



**GLOUCESTERSHIRE HOSPITALS**

**NHS FOUNDATION TRUST**

**SCHEDULE OF DECISIONS RESERVED TO THE BOARD AND  
THE SCHEME OF DELEGATION**

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## Contents

1	Introduction	4
1.1	Reservation of powers	4
1.2	Role of the Chief Executive	4
1.3	Caution of the use of delegated powers	4
1.4	Absence of directors or officers to whom powers have been delegated	4
1.5	Review and awareness of delegated powers	4
2	Schedule of Decisions Reserved to the Board	5
3	Decisions/Duties delegated by the Board to Committees	9
3.1	Audit and Assurance Committee	9
3.3	Finance and Resources Committee	10
3.4	People and Organisational Development Committee	13
3.5	Quality and Performance Committee	13
3.6	Remuneration Committee	14
4	Scheme of Delegation of Powers from the Constitution	21
5	Scheme of Delegation of Powers from the Board Standing Orders (SOs)	22
6	Scheme of Delegation of Powers from the Standing Financial Instructions (SFIs)	24
	Appendix 1: Financial Delegation Limits	33

## **1 Introduction**

### **1.1 Reservation of powers**

Subject to a provision in the authorisation or the Constitution, the Board may make arrangements for the exercise, on behalf of the Trust, of any of its functions by a committee or sub-committee, appointed by virtue of Standing Order 5 or by a Director or an officer of the Trust in each case subject to such restrictions and conditions as the Board thinks fit. The NHS Foundation Trust Code of Governance and the Code of Accountability requires the Board of Directors to draw up a schedule of decisions reserved to itself and to ensure that management arrangements are in place to enable the clear delegation of its other responsibilities. This document sets out the powers reserved to the Board of Directors and the Scheme of Delegation including financial limits and approval thresholds. However, the Board of Directors remains accountable for all of its functions, including those which have been delegated, and would therefore expect to receive information about the exercise of delegated functions to enable it to maintain a monitoring role.

### **1.2 Role of the Chief Executive**

All powers of the Foundation Trust, which have not been retained as reserved by the Board of Directors or delegated to a Board committee or sub-committee, shall be exercised on behalf of the Board of Directors by the Chief Executive. The Scheme of Delegation identifies any functions which the Chief Executive shall perform personally and those able to be delegated to other directors or officers. All powers delegated by the Chief Executive can be re-assumed by them should the need arise.

### **1.3 Caution of the use of delegated powers**

Powers are delegated to directors and officers on the understanding that they would not exercise delegated power in a manner which could be a cause for public concern.

### **1.4 Absence of directors or officers to whom powers have been delegated**

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

### **1.5 Review and awareness of delegated powers**

The Scheme of Delegation is reviewed annually. As part of ensuring a sound system of corporate governance prevails, there is a requirement for staff with budgetary and/or senior managerial responsibility to sign a statement acknowledging awareness of this document and the Standing Financial Instructions and Standing Orders, and agreeing to apply them to their everyday approach to carrying their work for the Trust. This approach promotes compliance and effectiveness.

## 2 Schedule of Decisions Reserved to the Board

REF <sup>1</sup>	Decisions reserved to the Board of Directors
	<p><b>General Enabling Provision</b></p> <p>The Board of Directors may determine any matter, for which it has delegated or statutory authority, it wishes in full session within its statutory powers.</p>
<p>SO 4.4</p> <p>SO 5.5</p> <p>SFI 17.1</p> <p>SO 2.2</p> <p>C 19.1</p> <p>SO 11.2</p>	<p><b>Regulations and Control</b></p> <ol style="list-style-type: none"> <li>1 Approve Standing Orders (SOs) and Reservation of Powers to the Board.</li> <li>2 Suspend SOs, subject to SOs 3.30-3.34.</li> <li>3 Amend SOs, subject to SO 3.3.5.</li> <li>4 Approve Standing Financial Instructions (SFIs), including Financial Delegation Limits.</li> <li>5 Ratify the exercise of powers, which the Board has retained to itself, by the Chief Executive and the Chair in emergency, subject to SO 4.2.</li> <li>6 Approve a scheme of delegation of executive powers from the Board of Directors to committees or sub-committees, which it has formally constituted, and authorise the delegation of a committee's executive powers to a sub-committee.</li> <li>7 Require and receive the declaration of Directors' interests that may conflict with those of the Trust and determining the extent to which that Director may remain involved with the matter under consideration in accordance paragraph 11 of the Constitution.</li> <li>8 Receive reports from committees including those that the Trust is required by the Secretary of State or other regulation to establish and to take appropriate action on such reports.</li> <li>9 Confirm or otherwise the recommendations of the Trust's committees where the committees do not have executive powers.</li> <li>10 Establish terms of reference and reporting arrangements of all committees that are established by the Board of Directors.</li> <li>11 Approve arrangements relating to the discharge of the Trust's responsibilities as a corporate trustee for funds held on trust.</li> <li>12 Authorise the use of the seal and agree a policy to define those documents that must be sealed.</li> <li>13 Ensure the quality and safety of healthcare services, education, training and research delivered by the NHS Foundation Trust and applying the principles and standards of clinical governance set out by the Department of Health, the CQC, and other relevant NHS bodies.</li> </ol>
<p>C 9.7</p> <p>SO 5.6</p> <p>SFIs 9.1.3 &amp; 9.1.4</p>	<p><b>Appointments/ Dismissal</b></p> <ol style="list-style-type: none"> <li>1 Appoint one of the independent Non-Executive Directors to be the Senior Independent Director in consultation with the Council of Governors.</li> <li>2 Approve the appointments to each of the committees, which it has formally constituted, and approve the terms of such appointments.</li> <li>3 Confirm appointment of members of any committee of the Trust as representatives on outside bodies.</li> <li>4 Approve proposals of the Remuneration Committee regarding the remuneration and terms of service of Directors.</li> </ol>
SFI 1.3.1	<p><b>Strategy, Plans and Budgets</b></p> <ol style="list-style-type: none"> <li>1 Define the strategic aims and objectives of the Trust each year.</li> </ol>

<sup>1</sup> Reference Key: Constitution (C), Standing Financial Instructions (SFIs), SFI Appendix (SFI A) and Standing Orders (SOs).

SFI 20.1	2 Approve proposals for ensuring quality and developing clinical governance in services provided by the Trust, having regard to any guidance issued by NHS Improvement (Monitor).
	3 Approve and monitor the Trust's risk management strategy.
SFI 4.1.5	4 Approve the Trust's financial plan and annual budget.
	5 Approve the Trust's capital programme.
SFI 12.2.1	6 Approve annually the Trust's Operational Plan.
	7 Approve Private Finance Initiative proposals (subject to any guidance issued by the Regulator).
SFI A1.5.2	8 Approve the opening of bank or investment accounts.
	9 Approve proposals on individual contracts (other than NHS contracts) of a capital or revenue nature amounting to, or likely to amount to, over £5,000,000.
SFI A1.1.3	10 Approve capital expenditure, business cases and PFI schemes, including approval of variations, amounting to over £1,000,000.
SFI A1.1.3	11 Approve of increases in the real terms cost of revenue or capital developments identified specifically in the financial plans of the Trust, or reported individually in any Board agenda, provided that the cost increase can be funded within one of the approved provisions or reserves where the increase is >10% of the value in the agreed financial plan.
SFI A1.3	12 Approve purchase orders amounting to over £500,000.
SFI 8.5	13 Approve participation in a tendering exercise where retaining a service provided by the Trust amounts to over £50,000,000 and where acquiring a new service amounts to over £25,000,000.
SFI 2.1.1	14 Approve individual compensation payments.
SFI 10.1.1	15 Approve the level of non-pay expenditure on an annual basis.
SFI 11.1	16 Approve long term and short term borrowing facilities.
	<b>Policy Determination</b>
	1 Determine insurance policy.
	<b>Audit</b>
	1 To provide feedback to Governors to inform the appointment (and, where necessary, dismissal) of the External Auditor.
	2 Approve the appointment (and where necessary, dismissal) of the Internal Auditors.
	3 Receive reports of the Audit and Assurance Committee meetings, highlighting significant internal and external audit issues, and take appropriate action.
	4 Receive the annual management letter received from the external auditor and agreement of proposed action, taking account of the advice of the Audit and Assurance Committee where appropriate.
	<b>Annual Reports and Accounts</b>
	1 Approve the Trust's Annual Report, the Quality Account and Annual Accounts.
	<b>Monitoring</b>
	1 Receive Board Assurance Framework reports and reports from committees in respect of their exercise of powers delegated such as the Board of Directors sees fit.
	2 Continuous appraisal of the affairs of the Trust by means of the provision of information to the Board as the Board may require from Directors, committees and officers of the Trust as set out in management policy statements. All monitoring returns required by NHS Improvement (Monitor) shall be reported, at least in summary, to the Board of Directors.

	<p>3 Receive reports on all aspects of the Trust’s performance, and particularly those covering performance against budget, financial plans, performance improvement plans, internal or national targets, and measures of activity and quality.</p>
<p>GMS Schedule of Matters Reserved and Delegated</p>	<p><b>Matters concerning GMS</b></p> <p>1 Responsibilities of the Trust as shareholder of GMS as defined in company law.</p> <p>2 Admission of additional shareholders for GMS.</p> <p>3 Approval to issue any shares in GMS or grant any options or other right to subscribe for shares in GMS.</p> <p>4 Approval to consolidate, sub-divide, convert, cancel, reduce, redesignate, purchase or redeem any share capital of GMS.</p> <p>5 Approval of any change to the registered or trading name(s) of GMS, or to its brand.</p> <p>6 Approval to change the location of GMS’ registered office or its principal place of business.</p> <p>7 Engage, carry on or establish any business outside of the United Kingdom or provide for the payment of any monies other than in good faith for the purposes of or in connection with the carrying on of such business outside of England and Wales.</p> <p>8 Dissolution of GMS.</p> <p>9 Approval and amendment of GMS’ articles of association.</p> <p>10 Appointment and removal of directors and the company secretary for GMS.</p> <p>11 Appointment of a director to act as Chair of the GMS Board of Directors.</p> <p>12 Approval of the terms and conditions of appointment for directors and the company secretary of GMS.</p> <p>14 Approval of the GMS’ schedule of matters reserved and delegated.</p> <p>16 Approval of the membership and responsibilities of the Trust Estates and Facilities Committee.</p> <p>24 Oversight and approval to issue, defend or settle any litigation, claim or other legal proceedings (other than actions to recover debts in the ordinary course of business) for fees and other costs in excess of £10,000.</p> <p>30 Change the nature of GMS’ business or commence any new business which is not ancillary or incidental to the business (otherwise than in accordance with approved business plan).</p> <p>34 Approval to acquire or to dispose of assets with a value exceeding £1,000,000, ensuring financial viability.</p> <p>35 Enter into a loan agreement with another lender, including any mortgage or other charge with a value exceeding £1,000,000.</p> <p>36 Approval to create issue or allow to come into being any encumbrance over the whole or any part of the undertaking or assets of GMS (save for charges arising by operation of law in the ordinary course of business or under retention of title covenants with suppliers to GMS).</p> <p>37 Approval to make any capital distributions or dividend distributions.</p> <p>45 Enter into or to renew a contract or series of connected revenue or capital contracts within their financial allocation for any material for consideration payable being in excess of £5,000,000; or consideration receivable represents on average in excess of £5,000,000; per annum.</p> <p>46 Approval of capital transactions or contracts not within the approved Trust capital plan for the year.</p> <p>47 Providing parent company guarantees for new GMS contracts.</p>

	<p>51 Approval of staffing establishment and structure that could adversely affect services provided to a client or have significant impact on the staffing structure (e.g. redundancies).</p> <p>52 Approval of changes to terms and conditions, excluding non-contractual policies, for employees who transfer from the Trust to GMS.</p> <p>54 Approval of pension scheme arrangements for employees who transfer from the Trust to GMS.</p>
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### **3 Decisions/Duties delegated by the Board to Committees**

#### **3.1 Audit and Assurance Committee**

**The Audit and Assurance Committee will be responsible for the following:**

- To consider the appointment of the external auditor, in line with the Code of Conduct for Foundation Trusts, and the audit fee. It is the role of the Council of Governors to appoint or remove the Trust's external auditor.
- To discuss with the external auditor before the audit commences, the nature and scope of the audit, and ensure co-ordination, as appropriate, with other external auditors in the health economy and with the Trust's internal auditors.
- To review external audit reports, including value for money reports and annual audit letters, together with the management response.
- To consider the appointment of the internal audit service, the audit fee and any questions of resignation and dismissal.
- To approve and review the internal audit programme in line with the Assurance Framework, consider the major findings of internal audit investigations and management's response, to receive and review the Head of Internal Audit opinion and ensure co-ordination between the internal and external auditors.
- To ensure that the Internal Audit function is adequately resourced and has appropriate standing within the organisation.
- To prepare an Annual Report that sets out how the Committee has met its Terms of Reference.
- To offer assurance to the Board that the Trust has a robust Assurance Framework which is operating satisfactorily and which ensures that the same level of scrutiny is given to clinical risks as to strategic, financial and operational risks. This will be done through consideration of the annual report of the Quality Committee and an annual review of the Assurance Framework prior to the preparation of the Annual Governance Statement.
- To review the annual financial statements before submission to the Board, focusing particularly on changes in, and compliance with, accounting policies and practices; major judgemental areas; significant adjustments resulting from the audit.
- To review the adequacy of the policies and procedures for all work related to fraud and corruption as set out in Secretary of State Directions and as requested by the Directorate of Counter Fraud Services; and to review any instances of fraud logged.
- To ensure that the Standing Financial Instructions (SFIs) and Standing Orders (SOs) are maintained and are kept up to date, with an annual review.
- To review any instances where the SFIs/SOs have been overruled by any individual within the Trust; or any occasions where SOs have been suspended at a meeting.
- To review any instances where the Chief Executive has waived competitive tendering or competitive quotation requirements, or has given approval to a tender invitation to a firm not on the approved list.
- To consider the Trust's Emergency Preparedness, Resilience and Response (EPRR) framework and provide assurance to the Board that it is fit for purpose.
- To consider any instances of Director's interests in any potential contracts.
- To review any changes to the internal controls within the Trust.

- To review any special payments made with respect to compensation for any losses.
- To consider other topics as defined by the Board from time to time.

#### *Oversight of the Trust's subsidiaries' audit arrangements*

- Gain assurance that any subsidiaries set up and owned by the Trust have appropriate and effective audit arrangements.
- Appoint or remove the external auditor for Gloucestershire Managed Services (GMS).
- Appoint or remove the internal auditor for GMS.
- Obtain assurance and approve the proposals for the acquisition or disposal of assets (GMS).
- Approve any change to GMS' accounting reference date.

#### *GMS Schedule of Matters Reserved and Delegated:*

31 Appointment or removal of the external auditor for GMS

32 Appointment or removal of any internal auditor for GMS

42 Approval of any change to GMS' accounting reference date

### **3.2 Finance and Resources Committee**

#### **The Finance and Resources Committee will:**

To seek assurance on and be responsible for:

- Progress on the delivery of the Financial Strategy
- Progress on the delivery of the financial aspects of the Operational Plan
- Annual financial plans: revenue, budget, capital, working and associated targets for savings to ensure sustainability
- The Trust's financial plans over the short, medium and long term
- Cash flow status
- The availability of financial management information (to ensure a consistent approach to financial management)
- Sustainable service commissioning
- Review and maintain an overview of financial and service delivery agreements and key contractual arrangements
- Oversee the development, management and delivery of the Trust's annual capital programme
- Consider the effectiveness and alignment of key financial policies with the Trust's strategy
- To consider and recommend for approval by the Trust's Board of Directors any proposed changes to the Standing Financial Instructions
- Progress on the delivery of the Trust's Digital Strategy and aligned programmes
- The changes being brought about by the use of data, information, knowledge and technology within the Trust
- The opportunities and risks of the changes brought about by the Digital Strategy and the changing expectations of staff, stakeholders, patients, service users and the public

- That the risks associated with the adoption of digital technologies are understood, weighted against the benefits and mitigated as far as is possible
- That the Trust is supported by technology that is scalable, interoperable, flexible, fixable, resilient and fit for purpose
- That digital implementation and support structures are properly resourced, are embedded throughout the organisation and appropriately involve users and other stakeholders.
- Any other relevant matters as referred by the Board.
- Ensure that the Trust's Estates Strategy is aligned to and responds to the Trust's Clinical Strategy and other enabling strategies and operational plans.
- Ensure that the Trust's Estates Strategy takes account of and, where appropriate, is aligned to the Integrated Care System (ICS)'s estates strategy.
- Provide assurance and oversight of the delivery of the Trust's major capital schemes, defined as those in excess of £5m and any smaller scheme considered to be 'high risk' as determined by the Trust's Capital Control Group.
- Ensure that the estates maintenance and refurbishment programmes are aligned to Trust strategy and the risks and impact on service delivery are understood and actively managed.
- Maintain oversight of risks related to the estate and facilities function and provide assurance to the Board that risks are being comprehensibly assessed, controlled and mitigated effectively, including clarity with respect to ownership of risks between Trust and GMS
- Obtain assurance on the effectiveness of the corporate governance arrangements in respect of GMS, both within the Trust and within GMS, to ensure that they comply with regulatory requirements, adopt relevant good practice, and are effective.
- Obtain assurance on the effectiveness of the Trust's arrangements for managing its contract(s) with GMS, including the oversight of GMS' performance against key indicators or other measures of service delivery on an exceptions basis.
- Approve GMS' corporate strategy/strategic direction and obtain assurance that the corporate strategy for GMS addresses the Trust's requirements of GMS and is consistent with relevant Trust strategies.
- On behalf of the Board, review and approve the GMS Business Plan for each financial year, and any subsequent business cases for new or changed services, (even if they are outlined in the Plan) where the proposal's impact is deemed 'significant' , ensuring that they addresses the Trust's objectives so far as they are relevant to the business of GMS and any other content that the Committee requires.
- Subsequently obtain assurance from the Trust Executive Directors that delivery is in line with the GMS Plan. *(NB the delivery of the contracted service will be overseen by the Contract Management Board)*. This assurance will also include financial performance, including the GMS contribution to the Trust's CIP plans *(NB This is more specific than the review of Group financial performance performed at the Finance and Digital Committee)*. Further, this assurance will also cover the realisation of the benefits set out in the March 2018 GMS business case).
- Exercise Trust's responsibilities as the GMS owner/shareholder, as set out in the *Schedule of matters reserved and delegated*.
- Advise and make recommendations to the Board as necessary on the exercise of its responsibilities and authority as shareholder/owner and client/customer of GMS.

#### *GMS Schedule of Matters Reserved and Delegated*

- 13 On behalf of the Trust's Board of Directors, authorise any conflicts of interests for any directors of the Trust who are also directors of GMS.

- 17 Approval of the responsibilities of the GMS Board of Directors.
- 22 Approval of arrangements to ensure compliance with regulatory requirements.
- 26 Approval of GMS' corporate strategy/strategic direction.
- 27 Approval of the annual business plan and annual budget for GMS (including objectives and any other strategic measures of performance), and any amendments to them as well as any subsequent business cases for new or changed services (even if they are outlined in the Plan) where the proposal's impact is deemed 'significant'
- 28 Approval of the financial plan and annual budget for GMS.
- 29 Approval for any of GMS' services to be sub-contracted to another provider.
- 30 Change the nature of GMS' business or commence any new business which is not ancillary or incidental to the business (otherwise than in accordance with approved business plan)
- 34 Approval to acquire or to dispose of assets with a value exceeding £20,000 and up to £1,000,000.
- 35 Enter into a loan agreement [with GMS on behalf of the Trust, including any mortgage or other charge
- 36 Enter into a loan agreement on behalf of GMS with another lender, including any mortgage or other charge with a value exceeding £20,000 and up to £1,000,000.
- 39 Acquisition of any interest or share capital in another body corporate.
- 40 Making any loan or granting credit, other than trade credit in the normal course of business on arm's length terms, or granting any guarantee or indemnity of the obligations of any person.
- 41 Approval of accounting and financial policies and procedures, subject to compliance with the approved budget and financial plan.
- 43 Approval to open or close any bank account for GMS.
- 45 Enter into or to renew a contract or series of connected revenue or capital contracts for any material for consideration payable being in excess of £250,000 and up to £5,000,000; or consideration receivable represents on average in excess of £250,000 and up to £5,000,000; per annum.
- 49 Obtain assurance that the findings and recommendations of GMS-related internal audit reports have been addressed by the GMS.
- 50 Approval of revenue transaction over £50,000 and not within the approved business plan for the year.

### **3.3 People and Organisational Development Committee**

#### **The People and Organisational Development Committee will:**

- Obtain assurance that there are practices in place which ensure the sustainability and affordability of workforce supply on a short, medium and long term basis including workforce planning, development, redesign, recruitment and retention;
- Obtain assurance that the Trust attracts and retains a high performing workforce capable of delivering the Trust operational clinical strategies;
- Obtain assurance that the Trust implements effective and equitable reward packages that positively impact on performance and meet national and legislative parameters;
- Obtain assurance that strategic education issues and external relationships which impact on supply and engagement are included in Trust planning;
- Obtain assurance that the Trust delivers services which are fair and equitable promoting diversity and equality of opportunity;
- Obtain assurance that the Trust is driving improved employee engagement, ensuring appropriate mechanisms for the employee voice to ensure that rapid action is taken to improve staff experience.
- Obtain assurance that the research programme and governance framework is implemented and monitored.
- Agree the Trust Workforce Strategy and establish, monitor and report to the Trust Board on an annual programme of work to implement the strategy;
- Agree annual objectives for Health and Safety;
- Agree (where necessary) People and Organisational Development reports prior to publication and review implications of national reports that have been published;
- Identify risks associated with People and Organisational Development issues ensuring ownership with mitigating actions, escalating to Trust Board as required;
- Approve the terms of reference and membership of its sub-committees (as may be varied from time to time at the discretion of the Committee) and oversee their work, receiving reports for consideration and action as necessary;
- Consider and approve action plans, programmes of work and strategic objectives as a result of national audit related to protected characteristics and provide assurance to the Board on progress; and

Work with the Quality and Performance Committee to obtain assurance on safer and optimal staffing and that education, learning and development is aligned with the Trust's quality priorities.

### **3.4 Quality and Performance Committee**

#### **The Quality and Performance Committee will:**

- Monitor the Trust's arrangements to ensure its services are safe, effective, caring, responsive and well-led.

- Scrutinise the assessment of quality and performance risks identified in the Board Assurance Framework, ensuring there is sufficient assurance that these risks are adequately managed, including actions to eliminate gaps in controls.
- Review the arrangements in place to monitor compliance with key statutory requirements and guidance including, in particular, the Health and Social Care Act 2008 and associated regulations.
- Oversee the process by which quality and performance measures are developed and maintained and recommend to the Board the range of indicators that should be monitored.
- Monitor performance of the Trust's services against key quality and performance indicators, including clinical outcomes measures, as determined by the Board.
- Monitor arrangements to establish and maintain a culture that reflects the vision and values of the Trust, encouraging openness and transparency and promoting good quality care.
- Scrutinise the work of the relevant sub-committees through regular review of sub-committee reports.
- Regularly review the Trust's process of quality impact assessment of cost improvement plans (CIPs) and post-implementation reviews.
- Provide information as required to enable the Audit and Assurance Committee to discharge its duties in relation to internal control and risk management. The Chair of the Quality and Performance Committee shall be invited to attend the Audit and Assurance Committee annually, at the request of the Audit and Assurance Committee Chair, to assess the effectiveness of the relationship between the two committees.
- Report to the Audit and Assurance Committee once a year on the ways in which the Quality and Performance Committee has fulfilled its duties to assure the quality and safety of the Trust's services, including quality governance and audit.
- Where the Committee is concerned that identified risks have a material impact on the remit of either the Audit and Assurance Committee, the Finance and Resources Committee and the People and Organisational Development Committee to refer the details to the other relevant committees.
- Identify any gaps or weaknesses in the quality governance framework.
- Undertake thematic reviews of quality and performance topics identified for priority focus through the work of the Committee.
- Receive and scrutinise reports from the internal auditor relating to quality governance and other quality and performance matters.
- Recommend to the Audit and Assurance Committee areas of focus for the internal audit plan.
- Review the Trust's draft annual Quality Account prior to adoption by the Board.

### **3.5 Remuneration Committee**

#### **The Remuneration Committee will:**

##### **A. Appointments Role**

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

- Give full consideration to and make plans for succession planning for the chief executive taking into account the challenges and opportunities facing the trust and the skills and expertise needed on the Board in the future.
- Consider any matter relating to the continuation in office of any board executive director including the suspension or termination of service of an individual as an employee of the trust, subject to the provisions of the law and their service contract.

**B. Remuneration Role**

- Monitor and evaluate the performance of the Chief Executive through the Chair's appraisal process.
- Determine the remuneration and terms of service of Executive Directors.
- Discuss and, if appropriate, confirm the assessments made of performance related pay by the Chair for the Chief Executive the Chief Executive for the other Executive Directors.
- Determine pay rises and review the need for any other adjustments. If a performance related pay scheme is in operation then a meeting of the Committee will review the performance of individual directors prior to the award of any bonus payments. (If a group PRP scheme is in place covering the most senior managers as well as Executive Directors then the Committee will determine membership of the scheme and payments for the scheme as a whole).

Advise on and oversee appropriate contractual arrangements for Executive Directors, including any termination payments.

#### 4 Scheme of Delegation of Powers from the Constitution

Constitution Ref	Delegated to	Authorities/Duties Delegated
7.4.3 & 7.4.4 & 7.4.5	Trust Secretary	Make decisions regarding Members' and applicants' eligibility or disqualification.
7.7.9	Chair	Preside at the Annual Members' Meeting.
8.6.1	Chair	May veto the appointment of a Stakeholder Governor by serving notice in writing to the relevant sponsoring organisation where they believe that the appointment in question is unreasonable, irrational or otherwise inappropriate.
8.7.2	Trust Secretary	Ensure NHS Improvement (Monitor) is provided with details of the serving Lead Governor.
8.11.2	Trust Secretary	Request, where the vacancy arises amongst the appointed Governors, the appointing organisation appoints a replacement to hold office for the remainder of the term of office.
9.5	Chair	May exercise a second or casting vote where the number of votes for and against a motion is equal at a meeting of the Board of Directors.
17.5	Chair	Judge whether a transaction is "deemed to be high risk by its nature" or "of specific relevance to governor priorities".
Annex 2 3.4	Chair	Give such directions as they think fit in regard to the arrangements for meetings and accommodation of the public and representatives of the press such as to ensure that the business of the meeting shall be conducted without interruption and disruption; exclude any member of the public or press from a meeting of the Council of Governors if they are interfering with, or preventing the proper conduct of the meeting.
Annex 2 3.7	Chair	Call a meeting of the Council of Governors at any time.
Annex 2 3.9	Chair	Serve notice of a Council of Governors meeting on governors.
Annex 2 3.17	Chair	Exercise a casting vote where the number of votes for and against a motion is equal at a meeting of the Council of Governors.
Annex 2 3.27	Chair	Decide questions of order, relevance, regularity and any other matters at a meeting of the Council of Governors.
Annex 2 3.33	Trust Secretary	Keep records of all written resolutions of any matter determined by the Council of Governors.
Annex 2 5.1.1 & 5.1.2	Governors	Declare any actual or potential conflict of interest.
Annex 2 5.1.3	Chair	Determine what action to take if a Governor has a conflict of interest.
Annex 2 5.3.1	Trust Secretary	Ensure a register of interests is established to record formally declarations of interests of Governors.



## 5 Scheme of Delegation of Powers from the Board Standing Orders (SOs)

SO Ref	Delegated to	Authorities/Duties Delegated
1.1	Chair	Be the final authority on the interpretation of the Standing Orders (on which they should be advised by the Chief Executive, Director of Finance and Trust Secretary).
3.4	Chair	Give such directions as they think fit in regard to the arrangements for meetings and accommodation of the public and representatives of the press such as to ensure that the Board's business shall be conducted without interruption and disruption and, without prejudice to the power to exclude on grounds of the confidential nature of the business to be transacted.
3.7	Chair	Call a meeting of the Trust Board at any time.
3.9	Chair	Serve notice of the meeting of the Trust to every Director.
3.16 & 3.26	Chair	Exercise a casting vote where the number of votes for and against a motion is equal.
3.25	Chair	Decide questions of order, relevance, regularity and any other matters at the meeting of the Trust.
4.2	Chief Executive and Chair	Exercise the powers which the Board has retained to itself within the Standing Orders in emergency.
4.5	Chief Executive	Determine which functions they will perform personally and nominate officers to undertake the remaining functions for which they will still be accountable to the Board.
4.6	Trust Secretary	Prepare a Scheme of Delegation identifying their proposals which shall be considered and approved by the Board, subject to any amendments agreed during the discussion; and periodically propose amendment to the Scheme of Delegation.
6.3.5	Chair	Determine what action to take if during the course of a meeting of the Board a Director has a conflict of interest.
6.13	Trust Secretary	Ensure a register of interests is established to record formally declarations of interests of Directors.
7.6	Directors, Governors and officers of the Trust	Disclose to the Chief Executive any relationship with a candidate for any staff appointment of whose candidature that Director or officer is aware.
7.6	Chief Executive	Report to the Trust any disclosure made by any Director, Governor and officer of the Trust concerning any relationship with a candidate of whose candidature that Director or officer is aware.
8.4	Director of Finance or nominated officer	Maintain a list of applicable exemptions from waiving competition.
8.5	Director of Finance	Waive competitive tendering/quotation procedures in specific circumstances as defined in SO 8.5.1-8.5.4.
8.6	Chief Executive and Director of Finance	Waive formal tendering procedures over £25,000 excluding VAT and under the thresholds of the EU Procurement Directives given specific circumstances as defined in SO 8.6.1-8.6.5.
8.16	Chief Executive or officer	Evaluate quotations and select the one which gives the best value for money.

	nominated by them	
8.18	Chief Executive	Ensure best value for money can be demonstrated for all services provided under contract or in-house.
8.19.1	Chief Executive	Demonstrate the use of private finance represents value for money and genuinely transfers risk to the private sector.
8.22 & 10.4	Chief Executive	Nominate an officer who shall oversee and manage each contract on behalf of the Trust.
8.22	Chief Executive	Nominate officers with delegated authority to enter into contracts for the employment of other officers, to authorise regrading of staff, and enter into contracts for the employment of agency staff or temporary staff.
8.23	Chief Executive	Nominate officers to assess the tax status on individuals/personal services companies to ensure compliance with HMRC Self-Employment/IR35 status, prior to entering into any contracts of this nature.
8.23	Head of Shared Services or Head of Procurement	Peer review and confirm the tax status on individuals/personal services companies to ensure compliance with HMRC Self-Employment/IR35 status, prior to entering into any contracts of this nature.
8.25	Chief Executive	Nominate officers with power to negotiate for the provision of healthcare services with commissioners of healthcare.
11.1 & 11.5	Trust Secretary	Keep the Common Seal of the Trust in a secure place and maintain a register of sealing.
11.3	Director of Finance	Approve and sign the sealing of any building, engineering, property or capital document.
11.3	Chief Executive	Authorise and countersign the sealing of any building, engineering, property or capital document.
11.4	Trust Secretary	Witness and attest to the affixing of the seal.
12.1	Chief Executive	Sign any documents where the signature will be a necessary step in legal proceedings involving the Trust.
12.2	Chief Executive	Sign on behalf of the Trust any agreement or other document (not required to be executed as a deed) the subject matter of which has been approved by the Board or committee or sub-committee to which the Board has delegated appropriate authority.
13.1	Chief Executive	Ensure that existing Directors and officers and all new appointees are notified of and understand their responsibilities within Standing Orders and Standing Financial Instructions.
Annex A	Chief Executive	Perform tendering procedure as designated in Annex A of the SOs.

## 6 Scheme of Delegation of Powers from the Standing Financial Instructions (SFIs)

SFI Ref	Delegated to	Authorities/Duties Delegated
<b>1 Introduction</b>		
1.3.6 & 1.3.9	Chief Executive	Ensuring that all members of the Board, employees of the Trust and contractor are notified of and understand their responsibilities within SFIs.
1.3.7	Finance Director	1 Implementing the Trust's financial policies and for coordinating any corrective action necessary to further these policies;

		<ol style="list-style-type: none"> <li>2 Maintaining an effective system of internal financial control including ensuring that detailed financial procedures and systems incorporating the principles of separation of duties and internal checks are prepared, documented and maintained to supplement these instructions;</li> <li>3 Ensuring that sufficient records are maintained to show and explain the Trust's transactions, in order to disclose, with reasonable accuracy, the financial position of the Trust at any time;</li> <li>4 Ensuring that good financial practice is followed in accordance with accepted professional standards and advice received from internal and external auditors;</li> <li>5 Providing of financial advice to the Trust and its Directors and employees;</li> <li>6 Designing, implementing and supervising of systems of internal financial control; and</li> <li>7 Preparing and maintaining of such accounts, certificates, estimates, records and reports as the Trust may require for the purpose of carrying out its statutory duties.</li> </ol>
1.3.8 & 1.3.9	All directors, staff and contractors	Security of Trust property; avoiding loss; exercising economy and efficiency in the use of resources; conforming to the Constitution, Standing Orders, SFIs and the Scheme of Delegation; and reporting suspected theft or fraud to the Director of Finance.
<b>2 Audit</b>		
2.1.1	Audit and Assurance Committee	<ol style="list-style-type: none"> <li>1 Overseeing Internal and External Audit services;</li> <li>2 Reviewing systems of internal control and ensuring they are fit for purpose;</li> <li>3 Monitoring compliance with Standing Orders and Standing Financial Instructions; and</li> <li>4 Reviewing schedules of losses and compensations and making recommendations to the Board.</li> </ol>
2.1.3	Director of Finance	Ensuring adequate internal audit service is provided
2.1.4	Audit and Assurance Committee	Making a recommendation to the Council of Governors to the appointment of external auditors; assessing the external (financial) auditors on an annual basis in terms of the quality of their work
2.2.1	Chief Executive / Director of Finance	Monitoring and ensuring compliance with the directions issued by the Secretary of State for Health and/or NHS Counter Fraud Authority on fraud, bribery and corruption.
2.2.4	Local Counter Fraud Specialist	Providing a written report at least annually on counter fraud work within the Trust.
2.2.5	All staff	Informing the Finance Director or Local Counter Fraud Specialist if they discover or suspect a loss of any kind
2.3.1	Director of Finance	<ol style="list-style-type: none"> <li>1 Ensuring that there are arrangements to review, evaluate and report on the effectiveness of internal financial control including the establishment of an effective internal audit function;</li> <li>2 Ensuring that the internal audit is adequate and meets the NHS mandatory audit standards;</li> </ol>

		<ol style="list-style-type: none"> <li>3 In conjunction with the Counter Fraud and Security Management Service, deciding at what stage to involve the police in cases of misappropriation, and other irregularities;</li> <li>4 Ensuring that an annual Internal Audit Report is prepared for the consideration of the Audit and Assurance Committee and the Board;</li> <li>5 Ensuring that a three year strategic Internal Audit Plan is prepared for the consideration of the Audit and Assurance Committee and the Board; and</li> <li>6 Ensuring that an annual Internal Audit Plan is produced for consideration by the Audit and Assurance Committee and the Board, which sets out the proposed activities for the function for the forthcoming financial year.</li> </ol>
2.3.3	All staff	Notifying the Director of Finance or Local Counter Fraud Service whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores, or other property or any suspected irregularity in the exercise of any function of a pecuniary nature.
2.4.1	Director of Finance	Ensuring an Internal Audit function is in place and operates efficiently and effectively.
2.4.2	Internal Auditor	<ol style="list-style-type: none"> <li>1 Providing assurances about the effectiveness of controls in place across all of the Trust's activities;</li> <li>2 Reviewing the overall arrangements the Board itself has in place for securing adequate assurances and providing an opinion on those arrangements to support the Statement on Internal Control; and</li> <li>3 Reviewing the way in which the Board has identified objectives, risks, controls and sources of assurance on these controls, and assessed the value of assurances obtained.</li> </ol>
2.5.2	Council of Governors	Appointing (or removing) the external (financial) auditor on behalf of the Trust in accordance with the selection criteria in the Audit Code for NHS Foundation Trusts.
2.6.1	Chief Executive	Ensuring compliance with the Audit Code for NHS Foundation Trusts.
<b>3 Financial Targets</b>		
3.3	Chief Executive	Ensuring the Trust aims to maintain its financial viability and meets any specific financial targets set by the regulator; setting appropriate internal targets in order to ensure financial viability; signalling to the Finance and Digital Committee and the Board where the Trust's financial viability or key targets are at risk.
3.4	Director of Finance	<ol style="list-style-type: none"> <li>1 Advising the Board and Chief Executive on progress in meeting these targets, recommending corrective action as appropriate;</li> <li>2 Ensuring that adequate systems exist internally to monitor financial performance;</li> <li>3 Managing the cash flow and external borrowings of the Trust; and</li> <li>4 Providing the Regulator with such financial information as is necessary to monitor the financial viability of the Trust.</li> </ol>
<b>4 Business Planning, Budgets and Budgetary Control</b>		
4.1.1	Council of Governors	Providing the Board with its views on the Trust's forward plans for each financial year.

4.1.1	The Board	Consulting the Council of Governors on the Trust's forward plans for each financial year.
4.1.2	Chief Executive	Compiling and submitting to the Board and the Council of Governors an annual business plan which takes into account financial targets and forecast limits of available resources.
4.1.3	Chief Executive	Submitting the approved Business Plan to the Regulator as required.
4.1.4	Chief Executive	Ensuring on behalf of the Board that the Council of Governors is consulted on any significant changes to the Business Plan in year.
4.1.5	Director of Finance	Preparing and submitting revenue and capital budgets for approval by the Board.
4.1.6	Director of Finance	Monitoring financial performance against budget and the Business Plan and report to the Board.
4.1.7	Budget holders	Providing information as required by the Director of Finance to enable budgets to be compiled and to explain variances.
4.1.8	Director of Finance	Ensuring adequate, on-going training is delivered to budget holders to help them manage their budgets successfully.
4.2.1	Director of Finance	Delegate the management of a budget to permit the performance of a defined range of activities.
4.2.1 & 4.3.2	Budget holders	The management of a budget to permit the performance of a defined range of activities.
4.3.1	Director of Finance	Devise and maintain systems of budgetary control including monthly financial reports to the Board containing sufficient information to ascertain financial performance.
4.3.3	Chief Executive	Ensuring the identification and implementation of cost improvements and income generation initiatives in accordance with the requirements of the annual Business Plan and agreed Control Total.
4.3.4	Director of Finance	Advising the Chief Executive and the Board on the financial consequences of any changes in policy, pay awards and other events impacting on budgets and also on the financial implications of future plans and developments proposed by the Trust.
4.5.1	Chief Executive	Providing the Regulator with the appropriate monitoring information.
4.5.2	Chief Executive	Ensuring the Trust contributes to standard national NHS data flows required for NHS policy development/ funding decisions as well as performance assessment by the Healthcare Commission.
<b>5 Annual Accounts and Reports</b>		
5.1	Director of Finance	<ol style="list-style-type: none"> <li>1 Preparing annual accounts in accordance with the Regulator's Manual of Accounts and any other guidance from the same, the Trust's accounting policies and generally accepted accounting practice;</li> <li>2 Preparing and submitting annual accounts to the Board and an audited summary of the Main Financial Statements to an Annual Members' Meeting convened by the Council of Governors, certified in accordance with current guidelines; and</li> <li>3 Laying a copy of the annual accounts, and any report of the external (financial) auditor thereon, before Parliament and subsequently send them to the Regulator.</li> </ol>

5.4.1	Trust Secretary	Preparing and submitting annual reports to the Board and an audited summary to an Annual Members' Meeting convened by the Council of Governors.
<b>6 Bank Accounts</b>		
6.1.1 & 6.4.1	Director of Finance	Managing and regularly reviewing the Trust's banking arrangements and advising the Trust on the provision of banking services and operation of accounts.
6.2.1	Director of Finance	Responsible for bank accounts; establishing separate bank accounts for the Trust's charitable funds; ensuring payments made from bank accounts do not exceed the amount credited to the account except where arrangements have been made; and reporting to the Board all arrangements made with the Trust's bankers for accounts to be overdrawn.
6.3.1	Director of Finance	Preparing detailed instructions on the operation of bank accounts.
6.3.2	Director of Finance	Advising the Trust's bankers in writing of the conditions under which each account will be operated.
<b>7 Income, Fees and Charges and Security of Cash, Cheques and Other Negotiable Instruments</b>		
7.1.1	Director of Finance	Designing, maintaining and ensuring compliance with systems for the proper recording, invoicing, collection and coding of all monies due.
7.1.3	Director of Finance	Banking of all monies received.
7.2.2	Director of Finance	Approving and regularly reviewing the level of all fees and charges other than those determined by the Department of Health or by Statute.
7.3.1	Director of Finance	Take appropriate recovery action on all outstanding debts and provide the Finance and Digital Committee with a monthly analysis of debtors profiled by age and actions to recover.
7.4.1	Director of Finance	<ol style="list-style-type: none"> <li>1 Approving the form of all receipt books, agreement forms, or other means of officially acknowledging or recording monies received or receivable;</li> <li>2 Ordering and securely controlling any such stationery;</li> <li>3 Providing adequate facilities and systems for employees whose duties include collecting and holding cash, including the provision of safes or lockable cash boxes, the procedures for keys, and for coin operated machines; and</li> <li>4 Prescribing systems and procedures for handling cash and negotiable securities on behalf of the Trust.</li> </ol>
<b>8 NHS Contracts for the Provision of Services</b>		
8.1	Chief Executive	Ensuring that the Trust enters into suitable legally binding contracts with NHS commissioners both for the mandatory healthcare services specified in the Trust's Authorisation agreement with the Regulator and also other healthcare services.
8.2	Chief Executive	Ensuring the Trust works will all partner agencies involved in both the delivery and the commissioning of the service required.
8.3	Director of Finance	Ensuring regular reports are provided to the Finance and Digital Committee and the Board detailing forecast/ budgeted and actual income from contracts with NHS commissioners, particularly highlighting the impact of differences between planned and actual numbers of patients treated and outline any action required to

		address such variances and periodically providing information on the impact of differences between the actual cost to the Trust of treating patients in individual service lines and the relevant national tariff.
<b>9 Terms of Service and Payment of Directors and Employees</b>		
9.1.2	Remuneration Committee	<ol style="list-style-type: none"> <li>1 Periodically review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board, making use of the output of the board evaluation process as appropriate, and make recommendations to the Board, and Governance and Nominations Committee of the Council of Governors, as applicable, with regard to any changes;</li> <li>2 Give full consideration to and make plans for succession planning for the chief executive taking into account the challenges and opportunities facing the trust and the skills and expertise needed on the Board in the future;</li> <li>3 Appoint candidates to fill all the executive director positions on the Board;</li> <li>4 Consider any matter relating to the continuation in office of any board executive director including the suspension or termination of service of an individual as an employee of the trust, subject to the provisions of the law and their service contract;</li> <li>5 Monitor and evaluate the performance of the Chief Executive through the Chair's appraisal process;</li> <li>6 Determine the remuneration and terms of service of Executive Directors;</li> <li>7 Discuss and, if appropriate, confirm the assessments made of performance related pay by the Chair for the Chief Executive the Chief Executive for the other Executive Directors;</li> <li>8 Determine pay rises and review the need for any other adjustments. If a performance related pay scheme is in operation then a meeting of the Committee will review the performance of individual directors prior to the award of any bonus payments. (If a group PRP scheme is in place covering the most senior managers as well as Executive Directors then the Committee will determine membership of the scheme and payments for the scheme as a whole); and</li> <li>9 Advise on and oversee appropriate contractual arrangements for Executive Directors, including any termination payments.</li> </ol>
9.1.3	Remuneration Committee	Send recommendations in report to the Board.
9.2.2	Vacancy Control Panel	Authorise changes to the funded establishment.
9.3.1	Vacancy Control Panel	Authorise changes in any aspect of remuneration, unless the changes are within the limit of the employee's approved budget and funded establishment.
9.3.1	Budget holders	Recruit to vacancies provided that this is within their approved budget and funded establishment.
9.4.1	Director of Finance	<ol style="list-style-type: none"> <li>1 Specifying timetables for submission of properly authorised time records and other notifications;</li> <li>2 Authorising the final determination of pay;</li> </ol>

		<ul style="list-style-type: none"> <li>3 Making payment on agreed dates; and</li> <li>4 Agreeing method of payment.</li> </ul>
9.4.2	Director of Finance	Issuing instructions regarding processing of payroll.
9.4.3	Nominated managers	<ul style="list-style-type: none"> <li>1 Submitting time records, and other notifications in accordance with agreed timetables;</li> <li>2 Completing time records and other notifications in accordance with the Director of Finance's instructions and in the form prescribed by the Director of Finance; and</li> <li>3 Submitting termination forms in the prescribed form immediately upon knowing the effective date of an employee's resignation, termination or retirement. Where an employee fails to report for duty in circumstances that suggest they have left without notice, the Director of Finance must be informed immediately.</li> </ul>
9.4.4	Director of Finance	Ensuring the chosen method for providing the payroll service is supported by appropriate (contracted) terms and conditions, adequate internal controls and audit review procedures and that suitable arrangements are made for the collection of payroll deductions and payment of these to appropriate bodies.
9.5.1	Director of People and OD	<ul style="list-style-type: none"> <li>1 Ensuring that all employees are issued with a Contract of Employment in a form approved by the Board and which complies with employment legislation; and</li> <li>2 Dealing with variations to, or termination of, contracts of employment.</li> </ul>
<b>10 Non-pay Expenditure</b>		
10.1.1	Chief Executive	Determine level of delegation to budget managers.
10.1.2	Director of Finance	Set out the list of managers who are authorised to place requisitions for the supply of goods and services; and the maximum level of each requisition and the system for authorisation above that level.
10.1.3	Director of Finance	Ensuring the Trust has clearly established arrangements for the purchase of goods and services.
10.1.4	Director of Finance	Ensuring the Trust makes optimum use of corporate, national or regional contracts for the acquisition of goods and services, in order to ensure best value for money.
10.2.1	Requisitioners	Obtain the best value of money for the Trust when choosing an item to be supplied, seeking the advice of the Procurement Shared Service.
10.2.2	Director of Finance	Paying accounts and claims promptly and paying contract invoices in accordance with contract terms or otherwise national guidance.
10.2.3	Director of Finance	<ul style="list-style-type: none"> <li>1 Advise the Board regarding the setting of thresholds above which quotations (competitive or otherwise) or formal tenders must be obtained; and, once approved, the thresholds should be incorporated in standing orders and regularly reviewed;</li> <li>2 Prepare procedural instructions on the obtaining of goods, works and services incorporating the thresholds;</li> <li>3 Be responsible for the prompt payment of all properly authorised accounts and claims and for advising the Board on a monthly basis of performance against targets set under the Government's Better Payments Practice Code;</li> </ul>



		<p>4 Be responsible for designing and maintaining a system of verification, recording and payment of all amounts payable.</p> <p>5 Be responsible for ensuring that payment for goods and services is only made once the goods and services are received, except in exceptional circumstances where prepayments are permitted.</p> <p>6 Be responsible for ensuring due diligence checks are carried out on new or any changes made to existing supplier details before updating the finance system.</p>
10.2.4	Budget holders	Ensuring all items due under a prepayment contract are received and informing the appropriate manager if problems are encountered.
10.2.4	Director of Finance	Be satisfied with the proposed arrangements for prepayments before contractual arrangements proceed.
10.2.6	Managers	Ensure full compliance with the guidance and limits specified by the Director of Finance concerning contracts and other commitments which may result in a liability.
10.2.7	Director of Finance	Ensuring arrangements for financial control and financial audit of building and engineering contracts and property transactions comply with the appropriate guidance.
<b>11 Treasury Management</b>		
11.1.2	Director of Finance	Advise the Board concerning the Trust's ability to pay a dividend on, and repay Public Dividend Capital (PDC) and any proposed new borrowing, within the limits set by the Department of Health and report periodically to the Board concerning the PDC debt and all loans financing facilities and overdrafts,
11.1.3	Director of Finance	Make, or delegate an employee to make, any application for a loan, financing facility or overdraft.
11.1.4	Director of Finance	Prepare detailed procedural instructions concerning applications for loans, financing facilities and overdrafts.
11.1.5	Director of Finance	Authorise short term borrowing requirements.
11.2.2	Director of Finance	Advise the Board on investments and report periodically to the Board concerning the performance of investments held, other than short term temporary cash surpluses.
11.2.3	Director of Finance	Prepare detailed procedural instructions on the operation of investment accounts and on the records to be maintained.
11.3.1	Director of Finance	Manage and monitor the overall cash flow of the Trust and provide reports thereon to the Finance and Digital Committee and the Board.
<b>12 Capital Investment, Private Financing, Fixed Asset Registers and Security of Assets</b>		
12.1.1	Chief Executive	Ensure adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon business plans; be responsible for the management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost; and ensure that the capital investment is not undertaken without consideration of the availability of resources to finance all revenue consequences, including capital charges.
12.1.2	Chief Executive	Ensure that for every capital expenditure proposal a business case is produced and the Director of Finance has certified to the costs

		and revenue consequences detailed in the business case which is approved by the Board subject to agreed delegated limits.
12.1.3	Director of Finance	Issue procedures for the management of capital schemes where the contracts stipulate stage payments; and issue procedures for the regular reporting of expenditure and commitment against authorised expenditure.
12.1.4	Chief Executive	Issue necessary authority to the manager responsible for any capital programme and a scheme of delegation for capital investment management in accordance with "Estatecode" guidance and the Trust's Standing Orders.
12.1.5	Director of Finance	Issue procedures governing the financial management, including variations to contract, of capital investment projects and valuation for accounting purposes.
12.2.1	Director of Finance	Demonstrate the use of private finance represents value for money and appropriately transfers significant risk to the private sector.
12.3.1	Responsible Officer	Maintain registers of assets and arrange a physical check of assets against the asset register to be conducted once every two years.
12.3.5	Director of Finance	Approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.
12.4.1	Chief Executive	Control of fixed assets.
12.4.2	Director of Finance	Approve asset control procedures.
12.4.4	Directors and senior employees	Apply appropriate routine security practices in relation to NHS property.
<b>13 Stores and Receipt of Goods</b>		
13.2	Chief Executive	Delegate day-to-day responsibility for the control of stores of goods, subject to the responsibility of the Director of Finance for the systems of control.
13.3 & 13.7	Designated Manager / Pharmaceutical Officer	Define in writing the responsibility for security arrangements and the custody of keys for all stores and locations; be responsible for a system approved by the Director of Finance for a review of slow moving and obsolete items and for condemnation, disposal, and replacement of all unserviceable articles; and report to the Director of Finance any evidence of significant overstocking and of any negligence or malpractice.
13.4	Director of Finance	Set out procedures and systems to regulate the stores including records for receipt of goods, issues, and returns to stores, and losses.
13.5	Director of Finance	Agree stocktaking arrangements.
13.8	Director of Finance	Identify those authorised to requisition and accept goods supplied via the NHS Supply Chain central warehouses.
<b>14 Disposals and Condemnations, Losses and Special Payments</b>		
14.1.2	Director of Finance	Prepare detailed procedures for the disposal of assets including condemnations, and ensure that these are notified to managers.
14.1.4 & 14.1.5	Director of Finance	Authorise employees to condemn or otherwise all unserviceable articles; approve the form in which this is recorded; and take appropriate action if there is evidence of negligence.
14.1.4 & 14.1.5	All staff	If authorised by the Director of Finance, condemn or otherwise all unserviceable articles; record in a form approved by the Director of

		Finance; and report any evidence of negligence in use to the Director of Finance.
14.2.1	Director of Finance	Prepare procedural instructions on the recording of and accounting for condemnations, losses, and special payments.
14.2.2	All staff	Inform their head of department if they discover or suspect a loss of any kind, who must immediately inform the appropriate officer.
14.2.3	Director of Finance	Report losses apparently caused by theft, fraud, arson, neglect of duty or gross carelessness, except if trivial, to the Audit and Assurance Committee.
14.2.4	Director of Finance	Take any necessary steps to safeguard the Trust's interests in bankruptcies and company liquidations.
14.2.5	Director of Finance	Consider whether any insurance claim can be made for any loss.
14.2.6	Director of Finance	Maintain a Losses and Special payments Register.
<b>15 Information Technology</b>		
15.2	Director of Finance	Ensuring the accuracy and security of the computerised financial detail.
15.3	Director of Finance	Ensuring an appropriate Business Case is prepared and approved for a new financial system or significant amendment to a current financial system.
15.5	Director of Finance	Ensuring contracts for computer services for financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage.
<b>16 Patients' Property</b>		
16.2	Chief Executive	Ensuring patients or their guardians, as appropriate, are informed before or at admission that the Trust will not accept responsibility or liability for patients' property brought into Health Service premises, unless it is handed in for safe custody and a copy of an official patients' property record is obtained as a receipt.
16.3	Chief Operating Officer	Provide arrangements for the administration of patient property.
<b>18 Acceptance of Gifts by Staff</b>		
18.1	Director of Finance	Ensure staff are aware of the Trust's policy on acceptance of gifts and other benefits in kind by staff.
<b>19 Retention of Documents</b>		
19.1 & 19.3	Chief Executive	Maintaining archives for all documents required to be retained in accordance with Department of Health guidelines; instigating the destruction of these documents and maintaining a record of destroyed documents.
<b>20 Risk Management &amp; Insurance</b>		
20.1	Chief Executive	Ensuring the Trust has a programme of risk management which is approved and monitored by the Board.
20.4	Director of Finance	Ensuring insurance arrangements exist where appropriate.

## Appendix 1: Financial Delegation Limits

### 1.1 Revenue and Capital Expenditure (SFI Appendix 1.1.3)

Responsibility	Board	Chief Executive, delegated to the Trust Leadership Team
Approval of capital expenditure, business cases & PFI schemes, including approval of variations	>£1,000,000	<£1,000,000
Approval of increases in the real terms cost of revenue or capital developments identified specifically in the financial plans of the Trust, or reported individually in any Board agenda, provided that the cost increase can be funded within one of the approved provisions or reserves	If the increase is >10% of the value in the agreed financial plan	If the increase is equal to or >10% of the value in the agreed financial plan

#### 1.1.1 Authorisation of Virement (SFI Appendix 1.1.4-1.1.5)

Executive Director	Divisional Director	Budget holders
<£100,000 between budgets with their control	<£25,000 within budgets in their control (but <£100,00 provided each of the three (four) DD's agree)	<£5,000 between budgets under their control (<£5,000 non-recurringly and <£1,000 recurringly between revenue budgets within their control)

### 1.2 Purchase Orders (SFI Appendix 1.3)

Expenditure range	Authorised personnel
Up to £1,000	Budget Holder
£1,000 to £10,000	Level 2 Approvers
£10,000 to £50,000	Level 3 Approvers
£50,000 to £100,000	Director of Operational Finance/Deputy Chief Executive Officer
£100,000 to £500,000	Director of Operational Finance/Deputy Chief Executive Officer
above £500,000	Chief Executive and Director of Finance

### 1.3 Tendering Limits (SFI Appendix 1.4)

Expenditure range	Action required
Up to £10,000	Single supplier or quotations via Procurement Shared Services
£10,001 to £50,000	Competitive quotations/tenders via Procurement Shared Services
£50,001 to UK Public Procurement Threshold	Formal tender procedure or further competition through an approved framework via Procurement Shared Service

Above UK Public Procurement Threshold	Formal tender procedure via Procurement Shared Services in accordance with UK Public Procurement Regulations or further competition through an approved framework.
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#### 1.4 Authorisation to enter into and sign Contracts for goods and services (SFI Appendix 1.5)

	Level 3/4 Budget Holders	Trust Leadership Team	Finance and Digital Committee	Trust Board
Total contract value (over the lifetime of the contract including permitted extensions)	0 - £250k	>£250k - £1m	>£1m - £5m	>£5m

##### a. Delegated authority limits associated with tendering (SFI 8.5)

	Director of Finance (in consultation with Chief Executive)	Trust Leadership Team	Trust Board
Decision not to bid	No limit	Not applicable	Not applicable
Total or annual value range where services are provided by the Trust and tender is to retain the current provision	0 - £10m	>£10m - £50m	>£50m
Total or annual value range where services are not currently provided by the Trust and tender is to acquire provision	0 - £5m	>£5m - £25m	>£25m

##### b. Charitable Funds (SFI Appendix 1.6)

Expenditure range	Authorised personnel
Up to £1,000	Fund holders (unless a lower limit is specified by the Chief Operating Officer and Deputy Chief Executive.)
£1,001 to £5,000	Chief Operating Officer and Deputy Chief Executive (who may delegate as he/she judges appropriate to senior managers)
Above £5,000	Charitable Funds Committee