engage, re-engage, or re-grade employees, either on a permanent or temporary nature, or hire agency staff, or agree to changes in any aspect of remuneration:

- Unless authorised to do so by the Chief People Officer; and/or
- Within the limit of their approved budget and funded establishment, as defined in the Scheme of Delegated Authorities – subject to any approval that may be required by the Vacancy Control Panel, if applicable.

9.3.4 Changes to, and / or the creation of, local terms and conditions require approval by the Vacancy Control Panel. Where necessary for major changes, it may be appropriate for this to be authorised by either the Remuneration and Appointments Committee or Trust Board.

Agency, Self-Employed or Third-Party Workers

9.3.5 The Trust's primary mechanism of engagement is for workers to be placed on payroll either through permanent employment, or fixed term contracts. Where exceptional

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

- The contract may only be entered into by a budget holder having sufficient resources within the limit of their budget or other individuals authorised for that purpose by the Chief Executive or their delegated officer; and
- The Chief Finance Officer or a nominated deputy shall be consulted and must give authorisation if the contractor is not on framework/the current list of authorised suppliers; and
- Engagement of agencies should also be in line with prevailing Independent Regulator requirements and rules.

9.3.6 The Chief People Officer shall oversee the process of agreeing the framework for engagement of agency staff within the Trust and such a framework must:

- Ensure compliance with the latest Independent Regulator’s agency rules;
- Be documented and communicated throughout the Trust;
- Include an escalation process should the potential rates being negotiated exceed the Trust’s agreed parameters (including ‘break glass’); and
- Set out how Divisional teams will oversee the operationalisation and exception reporting of this process.

9.3.7 Where there is not sufficient resource within the approved budget, permission must be sought prior to an increase in temporary staffing levels through the appropriate Chief Officer/Duty Director.

9.3.8 Any off-payroll engagements must be compliant with IR35 legislation and approved by the Director of Finance prior to contract signature.

Changes to Bank / Internal Locum Rates

9.3.9 The Chief People Officer will oversee the process of agreeing bank/locum rates of payment within the Trust for all staff and in doing so shall ensure that:

- This process is documented and communicated throughout the Trust;
- Any proposals (short-term or long-term) to operate outside of this process will require Finance involvement with the approval limits in the Scheme of Delegated Authorities;
- When there are other fees involved in addition to the hourly rate (e.g. engagement fees), these need to be approved by the respective budget holder prior to appointment. The budget holder must ensure that budget has been clearly identified to cover the cost of the fees prior to appointment;
- Processes are in place for Divisional teams to oversee the operationalisation and exception reporting of this process.

9.4 Processing Payroll

9.4.1 The Chief People Officer, on behalf of the Trust Board and through the payroll contractor, is responsible for:

- The final determination of pay, including the verification that the rate of pay and relevant conditions of service are in accordance with national and/or local agreements, the proper compilation of the payroll and for payments made;
- Determining the dates on which the payment of salaries and wages are to be made, having regard to the general rule that it is undesirable to make payments in advance.

9.4.2 The Chief People Officer shall maintain procedural instructions for delivery of the Trust's payroll function. These procedures shall be compliant with employment legislation, the Data Protection Act and HM Revenues and Customs regulations.

9.4.3 The Chief People Officer shall ensure that the arrangements for providing the payroll service are 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.

9.4.4 Nominated officers have delegated responsibility for ensuring accuracy of records determining the final payroll by:

- Ensuring employment processes are correctly undertaken through TRAC including processing a signed copy of the contract or appointment form and other such documentation as may be required immediately upon an employee commencing duty;
- Completing and submitting time records and other notifications in accordance with the Chief People Officer's instructions and in the form prescribed by the Chief People Officer;
- 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 Divisional HR Partner must be informed immediately.

9.4.5 Managers and employees are jointly responsible and accountable for ensuring claims for pay and expenses are timely, correct and any under or over payments are highlighted as soon as discovered. The process and procedures related to pay related claims and under / overpayments is contained in the relevant Trust HR policies.

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10. NON-PAY EXPENDITURE

10.1 Delegation of Authority

10.1.1 The Trust Board will approve the level of non-pay expenditure on an annual basis and the Chief Finance Officer will determine the level of delegation to budget managers prior to the start of the financial year to which the budget relates.

10.2 Requisitioning and Ordering Goods and Services

10.2.1 The Chief Finance Officer is responsible for:

- Setting out relevant processes to ensure the Trust is compliant with all applicable laws in relation to choice, requisitioning, ordering and receipt for goods and services;
- Agreeing the list of managers who are authorised to place requisitions for the supply of goods and services, via an approval hierarchy, and review these at regular intervals;
- Establishing maximum level of each requisition and the system for authorisation above that level;
- Prompt payment of accounts and claims in accordance with the Better Payments Practice Code and Government’s Prompt Payment Code. Payment of contract invoices shall be in accordance with contract terms, or otherwise, in accordance with national guidance.

10.2.2 The Trust e-procurement system must be used for all orders.

10.2.3 The e-procurement system will issue orders in consecutive numerical order.

10.2.4 Only those members of staff or agents of the Trust approved by their line manager may requisition or authorise Trust orders and at all times they must comply with the procedures and value levels set out in the Scheme of Delegated Authorities.

10.2.5 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. The advice of the Trust Procurement team shall be sought when required. Where this advice is not acceptable to the requisitioner, the Chief Finance Officer shall be consulted.

10.2.6 Once the item to be supplied (or service to be performed) has been identified, the requisitioner shall raise a requisition. Requisitions must be approved before orders for goods and services can be placed.

10.2.7 Requisitions should not be split in such a way to circumvent any standing financial instruction or the spending limits as defined by the Scheme of Delegated Authorities, and must only be raised subject to any Non-Pay Panel approval that may be required, if applicable.

- The Trust operates a “No Purchase Order No Pay” policy. All orders require a Purchase Order prior to being placed. The list of exemptions is set out in the Scheme of Delegated Authorities.

10.3 Receipt and Payment for Goods and Services

10.3.1 The Director of Finance shall be responsible for designing and maintaining a system of verification, recording and payment of all amounts payable. The system shall provide for:

- A list of employees (including their allocated OUH email accounts) authorised to certify invoices and any relevant authorisation limit.
- Certification that:
 - (a) goods have been duly received, examined and are in accordance with specification and the prices are correct;
 - (b) 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;
 - (c) 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;
 - (d) where appropriate, the expenditure is in accordance with regulations and all necessary authorisations have been obtained.
- The account is arithmetically correct and the account is in order for payment;
- Instructions to employees regarding the handling and payment of accounts within the Finance function;
- Assurance that payment for goods and services is only made once the goods and services are received (except as below);
- Assurance that value added tax (VAT) is correctly accounted for.

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

- All contracts (other than for those explicitly permitted within the Scheme of Delegated Authorities or delegated budget), tenancy agreements and other commitments which may result in a liability are notified to the Director of Finance in advance of any commitment being made;
- The following contracts are submitted to the Finance function for review prior to seeking approval as they are likely to fall under revised accounting standard IFRS16:
 - (a) Equipment leases;
 - (b) Property leases (including those with peppercorn rents);
 - (c) Other contracts which include the supply of equipment which include separate charges for that equipment (embedded leases);

(d) Other contracts which include the supply of equipment which do not include separate charges for that equipment;

(e) Other property guarantees.

- No requisition/order is placed for any item or items for which there is no budget provision unless authorised by the relevant approver as per the Scheme of Delegated Authorities;
- Changes to the list of Directors and Employees authorised to certify invoices are in accordance with the scheme approved by the Board.

10.3.3 In certain circumstances, where regular transactions are made for items such as travel, course and accommodation bookings and one-off purchases, a Trust purchasing card can be an alternative means of procurement.

10.3.4 Director of Procurement and Supply Chain will develop and implement relevant processes and procedures for use of purchasing cards across the Trust. All purchase card holders are required to follow the Trust purchasing card procedure and will be required to sign a declaration agreeing to the terms of the procedure.

10.4 Disposals

10.4.1 Unless stated otherwise in Government directives, competitive tendering or quotation procedures shall **not** apply to the disposal of:

- Any matter in respect of which a fair price can be obtained only by negotiation or sale by auction as determined (or pre-determined in a reserve) by the Chief Executive or their nominated officer;
- Obsolete or condemned articles and stores, which may be disposed of in accordance with the supplies policy of the Trust;
- Items to be disposed of with an estimated sale value of less than £1,000;
- Items arising from works of construction, demolition or site clearance, which should be dealt with in accordance with the relevant contract;
- Land or buildings concerning which guidance has been issued by the Independent Regulator and subject to compliance with such guidance.

10.4.2 Authorisation limits for disposals are set out in the Scheme of Delegated Authorities.

10.5 Prepayments

10.5.1 With the exception of fully comprehensive maintenance contracts, prepayments are only permitted where exceptional circumstances apply. In such instances:

- Prepayments are only permitted where the contractual benefits outweigh any financial disadvantages;
- The nominated officer must provide, in the form of a written report, a case setting out all relevant circumstances of the purchase. The report must set out the effects on the Trust if the supplier is at any point during the course of the

prepayment agreement unable to meet their commitments. The report must be submitted to the Audit Committee for approval;

- The Chief Finance Officer will need to be satisfied with the proposed arrangements before contractual arrangements proceed;
- The budget holder is responsible for ensuring that all items due under a prepayment contract are received and must immediately inform the appropriate Divisional Director or Chief Officer if problems are encountered.

10.5.2 Where a prepayment has been agreed, the following will also apply:

- A timetable and system for submission to the Director of Finance of accounts for payment will be produced;
- A provision shall be made for the early submission of accounts subject to cash discounts or otherwise requiring early payment;

10.6 Payments to Contractors by Instalments

10.6.1 The Chief Finance Officer shall identify adequate procedures to address interim payments made on-account in contracts for building and engineering works. These will include arrangements for receipt of independent and appropriate certificates and confirmations of work completed, to the required standards.

10.6.2 Final payments shall only be made after the Trust's nominated contract manager has certified the accuracy and completeness of the value of the final account submitted by the contractor; and has confirmed that the procedure set out in the contract terms has been followed properly.

10.6.3 Where new material variations are needed in an emergency, approval should be sought from a relevant authorising officer (which in most cases will be the Chief Finance Officer); and shall be confirmed and authorised, using the relevant contract procedure, on the next working day or otherwise as soon as possible.

10.6.4 Extensions to contracts which exceed the maximum term of the contract shall be confirmed in writing and authorised in accordance with the Scheme of Delegated Authorities. Contract Extensions should not exceed the maximum term permitted under the terms of the contract defined when the contract was let.

10.7 Leases

10.7.1 The following provisions shall apply to leases held by the Trust:

- For **new** leases – the Trust shall follow the approval limits set out in the Scheme of Delegated Authorities, depending on whether the lease is within approved financial plans or whether it requires a business case;
- For lease **renewals** with **no** financial impact or **positive** financial impact – out of scope of the SFIs as no Finance approval is required;
- For lease **renewals** with **negative** financial impact – approval for the difference between previous lease charge and new lease charge shall be obtained in line with the requisitioning limit set out in the Scheme of Delegated Authorities.

- For lease **terminations** with financial impact – approval for the value of termination payment shall be obtained in line with the requisitioning limit set out in the Scheme of Delegated Authorities.

10.7.2 For **new leases or structural changes to existing leases**, the Trust Operational Finance team (the Finance Manager (Technical), Head of Operational Finance or the Senior Finance Manager for Investment and Decision Support must be consulted to ensure potential CDEL impact is considered and captured.

10.7.3 The Trust is not permitted to occupy space without a suitable **property** lease being put in place or, where no rent payment is involved, without an agreement in a format to be specified by the Estates and Facilities function, being put in place.

10.7.4 Where the Trust is considering acquiring **equipment**, a business case is required to determine whether acquisition or leasing route provides best value for money.

10.7.5 The Investment Committee shall manage and review the use of leases.

10.8 Duties of Managers and Officers

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

- All contracts, leases, tenancy agreements and other commitments which may result in a liability are notified to the Director of Finance in advance of any commitment being made;
- Contracts are advertised where required by the SFI Section 7;
- Where consultancy advice is being obtained, the procurement of such advice must be in accordance with guidance issued by the Department of Health and Social Care and the Independent Regulator;
- No order shall be issued for any item to any firm which has made an offer of gifts, reward or benefit to directors or employees, other than those permitted under the Trust's Standards of Business Conduct, and the principles outlined in the national guidance;
- No requisition / order is placed for any item or items for which there is no budget provision, unless authorised in advance by the Director of Finance or Chief Finance Officer;
- 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;
- Purchases from petty cash are restricted in value and by type of purchase in accordance with instructions issued by the Director of Finance;
- Petty cash records are maintained in a form as determined by the Director of Finance;
- Goods are not taken on trial or loan in circumstances that could commit the Trust to a future uncompetitive purchase;

- In exceptional circumstances, verbal orders can be issued by an employee designated by the Chief Executive and only in cases of emergency or urgent necessity. These must be confirmed by an official order and clearly marked "Confirmation Order";
- Changes to the list of employees and officers authorised to certify invoices are notified to the Finance function in accordance with procedural guidance provided by the Finance function.

10.8.2 The Chief Estates and Facilities Officer and 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 the current regulations issued by Department of Health and Social Care and NHS Property and Estates.

10.8.3 Under no circumstances should goods or services be ordered through the Trust for personal or private use (other than approved leased vehicles or similar schemes).

10.8.4 The Chief Finance Officer shall ensure that systems and processes are in place to identify and discharge all relevant tax liabilities.

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11. EXTERNAL BORROWING AND INVESTMENTS

11.1 External Borrowing

11.1.1 The Chief Finance Officer will advise the Trust Board, or where delegated to its Committee(s), concerning the Trust's ability to pay dividends on, and repay Public Dividend Capital (PDC) and any proposed new borrowing, within the limits set by the Independent Regulator in the Trust's NHS Provider Licence. The Chief Finance Officer is also responsible for reporting periodically to the Trust Board concerning the PDC debt and all loans and overdrafts.

11.1.2 The Trust Board, or where delegated to its Committee(s), will agree the list of employees who are authorised to make short term borrowings on behalf of the Trust. This must contain the Chief Executive and the Chief Finance Officer.

11.1.3 The Director of Finance must prepare detailed procedural instructions concerning applications for loans and overdrafts.

11.1.4 All short-term borrowings should be kept to the minimum period of time possible, consistent with the overall cash flow position, represent good value for money, and comply with the latest guidance from the Independent Regulator.

11.1.5 Any short-term or long-term borrowing must be with the authority of two members of an authorised panel, one of which must be the Chief Executive or the Chief Finance Officer and the other a second Chief Officer. The Trust Board, or where delegated its Committee(s), must be made aware of all short term borrowings at the next meeting.

11.2 External Cash Support Provider Revenue Support

- 11.2.1 At times throughout the year, the Trust may choose to access cash via the Provider Revenue Support mechanism, as set out by the Independent Regulator.
- 11.2.2 Any requests for Provider Revenue Support will require approval by the Chief Finance Officer, Chief Executive and the Chair of the Trust, prior to submission to the Independent Regulator for consideration.

11.3 Investments

- 11.3.1 The Trust may invest money for the purposes of its strategic objectives and operational functions.
- 11.3.2 Investments may also be made in forming and / or acquiring an interest in corporate bodies, where authorised by the Trust Board.
- 11.3.3 The Chief Finance Officer is responsible for advising the Trust Board on investments and shall report periodically to the Trust Board concerning the performance of investments held and providing assurance that the Trust acts in accordance with the latest Best Practice Guidance in Making Investments for NHS Foundation Trusts or other guidance issued by the Independent Regulator.
- 11.3.4 The Director of Finance will prepare detailed procedural instructions on the operation of investment accounts and on the records to be maintained.
- 11.3.5 Temporary cash surpluses must be held only in such public or private sector investments as notified by the Independent Regulator and / or the Secretary of State and authorised by the Trust Board.

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

12.1 Capital Investment

- 12.1.1 The Chief Estates and Facilities Officer shall set a Trustwide framework for managing capital investment, which should:
- Ensure that there is an adequate appraisal and approval process is in place for determining capital expenditure priorities and the effect of each proposal upon business plans;
 - Set out responsibilities for the management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost;
 - Ensure that the capital investment is not undertaken without confirmation of purchaser(s) support and the availability of resources to finance all revenue consequences, including capital charges;

- Ensure that there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon the Trust’s Operational Plan and the Capital Investment Plan;
- For capital schemes where the contracts stipulate stage payments, set out procedures for their management, incorporating any recommendations within the current regulations issued by Department of Health and Social Care and NHS Property and Estates;
- Set out procedures governing the financial management, including variations to contract, of capital investment projects and valuation for accounting purposes, taking into account all relevant available guidance.

12.1.2 The Director of Finance shall facilitate implementation of the framework set by the Chief Estates and Facilities Officer by:

- Issuing procedures for the regular reporting of expenditure and commitment against authorised expenditure;
- Assessing on an annual basis the requirement for the operation of the construction industry tax deduction scheme in accordance with Inland Revenue guidance.

12.1.3 The approval of a capital programme shall not constitute approval for expenditure on any scheme. The Scheme of Delegated Authorities sets out provisions for:

- Specific authority to commit expenditure;
- Authority to proceed to tender;
- Ratification of a successful tender.

12.2 Approval of Capital Business Cases

12.2.1 Approval of capital business cases will follow the approval limits outlined in the Trust Investment Policy and the Scheme of Delegated Authorities, available on the intranet.

12.2.2 The Trust Investment Committee and the Business Planning Group will set out and periodically review and update the format and minimum required content of business cases.

12.2.3 All expenditure should be within the capital program budget as agreed by Trust Board on an annual basis.

12.2.4 Delegated capital limits refer to overall contract values, regardless of the form of funding (e.g. lease, capital up-front, bullet payment or managed service contract).

12.2.5 The delivery of capital schemes within approved budgets will be the responsibility of a named officer within the business case. Where total costs are reasonably foreseeable to exceed the approved budget by more than £250k or more than 10%, whichever is greater, then further approval from the authorising body will be required. In exceptional circumstances, where this threshold is reached and it is not possible to obtain the necessary approval in a timely manner, the Chair of the authorising body will be

informed and may exercise Chair's action to approve the additional expenditure with subsequent reporting to the authorising body at its next meeting.

12.2.6 In situations where the additional expenditure increases the cost of the scheme beyond the approval limit of the original authoriser, further approval shall be required from the authorising body with which the approval limit for the revised total scheme cost resides.

12.2.7 Leases may need to be accounted for as Capital expenditure. Provisions for leases are set out in section 10.7.

12.2.8 The Oxford University Hospitals Charity, or other charities, may choose to donate assets to the Trust. The governance outlined in Section 19 (Charitable Funds Held on Trust) shall apply. Any financial consequences on the Trust must be approved by the appropriate body as outlined in the Standing Orders.

12.3 Private Finance Initiative (PFI)

12.3.1 In accordance with the Independent Regulator guidance, Foundation Trusts are no longer permitted to consider PFI as a means of capital procurement.

12.4 Instructions Specific to the Trust's Existing PFI Arrangements

12.4.1 The Trust Board shall approve and authorise the schedule of payments payable by the Trust to the PFI ProjectCos, as documented in the relevant Project Agreements.

12.4.2 The Schedule of Service Payments shall be fixed for the duration of the Project Term, save in respect of:

- Inflationary adjustments
- Procurement of additional works, e.g. Small Works
- Variations in accordance with Schedule 22 of the relevant Project Agreement

12.4.3 Inflationary adjustments shall be calculated annually and presented to the Trust Board for approval. Arrangements for the procurement of additional works and variations shall be dealt with in accordance with the procedures for variations in capital contracts.

12.4.4 During the operational term of the Project Agreement, the Chief Finance Officer shall be responsible for monitoring performance and implementation of the Project Agreement by the Project Co and the Trust. In accordance with the monthly reporting arrangements, the Chief Finance Officer will be responsible for ensuring the invoices issued by the Project Co are analysed to ensure compliance with the terms of the Project Agreement. This will include verifying records of:

- Performance failures;
- Unavailability events;
- Service failure points; and
- Associated deductions against Trust records.

12.4.5 The Chief Finance Officer shall authorise payment of invoices submitted by the Project Co, provided that:

- They are satisfied that the appropriate level of Deductions have been applied;
- The invoice complies with the requirements of Schedule 18;
- The Trust does not dispute all or any part of the invoice.

12.4.6 The Chief Finance Officer, or in their absence, the Chief Executive shall approve any decision to withhold, or delay payment of undisputed invoices.

12.4.7 The Head of Financial Services shall process payments of invoices submitted by the Project Co in accordance with Schedule 18, subject to the approval of the Chief Finance Officer.

12.4.8 The Chief Finance Officer shall oversee procedures for determining variations to the Project Agreement. Any such variations shall be subject to authorisation in accordance with the limits set out in the Scheme of Delegated Authorities.

12.5 Asset Registers

12.5.1 The Chief Executive 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 annually.

12.5.2 The Chief Estates and Facilities Officer is responsible for the maintenance of a publicly available property register recording property used in the delivery of Commissioner Requested Services, in accordance with the guidance issued by the Independent Regulator.

12.5.3 The Trust shall maintain an up-to-date asset register recording fixed assets. The minimum data set to be held within these registers shall be as specified in the guidance issued by the Department of Health and Social Care and the Independent Regulator.

12.5.4 Additions to the fixed asset register must be clearly identified to an appropriate budget holder and be validated by reference to:

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

12.5.5 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).

12.5.6 The Director of Finance shall approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.

12.5.7 The value of land and buildings may be indexed to current values in accordance with indices agreed with the Trust's Valuer. Where the indexation rate is such that this would

result in a material change to the value of assets, a full revaluation exercise must be undertaken by the Trust's Valuer. The values of each asset shall be depreciated using methods specified in the Foundation Trust Annual Reporting Manual.

12.5.8 The Director of Finance shall calculate and pay any PDC Dividend as specified in the Foundation Trust Annual Reporting Manual.

12.5.9 The Director of Finance is responsible for reviewing the Depreciation Policies and ensuring that they meet the needs of the Trust. Any proposed amendments must be discussed with the External Auditors and agreed by the Audit Committee.

12.6 Security of Assets

12.6.1 The overall control of fixed assets is the responsibility of the Chief Executive, advised by:

- The Chief Estates and Facilities Officer for land and buildings;
- The Chief Operating Officer for medical equipment;
- The Chief Digital and Information Officer for digital assets; and
- The Chief Finance Officer for all accounting aspects of asset management.

12.6.2 Asset control procedures (including non-current 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:

- Recording managerial responsibility for each asset;
- Identification of additions and disposals;
- Identification of all repairs and maintenance expenses;
- Physical security of assets;
- Periodic verification of the existence of, condition of, and title to, assets recorded;
- Identification and reporting of all costs associated with the retention of an asset;
- Reporting, recording and safekeeping of cash, cheques, and negotiable instruments.

12.6.3 All discrepancies revealed by verification of physical assets to the fixed asset register shall be notified in the first instance to the Director of Finance.

12.6.4 Whilst each employee and officer has a responsibility for the security of property of the Trust, it is the responsibility of Trust 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 Trust Board. Any breach of agreed security practices must be reported in accordance with agreed procedures.

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

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

12.6.7 Records shall also be maintained and receipts obtained for:

- Equipment on loan to patients;
- All contents of furnished lettings.

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13. INVENTORY AND RECEIPT OF GOODS

13.1 General Position

13.1.1 Stores, defined in terms of controlled stores and departmental stores (for immediate use) should be:

- Kept to a minimum, whilst maintaining safe stock levels;
- Subjected to annual stock take at the minimum, with more frequent cycle stock count for some inventory;
- Valued at the lower of cost and net realisable value;
- Issued according to the First In, First Out (FIFO) accounting method.

13.2 Control of Inventory, Stocktaking, Condemnations and Disposal

13.2.1 Subject to the responsibility of the Chief Finance Officer for the systems of control, overall responsibility for the control of inventory shall be delegated to Director of Procurement and Supply Chain by the Chief Executive. They will set out procedures and systems to regulate inventory (defined as controlled and accountable) including:

- Records for receipt of goods, issues, and returns to stores;
- Use of inventory management software or manual stock controls;
- Supplier and Vendor communications for replacements or returns;
- Processes for reporting shortages, damages or incorrect shipments;
- Storage guidelines to ensure appropriate handling, shelving and storage conditions;
- Stocktaking arrangements, including:
 - (a) The review of slow moving and obsolete items; and
 - (b) Condemnation, disposal, and replacement of all unserviceable articles.

13.2.2 The day-to-day responsibility may be delegated to Supply Chain Operatives, departmental employees and stores managers/keepers, subject to such delegation being appropriately documented and agreed with the Chief Finance Officer.

- 13.2.3 The control of Pharmaceutical stocks shall be the responsibility of the Clinical Director of Pharmacy and Sterile Services, the control of fuel, oil and other energy stocks - the Chief Estates and Facilities Officer.
- 13.2.4 The responsibility for security arrangements and the custody of keys for all stores and locations shall be clearly defined in writing by the designated manager. Wherever practicable, stocks should be marked as Trust property.
- 13.2.5 Stocktaking arrangements shall be agreed with the Director of Finance, and there shall be a physical check covering all items in store at least once a year.
- 13.2.6 Where a complete system of inventory control is not justified, alternative arrangements shall require the approval of the Chief Finance Officer.
- 13.2.7 The designated manager/Pharmaceutical Officer shall be responsible for implementing and monitoring a system approved by the Director of Finance for a review of slow moving and obsolete items and for condemnation, disposal, and replacement of all unserviceable articles.
- 13.2.8 The designated officer shall report to the Director of Finance any evidence of significant overstocking and of any negligence or malpractice. Procedures for the disposal of obsolete stock shall follow the procedures set out for disposal of all surplus and obsolete goods.

13.3 Goods Supplied by NHS Supply Chain

- 13.3.1 For goods supplied via the NHS Supply Chain central warehouses, the Chief Finance Officer shall identify those authorised to requisition and accept goods from the store. The authorised person shall check receipt against the items requested and shall notify NHS Supply Chain of any discrepancies in a manner consistent with the timescales specified by NHS Supply Chain for raising of any queries or discrepancies.

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14. DISPOSALS, CONDEMNATIONS, LOSSES AND SPECIAL PAYMENTS

14.1 Disposals and Condemnations

- 14.1.1 The Chief Finance Officer must prepare detailed procedures for the disposal of assets, including condemnations, scrap materials and items surplus to requirements, and ensure that these are notified to managers.
- 14.1.2 When it is decided to dispose of a Trust asset, the appropriate Head of Department or authorised deputy will:
- Establish whether it is needed elsewhere in the Trust;
 - If not, notify the Finance function to determine the asset's current valuation. Advice will be given as to the disposal procedure and obtaining the estimated

market value of the item. The highest possible disposal value will be realised, taking into account potential risks and reputational impacts.

14.1.3 The Trust may not dispose of any property used in the delivery of commissioner requested services. Property must first be deemed surplus to requirements with the approval of the Trust Board and the Foundation Trust's Commissioners and in line with the guidance issued by the Independent Regulator.

14.1.4 All unserviceable articles shall be:

- Condemned or otherwise disposed of by an employee authorised for that purpose by the Chief Finance Officer;
- 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 a second employee authorised for the purpose by the Director of Finance;
- Reports will be made to the Director of Finance to remove the asset from the Asset Register.

14.1.5 The condemning officer shall need to be satisfied as to whether there is evidence of negligence in use and shall report any such evidence to the Director of Finance who will take the appropriate action.

14.2 Losses and Special Payments

14.2.1 The Director of Finance must prepare procedural instructions on the recording of and accounting for losses, and special payments, with regard to HM Treasury's Managing Public Money, and NHS specific guidance and directions.

14.2.2 Any employee discovering or suspecting a loss of any kind must immediately act according to the Trust's Counter Fraud & Bribery Policy.

14.2.3 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 Local Counter Fraud Specialist.

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

- The Trust Board; and
- The External Auditor.

14.2.5 In the case of a significant loss the Chief Finance Officer shall arrange for Internal Audit to investigate the circumstances surrounding the loss and ensure that procedures are enhanced to mitigate the risk of a re-occurrence.

14.2.6 Within limits established by the Trust in its Scheme of Delegated Authorities and delegated to it by the Independent Regulator, the Trust Board shall approve the writing-off of losses.

14.2.7 The Chief Executive should consult the Treasury on any losses or special payments, irrespective of any delegated authorities passed to the Trust or the amount of money concerned if they:

- Involve important questions of principle;
- Raise doubts about the effectiveness of existing systems;
- Contain lessons which might be of wider interest;
- Are novel and contentious;
- Might create a precedent for other departments in similar circumstances; or
- Arise because of obscure or ambiguous instructions issued centrally.

in line with HM Treasury’s manual ‘Managing Public Money’.

14.2.8 The Chief People Officer shall approve all special payments made to staff where legal advice has been taken, and a compensation payment is deemed appropriate.

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

14.2.10 For any loss, the Chief Finance Officer should consider whether any insurance claim can be made.

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

14.2.12 No special payments exceeding delegated limits shall be made without the prior approval of HM Treasury and the Independent Regulator.

14.2.13 All losses and special payments incurred will be reported to the Audit Committee as detailed in that Committee’s workplan.

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15. INTELLECTUAL PROPERTY

15.1.1 Intellectual Property can be defined as products of innovation and intellectual or creative activity and can include inventions, industrial processes, software, data, written work, designs and images. IP can be given legal recognition of ownership through intellectual property rights (IPR) such as patents, copyright, design rights, trademarks or “know how.”

15.1.2 Examples of IP that may be developed in the NHS include: training manuals, clinical guidelines, books and journal articles, PowerPoint presentations, inventions, new or improved designs, devices, equipment, new uses for existing drugs, diagnostics tests, and new treatments.

15.1.3 Ownership of IP will, in most cases, rest with the Trust, in accordance with the Patent Act 1977, and the Copyright, Designs and Patent Act 1988. This applies to all IP produced by Trust employees in the course of their employment, specifically when undertaken on

Trust premises, using Trust equipment and in contact with Trust patients. IP developed by an employee outside the course of their employment, not utilising Trust assets or Trust patients will usually belong to the employee, subject to agreement.

15.1.4 IP ownership can vary according to the circumstances under which the IP was generated. Such circumstances include:

- Joint / honorary appointments / trainees;
- Externally funded work;
- Commissioned work; and
- Collaborative projects.

15.1.5 If the ownership of IP is disputed, dated written records relating to the IP in question will be assessed to establish the inventor(s), and their proportionate contribution. If such material is not available, the Chief Executive will make a final decision, taking professional advice if necessary.

15.1.6 Officers having official dealings with contractors or other suppliers of goods or services should avoid transacting any kind of private business with them by means other than normal commercial channels. No favour or preference as regards price or otherwise which is not generally available should be sought or accepted.

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16. INFORMATION TECHNOLOGY

16.1 Computer Systems and Data

16.1.1 The Chief Digital and Information Officer, who is responsible for maintaining overall accuracy and security of the computerised data of the Trust, shall:

- Devise and implement any necessary procedures to ensure adequate protection of the Trust's data, programs and computer hardware, for which they are responsible, from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Data Protection Act 2018 and General Data Protection Regulations;
- Ensure that adequate 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;
- Ensure that adequate controls exist such that the computer operation is separated from development, maintenance and amendment; and
- Ensure that an adequate 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 be satisfied that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by another organisation, assurances of adequacy will be obtained from them prior to implementation.

16.1.3 The Chief Finance Officer shall ensure that contracts for computer services for financial applications with other organisations shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage and ensure that appropriate technical and organisational measures are in place to achieve compliance. The contract should also ensure rights of access for audit purposes.

16.1.4 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.

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

- Systems acquisition, development and maintenance are in line with the relevant corporate policies;
- Data produced for use with financial systems is adequate, accurate, complete and timely, and that an audit trail exists;
- Finance staff have access to such data;
- Adequate controls are in place;
- Such computer audit reviews as are considered necessary are being carried out; and
- Regular backups and contingency strategies are in place.

16.1.6 No software package for use on Trust equipment (PCs, laptops, tablets) should be used without the knowledge of the OUH Digital department. Any quotes to purchase or license software should be managed through the IT helpdesk.

16.2 Risk Assessment

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

16.3 Freedom of Information

16.3.1 The Chief Digital and Information Officer shall publish and maintain a Freedom of Information (FOI) Publication Scheme, or adopt a model Publication Scheme approved by the Information Commissioner.

16.3.2 All responses to FOI requests must be reviewed and formally approved by the relevant Chief Officer, prior to being published. The only permissible exception is where the request concerns release of a quantitative data set (e.g. agency or bank spend figures)

that has been approved and published in the preceding 3 months, in which case Chief Officer re-approval is not required.

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17. PATIENTS' PROPERTY

- 17.1.1** The Trust has a responsibility to provide safe custody for money and other personal property handed in by patients, in the possession of unconscious or confused patients, patients severely incapacitated for any reason, or found in the possession of patients dying in hospital or dead on arrival.
- 17.1.2** The Chief Executive shall ensure that patients or their guardians, as appropriate, are clearly and suitably informed before or on admission into hospital that the Trust will not accept responsibility or liability for patients' property brought into NHS premises, unless it is handed in for safe custody and a copy of an official patients' property record is obtained as a receipt.
- 17.1.3** The Chief Finance Officer shall provide procedural instructions on the collection, custody, banking, 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. These instructions will include arrangements for:
- Managing large amounts of money handed over by longer stay patients;
 - Restricting the use of patients' monies for purposes specified by the patient or their guardian.
- 17.1.4** 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.
- 17.1.5** In respect of deceased patients, if there is no will and no lawful next of kin the property vests in the Crown and particulars shall, therefore, be notified to the relevant Duchy Solicitor.
- 17.1.6** Any funeral expenses necessarily borne by the Trust are a first charge on a deceased person's estate. Where arrangements for burial or cremation are not made privately, any element of the estate held by the Trust may be appropriated towards funeral expenses, upon the authorisation of the Director of Finance.

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18. STANDARDS OF BUSINESS CONDUCT

- 18.1.1** The Head of Corporate Governance will ensure that all staff are made aware of the Trust policy on acceptance of gifts and other benefits in kind by staff. Guidance is made

available through the Trust's Declaration of Interests, Gifts, Hospitality and Sponsorship policy or from the Corporate Governance function. This policy is also deemed to be an integral part of these Standing Financial Instructions.

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19. CHARITABLE FUNDS HELD ON TRUST

19.1.1 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 Delegated Authorities are not directly applicable to them. The Oxford Hospitals Charity has its own procedures for the control and administration of their charitable funds.

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20. RESEARCH AND DEVELOPMENT

20.1.1 All research and development activities (sponsored or unsponsored) to be undertaken by Trust employees, or staff paid directly or indirectly by the Trust and / or using Trust premises, facilities or resources of any kind, and / or involving Trust patients or volunteers, must be reported to the Trust's Research and Development Department and to the Chief Medical Officer.

20.1.2 The Department has been established to support staff in their research activities, assist them in securing the most beneficial contracts, and ensuring intellectual property rights are properly protected for the benefit of the individual and the Trust. The Department will have a number of Standard Operating Procedures to be adhered to as part of undertaking research and development activities.

20.1.3 All research and development activities undertaken by the Trust shall be subject to **these** Standing Orders/ Scheme of Delegated Authorities/ Standing Financial Instructions. This would include any expenditure against the Research Delivery Network, Biomedical Research Centre and other National Institute for Health and Care Research funds held.

20.1.4 In line with provisions in 3.6.3, no business case is required for Research and Development contracts as long as the R&D division delivers a balanced budget across all research activities and funding streams in year, and overheads have been requested as far as permissible by individual funders terms and conditions.

20.1.420.1.5 In addition, all research activities should represent value for money and fall under the expenditure controls set out elsewhere in the Trust Standing Financial Instructions. All grant income should be reviewed by the R&D contracts and finance teams prior to accepting the terms within the limits set out in the Standing Financial Instructions, and all expenditure should be authorised in line with the requisitioning limits in the Trust's finance system.

20.1.520.1.6 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 utilised appropriately.

20.1.620.1.7 Some research projects and clinical trials may involve contracting, supply and use of medical devices. Advice should be sought from the Procurement department for all such arrangements, and contracts should be ratified based on financial thresholds set out in the relevant section of the Scheme of Delegated Authorities.

20.1.720.1.8 Head of Research and Development Operations, Head of Research Governance, Head of Intellectual Property and Research Contracts and Head of Research and Development Finance have individual authority to sign the following documents on behalf of the Trust:

- Research grant applications where the amount being sought is up to £2m and where the grant conditions are deemed acceptable to the Trust (grants above £2m should following the financial authorisation limits contained in the Scheme of Delegated Authorities)
- Research grant applications where the amount is greater than £2m and where these have been approved by Trust Research and Development Director
- 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.
- Letters of agreement with other Trusts, universities, public bodies and private sector organisations covering collaborative grants
- UK/EC related research contracts and accession forms
- Research funding agreements, subject to their being covered by the Trusts insurance policies and up to a value of £2m.

20.1.820.1.9 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.

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21. RETENTION OF RECORDS

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

21.1.2 The delegated responsibility for holding and safekeeping of contracts, in secure storage where applicable, shall be as follows:

Document	Held by
Property Deeds	Estates Function
Building & Engineering Contracts	Estates Function

Estate Maintenance Contracts	Estates Function
Equipment Maintenance Contracts	Clinical Engineering
Clinical Contracts	Commissioning & Contracting Function
Contracts for goods and services other than the above	Procurement Function

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

21.1.4 Records and information held in accordance with latest Independent Regulator / Department of Health and Social Care guidance shall only be destroyed before the specified guidance limits at the express authority of the Chief Executive or Chief Finance Officer. Proper details shall be maintained of records and information so destroyed.

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22. GOVERNANCE, RISK MANAGEMENT AND INSURANCE

22.1 Programme of Risk Management

22.1.1 The Chief Executive shall ensure that the Trust has a programme of risk management, in accordance with current directions and guidance in relation to assurance framework requirements from the Independent Regulator, which must be approved and monitored by the Trust Board.

22.1.2 The programme of risk management shall include:

- A process for identifying and quantifying risks and potential liabilities;
- Engendering among all levels of staff a positive attitude towards the control of risk;
- 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;
- Contingency plans to offset the impact of adverse events;
- Audit arrangements including Internal Audit, clinical audit, health and safety review;
- A clear indication of which risks shall be insured; and
- Arrangements for regular review of the Risk Management programme.

22.1.3 The existence, integration and evaluation of the above elements will assist in providing a basis to complete the Annual Governance Statement within the Annual Report and Accounts as required by the Foundation Trust Annual Reporting Manual, the Department of Health and Social Care Group Accounting Manual and guidance from the Independent Regulator.

22.2 Insurance Arrangements

Overarching Approach to Insurance Cover

- 22.2.1 The Chief Executive in consultation with their designated Chief Officer(s) shall be responsible for ensuring adequate insurance cover is in place in accordance with the risk management policy approved by the Trust Board.
- 22.2.2 The Trust Board 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.
- 22.2.3 The Chief Finance Officer shall act as the Trust's designated officer on insurance matters and ensure Insurance Brokers are liaised with over queries and negotiating renewal terms.
- 22.2.4 Each Chief Officer shall promptly notify the designated officer of all new risks or property under their control, which require to be insured, and of any alterations affecting existing risks or insurances.
- 22.2.5 The designated officer shall ascertain the amount of cover required and shall affect such insurances as are necessary to protect the interests of the Trust.
- 22.2.6 The Chief Executive or their designated officer shall make all claims arising out of policies of insurance and each officer shall provide the Chief Finance Officer immediately with full particulars of any occurrence involving actual or potential loss to the Trust and shall provide an estimate of the probable cost involved.
- 22.2.7 The value of all assets and risks insured shall be reviewed or index-linked on an annual basis by the designated officer.

Insurance: Risk Pooling Schemes Administered by NHS Resolution

- 22.2.8 Where the Trust 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.
- 22.2.9 On an annual basis, the Chief Finance Officer shall review membership of the Non-Clinical Risk Pooling Scheme plus other insurance arrangements and recommend whether or not to continue with current arrangements.
- 22.2.10 All NHS Resolution risk pooling schemes require Scheme members to make some contribution to the settlement of claims (the 'deductible' element). The Director of Finance should ensure documented procedures also cover the management of claims and payments below the deductible in each case.
- 22.2.11 The Chief Finance Officer shall ensure timely reporting of incidents against insurance provision on the third-party liability scheme.

Insurance: Arrangements with Commercial Insurers

- 22.2.12 Where the Trust Board decides not to use the risk pooling schemes administered by NHS Resolution for one or other of the risks covered by the schemes, the Chief Finance Officer shall ensure that the Trust 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 that will not be reimbursed.

22.2.13 The Chief Finance Officer should secure appropriate specialised advice and ensure value for money by procuring any insurance cover as required.

22.2.14 If the Trust 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 Indemnity for Trust Board Members

22.3.1 Members of the Trust Board (i.e., the Chair, Non-Executive Directors and Executive Directors) who act honestly and in good faith will not have to meet out of their own personal resources the costs associated with any personal civil liability which accrues to them in the execution or purported execution of their functions, save where they have acted recklessly. Any cost arising in this way will be met by the Trust. The Trust may purchase and maintain insurance against this liability for its own benefit and for the benefit of the Trust Board.

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23. LITIGATION PAYMENTS

23.1 Claims from Staff, Patients and the Public

23.1.1 Out of court settlement of claims from staff, patients and the public shall be made where NHS Resolution, in joint agreement with the Chief People Officer, considers it appropriate to do so. Any occupier or employer liability cases handled in house by the Trust will be notified and approved by the Director of Legal Services.

23.1.2 The Department of Health and Social Care must be consulted before making any special payments that are novel, contentious or repercussive. Any payments made against legal advice must be approved by the Chief Executive and Trust Board.

23.2 Employment Tribunals

23.2.1 All settlement agreements must be approved by the Chief People Officer.

23.2.2 Any settlement agreement in excess of contractual entitlement must be approved by the Chief People Officer and the Chief Finance Officer. In certain cases, additional approval should be sought from the Independent Regulator and / or HM Treasury.

23.2.3 The out of court settlement of Employment Tribunal applications shall only be made where the Chief People Officer advises it to be prudent so to do and only after taking into account the monetary sum involved, and any legal advice received.

23.2.4 The Independent Regulator must be consulted before making any special payments that are novel, contentious or repercussive. The Chief People Officer, in the case of any compromise agreements, shall submit a business case to be approved by HM Treasury. Any payments made against legal advice must be approved by the Trust Board.

24. SHAREHOLDINGS, HOSTED BODIES, PARTNERSHIPS AND COLLABORATIONS

24.1 Shareholdings, Equity Investments, Subsidiaries and Mergers and Acquisitions

- 24.1.1 Where the Trust is making an equity investment into another entity, the Commercial Directorate becomes the shareholder on behalf of the Trust. As such, all equity investments must first be approved by the Commercial Directorate in line with the Scheme of Delegated Authorities.
- 24.1.2 The non-cash investment may take the form of an investment of certain of the Trust's Intellectual Property rights.
- 24.1.3 The exercise of the responsibilities the shareholdings confer, including but not limited to delegation to sign corporate documents associated with enabling companies to fundraise (where the Trust is not investing cash), and to update corporate documents shall be delegated to the Commercial Director where the Trust's shareholding is 10% or less. Where the Trust's shareholding is >10% these responsibilities are delegated to the Chief Finance Officer.
- 24.1.4 All such investments shall be reported to the Trust Board via regular reporting to Investment Committee.
- 24.1.5 Companies where OUH are joint-shareholder are separate, distinct legal entities for commercial purposes and have distinct taxation, regulatory and liability obligations.
- 24.1.6 For the purposes of these SFIs, a subsidiary is defined as an entity in which the Trust has a controlling interest (i.e. greater than 50%).
- 24.1.7 Approvals of set up of joint ventures or subsidiaries must be approved in line with the Scheme of Delegated Authorities.
- 24.1.8 All mergers and acquisitions will require Trust Board approval. Council of Governors approval may also be required, depending on the provisions set out in the Trust Constitution and prevailing legislation at the time.
- 24.1.9 As a separate, independent company, subsidiaries and shareholdings are subject to their own governance arrangements, which are the responsibility of the subsidiary's board of directors, and therefore these Standing Financial Instructions, save for 24.1.3 are not applicable.

24.2 Hosted Bodies, Partnerships and Collaborations

- 24.2.1 Hosted bodies are organisations for which OUH provide services under a service level agreement (SLA). The arrangements for administration of hosted bodies are managed by the Finance function.
- 24.2.2 OUH also works in partnership and collaboration with other organisations under service level agreements, memoranda of understanding or similar documents.

[24.2.3](#) Dependent on the terms of the SLA, memorandum of understanding or equivalent, these Standing Financial Instructions may or may not be applicable. Individual SLAs, memorandum of understanding or equivalent should be referred to on a case-by-case basis.

[24.2.4](#) OUH is the hosting body for the Thames Valley and Surrey Secure Data Environment (SDE). The Commercial team holds the overarching responsibility for managing SDE agreements held by the Trust. Specific delegated limits, in line with the Scheme of Delegated Authorities, apply to entering into SDE agreements.

~~[24.2.4](#)~~[24.2.5](#) The Trust may be requested to sign Memoranda of Understanding (MoUs) related to the SDE activity. The Chief Finance Officer and the Chief Digital & Information Officer are authorised to sign MoUs to fund existing activity. All MoUs related to expansion of SDE scope will be subject to business case approval process and the associated authorisation limits as per the Scheme of Delegated Authorities.

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Oxford University Hospitals
NHS Foundation Trust

Scheme of Delegated Authorities

July 2025



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HOW TO USE THIS DOCUMENT

Purpose:

- Together with the Standing Financial Instructions (SFIs), the Scheme of Delegated Authorities forms a core part of the financial control framework of the Trust. The two documents should be read in conjunction with each other.
- Trust SFIs, available on the intranet, set out the detail on financial responsibilities, policies and procedures adopted by OUH.
- The Scheme of Delegated Authorities summarises the delegations contained in the SFIs, and the associated financial authorisation limits, where relevant.

How to use this document:

- The Scheme of Delegated Authorities is made up of two parts: Scheme of Delegation and Financial Authorisation Limits.
- The Scheme of Delegation sets out the following:

SFI Ref.	Delegated matter	Delegated to	Operational responsibility
Relevant section in the SFIs providing further instructions	Specific matter being delegated	Formal delegation, as per the SFIs, to a staff member accountable to the Chief Executive for overseeing the delegated matter	Staff member holding day-to-day operational responsibility for the matter being delegated

- Where the delegated matter has a series of associated financial authorisation limits, this will be signposted in **bold red** and hyperlinked to the relevant section of the Financial Authorisation Limits.
- Financial Authorisation Limits will set out specific delegated authority to sign off on spend or other decisions affecting the Trust's financial position. These were previously detailed in the OUH Limits of Delegation Policy.

Where to find further advice:

If you require assistance with interpreting guidance contained in either the SFIs, or the Scheme of Delegation and Authorisation, please contact the Head of Financial Governance on financialgovernance@ouh.nhs.uk in the first instance before proceeding with any decisions:

SECTION 1 – SCHEME OF DELEGATED AUTHORITIES

SFI Ref.	Delegated matter	Delegated to	Operational responsibility
1. Introduction			
1.3	– Implementing and maintaining effective financial management, performance and control systems and practices	<ul style="list-style-type: none"> Chief Finance Officer 	<ul style="list-style-type: none"> Chief Finance Officer
1.4	<ul style="list-style-type: none"> – Authorise suspension of SFIs and SoDAs in exceptional circumstances – Identify when SFIs and SODAs can be suspended 	<ul style="list-style-type: none"> Chief Executive and Chief Finance Officer Chief Executive 	<ul style="list-style-type: none"> Chief Executive and Chief Finance Officer Chief Finance Officer
2. Audit, fraud and corruption			
2.1	– Oversee financial risk and associated controls, corporate governance and financial assurance	<ul style="list-style-type: none"> Audit Committee 	<ul style="list-style-type: none"> Audit Committee
2.2 / 2.3	<p>Internal Audit:</p> <ul style="list-style-type: none"> – Establish an Internal Audit function – Appoint Head of Internal audit – Agree annual Internal Audit Plan – Prepare annual internal audit report for Audit Committee – Receive final internal audit reports and take remedial action – Monitor implementation of internal audit recommendations through a formally defined process 	<ul style="list-style-type: none"> Chief Finance Officer Chief Finance Officer Chief Finance Officer and Chief Executive and Audit Committee Head of Internal Audit Relevant Manager and Relevant Chief Officer and Chief Finance Officer and Audit Committee Relevant Chief Officer and Audit Committee 	<ul style="list-style-type: none"> Chief Finance Officer Chief Finance Officer Chief Finance Officer and Chief Executive and Audit Committee Head of Internal Audit Relevant Manager Relevant manager and Head of Financial Governance
2.4	<p>External Audit</p> <ul style="list-style-type: none"> • Appoint external auditor 	<ul style="list-style-type: none"> Council of Governors (with advice from Audit Committee) 	<ul style="list-style-type: none"> Chief Finance Officer and Audit Committee
2.5	<p>LCFS:</p> <ul style="list-style-type: none"> – Hold overall responsibility for countering fraud, bribery & corruption 	<ul style="list-style-type: none"> Chief Finance Officer 	<ul style="list-style-type: none"> Chief Finance Officer
	– Ensure there is a system of internal control to minimise opportunities for fraud and corruption	<ul style="list-style-type: none"> Chief Executive and Chief Finance Officer 	<ul style="list-style-type: none"> Chief Executive and Chief Finance Officer

SFI Ref.	Delegated matter	Delegated to	Operational responsibility
	<ul style="list-style-type: none"> – Receive and review LCFS programme and regular reports – Sign off annual returns to NHSCFA and other regulatory bodies – Monitor remedial work to address LCFS risks – Approve reactive LCFS investigation days (FL1) 	<ul style="list-style-type: none"> • Audit Committee • Chief Finance Officer • Audit Committee • In line with Financial Authorisation Limits 	<ul style="list-style-type: none"> • Chief Finance Officer and Head of Financial Governance • Chief Finance Officer • Chief Finance Officer and Head of Financial Governance
2.6	<ul style="list-style-type: none"> – Control and coordinate security, including compliance with relevant legislation 	<ul style="list-style-type: none"> • Chief Executive 	<ul style="list-style-type: none"> • Local Security Management Specialist and Chief Estates & Facilities Officer
3. Allocations, planning, budgets, budgetary control and monitoring and independent regulation			
3.1	<p>Annual planning</p> <ul style="list-style-type: none"> – Compile and submit to Board the Trust Annual Plan 	<ul style="list-style-type: none"> • Chief Executive 	<ul style="list-style-type: none"> • Operational Plan – Chief Operating Officer • Workforce Plan – Chief People Officer • Financial Plan – Chief Finance Officer
3.1 / 3.2	<p>Budget-setting and budgetary delegation</p> <ul style="list-style-type: none"> – Submit to Board the annual budget-setting approach paper – Provide information to enable budgets to be compiled – Sign up to allocated budgets at the start of each financial year – Prepare and submit budgets for Board approval – Set the annual Cost Improvement Programme savings target – Set reserves to be delegated in-year 	<ul style="list-style-type: none"> • Chief Finance Officer • All budget holders • All budget holders • Chief Finance Officer • Chief Finance Officer • Chief Finance Officer 	<ul style="list-style-type: none"> • Director of Finance • All budget holders • All budget holders • Director of Finance • Director of Finance • Director of Finance
3.3	<p>Budgetary control and reporting</p> <ul style="list-style-type: none"> – Devise and maintain systems of budgetary control – Change financial outturn target for any part of the Trust – Identify and implement CIP initiatives 	<ul style="list-style-type: none"> • Chief Finance Officer and Director of Finance • Chief Executive • Chief Finance Officer 	<ul style="list-style-type: none"> • Director of Finance • Chief Finance Officer • All budget holders

SFI Ref.	Delegated matter	Delegated to	Operational responsibility
	<ul style="list-style-type: none"> – Authorise virement of budgets (FL2) – Authorise use of non-recurrent budget to fund recurrent expenditure – Monitor and report internally in-year financial performance – Comply with budget holder responsibilities set out in SFIs 	<ul style="list-style-type: none"> • In line with Financial Authorisation Limits • Chief Executive • Director of Finance • All budget holders 	<ul style="list-style-type: none"> • Chief Finance Officer or Director of Finance • Head of Financial Performance • All budget holders
3.4	<ul style="list-style-type: none"> – Ensure adequate budget holder training is delivered – Authorise spend within budget (FL3a, FL3b, FL3c) 	<ul style="list-style-type: none"> • Director of Finance • In line with Financial Authorisation Limits 	<ul style="list-style-type: none"> • Head of Financial Governance
3.6	<ul style="list-style-type: none"> – Approve business cases and reflect change in budgets (FL4) 	<ul style="list-style-type: none"> • In line with Financial Authorisation Limits 	
3.8	<ul style="list-style-type: none"> – Submit monitoring returns – Sign off monitoring returns – Inform Board of Trust's position against regulatory requirements 	<ul style="list-style-type: none"> • Chief Executive • Chief Executive • Chief Finance Officer 	<ul style="list-style-type: none"> • Any Chief Officer nominated by Chief Executive • Financial – Chief Finance Officer • Workforce – Chief People Officer • Activity – Chief Operating Officer • Director of Finance
4. Annual accounts and reports			
4.1	<ul style="list-style-type: none"> – Keep accounts in respect of each financial year – Prepare accounts in respect of each financial year 	<ul style="list-style-type: none"> • Director of Finance • Chief Finance Officer 	<ul style="list-style-type: none"> • Head of Operational Finance • Head of Operational Finance
4.2	<ul style="list-style-type: none"> – Ensure timely production of the annual report 	<ul style="list-style-type: none"> • Chief Finance Officer 	<ul style="list-style-type: none"> • Head of Financial Governance
5. Bank and GBS accounts			
5.1 & 5.2	<p>Banking operations:</p> <ul style="list-style-type: none"> – Manage and negotiate banking contacts, including maintenance of appropriate internal procedures – Approve banking arrangements – Approve opening of new bank accounts – Advise bankers on conditions for opening of each bank account – Review commercial banking arrangements 	<ul style="list-style-type: none"> • Chief Finance Officer • Trust Board and Audit Committee • Audit Committee • Chief Finance Officer • Chief Finance Officer 	<ul style="list-style-type: none"> • Chief Finance Officer • Chief Finance Officer • Chief Finance Officer • Director of Finance • Director of Finance
6. Income, fees and charges and security of cash, cheques and other negotiable instruments			
6.1	<ul style="list-style-type: none"> – Ensure compliance with all regulatory restrictions on income 	<ul style="list-style-type: none"> • Chief Finance Officer 	<ul style="list-style-type: none"> • Chief Finance Officer

SFI Ref.	Delegated matter	Delegated to	Operational responsibility
	<ul style="list-style-type: none"> Design and maintain systems for recording, invoicing, collection, coding and banking of all moneys received 	<ul style="list-style-type: none"> Director of Finance 	<ul style="list-style-type: none"> Head of Financial Services
6.2 & 6.3	<p>Setting and recovery of fees and charges:</p> <ul style="list-style-type: none"> Regularly review and approve all fees and charges other than DHSC Set private patients, overseas visitors and income generation fees Negotiate changes and renewals of insurer contracts Recovery of outstanding debt Agreement of payment plans for debt recovery – private patients, overseas and international (FL8c) Agreement of payment plans for debt recovery – all other Write off of overpayments (FL5) 	<ul style="list-style-type: none"> Chief Finance Officer Commercial Director Chief Finance Officer or Commercial Director Director of Finance In line with Financial Authorisation Limits Director of Finance In line with Financial Authorisation Limits 	<ul style="list-style-type: none"> Director of Planning and Contracting Head of Private Patients, Overseas & International Head of Private Patients, Overseas & International Head of Financial Services Head of Private Patients, Overseas & International for private patients or Deputy Head of Operational Finance for salary overpayments
6.4	<ul style="list-style-type: none"> Design and implement processes for security of cash and cheques Authorise cash disbursements 	<ul style="list-style-type: none"> Director of Finance Director of Finance 	<ul style="list-style-type: none"> Head of Financial Services Head of Financial Services
7. Tendering and Contracting Procedures			
7.1	<ul style="list-style-type: none"> Follow procurement rules and advice provided by Procurement 	<ul style="list-style-type: none"> All staff 	<ul style="list-style-type: none"> All staff
7.3	<p>Competitive tendering:</p> <ul style="list-style-type: none"> Set thresholds for quotations and tenders <p>For the associated limits, please refer to the Financial Authorisation Limits (FL6a).</p> <ul style="list-style-type: none"> Obtain regular assurance over compliance with relevant procurement regulation Establish and monitor compliance with Single Tender Waiver process <p>For the associated limits, please refer to the Financial Authorisation Limits (FL6a).</p>	<ul style="list-style-type: none"> Chief Finance Officer Chief Finance Officer Director of Procurement and Supply Chain 	<ul style="list-style-type: none"> Director of Procurement and Supply Chain Director of Procurement and Supply Chain Director of Procurement and Supply Chain

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SFI Ref.	Delegated matter	Delegated to	Operational responsibility
	<ul style="list-style-type: none"> Report Single Tender Waiver usage to Audit Committee 	<ul style="list-style-type: none"> Chief Finance Officer 	<ul style="list-style-type: none"> Director of Procurement and Supply Chain
7.4 & 7.5	<ul style="list-style-type: none"> Advise on resolution of competitive tendering issues Decide on admissibility of qualified or incomplete tenders Authorise tenders committing expenditure in excess of agreement Authorise acceptance of single tender Ratify award of all contracts (FL6a). Enter into contracts on behalf of the Trust 	<ul style="list-style-type: none"> Director of Procurement and Supply Chain Chief Executive Chief Finance Officer Director of Procurement and Supply Chain <ul style="list-style-type: none"> In line with Financial Authorisation Limits Trust Board 	<ul style="list-style-type: none"> Relevant Procurement Business Partner Director of Procurement and Supply Chain Chief Finance Officer Director of Procurement and Supply Chain Trust Board
7.7 & 7.8	<ul style="list-style-type: none"> Approve signing and sealing of collateral warranties Approve signing and sealing of Notices of Assignment, Change of Ownership and other third-party agreements as part of long-term contracts Authorise variation in contracts (FL6b) 	<ul style="list-style-type: none"> Chief Estates & Facilities Officer or Trust Board for non-standard warranties Investment CommitteeTrust Management Executive <ul style="list-style-type: none"> In line with Financial Authorisation Limits 	<ul style="list-style-type: none"> Chief Estates & Facilities Officer or Trust Board for non-standard warranties Investment CommitteeTrust Management Executive
7.9	<ul style="list-style-type: none"> Authorise signature of NDAs Maintain a register of all Trust NDAs 	<ul style="list-style-type: none"> Any Chief Officer and Commercial Director Commercial Director Director of Legal Services 	<ul style="list-style-type: none"> Any Chief Officer and Commercial Director Commercial Director Director of Legal Services
8. Contracts for the provision of services			
8.1	<ul style="list-style-type: none"> Enter into suitable contracts with Commissioners Negotiate contracts for provision of services to patients in line with Annual Plan Advise the Chief Executive on costing and pricing of services Ensure activity is recorded, invoices raised and money collected Report on actual and forecast contractual income 	<ul style="list-style-type: none"> Chief Executive Chief Executive Chief Finance Officer Chief Finance Officer Director of Finance 	<ul style="list-style-type: none"> Chief Finance Officer Chief Finance Officer Chief Finance Officer Director of Finance Head of Financial Planning and Reporting

SFI Ref.	Delegated matter	Delegated to	Operational responsibility
	<ul style="list-style-type: none"> – Sign contracts for commissioner-related services – Authorise entering into a loss-making contract – Understand and use contract monitoring information for financial management of areas overseeing delivery against service contracts 	<ul style="list-style-type: none"> • Chief Executive or Chief Finance Officer • Chief Executive and Chief Finance Officer and Trust Board • Budget holders 	<ul style="list-style-type: none"> • Chief Executive or Chief Finance Officer • Chief Executive and Chief Finance Officer and Trust Board • Budget holders
8.2	<ul style="list-style-type: none"> – Ensure Trust engages in partnership working in delivering and commissioning services 	<ul style="list-style-type: none"> • Chief Executive 	<ul style="list-style-type: none"> • Chief Executive
8.3	<ul style="list-style-type: none"> – Approve applications for research funding 	<ul style="list-style-type: none"> • Head of R&D Operations 	<ul style="list-style-type: none"> • Head of R&D Operations
8.4	<ul style="list-style-type: none"> – Maintain a register of sponsorships received – Enter into sponsorship agreements (FL7) – Review and authorise concession agreements 	<ul style="list-style-type: none"> • Chief Executive <ul style="list-style-type: none"> • In line with Financial Authorisation Limits • Chief Finance Officer 	<ul style="list-style-type: none"> • Commercial Director • Deputy Chief Estates and Facilities Officer
8.5	<ul style="list-style-type: none"> – Authorise signature of corporate SLAs – Authorise signature of operational clinical SLAs 	<ul style="list-style-type: none"> • Lead Chief Officer and Director of Finance • Lead Deputy Director of Operations and Director of Finance 	<ul style="list-style-type: none"> • Lead Chief Officer and Director of Finance • Lead Deputy Director of Operations and Director of Finance
8.6	<ul style="list-style-type: none"> – Issue credit notes (FL8a, FL8b) 	<ul style="list-style-type: none"> • In line with Financial Authorisation Limits 	
8.7	<ul style="list-style-type: none"> – Authorise tendering for services where OUH is a competing body (FL9) – Provide regular reports to Trust Board on contracts 	<ul style="list-style-type: none"> • In line with Financial Authorisation Limits • Chief Executive 	<ul style="list-style-type: none"> • Director of Planning and Contracting
9. Terms of service and payment of directors and employees			
9.1	<ul style="list-style-type: none"> – Set remuneration and conditions of service for employees, including oversight of high-cost appointments and redundancies <p>For the associated limits, please refer to the Financial Authorisation Limits (FL10a).</p>	<ul style="list-style-type: none"> • Remuneration and Appointments Committee 	<ul style="list-style-type: none"> • Remuneration and Appointments Committee
9.2	<ul style="list-style-type: none"> – Authorise varying of the funded establishment from budgeted 	<ul style="list-style-type: none"> • Chief Executive 	<ul style="list-style-type: none"> • Chief Executive

SFI Ref.	Delegated matter	Delegated to	Operational responsibility
9.3	<p>Staff appointments, terminations and changes:</p> <ul style="list-style-type: none"> – Design and maintain controls over contracts of employment – Authorise engagement, re-engagement or re-grading of employees, hire agency staff and agree changes to remuneration – Authorise changes and creation of local terms and conditions – Authorise engagement of contractors not on framework / authorised list – Oversee agreements with agency frameworks and compliance – Authorise increase in temporary staffing outside of approved levels – Approve off-payroll worker engagement – Agree bank / locum rates within the Trust <p>For the associated limits, please refer to the Financial Authorisation Limits (FL10b, FL10c, FL10d).</p>	<ul style="list-style-type: none"> • Chief People Officer • Chief People Officer • Vacancy Control Panel • Chief Finance Officer • Chief People Officer • Relevant Chief Officer or Duty Director • Chief Finance Officer • Chief People Officer <p style="text-align: center;">• In line with Financial Authorisation Limits</p>	<ul style="list-style-type: none"> • Assistant Director of Workforce – Pay, Policy & Reward • Director of Workforce • Vacancy Control Panel • Chief Finance Officer • Head of Temporary Staffing Assistant Director of Workforce - Resourcing and Corporate Services • Relevant Chief Officer or Duty Director • Chief Finance Officer • Vacancy Control Panel
9.4	<ul style="list-style-type: none"> – Maintain instructions for delivery of Trust’s payroll function – Ensure payroll service is provided under appropriated terms and conditions, regularly audited and arrangements made for collection and payment of any payroll deductions – Ensure accuracy of records informing final payroll – Ensure timely claims for expenses and pay and monitor over- and under-payments 	<ul style="list-style-type: none"> • Chief People Officer • Chief People Officer • Nominated managers • Nominated managers 	<ul style="list-style-type: none"> • Assistant Director of Workforce – Pay, Policy & Reward • Assistant Director of Workforce – Pay, Policy & Reward • Nominated managers • Nominated managers
10. Non-pay expenditure			
10.1	<ul style="list-style-type: none"> – Determine the non-pay delegation to budget managers <p>For the associated limits, please refer to the Financial Authorisation Limits (FL3).</p>	<ul style="list-style-type: none"> • Chief Finance Officer 	<ul style="list-style-type: none"> • Chief Finance Officer

SFI Ref.	Delegated matter	Delegated to	Operational responsibility
10.2	<ul style="list-style-type: none"> Maintain a list of exemptions to the No PO, No Pay policy Please refer to Financial Authorisation Limits (FL6c)	<ul style="list-style-type: none"> Chief Finance Officer 	<ul style="list-style-type: none"> Director of Finance
10.3	<ul style="list-style-type: none"> Advise and resolve any contentious issues in choosing items or services to be supplied Design and maintain a verification, recording and payment system for amounts payable Develop and implement processes for P-Card use 	<ul style="list-style-type: none"> Director of Procurement and Supply Chain Director of Finance Director of Procurement and Supply Chain 	<ul style="list-style-type: none"> Relevant Procurement Business Partner Head of Financial Services Director of Procurement and Supply Chain
10.4	<ul style="list-style-type: none"> Authorise disposals (FL11) 	<ul style="list-style-type: none"> In line with Financial Authorisation Limits 	
10.5	<ul style="list-style-type: none"> Authorise prepayments and payments by instalments 	<ul style="list-style-type: none"> Chief Finance Officer 	<ul style="list-style-type: none"> Director of Finance
10.6	<ul style="list-style-type: none"> Develop procedures to facilitate interim payments on account Authorise contract overruns (FL6b) Authorise contract variations or extensions (FL6b) Ensure compliance with all relevant guidance on audit of building, engineering and property contracts and transactions Identify and discharge all relevant tax liabilities 	<ul style="list-style-type: none"> Chief Finance Officer <ul style="list-style-type: none"> In line with Financial Authorisation Limits In line with Financial Authorisation Limits Chief Estates and Facilities Officer and Chief Finance Officer Chief Finance Officer 	<ul style="list-style-type: none"> Chief Finance Officer Chief Estates and Facilities Officer and Chief Finance Officer Director of Finance
11. External Borrowing and Investments			
11.1	<ul style="list-style-type: none"> Advise on Trust's ability to repay PDC and proposed new borrowing Regularly report to Trust Board on PDC debt and overdraft Agree a list of employees authorised to make borrowings on Trust's behalf Prepare and maintain procedural instructions on loans and overdrafts Authorise short-term and long-term borrowings 	<ul style="list-style-type: none"> Chief Finance Officer Chief Finance Officer Trust Board Director of Finance Two Chief Officers, one of which must be Chief Executive or Chief Finance Officer 	<ul style="list-style-type: none"> Director of Finance Director of Finance Chief Finance Officer Head of Operational Finance Two Chief Officers, one of which must be Chief Executive or Chief Finance Officer
11.2	<ul style="list-style-type: none"> Approve requests for Provider Revenue Support 	<ul style="list-style-type: none"> Chief Executive and Chief Finance Officer and Trust Chair 	<ul style="list-style-type: none"> Chief Executive and Chief Finance Officer and Trust Chair
11.3	<ul style="list-style-type: none"> Advise and report to Trust Board on performance of investments Prepare and maintain procedural instructions on operation of investment accounts 	<ul style="list-style-type: none"> Chief Finance Officer Director of Finance 	<ul style="list-style-type: none"> Director of Finance Head of Operational Finance

SFI Ref.	Delegated matter	Delegated to	Operational responsibility
	– Authorise holding of temporary cash surpluses	• Trust Board	• Chief Finance Officer
12. Capital Investment, Private Financing, Fixed Asset Registers and Security of Assets			
12.1	<ul style="list-style-type: none"> – Set and implement Trust framework for managing capital investment – Set authorised limits to commit capital expenditure, proceed to tender and ratify successful tenders <p>For the associated limits, please refer to the Financial Authorisation Limits (FL3, FL6).</p>	<ul style="list-style-type: none"> • Chief Finance Officer • Chief Finance Officer 	<ul style="list-style-type: none"> • Deputy Director of Capital Development • Chief Finance Officer
12.2	<ul style="list-style-type: none"> – Set out, review and update format and content of business cases – Approve leasing within existing financial plans or business cases – Manage and approve buy-out or replacement of leases 	<ul style="list-style-type: none"> • Investment Committee and the Business Planning Group <ul style="list-style-type: none"> • In line with Financial Authorisation Limits (FL3c) • Investment Committee 	<ul style="list-style-type: none"> • Investment Committee and the Business Planning Group • Investment Committee
12.3 & 12.4	<p>Private Finance Initiative:</p> <ul style="list-style-type: none"> – Approve and authorise schedule of payments to the PFI ProjectCo – Approve annual PFI inflationary adjustments – Review and analyse ProjectCo invoices for compliance with the Project Agreement – Authorise payment of ProjectCo invoices – Authorise withholding ProjectCo invoice payment – Process payment of ProjectCo invoices – Oversee procedures for implementing variations to Project Agreement 	<ul style="list-style-type: none"> • Trust Board • Trust Board • Chief Finance Officer • Chief Finance Officer • Chief Finance Officer or Chief Executive • Head of Financial Services • Chief Finance Officer 	<ul style="list-style-type: none"> • Chief Finance Officer • Chief Finance Officer • Deputy Director of Finance – Technical & Developments • Deputy Director of Finance – Technical & Developments • Chief Finance Officer or Chief Executive • Head of Financial Services • Legal and Commercial Counsel
12.5	<ul style="list-style-type: none"> – Maintain register of assets and arrange physical checks against this – Maintain a publicly available property register of property used in the delivery of Commissioner Requested Services – Approve procedures for reconciling balances on fixed asset accounts in ledger against balances on the register – Review depreciation policies – Apply appropriate asset security practices 	<ul style="list-style-type: none"> • Chief Executive • Chief Estates and Facilities Officer • Director of Finance • Director of Finance • Chief Executive 	<ul style="list-style-type: none"> • Director of Finance • Chief Estates and Facilities Officer • Head of Operational Finance • Head of Operational Finance • Chief Estates and Facilities Officer

SFI Ref.	Delegated matter	Delegated to	Operational responsibility
13. Inventory and receipt of goods			
13.1	<ul style="list-style-type: none"> – Hold overall responsibility for control of inventory – Set out procedures and systems to regulate inventory 	<ul style="list-style-type: none"> • Director of Procurement and Supply Chain • Director of Procurement and Supply Chain 	<ul style="list-style-type: none"> • Director of Procurement and Supply Chain • Director of Procurement and Supply Chain
13.2	<p><u>Day-to-day control of inventory:</u></p> <ul style="list-style-type: none"> – Overall – Pharmaceutical stock – Fuel, oil and other energy stock – Agree stocktaking arrangements – Approve alternative inventory control arrangements <p><u>Approach to condemnation, disposal and replacement:</u></p> <ul style="list-style-type: none"> – Approve – Implement and monitor – Report evidence of overstocking, negligence or malpractice 	<ul style="list-style-type: none"> • Departmental employees / store managers • Clinical Director of Pharmacy and Sterile Services • Chief Estates and Facilities Officer • Director of Finance • Chief Finance Officer <p style="text-align: center;">• In line with Financial Authorisation Limits (FL11)</p> <ul style="list-style-type: none"> • Designated managers / Pharmaceutical Officers • Designated managers / Pharmaceutical Officers 	<ul style="list-style-type: none"> • Departmental employees / store managers • Clinical Director of Pharmacy and Sterile Services • Chief Estates and Facilities Officer • Head of Operational Finance • Chief Finance Officer <ul style="list-style-type: none"> • Designated managers / Pharmaceutical Officers • Designated managers / Pharmaceutical Officers
13.3	<ul style="list-style-type: none"> – Identify individuals authorised to requisition and accept goods supplied via NHS Supply Chain 	<ul style="list-style-type: none"> • Chief Finance Officer 	<ul style="list-style-type: none"> • Director of Procurement and Supply Chain
14. Disposals, condemnations, losses and special payments			
14.1	<p><u>Disposals, including condemnations and surplus items:</u></p> <ul style="list-style-type: none"> – Prepare detailed procedural instructions for disposals, including recording unserviceable articles and updating asset register – Notify Finance team of the of the asset to be disposed of – Report any evidence of negligence in use to the Director of Finance – Dispose of the article 	<ul style="list-style-type: none"> • Director of Finance • Head of Department • Condemning officer • Authorised employee 	<ul style="list-style-type: none"> • Head of Operational Finance • Head of Department • Condemning officer • Authorised employee
14.2	<p><u>Losses and special payments:</u></p> <ul style="list-style-type: none"> – Prepare detailed procedural instructions for losses and special payments 	<ul style="list-style-type: none"> • Director of Finance 	<ul style="list-style-type: none"> • Head of Operational Finance

SFI Ref.	Delegated matter	Delegated to	Operational responsibility
	<ul style="list-style-type: none"> – Arrange Internal Audit to investigate any cases of significant loss – Approve writing off losses (FL5) – Consult Treasury on losses or special payments where required – Approve special payments to staff – Take action to safeguard Trust interests in bankruptcies or liquidations – Consider whether insurance claims can be made – Maintain a Losses and Special Payments Register – Receive reports on all losses and special payments 	<ul style="list-style-type: none"> • Chief Finance Officer <ul style="list-style-type: none"> • In line with Financial Authorisation Limits • Chief Executive • Chief People Officer • Chief Finance Officer • Chief Finance Officer • Director of Finance • Audit Committee 	<ul style="list-style-type: none"> • Head of Financial Governance • Chief Executive • Assistant Director of Workforce – Pay, Policy & Reward • Chief Finance Officer • Director of Legal Services • Head of Operational Finance • Audit Committee
15. Intellectual Property			
15.1	– Make final determination on ownership of any disputed IP	• Chief Executive	• Chief Executive
16. Information Technology			
16.1	<p>Computerised financial data:</p> <ul style="list-style-type: none"> – Maintain data accuracy and security – Oversee development and testing of new financial systems – Oversee structuring and compliance with contracts for financial applications held with other organisations – Obtain assurance over controls where another organisation provides a computer service for financial applications – Ensure appropriate arrangements of computer systems impacting on corporate financial systems 	<ul style="list-style-type: none"> • Chief Digital and Information Officer • Chief Finance Officer • Chief Finance Officer • Chief Finance Officer • Chief Finance Officer 	<ul style="list-style-type: none"> • Chief Digital and Information Officer • Finance Manager: Systems • Chief Finance Officer • Finance Manager: Systems • Finance Manager: Systems
16.2	– Identify, mitigate and control IT risks	• Chief Digital and Information Officer	• Head of IT
16.3	<ul style="list-style-type: none"> – Publish and maintain a FOI publication scheme – Review and formally approve all responses to FOI requests 	<ul style="list-style-type: none"> • Chief Digital and Information Officer • Relevant Chief Officer 	<ul style="list-style-type: none"> • Lead Freedom of Information Officer • Relevant Chief Officer
17. Patients' Property			

SFI Ref.	Delegated matter	Delegated to	Operational responsibility
17.1	<ul style="list-style-type: none"> – Ensure that patients and guardians are informed of Trust's responsibility and liability for patients' property – Set procedural instructions on patients' property – Authorise use of patients' estate held by Trust on funeral expenses 	<ul style="list-style-type: none"> • Chief Executive • Chief Finance Officer • Director of Finance 	<ul style="list-style-type: none"> • Chief Nursing Officer • Director of Finance • Director of Finance
18. Standards of Business Conduct			
18.1	<ul style="list-style-type: none"> – Make all staff aware of the Trust policy on acceptance of gifts and other benefits in kind 	<ul style="list-style-type: none"> • Head of Corporate Governance 	<ul style="list-style-type: none"> • Head of Corporate Governance
19. Charitable Funds Held on Trust			
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.			
20. Research and Development			
20.1	<ul style="list-style-type: none"> – Put in place procedures to account for and utilise funding for all research and development activities 	<ul style="list-style-type: none"> • Chief Finance Officer 	<ul style="list-style-type: none"> • Director of Finance
	<ul style="list-style-type: none"> – Sign research grants and contracts on behalf of the Trust – Sign the R&D documentation formally delegated as per section 20.1.5 of the SFIs 	<ul style="list-style-type: none"> • In line with Financial Authorisation Limits • Head of R&D Operations or Head of Research Governance or Head of IP and Research Contracts or Head of R&D Finance 	<ul style="list-style-type: none"> • Head of R&D Operations or Head of Research Governance or Head of IP and Research Contracts or Head of R&D Finance
21. Retention of Records			
21.1	<ul style="list-style-type: none"> – Maintain archives for all records required to be retained – Authorise destroying of records before the specified limit 	<ul style="list-style-type: none"> • Chief Executive • Chief Executive or Chief Finance Officer 	<ul style="list-style-type: none"> • Head of Corporate Governance • Chief Executive or Chief Finance Officer
22. Governance, Risk Management and Insurance			
22.1	<ul style="list-style-type: none"> – Ensure Trust has a risk management programme 	<ul style="list-style-type: none"> • Chief Executive 	<ul style="list-style-type: none"> • Deputy Chief Executive
22.2	<p>Insurance:</p> <ul style="list-style-type: none"> – Ensure adequate insurance cover is in place – Act as lead contact on insurance matters – Notify Chief Finance Officer of all new insurance requirements or alterations affecting existing risks or insurances – Ascertain insurance cover required 	<ul style="list-style-type: none"> • Chief Executive • Chief Finance Officer • Relevant Chief Officer • Chief Finance Officer 	<ul style="list-style-type: none"> • Chief Finance Officer • Chief Finance Officer • Relevant Chief Officer • Chief Finance Officer

SFI Ref.	Delegated matter	Delegated to	Operational responsibility
	<ul style="list-style-type: none"> – Make all claims arising out of policies of insurance – Provide the Chief Finance Officer with particulars of any occurrence involving actual or potential loss to the Trust – Ensure insurance arrangements entered into are appropriate – Review membership of Non-Clinical Risk Pooling Scheme and other insurance arrangements – Ensure documented procedures are in place for managing insurance claims – Timely reporting of incidents against insurance provision – Inform Trust Board of nature and extent of self-insured risks – Secure appropriate specialist advice for procuring insurance cover – Review any decisions to self-insure annually 	<ul style="list-style-type: none"> • Chief Executive • Relevant Chief Officer • Chief Finance Officer • Trust Board 	<ul style="list-style-type: none"> • Chief Executive • Relevant Chief Officer • Chief Finance Officer • Chief Finance Officer • Director of Finance • Chief Finance Officer • Chief Finance Officer • Chief Finance Officer • Chief Finance Officer • Trust Board
23. Litigation Payments			
23.1	<ul style="list-style-type: none"> – Authorise out of court settlement of claims – Approve payments made against legal advice 	<ul style="list-style-type: none"> • Chief People Officer • Chief Executive and Trust Board 	<ul style="list-style-type: none"> • Chief People Officer • Chief Executive and Trust Board
23.2	<ul style="list-style-type: none"> – Approve all settlement agreements – Submit business cases for compromise agreements to HMT 	<ul style="list-style-type: none"> • Chief People Officer • Chief People Officer 	<ul style="list-style-type: none"> • Assistant Director of Workforce – Pay, Policy & Reward • Chief People Officer
24. Shareholdings, hosted bodies, partnerships and collaborations			
24.1	<ul style="list-style-type: none"> – Approve equity investments into other entities (FL13) – Exercise the responsibilities arising as a result of Trust shareholding (FL14) – Approve set up of Joint Ventures and subsidiaries (FL15) – Approve mergers and acquisitions 	<ul style="list-style-type: none"> • In line with Financial Authorisation Limits • In line with Financial Authorisation Limits • In line with Financial Authorisation Limits • Trust Board 	
24.2	<ul style="list-style-type: none"> – Manage arrangements for administration of hosted bodies – Hold overarching responsibility for the Trust SDE agreements <p>For associated SDE agreement sign-off limits, please refer to Financial Authorisation Limits (FL16)</p>	<ul style="list-style-type: none"> • Income and Contracting • Commercial Team 	<ul style="list-style-type: none"> • Income and Contracting • Commercial Team

SECTION 2 - FINANCIAL AUTHORISATION LIMITS

FL2 – Budget virements

	Budgets remain in balance overall			Budgets no longer in balance
	Between budget lines of same type (pay to pay, non-pay to non-pay)	Pay to non-pay and vice versa	Revenue to capital and vice versa	Any type, any value
Within a cost centre	Budget manager and Finance Business Partner	Budget Manager and Divisional Head of Finance and Director of Finance	Deputy Director of Finance – Technical & Developments and Director of Finance and Chief Finance Officer	Director of Finance and Chief Finance Officer
Within a department or CSU; between cost centres	Both budget managers and Divisional Head of Finance			
Within a Division, between departments and CSUs	Both budget managers and Divisional Director of Operations			
Between Divisions, up to £100,000	Both budget managers and both Divisional Directors of Operations and both Divisional Heads of Finance			
Between Divisions, over £100,000	Both budget managers and Divisional Director and Director of Finance			

FL6 – Procurement thresholds

FL6a: Authorisation framework for procurement and tendering of expenditure:

Area of spend	Total contract value (exc. VAT) ^{1, 2}	Quotations / Tenders	Authority to waive competition	Min. number invited to tender	Form of contract	Contract ratification
All	Up to £15,000	Written quotation	-	1	Purchase order	Director of Procurement and Supply Chain
All	£15,000 - £75,000	Written quotation	Deputy Director of Strategic Sourcing and Deputy Director of Finance	3	Purchase order	Director of Procurement and Supply Chain
Goods and Services	£75,001 – Published UK Regulatory Limit	Formal Local Tender (FLT)	Director of Procurement and Supply Chain and Director of Finance	4	Contract as specified in Tender and Purchase Order	Director of Procurement and Supply Chain
	>published UK Regulatory Limit but <£51,000,000	Formal Tender	Director of Procurement and Supply Chain and Chief Finance Officer	4	Contract as specified in Tender and Purchase Order	Chief Finance Officer or Chief Executive
	>£1,050,000 but <£3,000,000	Formal Tender	Director of Procurement and Supply Chain and Chief Finance Officer and Trust Board	4	Contract as specified in Tender and Purchase Order	TME and Investment Committee and Trust Board
	>£3,000,000	Formal Tender	<u>Director of Procurement and Supply Chain and Chief Finance Officer and Trust Board</u>	<u>4</u>	<u>Contract as specified in Tender and Purchase Order</u>	<u>Trust Board</u>
Building and Engineering	£75,001 - £51,000,000	FLT	Director of Procurement and Supply Chain and Director of Finance	3	Contract as specified in Tender and Purchase Order	Director of Finance or Deputy Estates and Facilities Officer
	£1,050,000 – published UK Regulatory Limit	FLT	Director of Procurement and Supply Chain and Chief Finance Officer	4	Contract as specified in Tender and Purchase Order	Two of: Chief Finance Officer Chief Executive Chief Estates and Facilities Officer

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¹ When determining the value, the risk associated with the value of any associated indemnities and the likelihood of this crystallising should be taken into account. Advice should be sought from the Legal, Commercial or Procurement functions as required to evaluate this.

² ~~Annual~~ Total contract values

	>published UK Regulatory Limit	Formal Tender	Director of Procurement and Supply Chain and Chief Finance Officer and Trust Board	4	Contract as specified in Tender or via compliant framework process and Purchase Order	TME and Investment Committee and Trust Board
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FL6b: Contract Variations

Area of spend	Contract value (exc. VAT)	Variation value (exc. VAT)	Authority
All	Up to published UK Regulatory Limit	Upwards, any value	Deputy Chief Estates and Facilities Officer or Director of Finance
Goods and Services	Over UK Regulatory Limit	Upwards: Up to 25% of original value of the contract or £500,000, whichever is smaller Over 25% of original value of the contract or £500,000, whichever is smaller	Director of Finance or Chief Finance Officer Chief Finance Officer
Building and engineering	Over UK Regulatory Limit	Upwards: Up to 25% of the original value of the contract or £500,000, whichever is smaller Over to 25% of the original value of the contract or £500,000, whichever is smaller	Deputy Chief Estates and Facilities Officer or Director of Finance Chief Finance Officer or Chief Estates and Facilities Officer
All	Any value	Upwards, over £500,000	Trust Management Executive
All	Any value	Downwards: Up to 15% of original value of the contract, or £250,000, whichever is smaller Over 15% of original value of the contract or £250,000, whichever is smaller	Director of Finance or Chief Finance Officer Trust Management Executive

FL6c: Regular payments and exemptions to the no PO, no pay process

Type of invoice	Delegation	Value
PFI Invoices	Deputy Director of Finance - Technical and Developments	Any value
PAYE, NIC and other HMRC Payments	Deputy Director of Finance - Technical and Developments Head of Operational Finance Head of Financial Services	>£10,000 £10,000 £5,000
Other Payroll deductions	Deputy Director of Finance - Technical and Developments Head of Operational Finance Head of Financial Services	>£10,000 £10,000 £5,000
Invoices from NHS Professionals	Deputy Director of Finance - Technical and Developments	Any value
Monthly / Quarterly payment of invoices from Pensions Agency	Deputy Director of Finance - Technical and Developments	Any value
Under- or over- performance on Healthcare SLAs	Chief Finance Officer Director of Business Planning and Contracting, or Deputy Director of Finance - Performance & Reporting	Net variation >£500,000 Net variation <£500,000
Pharmacy orders not on the Pharmacy system	Deputy Director of Finance - Technical and Developments / Director of Finance Clinical Director of Pharmacy Medicines Effectiveness Pharmacist Pharmacy Purchasing & Distribution Operational Manager	>£100,000 £100,000 £50,000 £20,000
Payments in exceptional circumstances	Chief Finance Officer	Any value
Apprenticeship levy	Deputy Director of Finance - Technical and Developments	Any value
Direct Engagement Payroll	Deputy Director of Finance - Technical and Developments	Any value
NHS Supply Chain	Deputy Director of Finance - Technical and Developments	Any value
Rent due under signed leases	Deputy Director of Finance - Technical and Developments	Any value

FL10 – Establishment control, workforce and payroll

FL10a: Appointments and Redundancy:

Type of payment	Delegation	Value
Appointments	Remuneration and Appointments Committee	Appointments exceeding £150,000
Redundancy	Remuneration and Appointments Committee Chief People Officer or Chief Finance Officer or Chief Executive	Cases >£100,000 Cases <£100,000

FL10b: Consultant appointment:

	Replacement consultant posts	New consultant posts or clinical teams outside of existing budgets	
	Within existing budget	Consultant post only	New clinical teams
Finance Business Partner	Sign*	Sign	For new clinical teams and services, the new service development / business case process is to be followed. The approval levels will be determined based on the value of projected spend.
Divisional Head of Workforce	Sign	Sign	
Divisional Director of Operations	Sign	Sign	
Clinical Director	Sign	Sign	
Business Planning Group	Approve via replacement statement of need process	Approve via business case initiation proforma	
Trust Management Executive	-	Approve	

***Where 'sign' means sufficient understanding and confidence in the details of the business case to confirm responsibility for supporting the proposal**

FL10c: Bank, agency and locums:

Bank, agency and locum staff	Within establishment		Extra to establishment	
	Within budget	Without budget	Within budget	Without budget
Bank				
Review and approval of all bank rates	Trust Management Executive and Director of Workforce			
Medical	Budget manager	Chief Medical Officer	Budget manager	Chief Medical Officer
Nursing	Budget manager	Chief Nursing Officer	Budget manager	Chief Nursing Officer
Support services and admin & clerical	Budget manager	Not permitted	Budget manager	Not permitted
Any of the above, break glass	Duty Director	Chief Executive	Duty Director	Chief Executive
Any of the above, on Personalised Pay Rates	Divisional Head of Finance and Divisional Director of Operations and Director of Workforce	Divisional Head of Finance and Divisional Director of Operations and Director of Workforce	Chief Executive	Chief Executive
Agency and Locum				
Medical	Divisional Director of Operations or Divisional Director	Chief Medical Officer	Divisional Director	Chief Medical Officer
Nursing	Divisional Director or Nursing or Divisional Director	Chief Nursing Officer	Divisional Director	Not permitted
Support services and admin & clerical	Not permitted	Not permitted	Not permitted	Not permitted
Any of the above, above cap	As above, and Divisional Director and Divisional Head of Finance	Chief Executive	As above, and Divisional Director and Divisional Head of Finance	Chief Executive
Any of the above, off-framework	Chief Nursing Officer or Chief Medical Officer or Duty Director	Chief Executive	Chief Nursing Officer or Chief Medical Officer or Duty Director	Chief Executive

FL10d: Payroll authorities:

Delegated authority	Existing establishment	New posts / outside of establishment	
	Within budget	With allocated funding	Without allocated funding
Fill funded post on establishment with permanent staff	Directorate Manager and Divisional Head of Finance and Divisional Head of Workforce and Vacancy Control Panel ²	-	-
Appoint staff to post not on formal establishment	-	Evidence of funding (e.g. via a business case process), plus: Divisional Head of Finance and Divisional Head of Workforce and Vacancy Control Panel ¹	Generally not permitted, consult your Divisional Head of Finance in the first instance
Renew or put in place fixed-term contracts	Directorate Manager and Divisional Head of Finance and Divisional Head of Workforce and Vacancy Control Panel ¹	Directorate Manager and Divisional Head of Finance and Divisional Head of Workforce and Vacancy Control Panel ¹	Directorate Manager and Divisional Head of Finance and Divisional Head of Workforce and Vacancy Control Panel ¹
Appoint interim managers >£750 per day >£750 per day	Director of Finance Chief Finance Officer	Director of Finance Chief Finance Officer	Generally not permitted, consult your Divisional Head of Finance in the first instance
Engage consultancy staff - Under £50,000 gross commitment -£50,000 to £100,000 gross commitment -over £100,000 gross commitment -over 6 months' contract	- - - -	Director of Finance Chief Finance Officer and NHS England Chief Finance Officer and Chief Executive and NHS England As above, plus Chief Finance Officer and Chief Executive	

² Unless consultant (see FL10b) or post specifically exempt – please refer to vacancy control panel guidance for further information

	Delegation	Value
FL1: Approval of Reactive Counter-Fraud Days	Head of Financial Governance	<5 days per case
	Chief Finance Officer	>5 days per case
FL3a: Requisitioning – within approved budgets and business cases	Chief Finance Officer and Chief Executive	>£1,000,000
	Chief Finance Officer	£1,000,000
	Chief Executive	£500,000
	Other Chief Officers or Director of Finance	£200,000
	Director of Finance	£200,000
	Deputy Director of Finance or Deputy Chief Estates & Facilities Officer	£100,000
	Divisional Director or Divisional Director of Operations or Director of Procurement and Supply Chain or Commercial Director	£50,000
	Operational Service Manager or Clinical Director	£25,000
Budget holder	£10,000	
FL3b: Pharmacy Orders placed via the Pharmacy System	Chief Executive or Chief Finance Officer or Director of Finance	>£200,000
	Clinical Director of Pharmacy and Medicines Management	£200,000
	Medicines Effectiveness Pharmacist	£50,000
	Pharmacy Purchasing & Distribution Operational Manager	£20,000
FL3c: Leasing within approved Financial Plans or Business Cases (property or equipment, irrespective of whether the Trust is a lessor or a lessee) Lease value determined by whole life cost	Chief Finance Officer and Director of Finance	>£1,000,000
	Chief Finance Officer or Director of Finance	£1,000,000
	Deputy Director of Finance - Technical and Developments	£100,000
FL4: Approval of business cases	Trust Board	>£3,000,000
	Revenue: 5-year values	Trust Management Executive

	Delegation	Value
Capital: total capital cost	Business Planning Group and Divisional Triumvirate or Capital Management Group and Divisional Triumvirate (capital spend only)	£1,000,000
FL5: Losses, Compensations and Ex-Gratia Payments Note 1: All losses due to theft or fraud require Chief Finance Officer approval Note 2: All compensation payments subject to legal advice require Chief People Officer Approval	Trust Board Chief Executive and another Chief Officer Chief Finance Officer and another Chief Officer Chief Finance Officer Director of Finance Deputy Director of Finance – Technical & Developments Divisional Director	>£150,000 £150,000 £100,000 £75,000 £50,000 £25,000 £5,000
FL7: Entering into sponsorship agreements	Trust Board Trust Management Executive Chief Finance Officer Commercial Director Programme Director – The Hill Divisional Director of Operations / Director of Procurement & Supply Chain	>£1,000,000 £1,000,000 £100,000 £50,000 £25,000 (The Hill sponsorships only) £10,000
FL8a: Authorise credit notes relating to NHS Healthcare contracts and non-healthcare income	Chief Finance Officer Director of Planning and Contracting or Director of Finance	>£500,000 £500,000
FL8b: Authorise credit notes and bad debt write off for private patients and overseas visitors	Chief Finance Officer Commercial Director Head of Private Patients, Overseas Visitors and International	>£500,000 £500,000 £100,000

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	Delegation	Value
	Invoicing Team Leader – for credit note & re-raise only	Up to 10% variance to original invoice amount
FL8c: Agree payment plans for private, overseas and international payments	Director of Finance or Chief Finance Officer	Over £50,000 or 3-year repayment term
	Commercial Director	Up to £50,000, up to 3-year repayment term
	Head of Private Patients, Overseas Visitors and International	Up to £25,000, up to 2-year repayment term
FL9: Authorise tendering for services where OUH is a competing body ³ OR divestment of a service (including not re-tendering for services the Trust currently providers)	Trust Board	> £3,000,000
	Trust Management Executive	£3,000,000
	Chief Executive and one of Chief Finance Officer or Chief Operating Officer	£2,000,000
	Chief Finance Officer and Chief Operating Officer	£1,000,000
	Divisional Director of Operations; and Director of Finance and Commercial Director or Director of Commissioning and Contracting	Up to £500,000
FL11: Authorising disposals (limit based on book value)	Trust Board	>£500,000
	Trust Management Executive	£500,000
	Chief Finance Officer	£250,000
	Director of Finance or Commercial Director (for equity investments only)	£100,000
	Other Chief Officers or Deputy Director of Finance or Divisional Director of Operations	£25,000
FL12: Sign research grants on behalf of the Trust	Trust Board	>£10,000,000
	Chief Finance Officer and Chief Medical Officer or Director of R&D	£10,000,000

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³ All commissioner requested services may not be divested of without commissioner approval. Please seek advice from the Director of Commissioning and Contracting or Director of Finance regardless of financial value.

	Delegation	Value
	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	£2,000,000
FL13: Authorising equity investment	Trust Board (via Investment Committee)	>£500,000
	Chief Executive and Chief Finance Officer	£500,000
	Commercial Director	<£50,000
FL14: Exercising shareholder responsibility	Commercial Director	<10%
	Chief Finance Officer	>10%
FL15: Set up of a subsidiary or Joint Venture	Trust Board	>£1,000,000
	Trust Management Executive	<£1,000,000
FL16: Enter into SDE agreements (revenue excluding royalties)	Trust Management Executive	>£500,000
	Chief Finance Officer	£500,000
	Commercial Director	£200,000
	Head of Commercial – Data and Innovation	£75,000
	(only where Trust Management Executive agreed contractual templates are used and legal sign-off of modifications has been achieved. Preparer of the agreement cannot be the signatory)	