

Standing Orders and Standing Financial Instructions

Board library reference	Document author	Assured by	Review cycle
P113	Director of Finance	Trust Board	1 year
<p>This document is version controlled. The master copy is on Ourspace.</p> <p>Once printed, this document could become out of date.</p> <p>Check Ourspace for the latest version.</p>			

Contents

- 1 Interpretation and Definitions 4
- 2 Introduction 6
- 3 The Trust Board - Membership, Tenure and Roles 8
- 4 Meetings of the Trust 11
- 5 Appointment of Committees and Sub-Groups 17
- 6 Arrangements for the Exercise of Trust Functions by Delegation 20
- 7 Overlap with other Trust Policy Statements, Regulations and Standing Financial Instructions 22
- 8 Duties and Obligations of Board Members under these Standing Orders 23
- 9 Custody of Seal, Sealing of Documents, Signature of Documents 29
- 10 Miscellaneous 30
- 11 Scheme of Reservation and Delegation 31
- 12 Decisions/Duties Delegated by the Board to Committees 34
- 13 Scheme of Delegation 38
- 14 Scheme of Delegation 39
- 15 Scheme of Delegation of Powers 41
- 16 Scheme of Delegation 42

Standing Orders and Standing Financial Instructions

- 17 **Standing Financial Instructions – Introduction 52**
- 18 **Audit 54**
- 19 **Allocations, Planning, Budgets, Budgetary Control, and Monitoring 57**
- 20 **Annual Accounts and Reports 59**
- 21 **Bank and Government Banking Service (GBS) Accounts 60**
- 22 **Income, Fees and Charges and Security of Cash, Cheques and Other Negotiable Instruments 61**
- 23 **Tendering and Contracting Procedure 62**
- 24 **NHS Service Agreements for Provision of Services 72**
- 25 **Terms of Service, Allowances and Payment of Members of The Trust Board and Executive Committee and Employee 72**
- 26 **Non-pay Expenditure 75**
- 27 **External Borrowing & Investments 79**
- 28 **Financial Framework 79**
- 29 **Information Technology 84**
- 30 **Service User Money and Property 86**
- 31 **Funds Held on Trust 87**
- 32 **Acceptance of Gifts by Staff 87**
- 33 **Retention of Records 87**
- 34 **Risk Management and Insurance 88**
- 35 **Delegated Authority Schedule 89**

Forward

The purpose of these Standing Orders and Standing Financial Instructions is to regulate the proceedings and business of Avon & Wiltshire Mental Health Partnership NHS Trust.

These documents fulfil the dual role of protecting the Trust's interests and protecting staff from any possible accusation that they have acted less than properly.

The Standing Orders and Standing Financial Instructions provide a comprehensive business framework and observe the spirit of the NHS Constitution. All Executive and Non-executive Directors, and all members of staff, must be aware of the existence of these documents and where necessary, be familiar with the detailed provisions. The NHS Constitution sets out the rights and responsibilities of service users and staff. The Health and Social Care Act 2012 places a duty on all providers of NHS services to have regard to the NHS Constitution in performing its NHS functions.

The Standing Orders incorporate provisions of the National Health Service Trusts (Membership and Procedure) Regulations 1990 SI (1990) 2024 as amended by SI (1990) 2160 and SI (1996) 1755. Collectively these documents comprehensively cover all aspects of financial management and control. In effect, they set the business rules which Board members and officers must follow when taking action on behalf of the Board.

1 Interpretation and Definitions

- 1.1** Save as otherwise permitted by law, at any meeting the Chairman of the Trust shall be the final authority on the interpretation of Standing Orders (on which they should be advised by the Chief Executive and/or the Company Secretary).
- 1.2** Any expression to which a meaning is given in the National Health Service Act 2006 as amended by the Health and Social Care Act 2012, National Health Service and Community Act and other acts and amendments, relating to the National Health Service or in the Financial Regulations made under the Acts shall have the same meaning in these Standing Orders and Standing Financial Instructions and in addition:
- 1.2.1 "Accountable Officer" means the NHS Officer responsible and accountable for funds entrusted to the Trust. The officer shall be responsible for ensuring the proper stewardship of public funds and assets. For this Trust it shall be the Chief Executive.
- 1.2.2 "Trust" means the Avon & Wiltshire Mental Health Partnership NHS Trust.
- 1.2.3 "Board" means the Chairman, Non-executive Directors, Executive Directors and Non- voting Executive Directors of the Trust collectively as a body.
- 1.2.4 "Budget" means a resource, expressed in financial terms, proposed by the Board for the purpose of carrying out, for a specific period, any or all of the functions of the Trust.
- 1.2.5 "Budget holder" means the director or employee with delegated responsibility for a budget including the director to manage finances (Income and Expenditure) or a specific area of the organisation.
- 1.2.6 "Chairman of the Board (or Trust)" is the person appointed by the Secretary of State for Health to lead the Board and to ensure that it successfully discharges its overall responsibility for the Trust as a whole. The expression "the Chairman of the Trust" shall be deemed to include the Vice-Chairman of the Trust if the Chairman is absent from the meeting or is otherwise unavailable.
- 1.2.7 "Chief Executive" means the chief accountable officer of the Trust.
- 1.2.8 "Commissioning" means the process for determining the need for and for obtaining the supply of healthcare and related services by the Trust within available resources.
- 1.2.9 "Committee" means a committee or sub-committee created and appointed by the Trust.
- 1.2.10 "Committee members" means persons formally appointed by the Board to sit on or to chair specific committees.
- 1.2.11 "Contracting and procuring" means the systems for obtaining the supply of goods, materials, manufactured items, services, building and engineering services, works of construction and maintenance and for disposal of surplus and obsolete assets.
- 1.2.12 "Executive Director of Finance" means the Chief Financial Officer of the Trust.
- 1.2.13 "Executive Director" means senior trust manager appointed by the Chief Executive with a title of Director, who is part of the executive team and is a member of the Board with rights to vote at the Board.
- 1.2.14 "Funds held on trust" shall mean those funds which the Trust holds on date of incorporation, receives on distribution by statutory instrument or chooses subsequently to accept under powers derived under S.90 of the NHS Act 1977, as amended. Such funds may or may not be charitable.

Standing Orders and Standing Financial Instructions

- 1.2.15 "Member" means a member of the Board as the context permits. Member in relation to the Board does not include its Chairman.
- 1.2.16 "Associate Member" means a person appointed to perform specific statutory and non-statutory duties which have been delegated by the Trust Board for them to perform and these duties have been recorded in an appropriate Trust Board minute or other suitable record.
- 1.2.17 "Membership, Procedure and Administration Arrangements Regulations" means NHS Membership and Procedure Regulations (SI 1990/2024) and subsequent amendments.
- 1.2.18 "Nominated officer" means an officer charged with the responsibility for discharging specific tasks within Standing Orders and Standing Financial Instructions.
- 1.2.19 "Non-executive Director" has the same meaning as Non-officer member
- 1.2.20 "Non-officer member" means a member of the Trust who is not an officer of the Trust and is not to be treated as an officer by virtue of regulation 1(3) of the Membership, Procedure and Administration Arrangements Regulations.
- 1.2.21 "Non-voting Executive Director" means senior trust manager appointed by the Chief Executive with a title of Director, who is part of the executive team and regularly attends the Board meeting but has no rights to vote at the Board.
- 1.2.22 "Officer" means employee of the Trust or any other person holding a paid appointment or office with the Trust.
- 1.2.23 "Officer member" means a member of the Trust who is either an officer of the Trust or is to be treated as an officer by virtue of regulation 1(3) (i.e. the Chairman of the Trust or any person nominated by such a Committee for appointment as a Trust member).
- 1.2.24 "Secretary" means the person appointed to act independently of the Board to provide advice on corporate governance issues to the Board and the Chairman and monitor the Trust's compliance with the law, Standing Orders, and Department of Health guidance, the Company Secretary.
- 1.2.25 "SFIs" means Standing Financial Instructions.
- 1.2.26 "SOs" means Standing Orders.
- 1.2.27 "Trust-wide Procedural Documents" means all policies, procedures and protocols that apply uniformly across the entire Trust.
- 1.2.28 "Vice-Chairman" means the non-officer member appointed by the Board to take on the Chairman's duties if the Chairman is absent for any reason.
- 1.2.29 "Voting Executive Director" means an Executive Director member of the Board with Board voting rights. (Chief Executive, Executive Medical Director, Executive Director of Finance, Executive Director of Operations and Executive Director of Nursing and Quality).

2 Introduction

2.1 Statutory Framework

- 2.1.1 The Avon & Wiltshire Mental Health Partnership NHS Trust (the Trust) is a statutory body which was established under the Bath Mental Health National Health Service Trust (Establishment) Order 1991 (the Establishment Order), as amended by the Bath Mental Health National Health Service Trust (Establishment) Amendment Order 1999 and the Avon & Western Wiltshire Mental Health Care National Health Service Trust (Change of Name) Order 2001.
- 2.1.2 The principal place of business of the Trust is Bath NHS House, Newbridge Hill, Bath. BA1 3QE
- 2.1.3 NHS Trusts are governed by Act of Parliament, mainly the National Health Service Act 2006 (NHS Act 2006), the National Health Service and Community Care Act 1990 (NHS & CC Act 1990) as amended by the Health Authorities Act 1995 and the Health Act 1999, other acts and amendments.
- 2.1.4 The functions of the Trust are conferred by this legislation.
- 2.1.5 As a statutory body, the Trust has specified powers to contract in its own name and to act as a corporate trustee. In the latter role it is accountable to the Charity Commission for those funds deemed to be charitable.
- 2.1.6 The Trust also has statutory powers under the NHS Act 2006, to fund projects jointly planned with local authorities, voluntary organisations and other bodies.
- 2.1.7 The Code of Accountability requires the Trust to adopt Standing Orders for the regulation of its proceedings and business. The Trust must also adopt Standing Financial Instructions (SFIs) as an integral part of Standing Orders setting out the responsibilities of individuals.
- 2.1.8 The Trust will also be bound by such other statutes and legal provisions which govern the conduct of its affairs.

2.2 NHS Framework

- 2.2.1 In addition to the statutory requirements the Secretary of State through the Department of Health issues further directions and guidance. These are normally issued under cover of a circular or letter.
- 2.2.2 The Code of Accountability requires that, inter alia, Boards draw up a schedule of decisions reserved to the Board, and ensure that effective management arrangements are in place to enable responsibility to be clearly delegated to senior executives (a scheme of delegation). The code also requires the establishment of audit and remuneration committees with formally agreed terms of reference. The Codes of Conduct makes various requirements concerning possible conflicts of interest of Board members.
- 2.2.3 The Freedom of Information Act (2000) and related guidance sets out the requirements for public access to information on from a public body such as the NHS.

2.3 Delegation of Powers

- 2.3.1 The Trust has powers to delegate and make arrangements for delegation. The Standing Orders set out the detail of these arrangements. Under the Standing Order relating to the Arrangements for the Exercise of Functions (SO 6) the Trust is given powers to "make arrangements for the exercise, on behalf of the Trust of any of their functions by a committee, sub-committee or joint committee appointed by virtue of Standing Order 5 or by an officer of the Trust, in each case subject to such restrictions and conditions as the Trust thinks fit or as the Secretary of State may direct". Delegated Powers are covered in section 6.5 – 'Schedule of Matters reserved to the Board and Scheme of Delegation' and forms part of the Trusts Standing Orders and Standing Financial Instructions.

2.4 Integrated Governance

- 2.4.1 Integrated governance is the means by which organisations ensure that silo working is discouraged and that good governance principles are applied to ensure that decision-making is informed by intelligent information covering the full range of corporate, financial, clinical, information and research governance.
- 2.4.2 The Healthy NHS Board: principles for good governance published in 2013 defines good governance principles relative to the business of NHS trusts and Foundation Trusts and the guidance provided has been incorporated in the Trust's development of its governance structures. Similarly, the Trust has incorporated principles reflected in the NHS Foundation Trust Code of Governance.

3 The Trust Board - Membership, Tenure and Roles

3.1 Composition of the Membership of the Trust Board

In accordance with the Membership, Procedure and Administration Arrangements regulations the composition of the Board shall be:

- 3.1.1 The Chairman of the Trust (Appointed by the NHS Appointments Commission);
- 3.1.2 Six [6] voting Non-executive Directors (Appointed by the NHS Appointments Commission);
- 3.1.3 Five [5] voting Executive Directors (but not exceeding the number of non-officer members) including:
 - 3.1.3.1 the Chief Executive;
 - 3.1.3.2 the Executive Medical Director;
 - 3.1.3.3 the Executive Director of Finance
 - 3.1.3.4 the Executive Director of Operations
 - 3.1.3.5 the Executive Director of Nursing and Quality
- 3.1.4 The Trust shall have not more than 11 and not less than 8 voting members (unless otherwise determined by the Secretary of State for Health and set out in the Trust's Establishment Order or such other communication from the Secretary of State).
- 3.1.5 Any number of non-voting Executive Directors who are Senior Managers of the Trust and have responsibilities as a Director of the Trust, but do not have rights to vote at the Board. The number agreed will be determined by the Board.

3.2 Appointment of Chairman and Members of the Trust

- 3.2.1 Appointment of the Chairman and Members of the Trust - Schedule 4 to the 2006 Act, provides that the Chairman is appointed by the Secretary of State, but otherwise the appointment and tenure of office of the Chairman and members are set out in the Membership, Procedure and Administration Arrangements Regulations.

3.3 Terms of Office of the Chairman and Members

- 3.3.1 The regulations setting out the period of tenure of office of the Chairman and members and for the termination or suspension of office of the Chairman and members are contained in Sections 2 to 4 of the Membership, Procedure and Administration Arrangements and Administration Regulations.

3.4 Appointment and Powers of the Vice-Chairman

- 3.4.1 Subject to Standing Order 3.4.2 below, the Chairman and members of the Trust may appoint one of their numbers, who is not also an officer member, to be Vice- Chairman, for such period, not exceeding the remainder of his term as a member of the Trust, as they may specify on appointing him.
- 3.4.2 Any member so appointed may at any time resign from the office of Vice-Chairman by giving notice in writing to the Chairman. The Chairman and members may thereupon appoint another member as Vice-Chairman in accordance with the provisions of Standing Order 3.4.1.

Standing Orders and Standing Financial Instructions

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

3.5 Joint Members

- 3.5.1 Where more than one person is appointed jointly to a post mentioned in regulation 2(4)(a) of the Membership, Procedure and Administration Arrangements Regulations those persons shall count for the purpose of Standing Order 3.1 as one person.
- 3.5.2 Where the office of a member of the Board is shared jointly by more than one person:
- 3.5.2.1 either or both of those persons may attend or take part in meetings of the Board;
- 3.5.2.2 if both are present at a meeting they should cast one vote if they agree;
- 3.5.2.3 in the case of disagreements no vote should be cast;
- 3.5.2.4 the presence of either or both of those persons should count as the presence of one person for the purposes of Standing Order 4.12 Quorum.

3.6 Role of Members

3.6.1 The Board

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

3.6.2 Executive Directors (voting & non-voting)

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

3.6.3 Chief Executive

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

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

3.6.4 Non-executive Directors

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

3.6.5 Chairman

The Chairman shall be responsible for the operation of the Board and chair all Board meetings when present. The Chairman has certain delegated executive powers. The Chairman must comply with the terms of appointment and with these Standing Orders. The Chairman shall liaise with the NHS Appointments Commission over the appointment of Non-executive Directors and once appointed shall take responsibility either directly or indirectly for their induction, their portfolios of interests and assignments, and their performance. The Chairman shall work in close harmony with the Chief Executive and shall ensure that key and appropriate issues are discussed by the Board in a timely manner with all the necessary information and advice being made available to the Board to inform the debate and ultimate resolutions.

3.7 Corporate role of the Board

- 3.7.1 All business shall be conducted in the name of the Trust.
- 3.7.2 All funds received in trust shall be held in the name of the Trust as corporate trustee.
- 3.7.3 The powers of the Trust established under statute shall be exercised by the Board meeting in public session except as otherwise provided for in Standing Order No. 4.
- 3.7.4 The Board shall define and regularly review the functions it exercises on behalf of the Secretary of State.

3.8 Schedule of Matters reserved to the Board and Scheme of Delegation of Powers

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

3.9 Lead Roles for Board Members

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

4 Meetings of the Trust

4.1 Calling meetings

- 4.1.1 Ordinary meetings of the Board shall be held at regular intervals at such times and places as the Board may determine.
- 4.1.2 The Chairman of the Trust may call a meeting of the Board at any time.
- 4.1.3 One third or more members of the Board may requisition a meeting in writing. If the Chairman refuses, or fails, to call a meeting within seven days of a requisition being presented, the members signing the requisition may forthwith call a meeting.

4.2 Notice of Meetings and the Business to be transacted

- 4.2.1 Before each meeting of the Board a written notice specifying the business proposed to be transacted shall be delivered to every member, or sent by post to the usual place of residence of each member, so as to be available to members at least three clear days before the meeting. The notice shall be signed by the Chairman or by an officer authorised by the Chairman to sign on their behalf. The way of servicing of such a notice on any member shall not affect the validity of a meeting.
- 4.2.2 In the case of a meeting called by members in default of the Chairman calling the meeting, the notice shall be signed by those members.
- 4.2.3 No business shall be transacted at the meeting other than that specified on the agenda, or emergency motions allowed under Standing Order 4.6.
- 4.2.4 A member desiring a matter to be included on an agenda shall make his/her request in writing to the Chairman at least ten clear days before the meeting. The request should state whether the item of business is proposed to be transacted in the presence of the public and should include appropriate supporting information. Requests made less than ten days before a meeting may be included on the agenda at the discretion of the Chairman.
- 4.2.5 Before each meeting of the Board a public notice of the time and place of the meeting, and the public part of the agenda, shall be displayed at the Trust's principal offices at least three clear days before the meeting, (required by the Public Bodies (Admission to Meetings) Act 1960 Section 1 (4) (a)).

4.3 Agenda and Supporting Papers

- 4.3.1 The Agenda will be sent to members seven days before the meeting and supporting papers, whenever possible, shall accompany the agenda, but will certainly be despatched no later than three clear days before the meeting, save in emergency.

4.4 Petitions

- 4.4.1 Where a petition has been received by the Trust the Chairman shall include the petition as an item for the agenda of the next meeting.

4.5 Notice of Motion

- 4.5.1 Subject to the provision of Standing Orders 4.7 'Motions: Procedure at and during a meeting' and 4.9 'Motions to rescind a resolution', a member of the Board wishing to move a motion shall send a written notice to the Chief Executive who will ensure that it is brought to the immediate attention of the Chairman.

4.5.2 The notice shall be delivered at least ten clear days before the meeting. The Chief Executive shall include in the agenda for the meeting all notices so received that are in order and permissible under governing regulations. This Standing Order shall not prevent any motion being withdrawn or moved without notice on any business mentioned on the agenda for the meeting.

4.6 Emergency Motions

4.6.1 Subject to the agreement of the Chairman, and subject also to the provision of Standing Order 4.7 'Motions: Procedure at and during a meeting', a member of the Board may give written notice of an emergency motion after the issue of the notice of meeting and agenda, up to one hour before the time fixed for the meeting. The notice shall state the grounds of urgency. If in order, it shall be declared to the Trust Board at the commencement of the business of the meeting as an additional item included in the agenda. The Chairman's decision to include the item shall be final.

4.7 Motions: Procedure at and during a meeting

4.7.1 Who may propose

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

4.7.2 Contents of motions

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

4.7.2.1 the reception of a report;

4.7.2.2 consideration of any item of business before the Trust Board;

4.7.2.3 the accuracy of minutes;

4.7.2.4 that the Board proceed to next business;

4.7.2.5 that the Board adjourn;

4.7.2.6 that the question be now put;

4.7.3 amendments to motions.

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

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

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

4.7.4 Rights of reply to motions

4.7.4.1 Amendments

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

4.7.4.2 Substantive/original motion

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

4.8 Withdrawing a motion

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

4.8.1 Motions once under debate

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

4.8.1.2 an amendment to the motion;

4.8.1.3 the adjournment of the discussion, or the meeting;

4.8.1.4 that the meeting proceed to the next business;

4.8.1.5 that the question should be now put;

4.8.1.6 the appointment of an 'ad hoc' committee to deal with a specific item of business;

4.8.1.7 that a member/director be not further heard;

4.8.1.8 a motion under Section I (2) or Section I (8) of the Public Bodies (Admissions to Meetings) Act 1960 resolving to exclude the public, including the press (see Standing Order 4.18). In those cases where the motion is either that the meeting proceeds to the 'next business' or 'that the question be now put' in the interests of objectivity these should only be put forward by a member of the Board who has not taken part in the debate and who is eligible to vote. If a motion to proceed to the next business or that the question be now put, is carried, the Chairman should give the mover of the substantive motion under debate a right of reply, if not already exercised. The matter should then be put to the vote.

4.9 Motion to Rescind a Resolution

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

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

4.10 Chairman of meeting

4.10.1 At any meeting of the Trust Board the Chairman, if present, shall preside. If the Chairman is absent from the meeting, the Vice-Chairman (if the Board has appointed one), if present, shall preside.

4.10.2 If the Chairman and Vice-Chairman are absent, such member (who is not also an Officer Member of the Trust) as the members present shall choose shall preside.

4.11 Chairman's ruling

4.11.1 The decision of the Chairman of the meeting on questions of order, relevancy and regularity (including procedure on handling motions) and their interpretation of the Standing Orders and Standing Financial Instructions, at the meeting, shall be final.

4.12 Quorum

- 4.12.1 No business shall be transacted at a meeting unless at least one-third of the whole number of the Chairman and members (including at least one member who is also an Officer Member of the Trust and one member who is not) is present.
- 4.12.2 An Officer in attendance for an Executive Director (Officer Member) but without formal acting up status may not count towards the quorum.
- 4.12.3 If the Chairman or member has been disqualified from participating in the discussion on any matter and/or from voting on any resolution by reason of a declaration of a conflict of interest (see SO No.8) that person shall no longer count towards the quorum. If a quorum is then not available for the discussion and/or the passing of a resolution on any matter, that matter may not be discussed further or voted upon at that meeting. Such a position shall be recorded in the minutes of the meeting. The meeting must then proceed to the next business.

4.13 Voting

- 4.13.1 Save as provided in Standing Orders 4.14 - Suspension of Standing Orders and 4.15 - Variation and Amendment of Standing Orders, every question put to a vote at a meeting shall be determined by a majority of the votes of members present and voting on the question. In the case of an equal vote, the person presiding (i.e.: the Chairman of the meeting shall have a second, and casting vote).
- 4.13.2 At the discretion of the Chairman all questions put to the vote shall be determined by oral expression or by a show of hands, unless the Chairman directs otherwise, or it is proposed, seconded and carried that a vote be taken by paper ballot.
- 4.13.3 If at least one third of the members present so request, the voting on any question may be recorded so as to show how each member present voted or did not vote (except when conducted by paper ballot).
- 4.13.4 If a member so requests, their vote shall be recorded by name.
- 4.13.5 In no circumstances may an absent member vote by proxy. Absence is defined as being absent at the time of the vote.
- 4.13.6 A manager who has been formally appointed to act up for an Officer Member during a period of incapacity or Director vacancy shall be entitled to exercise the voting rights of the Officer Member.
- 4.13.7 A manager attending the Trust Board meeting to represent an Officer Member during a period of incapacity or temporary absence without formal acting up status may not exercise the voting rights of the Officer Member. An Officer's status when attending a meeting shall be recorded in the minutes.
- 4.13.8 For the voting rules relating to joint members see Standing Order 3.4.3.

4.14 Suspension of Standing Orders

- 4.14.1 Except where this would contravene any statutory provision or any direction made by the Secretary of State or the rules relating to the Quorum (SO 4.12), any one or more of the Standing Orders may be suspended at any meeting, provided that at least two-thirds of the whole number of the members of the Board are present (including at least one member who is an Officer Member of the Trust and one member who is not) and that at least two-thirds of those members present signify their agreement to such suspension. The reason for the suspension shall be recorded in the Trust Board's minutes.

4.14.2 A separate record of matters discussed during the suspension of Standing Orders shall be made and shall be available to the Chairman and members of the Trust.

4.14.3 No formal business may be transacted while Standing Orders are suspended.

4.14.4 The Audit and Risk Committee shall review every decision to suspend Standing Orders.

4.15 Variation and amendment of Standing Orders

4.15.1 These Standing Orders shall not be varied except in the following circumstances:

4.15.1.1 upon a notice of motion under Standing Order 4.5;

4.15.1.2 upon a recommendation of the Chairman or Chief Executive included on the agenda for the meeting;

4.15.1.3 that two thirds of the Board members are present at the meeting where the variation or amendment is being discussed, and that at least half of the Trust's Non-Officer members vote in favour of the amendment;

4.15.1.4 providing that any variation or amendment does not contravene a statutory provision or direction made by the Secretary of State.

4.16 Record of Attendance

4.16.1 The names of the Chairman and Directors/members present at the meeting shall be recorded.

4.17 Minutes

4.17.1 The minutes of the proceedings of a meeting shall be drawn up and submitted for agreement at the next ensuing meeting where they shall be signed by the person presiding at it.

4.17.2 No discussion shall take place upon the minutes except upon their accuracy or where the Chairman considers discussion appropriate.

4.18 Admission of public and the press

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

4.18.2 The public and representatives of the press may attend all meetings of the Trust, but shall be required to withdraw upon the Trust Board resolving as follows:

4.18.2.1 'that representatives of the press, and other members of the public, be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest', Section 1 (2), Public Bodies (Admission to Meetings) Act 1960.

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

4.18.3 General disturbances

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

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

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

4.18.6 Matters to be dealt with by the Trust Board following the exclusion of representatives of the press, and other members of the public, as provided in 4.18.1 and 4.18.3 above shall be confidential to the members of the Board.

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

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

4.18.9 Nothing in these Standing Orders shall be construed as permitting the introduction by the public, or press representatives, of recording, transmitting, video or similar apparatus into meetings of the Trust or Committee thereof. Such permission shall be granted only upon resolution of the Trust.

4.19 Observers at Trust meetings

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

5 Appointment of Committees and Sub-Groups

5.1 Appointment of Committees

- 5.1.1 Subject to such directions as may be given by the Secretary of State for Health, the Trust Board may appoint committees of the Trust.
- 5.1.2 The Trust (Board) shall determine the membership and terms of reference of committees and sub-groups and shall if it requires to, receive and consider reports of such committees.

5.2 Joint Committees

- 5.2.1 Joint committees may be appointed by the Trust by joining together with the NHS Improvement, or other Trusts consisting of, wholly or partly of the Chairman and members of the Trust or other health service bodies, or wholly of persons who are not members of the Trust or other health bodies in question.
- 5.2.2 Any committee or joint committee appointed under this Standing Order may, subject to such directions as may be given by the Secretary of State or the Trust or other health bodies in question, appoint sub-groups consisting wholly or partly of members of the committees or joint committees (whether or not they are members of the Trust or health bodies in question) or wholly of persons who are not members of the Trust or health bodies in question or the committee of the Trust or health bodies in question.

5.3 Applicability of Standing Orders and Standing Financial Instructions to Committees

- 5.3.1 The Standing Orders and Standing Financial Instructions of the Trust, as far as they are applicable, shall as appropriate apply to meetings and any committees established by the Trust. In which case the term “Chairman” is to be read as a reference to the Chairman of other committees as the context permits, and the term “member” is to be read as a reference to a member of other committee also as the context permits. (There is no requirement to hold meetings of committees established by the Trust in public.)

5.4 Terms of Reference

- 5.4.1 Each such committee shall have such terms of reference and powers and be subject to such conditions (as to reporting back to the Board), as the Board shall decide and shall be in accordance with any legislation and regulation or direction issued by the Secretary of State. Such terms of reference shall have effect as if incorporated into the Standing Orders.

5.5 Delegation of powers by Committees to Sub-groups

- 5.5.1 Where committees are authorised to establish sub-groups they may not delegate executive powers to the sub-committee unless expressly authorised by the Trust Board.

5.6 Approval of Appointments to Committees

- 5.6.1 The Board shall approve the appointments to each of the committees which it has formally constituted. Where the Board determines, and regulations permit, that persons, who are neither members nor officers, shall be appointed to a committee the terms of such appointment shall be within the powers of the Board as defined by the Secretary of State. The Board shall define the powers of such appointees and shall agree allowances, including reimbursement for loss of earnings, and/or expenses in accordance where appropriate with national guidance.
- 5.6.2 Appointment to each Board Committee shall be two Non-executive Directors, with the exception of the Remuneration Committee and Nominations Committee whose membership must include all voting Non-executive Director members of the Board.

5.7 Appointments for Statutory functions

- 5.7.1 Where the Board is required to appoint persons to a committee and/or to undertake statutory functions as required by the Secretary of State, and where such appointments are to operate independently of the Board such appointment shall be made in accordance with the regulations and directions made by the Secretary of State.

5.8 Committees established by the Trust Board

- 5.8.1 The committees, established by the Board and accountable to the Board are:

5.8.2 Audit and Risk Committee

- 5.8.3 In line with the requirements of the NHS Audit Committee Handbook, NHS Codes of Conduct and Accountability, and more recently the Higgs report, an Audit Committee will be established and constituted to provide the Trust Board with an independent and objective review on its financial systems, financial information and compliance with laws, guidance, and regulations governing the NHS. The Terms of Reference will be approved by the Trust Board and reviewed on a periodic basis.

5.8.4 Nominations Committee

- 5.8.5 In line with the requirements of the NHS Codes of Conduct and Accountability, and more recently the Higgs report, a Nominations Committee will be established and constituted, under the title of Appointments Committee.

- 5.8.6 The purpose of the Committee will be to set the appropriate remuneration and terms of service for the Chief Executive and other Executive Directors including:

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

- 5.8.6.2 provisions for other benefits, including pensions and cars;

- 5.8.6.3 arrangements for termination of employment and other contractual arrangements.

5.8.7 Trust and Charitable Funds Committee

- 5.8.8 In line with its role as a corporate trustee for any funds held in trust, either as charitable or non-charitable funds, the Trust Board will establish a Trust and Charitable Funds Committee to administer those funds in accordance with any statutory or other legal requirements or best practice required by the Charities Commission.

- 5.8.9 The provisions of this Standing Order must be read in conjunction with Standing Order 3.7 and Standing Financial Instructions 31.

5.8.10 Remuneration Committee

- 5.8.11 In line with national guidance, i.e. UK Governance Code a Remuneration Committee will be established to decide policy and process for the remuneration of executive directors (ED). Within the framework of the agreed remuneration policy the Committee will determine the remuneration package of each ED including performance related pay, relocation package, expenses and severance payments etc.

5.8.12 Finance and Planning Committee

- 5.8.13 In line with the requirement to meet business, statutory and regulatory objectives the Committee shall provide assurance to the Board that the Trust's financial, performance and business development arrangements are sufficiently and effectively managed and controlled.

5.8.14 Quality and Standards Committee

- 5.8.15 In line with the requirement for compliance with the terms of its License and registrations and with CQC Regulations and Monitor's Governance Framework, a Quality and Standards Committee shall be established and constituted to meet objectives including specifically the provision of safe high quality patient care and to comply with all relevant legislation, regulations and guidance that may in place, including statutory duties associated with the Mental Health Act and the Mental Capacity Act.
- 5.8.16 The Board may also establish such other committees as required to discharge the Trust's responsibilities.
- 5.8.17 Confidentiality

A member of a committee or anyone in attendance at a committee shall not disclose a matter dealt with by, or brought before, the committee without its permission until the committee shall have reported to the Board or should otherwise have concluded on the matter. A Director of the Trust or member of a committee shall not disclose any matter reported to the Board or otherwise dealt with by the committee notwithstanding that the matter has been reported or action has been concluded, if the Board or committee shall resolve that it is confidential.

6 Arrangements for the Exercise of Trust Functions by Delegation

6.1 Delegation of Functions to Committees, Officers or other bodies

- 6.1.1 Subject to such directions as may be given by the Secretary of State, the Board may make arrangements for the exercise, on behalf of the Board, of any of its functions by a Committee or sub-committee appointed by virtue of Standing Order 5, or by an officer of the Trust, or by another body as defined in Standing Order 6.1.2 below, in each case subject to such restrictions and conditions as the Trust thinks fit.
- 6.1.2 The NHS Act 2006 allows for regulations to provide for the functions of Trust's to be carried out by third parties. In accordance with The Trusts (Membership, Procedure and Administration Arrangements) Regulations 2000 the functions of the Trust may also be carried out in the following ways:
- 6.1.2.1 by another Trust;
- 6.1.2.2 jointly with any one or more of the following: NHS Trusts, NHS Improvement (NHSI) or Clinical Commissioning Groups (CCGs).
- 6.1.2.3 by arrangement with the appropriate Trust or CCG, by a joint committee or joint sub-committee of the Trust and one or more other health service bodies;
- 6.1.2.4 in relation to arrangements made under S63(1) of the Health Services and Public Health Act 1968, jointly with one or more NHS Improvement (NHSI) NHS Trusts or Clinical Commissioning Groups (CCGs).
- 6.1.3 Where a function is delegated by these Regulations to another Trust, then that Trust or health service body exercises the function in its own right; the receiving Trust has responsibility to ensure that the proper delegation of the function is in place. In other situations, i.e. delegation to committees, sub-groups or officers, the Trust delegating the function retains full responsibility.

6.2 Emergency Powers and urgent decisions

- 6.2.1 The powers which the Board has reserved to itself within these Standing Orders (see Standing Order 3.8) may in an emergency or for an urgent decision be exercised by the Chief Executive and the Chairman after having consulted at least two non-officer members. The exercise of such powers by the Chief Executive and Chairman shall be reported to the next formal meeting of the Trust Board in public session for formal ratification.

6.3 Delegation to Committees and "Board in Committee"

- 6.3.1 The Board shall agree from time to time to the delegation of executive powers to be exercised by other committees, which it has formally constituted in accordance with directions issued by the Secretary of State. The constitution and terms of reference of these committees, and their specific executive powers shall be approved by the Board in respect of its sub-groups.
- 6.3.2 When the Board is not meeting as the Trust in public session it shall operate as a committee and may only exercise such powers as may have been delegated to it by the Trust in public session.

6.4 Delegation to Officers – the Chief Executive's Scheme of Delegation

Standing Orders and Standing Financial Instructions

- 6.4.1 Those functions of the Trust which have not been retained as reserved by the Board or delegated to other committee or sub-group or joint-committee shall be exercised on behalf of the Trust by the Chief Executive. The Chief Executive shall determine which functions he/she will perform personally and shall nominate officers to undertake the remaining functions for which he/she will still retain accountability to the Trust.
- 6.4.2 The Chief Executive shall prepare a “Chief Executive’s Scheme of Delegation” identifying his proposals which shall be considered and approved by the Board.
- 6.4.3 The Chief Executive may periodically propose amendment to the Chief Executive’s Scheme of Delegation which shall be considered and approved by the Board.
- 6.4.4 Nothing in the Chief Executive’s Scheme of Delegation shall impair the discharge of the direct accountability to the Board of the Executive Director of Finance to provide information and advise the Board in accordance with statutory or Department of Health requirements.
- 6.4.5 Outside these statutory requirements the roles of the Executive Director of Finance shall be accountable to the Chief Executive for operational matters.

6.5 Schedule of Matters Reserved to the Board and Scheme of Delegation of Powers

- 6.5.1 The arrangements made by the Board as set out in the "Schedule of Matters Reserved to the Board" and “Scheme of Delegation of Powers” shall have effect as if incorporated in these Standing Orders.

6.6 Duty to report non-compliance with Standing Orders and Standing Financial Instructions

- 6.6.1 If for any reason these Standing Orders and Standing Financial Instructions are not complied with, full details of the non-compliance and any justification for non-compliance and the circumstances around the non-compliance, shall be reported to the next formal meeting of the Board for action or ratification. All members of the Trust Board and staff have a duty to disclose any non-compliance with these Standing Orders and Standing Financial Instructions to the Chief Executive as soon as possible.

7 Overlap with other Trust Policy Statements, Regulations and Standing Financial Instructions

7.1 Policy statements: general principles

- 7.1.1 The Trust Board will agree and approve policy statements/ procedures which will apply to all or specific groups of staff employed by Avon & Wiltshire Mental Health Partnership NHS Trust. The decisions to approve such policies will be recorded in an appropriate Trust Board minute and will be deemed where appropriate to be an integral part of the Trust's Standing Orders and Standing Financial Instructions.
- 7.1.2 The Board delegates responsibility for the oversight of policy development to its committees, management groups and meetings in line with responsibilities defined in committee and management group Terms of Reference.

7.2 Specific Policy statements

- 7.2.1 Notwithstanding the application of SO 7.1, these Standing Orders and Standing Financial Instructions must be read in conjunction with the following Policy statements:
 - 7.2.1.1 the Standards of Business Conduct and Conflicts of Interest Policy for Avon & Wiltshire Mental Health Partnership NHS Trust staff;
 - 7.2.1.2 the staff Disciplinary and Appeals Procedures adopted by the Trust both of which shall have effect as if incorporated in these Standing Orders.

7.3 Standing Financial Instructions

- 7.3.1 Standing Financial Instructions adopted by the Trust Board in accordance with the Financial Regulations shall have effect as if incorporated in these Standing Orders.

7.4 Specific guidance

- 7.4.1 Notwithstanding the application of SO 7.1 above, these Standing Orders and Standing Financial Instructions must be read in conjunction with the following guidance and any other issued by the Secretary of State for Health:
 - 7.4.1.1 The Caldicott Report 1997;
 - 7.4.1.2 The Human Rights Act 1998;
 - 7.4.1.3 The Data Protection Act of 1998
 - 7.4.1.4 The Freedom of Information Act 2000
 - 7.4.1.5 Code of Conduct for NHS Managers 2012
 - 7.4.1.6 Bribery Act 2010
 - 7.4.1.7 ABPI Code of Practice for the Pharmaceutical Industry 2012 second edition relating to hospitality/gifts from pharmaceutical/external industry

8 Duties and Obligations of Board Members under these Standing Orders

8.1 Declaration of Interests

8.1.1 Requirements for Declaring Interests and applicability to Board Members

8.1.2 The NHS Code of Accountability requires Trust Board Members to declare interests which are relevant and material to the NHS Board of which they are a member. All existing Board members should declare such interests. Any Board members appointed subsequently should do so on appointment.

8.1.3 Interests which are relevant and material

8.1.3.1 Interests which should be regarded as "relevant and material" are:

8.1.3.1.1 Directorships, including Non-executive Directorships held in private companies or PLCs (with the exception of those of dormant companies);

8.1.3.1.2 Ownership or part-ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS;

8.1.3.1.3 Majority or controlling share holdings in organisations likely or possibly seeking to do business with the NHS;

8.1.3.1.4 A position of Authority in a charity or voluntary organisation in the field of health and social care;

8.1.3.1.5 Any connection with a voluntary or other organisation contracting for NHS services;

8.1.3.1.6 Research funding/grants that may be received by an individual or their department;

8.1.3.1.7 Interests in pooled funds that are under separate management.

8.1.3.2 Any member of the Trust Board who comes to know that the Trust has entered into or proposes to enter into a contract in which he/she or any person connected with him/her (as defined in Standing Order 8.3 below and elsewhere) has any pecuniary interest, direct or indirect, the Board member shall declare his/her interest by giving notice in writing of such fact to the Trust via the Company Secretary as soon as practicable.

8.1.4 Advice on Interests

8.1.5 If Board members have any doubt about the relevance of an interest, this should be discussed with the Chairman of the Trust or with the Company Secretary.

8.1.6 Financial Reporting Standard No 8 (issued by the Accounting Standards Board) specifies that influence rather than the immediacy of the relationship is more important in assessing the relevance of an interest. The interests of partners in professional partnerships including general practitioners should also be considered.

8.1.7 Recording of Interests in Trust Board minutes

8.1.8 At the time Board members' interests are declared, they should be recorded in the Trust Board minutes.

8.1.9 Any changes in interests should be declared at the next Trust Board meeting following the change occurring and recorded in the minutes of that meeting.

8.1.10 Publication of declared interests in Annual Report

Standing Orders and Standing Financial Instructions

- 8.1.11 Board members' directorships of companies likely or possibly seeking to do business with the NHS should be published in the Trust's annual report. The information should be kept up to date for inclusion in succeeding annual reports.
- 8.1.12 Conflicts of interest which arise during the course of a meeting
- 8.1.13 During the course of a Trust Board meeting, if a conflict of interest is established, the Board member concerned should withdraw from the meeting and play no part in the relevant discussion or decision.

8.2 Register of Interests

- 8.2.1 The Chief Executive will ensure that a Register of Interests is established to record formally declarations of interests of Board or Committee members. In particular the Register will include details of all directorships and other relevant and material interests (as defined in SO 8.1.3) which have been declared by both executive and non-executive Trust Board members.
- 8.2.2 These details will be kept up to date by means of an annual review of the Register in which any changes to interests declared during the preceding twelve months will be incorporated.
- 8.2.3 The Register will be available to the public and the Chief Executive will take reasonable steps to bring the existence of the Register to the attention of local residents and to publicise arrangements for viewing it.
- 8.2.4 The Registers will be reviewed by the Audit and Risk Committee at six monthly intervals.

8.3 Exclusion of Chairman and Members in proceedings on account of pecuniary interest

- 8.3.1 Definition of terms used in interpreting 'Pecuniary' interest
- 8.3.2 For the sake of clarity, the following definition of terms is to be used in interpreting this Standing Order:
 - 8.3.2.1 "spouse" shall include any person who lives with another person in the same household (and any pecuniary interest of one spouse shall, if known to the other spouse, be deemed to be an interest of that other spouse);
 - 8.3.2.2 "contract" shall include any proposed contract or other course of dealing.
 - 8.3.2.3 "Pecuniary interest"
 - 8.3.2.4 Subject to the exceptions set out in this Standing Order, a person shall be treated as having an indirect pecuniary interest in a contract if:-
 - 8.3.2.4.1 he/she, or a nominee of his/her, is a member of a company or other body (not being a public body), with which the contract is made, or to be made or which has a direct pecuniary interest in the same, or
 - 8.3.2.4.2 he/she is a partner, associate or employee of any person with whom the contract is made or to be made or who has a direct pecuniary interest in the same.
 - 8.3.2.5 Exception to Pecuniary interests

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

Standing Orders and Standing Financial Instructions

- 8.3.2.5.1 neither he/she or any person connected with him/her has any beneficial interest in the securities of a company of which he/she or such person appears as a member, or
- 8.3.2.5.2 any interest that he/she or any person connected with him/her may have in the contract is so remote or insignificant that it cannot reasonably be regarded as likely to influence him/her in relation to considering or voting on that contract, or
- 8.3.2.5.3 those securities of any company in which he/she (or any person connected with him/her) has a beneficial interest do not exceed £5,000 in nominal value or one per cent of the total issued share capital of the company or of the relevant class of such capital, whichever is the less.
- 8.3.3 Provided however, that where paragraph 3 above applies, the person shall nevertheless be obliged to disclose/declare their interest in accordance with Standing Order 8.1.3.
- 8.3.4 Exclusion in proceedings of the Trust Board
- 8.3.5 Subject to the following provisions of this Standing Order, if the Chairman or a member of the Trust Board has any pecuniary interest, direct or indirect, in any contract, proposed contract or other matter and is present at a meeting of the Trust Board at which the contract or other matter is the subject of consideration, they shall at the meeting and as soon as practicable after its commencement disclose the fact and shall not take part in the consideration or discussion of the contract or other matter or vote on any question with respect to it.
- 8.3.6 The Secretary of State may, subject to such conditions as he/she may think fit to impose, remove any disability imposed by this Standing Order in any case in which it appears to him/her in the interests of the National Health Service that the disability should be removed. (See SO 8.3.9 on the 'Waiver' which has been approved by the Secretary of State for Health).
- 8.3.7 The Trust Board may exclude the Chairman or a member of the Board from a meeting of the Board while any contract, proposed contract or other matter in which he/she has a pecuniary interest is under consideration.
- 8.3.8 This Standing Order applies to a committee or sub-committee and to a joint committee or sub-committee as it applies to the Trust and applies to a member of any such committee or sub-committee (whether or not he/she is also a member of the Trust) as it applies to a member of the Trust.
- 8.3.9 Waiver of Standing Orders made by the Secretary of State for Health.
- 8.3.9.1 Power of the Secretary of State to make waivers
Under regulation 11(2) of the NHS (Membership and Procedure Regulations SI 1999/2024 ("the Regulations"), there is a power for the Secretary of State to issue waivers if it appears to the Secretary of State in the interests of the health service that the disability in regulation 11 (which prevents a chairman or a member from taking part in the consideration or discussion of, or voting on any question with respect to, a matter in which he has a pecuniary interest) is removed. A waiver has been agreed in line with sub-sections 8.3.9.2 to 8.3.9.4 below.
- 8.3.9.2 Definition of 'Chairman' for the purpose of interpreting this waiver. For the purposes of paragraph 8.3.9.3 (below), the "relevant chairman" is:
- 8.3.9.2.1 at a meeting of the Trust, the Chairman of that Trust;
- 8.3.9.2.2 at a meeting of a Committee:
- in a case where the member in question is the Chairman of that Committee, the Chairman of the Trust;
 - in the case of any other member, the Chairman of that Committee.

8.3.9.3 Application of waiver

A waiver will apply in relation to the disability to participate in the proceedings of the Trust on account of a pecuniary interest. It will apply to:

8.3.9.3.1 A member of the Avon & Wiltshire Mental Health Partnership NHS Trust (“the Trust”), who is a healthcare professional, within the meaning of regulation 5(5) of the Regulations, and who is providing or performing, or assisting in the provision or performance, of:

- a. services under the National Health Service Act 1977; or
- b. services in connection with a pilot scheme under the National Health Service Act 1997; for the benefit of persons for whom the Trust is responsible.

8.3.9.3.2 Where the ‘pecuniary interest’ of the member in the matter which is the subject of consideration at a meeting at which s/he is present:-

- a. arises by reason only of the member’s role as such a professional providing or performing, or assisting in the provision or performance of, those services to those persons;
- b. has been declared by the relevant chairman as an interest which cannot reasonably be regarded as an interest more substantial than that of the majority of other persons who:-
 - i. are members of the same profession as the member in question,
 - ii. are providing or performing, or assisting in the provision or performance of, such of those services as he provides or performs, or assists in the provision or performance of, for the benefit of persons for whom the Trust is responsible.

8.3.9.4 Conditions which apply to the waiver and the removal of having a pecuniary interest

8.3.9.4.1 The removal is subject to the following conditions:

- i. the member must disclose his/her interest as soon as practicable after the commencement of the meeting and this must be recorded in the minutes;
- ii. the relevant chairman must consult the Chief Executive before making a declaration in relation to the member in question pursuant to paragraph 8.3.9.2 above, except where that member is the Chief Executive;
- iii. in the case of a meeting of the Trust:
 - a. the member may take part in the consideration or discussion of the matter which must be subjected to a vote and the outcome recorded;
 - b. may not vote on any question with respect to it.

8.3.9.4.2 In the case of a meeting of the Committee:

- a. the member may take part in the consideration or discussion of the matter which must be subjected to a vote and the outcome recorded;
- b. may vote on any question with respect to it; but
- c. the resolution which is subject to the vote must comprise a recommendation to, and be referred for approval by, the Trust Board.

8.4 Fit and Proper Persons

- 8.4.1 As required by Regulation 5 Fit and Proper Persons: Directors and Regulation 20 Duty of Candour, Guidance for NHS Bodies (Care Quality Commission November 2014), “directors” must satisfy all the requirements set out in Regulation 5(3) and be declared fit and proper persons.
- 8.4.2 Individuals must be: of good character, have the necessary qualifications, competence, skills and experience for their role, have the appropriate level of physical and mental fitness, have not been party to any serious misconduct or mismanagement in the course of carrying on a regulated activity, and not be deemed unfit under the Regulation provisions.
- 8.4.3 For further guidance staff should refer to the Trust’s Fit and Proper Persons Policy and procedures.

8.5 Standards of Business Conduct

- 8.5.1 Trust Policy and National Guidance
- 8.5.2 All Trust staff and members of the Board must comply with the Trust’s Standards of Business Conduct and Conflicts of Interest Policy and the national guidance contained in HSG(93)5 on ‘Standards of Business Conduct for NHS staff’ (see SO 7.2).
- 8.5.3 Interest of Officers in Contracts
- 8.5.4 Any officer or employee of the Trust who comes to know that the Trust has entered into or proposes to enter into a contract in which he/she or any person connected with him/her (as defined in SO 8.3) has any pecuniary interest, direct or indirect, the Officer shall declare their interest by giving notice in writing of such fact to the Chief Executive or the Company Secretary as soon as practicable.
- 8.5.5 An Officer should also declare to the Chief Executive any other employment or business or other relationship of his/her, or of a cohabiting spouse, that conflicts, or might reasonably be predicted could conflict with the interests of the Trust.
- 8.5.6 The Trust will require interests, employment or relationships so declared to be entered in a register of interests of staff.
- 8.5.7 Canvassing of and Recommendations by Members in Relation to Appointments
- 8.5.8 Canvassing of members of the Trust or of any Committee of the Trust directly or indirectly for any appointment under the Trust shall disqualify the candidate for such appointment. The contents of this paragraph of the Standing Order shall be included in application forms or otherwise brought to the attention of candidates.
- 8.5.9 Members of the Trust shall not solicit for any person any appointment under the Trust or recommend any person for such appointment; but this paragraph of this Standing Order shall not preclude a member from giving written testimonial of a candidate’s ability, experience or character for submission to the Trust.
- 8.5.10 Relatives of Members or Officers
- 8.5.11 Candidates for any staff appointment under the Trust shall, when making an application, disclose in writing to the Trust whether they are related to any member or the holder of any office under the Trust. Failure to disclose such a relationship shall disqualify a candidate and, if appointed, render him liable to instant dismissal.

Standing Orders and Standing Financial Instructions

- 8.5.12 The Chairman and every member and officer of the Trust shall disclose to the Trust Board any relationship between himself and a candidate of whose candidature that member or officer is aware. It shall be the duty of the Chief Executive to report to the Trust Board any such disclosure made.
- 8.5.13 On appointment, members (and prior to acceptance of an appointment in the case of Executive Directors) should disclose to the Trust whether they are related to any other member or holder of any office under the Trust.
- 8.5.14 Where the relationship to a member of the Trust is disclosed, the Standing Order headed 'Disability of Chairman and members in proceedings on account of pecuniary interest' (SO 8) shall apply.
- 8.5.15 Commercial Sponsorship
All commercial sponsorship is to be reported through the Audit and Risk Committee to ensure governance (see Standards of Business Conduct policy). Full guidance is available upon request from the Executive Director of Finance .

9 Custody of Seal, Sealing of Documents, Signature of Documents

9.1 Custody of Seal

9.1.1 The common seal of the Trust shall be kept by the Chief Executive or a nominated Manager by him/her in a secure place.

9.2 Sealing of Documents

9.2.1 Where it is necessary that a document shall be sealed, the seal shall be affixed in the presence of two executive directors and or the Company Secretary duly authorised by the Chief Executive, and not also from the originating department, and shall be attested by them.

9.3 Register of Sealing

9.3.1 The Chief Executive shall keep a register in which he/she, or another manager of the Authority authorised by him/her, shall enter a record of the sealing of every document.

10 Miscellaneous

10.1 Joint Finance Arrangements

- 10.1.1 The Board may confirm contracts to purchase from a voluntary organisation or a local authority using its powers under the relevant NHS Act. The Board may confirm contracts to transfer money from the NHS to the voluntary sector or the health related functions of local authorities where such a transfer is to fund services to improve the health of the local population more effectively than equivalent expenditure on NHS services, using its powers under the relevant NHS Act.

11 Scheme of Reservation and Delegation

REF	THE BOARD	DECISIONS RESERVED TO THE BOARD
NA	The Board	<p>General Enabling Provision</p> <p>The Board may determine any matter, for which it has delegated or statutory authority, it wishes in full session within its statutory powers.</p>
NA	The Board	<p>Regulations and Control</p> <ol style="list-style-type: none"> a. Approve Standing Orders (SOs), a schedule of matters reserved to the Board and Standing Financial Instructions for the regulation of its proceedings and business. b. Suspend Standing Orders. c. Vary or amend the Standing Orders. d. Ratify any urgent decisions taken by the Chairman and Chief Executive in public session in accordance with SO 6.2 e. Approve a scheme of delegation of powers from the Board to committees. f. Require and receive the declaration of Board members' interests that may conflict with those of the Trust and determining the extent to which that member may remain involved with the matter under consideration. g. Require and receive the declaration of officers' interests that may conflict with those of the Trust. h. Approve arrangements for dealing with complaints. i. Adopt the organisation structures, processes and procedures to facilitate the discharge of business by the Trust and to agree modifications thereto. j. 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. k. Confirm the recommendations of the Trust's committees where the committees do not have executive powers. l. Approve arrangements relating to the discharge of the Trust's responsibilities as a corporate trustee for funds held on trust. m. Establish terms of reference and reporting arrangements of all committees and sub-groups that are established by the Board. n. Approve arrangements relating to the discharge of the Trust's responsibilities as a bailer for service user property. o. Authorise use of the seal. p. Ratify or otherwise instances of failure to comply with Standing Orders brought to the Chief Executive's attention in accordance with SO 6.6. q. Discipline members of the Board or employees who are in breach of statutory requirements or SOs.

NA	The Board	<p>Appointments/ Dismissal</p> <ul style="list-style-type: none"> a. Appoint the Vice Chairman of the Board. b. Appoint and dismiss committees (and individual members) that are directly accountable to the Board. c. Appoint, appraise, discipline and dismiss Executive Directors in line with Trust policies and procedures and subject to SO 3.2. d. Confirm appointment of members of any committee of the Trust as representatives on outside bodies. e. Appoint, appraise, discipline and dismiss the Company Secretary (if the appointment of a Company Secretary is required under Standing Orders). f. Review proposals of the Remuneration Committee regarding the remuneration of directors, senior employees and the Chief Executive.
NA	The Board	<p>Strategy, Plans and Budgets</p> <ul style="list-style-type: none"> a. Define the strategic aims and objectives of the Trust. b. Approve proposals for ensuring quality and developing clinical governance in services provided by the Trust, having regard to any guidance issued by the Secretary of State. c. Approve the Trust's Risk Management and Reporting Framework. d. Approve Outline and Final Business Cases for Capital Investment. e. Approve budgets. f. Approve annually Trust's proposed organisational development proposals. g. Ratify proposals for acquisition, disposal or change of use of land and/or buildings. h. Approve PFI proposals. i. Approve the opening of bank accounts. j. Approve proposals on individual contracts (other than NHS contracts) of a capital or revenue nature amounting to, or likely to amount to over the amount specified in the Scheme of Delegation. k. Approve proposals in individual cases for the write off of losses or making of special payments above the limits of delegation to the Chief Executive and Executive Director of Finance (for losses and special payments) previously approved by the Board. l. Approve individual compensation payments. m. Approve proposals for action on litigation against or on behalf of the Trust. n. Review use of NHSLA risk pooling schemes (LPST/CNST/RPST), on annual basis.

	The Board	<p>Policy Determination</p> <p>a. Delegate approval of I Trust-wide Procedural Documents to relevant committee / management group as set out the AWP Policy for the Development and Management of Procedural Documents. Documents so adopted shall be listed and made available in the Board Policy Library on the Trust Intranet.</p>
	The Board	<p>Audit</p> <p>a. Approval of external auditors' arrangements for the separate audit of funds held on trust, and the submission of reports to the Audit and Risk Committee meetings who will take appropriate action.</p> <p>b. Receive of the annual management letter received from the external auditor and agreement of proposed action, taking account of the advice, where appropriate, of the Audit and Risk Committee.</p> <p>c. Receive an annual report from the Internal Auditor and agree action on recommendations where appropriate of the Audit and Risk Committee.</p>
NA	The Board	<p>Annual Reports and Accounts</p> <p>a. Receipt and approval of the Trust's Annual Report and Annual Accounts.</p> <p>b. Receipt and approval of the Annual Report and Accounts for funds held on trust.</p>
NA	The Board	<p>Monitoring</p> <p>a. Receive of such reports as the Board sees fit from committees in respect of their exercise of powers delegated.</p> <p>b. Continuous appraisal of the affairs of the Trust by means of the provision 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 the Department of Health, NHSI and the Charity Commission shall be reported, at least in summary, to the Board.</p> <p>c. Receive reports from the Executive Director of Finance on financial performance against budget and Annual (Operating) Plan.</p> <p>d. Receive reports sponsored by the Chief Executive on actual and forecast income from Service Line Agreements.</p>

12 Decisions/Duties Delegated by the Board to Committees

REF	COMMITTEE	DECISIONS/DUTIES DELEGATED BY THE BOARD TO COMMITTEES
SFI 18.1	Audit and Risk Committee	<p>a. The purpose of the Audit and Risk Committee is to assess whether the Trust’s systems and processes for Governance, Risk Management and Internal Control are fit for purpose, and are being applied appropriately and effectively; and, to report to the Board on its findings.</p> <p>b. In particular, the Committee shall: Provide assurance to the Board that an appropriate system of internal control is in place which ensures that:</p> <ul style="list-style-type: none"> i. Business is conducted in accordance with the law and prescribed national standards. ii. Public money is safeguarded and properly accounted for. iii. Financial Statements are prepared timeously and give a true and fair view of the financial position of the Board for the period in question. iv. The independence of the Trust’s internal and external auditors is unimpaired, and that they continue to effectively discharge their responsibilities. v. Affairs are managed to secure the economic, efficient and effective use of resources. vi. Assess and approve policy documents in accordance with the AWP Policy for the Development and Management of Procedural Documents. vii. Reasonable steps are taken to prevent and detect fraud, corruption and other irregularities. viii. The Board’s governance and risk management arrangements are appropriate and effective. ix. The suitability and implementation of the Board’s Risk Management Strategy, Risk Register and the risk mitigation plans.

SFI 25.1	Remuneration Committee	<p>a. The purpose of the Remuneration Committee is to agree policy and frameworks for Executive and Senior Officer Remuneration. The Committee shall:</p> <ol style="list-style-type: none"> i. Agree Terms of Employment and Service Contracts ii. Agree Terms for Termination of Employment over and above legal and contractual obligations iii. Review redundancy and severance business cases to a value in accordance with the Scheme of Delegation <p>b. The Committee Shall:</p> <ol style="list-style-type: none"> i. Determine and agree with the Board the framework (or broad policy) for the remuneration and terms of service of the Chief Executive, the Executive Directors, and any other officers working under Very Senior Manager Terms and Conditions, having regard to the provisions of any applicable national agreement, ii. Determine and approve, on behalf of the Board, any performance management processes for Executive Directors and Senior Managers, iii. Determine, on behalf of the Board, the individual remuneration packages of Executive Directors where they are not covered by national agreements, and to decide all changes to Executive Directors remuneration and terms of service, paying due regard to current national guidance and contractual requirements, iv. In determining such policy, take into account all factors which it deems necessary. The objective of such policy shall be to ensure that members of the executive and very senior management of the Trust are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Trust, v. Ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Trust, that failure is not rewarded and that the duty to mitigate loss is fully recognised, vi. Review and note annually the remuneration trends across the Trust, vii. Ensure that all provisions regarding disclosure of remuneration, including pensions and benefits, are fulfilled, viii. Obtain reliable, up-to-date information about remuneration in other Trusts. The Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations ix. Be responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee. x. In accordance with National Health Service Trusts (Membership and Procedure) Regulations 1990/2024 and the Clinical Commissioning Groups and National Health Service Trusts (Membership and Procedure) Amendment Regulations 2008/1269, the Committee shall: <ul style="list-style-type: none"> • appoint executive directors other than chief officer. • terminate the tenure of office of executive directors other than chief officer or chief finance officer where the appointing
----------	------------------------	--

Standing Orders and Standing Financial Instructions

		<p>authority is of the opinion that it is not in the interests of the NHS trust that s/he should continue to hold office as director.</p> <p>xi. In the course of its work, the Committee shall:</p> <ul style="list-style-type: none"> • give full consideration to succession planning for executive directors, taking into account the challenges and opportunities facing the trust, and what skills and expertise are therefore needed in the future. <p>xii. The Committee shall also make recommendations to the Board concerning:</p> <ul style="list-style-type: none"> • any matters relating to the continuation in office of any executive director at any time including the suspension or termination of service of an executive director as an employee of the trust subject to the provisions of the law and their employment contract.
--	--	---

	<p>Quality and Standards Committee</p>	<p>a. The purpose of the Quality and Standards Committee is to:</p> <ol style="list-style-type: none"> i. review, assess, and report to the Board on the veracity of declarations of compliance, standards, quality and performance of Trust services, and, ii. approve specified procedural documents on behalf of the Board of Directors. iii. to assure itself of the existence and effective operation of systems to ensure that the Trust has in place personnel on the Board, reporting to the Board and within the rest of the Trust who are sufficient in number and appropriately qualified and competent to ensure compliance with requirements of its regulations <p>c. The Committee shall:</p> <ol style="list-style-type: none"> x. Assess and approve policy documents, where required and in accordance with the AWP Policy for the Development and Management of Procedural Documents . <ol style="list-style-type: none"> i. . ii. Review and assess: <ol style="list-style-type: none"> 1. clinical and service quality, 2. regulatory compliance, 3. organisational performance against specified standards and targets, 4. the effectiveness of risk-mitigation actions taken by the Executive Management Team, 5. standards of clinical and service quality, scrutinising suitable evidence as required, 6. standards of organisational compliance with regulation and associated Trust policy, 7. standards of organisational performance against specified standards and targets, 8. the suitability and implementation of the Board's Risk Management Strategy, Risk Register and the risk mitigation plans. 9. review Compliance with Mental Health Act and Mental Capacity Act, 10. review Mental Health Act and Mental Capacity Act Policy
--	--	--

	<p>Finance and Planning Committee</p>	<p>a. The purpose of the Finance and Planning Committee is to provide the Board of Directors with additional financial and commercial scrutiny and oversight</p> <p>b. The Committee shall:</p> <ol style="list-style-type: none"> i. Review any Strategic plans and the suitability and implementation of Business Plans, Service Strategies and Budgets ii. Review the format of financial reporting provided to the Board to ensure they are appropriate, of the right quality and timeliness and provides sufficient information to enable the Board to make properly informed decisions regarding financial and commercial matters iii. Review bid intentions and applications iv. Assess and approve policy documents, where required and in accordance with AWP . Policy for the Development and Management of Procedural Documents Review the suitability and implementation of: <ol style="list-style-type: none"> 1. Business Transfer Agreements (BTA), ensuring due diligence has been completed prior to the BTA 2. Memorandum of Understanding and Heads of Terms for new services 3. Special Purpose Vehicles (legal entities) for new business 4. Capital and revenue Schemes and other major investments and projects 5. investment planning and the investment strategy 6. Cost 7. Improvement Programme (CIP) strategies and plans. 8. the quality of performance monitoring of workforce and Organisational Development indicators.
	<p>Charitable Funds Committee</p>	<p>a. The purpose of the Charitable Funds Committee is to monitor the application of all charitable funds in accordance with the Charities Acts, external guidance and applicable legislation, and to ensure that decisions on the use or investment of such funds are compliant with the explicit conditions or purpose for each donation, bequest or grant. This purpose is conducted on behalf of the Trust Board as Trustees of Charitable Funds.</p> <p>b. The Committee shall:</p> <ol style="list-style-type: none"> i. Oversee the Investment of Charitable Funds ii. Review Charitable Funds Income and Expenditure iii. Review the Management and Application of Legacies iv. Ensure that the Charitable Funds of the Trust are collected, spent and managed: <ol style="list-style-type: none"> 1. legally, ethically and in accordance with donors' wishes, the Trust's Standing Orders and Standing Financial Instructions, the Trust's Charitable Funds Policies and Procedures, governing documents of the funds, and, with Charitable Fund legislation and Accounting Standards.

13 Scheme of Delegation

	DELEGATED TO	DUTIES DELEGATED
	Chief Executive (CE)	Accountable through NHS Accounting Officer to Parliament for stewardship of Trust resources
	CE and Executive Director of Finance	Ensure the accounts of the Trust are prepared under principles and in a format directed by the Secretary of State. Accounts must disclose a true and fair view of the Trust's income and expenditure and its state of affairs. Sign the accounts on behalf of the Board.
	Chief Executive	Sign a statement in the accounts outlining responsibilities as the Accountable Officer. Sign a statement in the accounts outlining responsibilities in respect of Internal Control.
	Chief Executive	Ensure effective management systems that safeguard public funds and assist the Trust Chairman to implement requirements of corporate governance including ensuring managers: <ul style="list-style-type: none"> a. "have a clear view of their objectives and the means to assess achievements in relation to those objectives b. be assigned well defined responsibilities for making best use of resources c. have the information, training and access to the expert advice they need to exercise their responsibilities effectively."
	Chairman	Ensure the implementation of arrangements to meet the requirements for compliant corporate governance.
	Chief Executive	Achieve value for money from the resources available to the Trust and avoid waste and extravagance in the organisation's activities. Follow through the implementation of any recommendations affecting good practice as set out on reports from such bodies as the Audit Commission and the National Audit Office (NAO).
	Executive Director of Finance	Operational responsibility for effective and sound financial management and information.
	Chief Executive	Primary duty to see that Executive Director of Finance discharges this function.
	Chief Executive	Ensuring that expenditure by the Trust complies with Parliamentary requirements.
	Chief Executive and Executive Director of Finance	Chief Executive, supported by Executive Director of Finance , to ensure appropriate advice is given to the Board on all matters of probity, regularity, prudent and economical administration, efficiency and effectiveness.
	Chief Executive	If the Chief Executive considers the Board or Chairman is doing something that might infringe probity or regularity, he/she should set this out in writing to the Chairman and the Board. If the matter is unresolved, he/she should ask the Audit and Risk Committee to inquire and if

		necessary inform the NHS Improvement and Department of Health.
	Chief Executive	If the Board is contemplating a course of action that raises an issue not of formal propriety or regularity but affects the CE's responsibility for value for money, the CE should draw the relevant factors to the attention of the Board. If the outcome is that you are overruled it is normally sufficient to ensure that your advice and the overruling of it are clearly apparent from the papers. Exceptionally, the CE should inform the NHS Improvement and the DH. In such cases, and in those described in paragraph 24, the CE should as a member of the Board vote against the course of action rather than merely abstain from voting.

14 Scheme of Delegation

REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
	Board	<p>The Board has six key functions for which it is held accountable by the Department of Health on behalf of the Secretary of State:</p> <ol style="list-style-type: none"> to ensure effective financial stewardship through value for money, financial control and financial planning and strategy; to ensure that high standards of corporate governance and personal behaviour are maintained in the conduct of the business of the whole organisation; to appoint, appraise and remunerate senior executives; to ratify the strategic direction of the organisation within the overall policies and priorities of the Government and the NHS, define its annual and longer term objectives and agree plans to achieve them; to oversee the delivery of planned results by monitoring performance against objectives and ensuring corrective action is taken when necessary; to ensure effective dialogue between the organisation and the local community on its plans and performance and that these are responsive to the community's needs.
	Board	<p>It is the Board's duty to:</p> <ol style="list-style-type: none"> act within statutory financial and other constraints; be clear what decisions and information are appropriate to the Board and draw up Standing Orders, a schedule of decisions reserved to the Board and Standing Financial Instructions to reflect these, ensure that management arrangements are in place to enable responsibility to be clearly delegated to senior executives for the main programmes of action and for performance against programmes to be monitored and senior executives held to account; establish performance and quality measures that maintain the effective use of resources and provide value for money; specify its requirements in organising and presenting financial

Standing Orders and Standing Financial Instructions

		<p>and other information succinctly and efficiently to ensure the Board can fully undertake its responsibilities;</p> <p>f. establish Audit and Remuneration Committees on the basis of formally agreed terms of reference that set out the membership of the sub-committee, the limit to their powers, and the arrangements for reporting back to the Board.</p>
	Chairman	<p>It is the Chairman's role to:</p> <p>a. provide leadership to the Board;</p> <p>b. enable all Board members to make a full contribution to the Board's affairs and ensure that the Board acts as a team;</p> <p>c. ensure that key and appropriate issues are discussed by the Board in a timely manner,</p> <p>d. ensure the Board has adequate support and is provided efficiently with all the necessary data on which to base informed decisions;</p> <p>e. lead Non-executive Directors through a formally-appointed Remuneration Committee of the Board on the appointment, appraisal and remuneration of the Chief Executive and (with the latter) other Executive Directors;</p> <p>f. appoint Non-executive Directors to an Audit and Risk Committee of the Board;</p> <p>g. advise the Secretary of State on the performance of Non-executive Directors.</p>
	Chief Executive	<p>The Chief Executive is accountable to the Chairman and Non-executive members of the Board for ensuring that its decisions are implemented, that the organisation works effectively, in accordance with Government policy and public service values and for the maintenance of proper financial stewardship.</p> <p>The Chief Executive should be allowed full scope, within clearly defined delegated powers, for action in fulfilling the decisions of the Board.</p> <p>The Chief Executive is responsible for the duties of the Chief Executive as Accountable Officer as laid out in the Accountable Officer Memorandum.</p>
	Non-Executive Directors	<p>Non-executive Directors are appointed by the Appointments Commission to bring independent judgement to bear on issues of strategy, performance, key appointments and accountability through the Department of Health to Ministers and to the local community.</p>
	Chair and Directors	<p>Declaration of conflicts of interests.</p>
	Board	<p>NHS Boards must comply with legislation and guidance issued by the Department of Health on behalf of the Secretary of State, respect agreements entered into by themselves or on their behalf and establish terms and conditions of service that are fair to the staff and represent good value for taxpayers' money.</p>

15 Scheme of Delegation of Powers

SO REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
1.1	Chairman	Final authority in interpretation of Standing Orders (SOs).
3.4	Board	Appointment of Vice Chairman
4.1	Chairman	Call meetings.
3.6	Chairman	Chair all Board meetings and associated responsibilities.
4.11	Chairman	Give final ruling in questions of order, relevancy and regularity of meetings.
4.13	Chairman	Having a second or casting vote
4.14	Board	Suspension of Standing Orders
4.14	Audit and Risk Committee	Audit and Risk Committee to review every decision to suspend Standing Orders (power to suspend Standing Orders is reserved to the Board)
4.15	Board	Variation or amendment of Standing Orders
5.1 & 5.2	Board	Formal delegation of powers to sub committees or joint committees and approval of their constitution and terms of reference. (Constitution and terms of reference of sub committees may be approved by the Chief Executive.)
6.2	Chairman & Chief Executive	The powers which the Board has retained to itself within these Standing Orders may in emergency be exercised by the Chair and Chief Executive after having consulted at least two Non-executive members.
6.4	Chief Executive	The Chief Executive shall prepare a Scheme of Delegation identifying his/her proposals that shall be considered and approved by the Board, subject to any amendment agreed during the discussion.
6.6	All	Disclosure of non-compliance with Standing Orders to the Chief Executive as soon as possible.
8.1	Board	Declare relevant and material interests
8.2	Chief Executive	Maintain Register(s) of Interests
8.5	All staff	Comply with national guidance contained in HSG 1993/5 "Standards of Business Conduct for NHS Staff".
8.5	All	Disclose relationship between self and candidate for staff appointment. (CE to report the disclosure to the Board.)
9.1/9.3	Chief Executive	Keep seal in safe place and maintain a register of sealing.
9.4	Chief Executive/ Executive Director/Company Secretary	Approve and sign all documents which will be necessary in legal proceedings.

16 Scheme of Delegation

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
17.1.3	Executive Director of Finance	Approval of all financial procedures.
17.1.4	Executive Director of Finance	Advice on interpretation or application of SFIs.
17.2.5	Chief Executive & Executive Director of Finance	Accountable for financial control but will, as far as possible, delegate their detailed responsibilities.
17.1.6	All members of the Board and employees	Have a duty to disclose any non-compliance with these Standing Financial Instructions to the Executive Director of Finance as soon as possible.
17.2.6	Chief Executive	Responsible as the Accountable Officer to ensure financial targets and obligations are met and have overall responsibility for the System of Internal Control.
17.2.7	Chief Executive	To ensure all Board members, officers and employees, present and future, are notified of and understand Standing Financial Instructions.
17.2.9 & 17.2.10	Executive Director of Finance	Responsible for: <ul style="list-style-type: none"> a. Implementing the Trust's financial policies and coordinating corrective action; b. Maintaining an effective system of financial control including ensuring detailed financial procedures and systems are prepared and documented; c. Ensuring that sufficient records are maintained to explain Trust's transactions and financial position; d. Providing financial advice to members of Board and staff; e. Maintaining such accounts, certificates etc. as are required for the Trust to carry out its statutory duties.
17.2.12	All members of the Board and employees	Responsible for security of the Trust's property, avoiding loss, exercising economy and efficiency in using resources and conforming to Standing Orders, Financial Instructions and financial procedures.
17.2.13	Chief Executive	Ensure that 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 are made aware of these instructions and their requirement to comply.
18.1.1	Audit and Risk Committee	Provide independent and objective view on internal control and probity.
18.1.2	Audit and Risk Committee Chair	Raise the matter at the Board meeting where Audit and Risk Committee considers there is evidence of ultra vires transactions or improper acts.
18.1.3 & 18.2.1	Company Secretary	Ensure an adequate internal audit service, for which he/she is accountable, is provided (and involve the Audit and Risk Committee in the selection process when/if an internal audit service provider is changed.)
18.2.1	Executive Director of	Decide at what stage to involve police in cases of misappropriation and other irregularities not involving fraud or corruption.

Standing Orders and Standing Financial Instructions

	Finance	
18.3	Head of Internal Audit	Review, appraise and report in accordance with NHS Internal Audit Manual and best practice.
18.4	Audit and Risk Committee	Ensure cost-effective External Audit.
18.5	Chief Executive & Executive Director of Finance	Monitor and ensure compliance and directions on fraud and corruption including the appointment of the Local Counter Fraud Specialist.
18.6	Chief Executive	Monitor and ensure compliance with Directions issued by the Secretary of State for Health on NHS security management including appointment of the Local Security Management Specialist.
19.1.1	Chief Executive	<p>Compile and submit to the Board an Annual (Operating) Plan which takes into account financial targets and forecast limits of available resources. The Annual (Operating) Plan will contain:</p> <ul style="list-style-type: none"> a. a statement of the significant assumptions on which the plan is based; b. details of major changes in workload, delivery of services or resources required to achieve the plan.
19.1.2 & 19.1.3	Executive Director of Finance	<p>Submit budgets to the Board for approval.</p> <p>Monitor performance against budget; submit to the Board financial estimates and forecasts.</p>
19.1.6	Executive Director of Finance	Ensure adequate training is delivered on an on-going basis to budget holders.
19.2.1	Chief Executive	Delegate budget to budget holders.
19.2.2	Chief Executive & Budget Holders	Must not exceed the budgetary total or virement limits set by the Board.
19.3.1	Executive Director of Finance	Devise and maintain systems of budgetary control.
19.3.2	Budget Holders	<p>Ensure that</p> <ul style="list-style-type: none"> a. no overspend or reduction of income that cannot be met from virement is incurred without prior consent of Board; b. approved budget is not used for any other than specified purpose subject to rules of virement; c. no permanent employees are appointed without the approval of the CE other than those provided for within available resources and manpower establishment.
19.3.3	Chief Executive	Identify and implement cost improvements and income generation activities in line with the Annual (Operating) Plan.
19.5.1	Chief Executive	Submit monitoring returns
20.1	Executive Director of Finance	Preparation of annual accounts and reports.
21.1	Executive	Managing banking arrangements, including provision of banking

Standing Orders and Standing Financial Instructions

	Director of Finance	services, operation of accounts, preparation of instructions and list of cheque signatories. (Board approves arrangements.)
22.	Executive Director of Finance	Income systems, including system design, prompt banking, review and approval of fees and charges, debt recovery arrangements, design and control of receipts, provision of adequate facilities and systems for employees whose duties include collecting or holding cash.
22.2.3	All employees	Duty to inform Executive Director of Finance of money due from transactions which they initiate/deal with.
23.	Chief Executive	Tendering and contract procedure.
23.5.7	Chief Executive	Waive formal tendering procedures.
23.5.7	Chief Executive	Report waivers of tendering procedures to the Board.
23.5.11	Executive Director of Finance	Where a supplier is chosen that is not on the approved list the reason shall be recorded in writing to the Chief Executive.
23.6.3	Chief Executive	Responsible for the receipt, endorsement and safe custody of tenders received.
23.6.4.8	Chief Executive	Shall maintain a register to show each set of competitive tender invitations despatched.
23.6.5.2	Chief Executive and Executive Director of Finance	Where one tender is received will assess for value for money and fair price
23.6.7.5	Chief Executive	No tender shall be accepted which will commit expenditure in excess of that which has been allocated by the Trust and which is not in accordance with these Instructions except with the authorisation of the Chief Executive.
23.6.12	Chief Executive	Will appoint a manager to maintain a list of approved firms.
23.6.12	Chief Executive	Shall ensure that appropriate checks are carried out as to the technical and financial capability of those firms that are invited to tender or quote.
23.7.3	Chief Executive	The Chief Executive or his nominated officer should evaluate the quotation and select the quote which gives the best value for money.
23.7.6.1	Chief Executive or Executive Director of Finance	No quotation shall be accepted which will commit expenditure in excess of that which has been allocated by the Trust and which is not in accordance with these Instructions except with the authorisation of the Chief Executive or Executive Director of Finance.
23.10	Chief Executive	The Chief Executive shall demonstrate that the use of private finance represents value for money and genuinely transfers risk to the private sector.
23.10	Board	All PFI proposals must be agreed by the Board.
23.11	Chief Executive	The Chief Executive shall nominate an officer who shall oversee and manage each contract on behalf of the Trust.
23.12	Chief Executive	The Chief Executive shall nominate officers with delegated authority to enter into formal contracts including staff contracts of employment, and contracts with agencies.
23.15	Chief Executive	The Chief Executive shall be responsible for ensuring that best value for money can be demonstrated for all services provided on an in-house basis.
23.15.5	Chief Executive	The Chief Executive shall nominate an officer to oversee and manage

Standing Orders and Standing Financial Instructions

		the contract on behalf of the Trust.
23.17	Chief Executive	That there are processes in place for establishing and reviewing the effectiveness of all partnership arrangements and that these are appropriate for the local circumstances. The written partnership agreement must be specifically agreed by the Board of Directors.
24.1.1	Chief Executive	Must ensure the Trust enters into suitable Service Level Agreements (SLAs) with service commissioners for the provision of NHS services.
25.1.1	Board	Establish a Remuneration Committee
25.1.2	Remuneration Committee	Report to the Board the remuneration and terms of service of officer members of the Board (and other Senior Employees) to ensure they are fairly rewarded having proper regard to the Trust's circumstances and any national arrangements; Monitor and evaluate the performance of officer members of the Board (and other senior employees); Advise on and oversee appropriate contractual arrangements for such staff, including proper calculation and scrutiny of termination payments.
25.1.3	Remuneration Committee	Report in writing to the Board its bases about remuneration and terms of service of directors.
25.1.4	Board	Approve proposals presented by the Chief Executive for setting of remuneration and conditions of service for those employees and officers not covered by the Remuneration Committee.
25.1.6	Chief Executive and Executive Director of Finance	Approve all Redundancy payments up to £100k except where related to the Chief Executive or other Executive Directors. Maintain a register of redundancy payments up to £100k in order to report to the Remuneration Committee.
25.1.6	Remuneration Committee	Approve all Redundancy payments of greater than £100k.
25.2.2	Chief Executive	Approval of variation to funded establishment of any department, unless cost neutral or delivering a financial saving in the year.
25.3	Chief Executive	Staff, including agency staff, appointments and re-grading outside of the approved budget and funded establishment.
25.4.1 and 25.4.4	Executive Director of Finance	Payroll: a. specifying timetables for submission of properly authorised time records and other notifications; b. final determination of pay and allowances; c. making payments on agreed dates; d. agreeing method of payment; e. issuing instructions
25.4.3	Nominated Managers	Complete time records and other notifications in required form. Submit time records in line with timetable. Submitting termination forms in prescribed form and on time.
25.4.4	Executive Director of Finance	Ensure that the chosen method for payroll processing is supported by appropriate (contracted) terms and conditions, adequate internal controls and audit review procedures and that suitable arrangements are made for the collection of payroll deductions and payment of these to appropriate bodies.

Standing Orders and Standing Financial Instructions

25.5	Executive Director of Finance	Ensure that all employees are issued with a Contract of Employment in a form approved by the Board and which complies with employment legislation; and Deal with variations to, or termination of, contracts of employment.
26.1	Chief Executive	Determine, and set out, level of delegation of non-pay expenditure to budget managers, including a list of managers authorised to place requisitions, the maximum level of each requisition and the system for authorisation above that level. These are outlined in Delegated Limits Appendix to the Standing Orders and Standing Financial Instructions
26.1.3	Chief Executive	Set out procedures on the seeking of professional advice regarding the supply of goods and services.
26.2.2	Requisitioner	In choosing the item to be supplied (or the service to be performed) shall always obtain the best value for money for the Trust. In so doing, the advice of the Trust's adviser on supply shall be sought.
26.2.5	Executive Director of Finance	Shall be responsible for the prompt payment of accounts and claims.
26.2.6	Executive Director of Finance	<ul style="list-style-type: none"> a. Advise the Board regarding the setting of thresholds above which quotations (competitive or otherwise) or formal tenders must be obtained; and, once approved, the thresholds should be incorporated in standing orders and regularly reviewed; b. Prepare procedural instructions where not already provided in the Scheme of Delegation or procedure notes for budget holders on the obtaining of goods, works and services incorporating the thresholds; c. Be responsible for the prompt payment of all properly authorised accounts and claims; d. Be responsible for designing and maintaining a system of verification, recording and payment of all amounts payable; e. A timetable and system for submission to the Executive Director of Finance of accounts for payment; provision shall be made for the early submission of accounts subject to cash discounts or otherwise requiring early payment; f. Instructions to employees regarding the handling and payment of accounts within the Finance Department; g. Be responsible for ensuring that payment for goods and services is only made once the goods and services are received
26.2.8	Appropriate Executive Director	Make a written case to support the need for a prepayment.
26.2.8	Executive Director of Finance	Approve proposed prepayment arrangements.
26.2.8	Budget holder	Ensure that all items due under a prepayment contract are received (and immediately inform the Executive Director of Finance if problems are encountered).
26.2.9	Chief Executive	Authorise who may use and be issued with official orders.
26.2.11	Managers and	Ensure that they comply fully with the guidance and limits specified by the

Standing Orders and Standing Financial Instructions

	officers	Executive Director of Finance.
26.2.12	Chief Executive & Executive Director of Finance	Ensure that the arrangements for financial control and financial audit of building and engineering contracts and property transactions comply with the guidance contained within CONCODE and ESTATECODE. The technical audit of these contracts shall be the responsibility of the relevant Director
26.3	Executive Director of Finance	Lay down procedures for payments to local authorities and voluntary organisations made under the powers of section 28A of the NHS Act.
27.1	Executive Director of Finance	The Executive Director of Finance will advise the Board on the Trust's ability to pay dividend on Public Dividend Capital and report, periodically, concerning the Public Dividend Capital debt and all loans and overdrafts.
27.2	Board	Approve a list of employees authorised to make short term borrowings on behalf of the Trust. (This must include the Chief Executive and Executive Director of Finance.)
27.3	Executive Director of Finance	Prepare detailed procedural instructions concerning applications for loans and overdrafts.
27.5	Chief Executive or Executive Director of Finance	Be on an authorising panel comprising one other member for short term borrowing approval.
27.7.2	Executive Director of Finance	Will advise the Board on investments and report, periodically, on performance of same.
27.7.3	Executive Director of Finance	Prepare detailed procedural instructions on the operation of investments held.
28	Executive Director of Finance	Ensure that Board members are aware of the Financial Framework and ensure compliance
28.2.1	Chief Executive	Ensure that through the overall responsibility framework there is the agreed project manager authority for the following: Capital investment programme: a. ensure that there is adequate appraisal and approval process for determining capital expenditure priorities and the effect that each has on plans b. responsible for the management of capital schemes and for ensuring that they are delivered on time and within cost; c. ensure that capital investment is not undertaken without availability of resources to finance all revenue consequences; d. ensure that a business case is produced for each proposal.
28.2.2	Executive Director of Finance	Certify professionally the costs and revenue consequences detailed in the business case for capital investment.
28.2.3	Chief Executive	Issue procedures for management of contracts involving stage payments.
28.2.4	Executive Director of	Assess the requirement for the operation of the construction industry taxation deduction scheme.

Standing Orders and Standing Financial Instructions

	Finance	
28.2.5	Executive Director of Finance	Issue procedures for the regular reporting of expenditure and commitment against authorised capital expenditure.
28.2.7 & 28.2.8	Chief Executive	Issue manager responsible for any capital scheme with authority to commit expenditure, authority to proceed to tender and approval to accept a successful tender. Issue a scheme of delegation for capital investment management.
28.2.9	Executive Director of Finance	Issue procedures governing financial management, including variation to contract, of capital investment projects and valuation for accounting purposes.
28.4.1	Chief Executive	Maintenance of asset registers (on advice from Executive Director of Finance).
28.4.5	Executive Director of Finance	Approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.
28.4.8	Executive Director of Finance	Calculate and pay capital charges in accordance with Department of Health requirements.
28.5.1	Chief Executive	Overall responsibility for fixed assets.
28.5.2	Executive Director of Finance	Approval of fixed asset control procedures.
28.5.3	Board, Executive Members and All senior staff	Responsibility for security of Trust assets including notifying discrepancies to Executive Director of Finance, and reporting losses in accordance with Trust procedure.
28.7.1	Chief Executive	Delegate overall responsibility for control of stores (subject to Executive Director of Finance responsibility for systems of control). Further delegation for day-to-day responsibility subject to such delegation being recorded.
28.7.1	Executive Director of Finance	Responsible for systems of control over stores and receipt of goods.
28.7.1	Designated Pharmaceutical officer	Responsible for controls of pharmaceutical stocks
28.7.1	Designated Estates Officer	Responsible for control of stocks of fuel oil and coal.
28.7.3	Executive Director of Finance	Set out procedures and systems to regulate the stores.
28.7.4	Executive Director of Finance	Agree Inventory counting arrangements.
28.7.5	Executive Director of Finance	Approve alternative arrangements where a complete system of stores control is not justified.
28.7.6	Executive Director of Finance	Approve system for review of slow moving and obsolete items and for condemnation, disposal and replacement of all unserviceable items.

Standing Orders and Standing Financial Instructions

28.7.6	Nominated officers	Operate system for slow moving and obsolete stock, and report to Executive Director of Finance evidence of significant overstocking.
28.8.1	Chief Executive	Identify persons authorised to requisition and accept goods from NHS Supplies stores.
28.9.1	Executive Director of Finance	Prepare detailed procedures for disposal of assets including condemnations and ensure that these are notified to managers.
28.10.2	Executive Director of Finance	Prepare procedures for recording and accounting for losses, special payments and informing police in cases of suspected arson or theft.
28.10.3	Executive Director of Finance	Where a criminal offence is suspected, Director of Finance must inform the police if theft or arson is involved. In cases of fraud and corruption Executive Director of Finance must inform the relevant Local Counter Fraud Specialist and NHS Anti-Fraud Specialist (AAFs) in line with Secretary of State directions.
28.10.4	Executive Director of Finance	Notify NHS Protect and External Audit of all frauds.
28.10.5	Executive Director of Finance	Notify Board, Local Security Management Specialist (LSMS) and External Auditor of losses caused theft, arson, neglect of duty or gross carelessness (unless trivial).
28.10.6	Board	Approve write off of losses (within limits delegated by Department of Health).
28.10.8	Executive Director of Finance	Consider whether any insurance claim can be made.
28.10.9	Executive Director of Finance	Maintain losses and special payments register.
29.1.1	Executive Director of Finance	Responsible for accuracy and security of computerised financial data.
29.1.2	Executive Director of Finance	Satisfy themselves that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by other organisation assurances of adequacy must be obtained from them prior to implementation.
29.1.3	Executive Director of Finance	Shall publish and maintain a Freedom of Information Scheme.
29.2.1	Relevant officers	Send proposals for general computer systems to Executive Director of Finance
29.3	Executive Director of Finance	Ensure that contracts with other bodies for the provision of computer services for financial applications clearly define responsibility of all parties for security, privacy, accuracy, completeness and timeliness of data during processing, transmission and storage, and allow for audit review. Seek periodic assurances from the provider that adequate controls are in operation.
29.4	Executive Director of	Ensure that risks to the Trust from use of IT are identified and considered and that disaster recovery plans are in place.

Standing Orders and Standing Financial Instructions

	Finance	
29.5	Executive Director of Finance	Where computer systems have an impact on corporate financial systems satisfy herself that: <ul style="list-style-type: none"> a. systems acquisition, development and maintenance are in line with corporate policies; b. data assembled for processing by financial systems is adequate, accurate, complete and timely, and that a management rail exists; c. Executive Director of Finance and staff have access to such data; d. Such computer audit reviews are being carried out as are considered necessary.
30.2	Chief Executive	Responsible for ensuring a system is in place for service users and that guardians are informed about service user money and property procedures on admission.
30.3	Executive Director of Finance	Provide detailed written instructions on the collection, custody, investment, recording, safekeeping, and disposal of service user property (including instructions on the disposal of the property of deceased service users and of service users transferred to other premises) for all staff whose duty is to administer, in any way, the property of.
30.6	Departmental managers	Inform staff of their responsibilities and duties for the administration of the property of service users.
31.1	Executive Director of Finance	Shall ensure that each trust fund which the Trust is responsible for managing is managed appropriately.
32	Executive Director of Finance	Ensure all staff are made aware of the Trust policy on the acceptance of gifts and other benefits in kind by staff
33	Chief Executive	Retention of records in accordance with the statutory legislation and guidance.
34.1	Chief Executive	Risk management programme.
34.1	Board	Approve and monitor a risk management programme.
34.2	Board	Decide whether the Trust will use the risk pooling schemes administered by the NHS Litigation Authority or self-insure for some or all of the risks (where discretion is allowed). Decisions to self-insure should be reviewed annually following appropriate professional advice.
34.4	Executive Director of Finance	Where the Board decides to use the risk pooling schemes administered by the NHS Litigation Authority the Executive Director of Finance shall ensure that the arrangements entered into are appropriate and complementary to the risk management programme. The Executive Director of Finance shall ensure that documented procedures cover these arrangements. Where the Board decides not to use the risk pooling schemes administered by the NHS Litigation Authority for any one or other of the risks covered by the schemes, the Executive Director of Finance shall ensure that the Board is informed of the nature and extent of the risks that are self-insured as a result of this decision. The Executive Director of Finance will draw up formal documented procedures for the management of any claims arising from third parties and payments in respect of losses that will not be reimbursed.
34.4	Executive	Ensure documented procedures cover management of claims and

Standing Orders and Standing Financial Instructions

	Director of Finance	payments below the deductible.
--	---------------------	--------------------------------

17 Standing Financial Instructions – Introduction

17.1 General

- 17.1.1 These Standing Financial Instructions (SFIs) are issued in accordance with the latest directions issued by the Secretary of State which require that each Trust shall agree Standing Financial Instructions for the regulation of the conduct of its members and officers in relation to all financial matters with which they are concerned. They shall have effect as if incorporated in the Standing Orders (SOs).
- 17.1.2 These Standing Financial Instructions detail the financial responsibilities, policies and procedures adopted by the Trust. They are designed to ensure that the Trust's financial transactions are carried out in accordance with the law and with Government policy in order to achieve probity, accuracy, economy, efficiency and effectiveness. They should be used in conjunction with the Schedule of Decisions Reserved to the Board and the Scheme of Delegation adopted by the Trust.
- 17.1.3 These Standing Financial Instructions identify the financial responsibilities which apply to everyone working for the Trust and its constituent organisations including Trading Units. They do not provide detailed procedural advice and should be read in conjunction with the detailed departmental and financial procedure notes. All financial procedures must be approved by the Executive Director of Finance.
- 17.1.4 Should any difficulties arise regarding the interpretation or application of any of the Standing Financial Instructions then the advice of the Executive Director of Finance must be sought before acting. The user of these Standing Financial Instructions should also be familiar with and comply with the provisions of the Trust's Standing Orders.
- 17.1.5 The failure to comply with Standing Financial Instructions and Standing Orders can in certain circumstances be regarded as a disciplinary matter that could result in a disciplinary investigation being commenced that may include dismissal. If Fraud and/or corruption is suspected the matter may be referred to the Local Counter Fraud Specialist for investigation that may lead to criminal proceedings being commenced.
- 17.1.6 Overriding Standing Financial Instructions – If for any reason these Standing Financial Instructions are not complied with, full details of the non-compliance and any justification for non-compliance and the circumstances around the non-compliance shall be reported to the next formal meeting of the Audit and Risk Committee for referring action or ratification. All members of the Board and staff have a duty to disclose any non-compliance with these Standing Financial Instructions to the Executive Director of Finance as soon as possible.

17.2 Responsibilities and Delegation

- 17.2.1 The Trust Board:
- 17.2.2 The Board exercises financial supervision and control by:
- 17.2.2.1 formulating the financial strategy;
- 17.2.2.2 requiring the submission and approval of budget
- 17.2.2.3 s within approved allocations/overall income;
- 17.2.2.4 defining and approving essential features in respect of important procedures and financial systems (including the need to obtain value for money);
- 17.2.2.5 defining specific responsibilities placed on members of the Board and employees as indicated in the Scheme of Delegation document.

Standing Orders and Standing Financial Instructions

- 17.2.3 The Board has resolved that certain powers and decisions may only be exercised by the Board in formal session. These are set out in the 'Reservation of Matters Reserved to the Board' document. All other powers have been delegated to such other committees as the Trust has established.
- 17.2.4 The Chief Executive and Executive Director of Finance:
- 17.2.5 The Chief Executive and Executive Director of Finance will, as far as possible, delegate their detailed responsibilities, but they remain accountable for financial control.
- 17.2.6 Within the Standing Financial Instructions, it is acknowledged that the Chief Executive is ultimately accountable to the Board, and as Accountable Officer, to the Secretary of State, for ensuring that the Board meets its obligation to perform its functions within the available financial resources. The Chief Executive has overall executive responsibility for the Trust's activities; is responsible to the Chairman and the Board for ensuring that its financial obligations and targets are met and has overall responsibility for the Trust's system of internal control.
- 17.2.7 It is a duty of the Chief Executive to ensure that Members of the Board and, employees and all new appointees are notified of, and put in a position to understand their responsibilities within these Instructions.
- 17.2.8 The Executive Director of Finance:
- 17.2.9 The Executive Director of Finance is responsible for:
- 17.2.9.1 implementing the Trust's financial policies and for coordinating any corrective action necessary to further these policies;
- 17.2.9.2 maintaining an effective system of internal financial control including ensuring that detailed financial procedures and systems incorporating the principles separation of duties and internal checks are prepared, documented and maintained to supplement these instructions;
- 17.2.9.3 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;
- 17.2.10 and, without prejudice to any other functions of the Trust, and employees of the Trust, the duties of the Executive Director of Finance include:
- 17.2.10.1 the provision of financial advice to other members of the Board and employees;
- 17.2.10.2 the design, implementation and supervision of systems of internal financial control;
- 17.2.10.3 the preparation and maintenance of such accounts, certificates, estimates, records and reports as the Trust may require for the purpose of carrying out its statutory duties.
- 17.2.11 Board Members and Employees:
- 17.2.12 All members of the Board and employees, severally and collectively, are responsible for:
- 17.2.12.1 the security of the property of the Trust;
- 17.2.12.2 avoiding loss;
- 17.2.12.3 exercising economy and efficiency in the use of resources;
- 17.2.12.4 conforming with the requirements of Standing Orders, Standing Financial Instructions, Financial Procedures and the Scheme of Delegation.

17.2.13 Contractors and their employees:

17.2.14 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.

17.2.15 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 Executive Director of Finance.

18 Audit

18.1 Audit and Risk Committee

18.1.1 In accordance with Standing Orders, the Board shall formally establish an Audit and Risk Committee, with clearly defined terms of reference and following guidance from the NHS Audit Committee Handbook (2014), which will provide an independent and objective view of internal control by:

18.1.1.1 overseeing Internal and External Audit services;

18.1.1.2 reviewing financial and information systems and monitoring the integrity of the financial statements and reviewing significant financial reporting judgments;

18.1.1.3 review the establishment and maintenance of an effective system of governance, risk management and internal control, across the whole of the organisation's activities (both clinical and non-clinical), that supports the achievement of the organisation's objectives;

18.1.1.4 monitoring compliance with Standing Orders and Standing Financial Instructions;

18.1.1.5 reviewing schedules of losses and compensations and making recommendations to the Board;

18.1.1.6 reviewing schedules of receivables/payables balances over six months old and £5,000 and explanations/action plans;

18.1.1.7 Reviewing the arrangements in place to support the Board Assurance Framework process prepared on behalf of the Board and advising the Board accordingly.

18.1.2 Where the Audit and Risk 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 Chairman of the Audit Committee should raise the matter at a full meeting of the Board. Exceptionally, the matter may need to be referred to the Department of Health. The matter should be raised to the Executive Director of Finance in the first instance.

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

18.2 Company Secretary and Director of Corporate Affairs

18.2.1 The Company Secretary and Director of Corporate Affairs is responsible for:

18.2.1.1 ensuring there are arrangements to review, evaluate and report on the effectiveness of internal financial control including the establishment of an effective Internal Audit function;

- 18.2.1.2 ensuring that the Internal Audit is adequate and meets the NHS mandatory audit standards;
- 18.2.1.3 deciding at what stage to involve the police in cases of misappropriation and other irregularities not involving fraud or corruption;
- 18.2.1.4 ensuring that an annual internal audit report is prepared for the consideration of the Audit and Risk Committee and the Board. The report must cover:
 - 18.2.1.4.1 a clear opinion on the effectiveness of internal control in accordance with current assurance framework guidance issued by the Department of Health including for example compliance with control criteria and standards;
 - 18.2.1.4.2 major internal financial control weaknesses discovered;
 - 18.2.1.4.3 progress on the implementation of internal audit recommendations;
 - 18.2.1.4.4 progress against plan over the previous year;
 - 18.2.1.4.5 strategic audit plan covering the coming three years;
 - 18.2.1.4.6 a detailed plan for the coming year.
- 18.2.2 The Company Secretary and Director of Corporate Affairs or designated auditors are entitled without necessarily giving prior notice to require and receive:
 - 18.2.2.1 access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature;
 - 18.2.2.2 access at all reasonable times to any land, premises or members of the Board or employee of the Trust;
 - 18.2.2.3 the production of any cash, stores or other property of the Trust under a member of the Board and an employee's control; and
 - 18.2.2.4 explanations concerning any matter under investigation.

18.3 Role of Internal Audit

- 18.3.1 Internal audit provides an independent and objective opinion to the Accountable Officer, the Board and the Audit and Risk Committee on the degree to which risk management, control and governance support the achievement of the organisation's agreed objectives in accordance with the NHS Internal Audit Standards.
- 18.3.2 Internal Audit will review, appraise and report upon:
 - 18.3.2.1 the extent of compliance with, and the financial effect of, relevant established policies, plans and procedures;
 - 18.3.2.2 the adequacy and application of financial and other related management controls;
 - 18.3.2.3 the suitability of financial and other related management data;
 - 18.3.2.4 the extent to which the Trust's assets and interests are accounted for and safeguarded from loss of any kind, arising from:
 - 18.3.2.4.1 fraud, bribery and other offences;
 - 18.3.2.4.2 waste, extravagance, inefficient administration;

- 18.3.2.4.3 poor value for money or other causes.
- 18.3.2.5 Internal Audit shall also independently verify the Assurance Statements in accordance with guidance from the Department of Health.
- 18.3.3 Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores, or other property or any suspected irregularity in the exercise of any function of a pecuniary nature, the Company Secretary and Director of Corporate Affairs must be notified immediately and the matter referred to the LCFS and/or LSMS, as appropriate.
- 18.3.4 The Chief Internal Auditor will normally attend Audit and Risk Committee meetings and has a right of access to all Audit and Risk Committee members, the Chairman and Chief Executive of the Trust.
- 18.3.5 The Chief Internal Auditor shall be accountable to the Company Secretary and Director of Corporate Affairs. The reporting system for internal audit shall be agreed between the Company Secretary and Director of Corporate Affairs, the Audit and Risk Committee and the Head of Internal Audit. The agreement shall be in writing and shall comply with the guidance on reporting contained in the NHS Internal Audit Standards. The reporting system shall be reviewed at least every three years.

18.4 External Audit

- 18.4.1 The Audit and Risk Committee must ensure a cost-efficient service. If there are any problems relating to the service provided by the External Auditor, then this should be raised with the External Auditor.

18.5 Fraud and Corruption

- 18.5.1 Avon and Wiltshire Mental Health NHS Trust is totally committed to maintaining an honest, open and well-intentioned culture and is therefore dedicated to the elimination of any fraud or corruption within the Trust.

All employees, contractors and agents should comply with Trust policies and procedures, particularly with regard to procurement and sponsorship.

It is essential that everyone working for, or on behalf of, the organisation are aware of the standards of behaviour expected of them. These standards are enshrined in Trust Policy, setting out the ethics, professional conduct and probity standards that are expected of all employees in relation to their standards of business conduct.

In line with their responsibilities, the Trust Chief Executive and Executive Director of Finance shall monitor and ensure compliance with the Standards for Providers in respect of fraud and corruption.

- 18.5.2 In relation to the Bribery Act 2010, any breach of confidentiality for financial or other advantage may constitute an offence of Bribery. The Bribery Act repealed existing corruption legislation and introduced the offences of offering and or receiving a bribe. It also places specific responsibility on organisations to have in place sufficient and adequate procedures to prevent bribery taking place. Under the Act, Bribery is defined as 'Inducement for an action which is illegal, unethical or a breach of trust.

Inducements can take the form of gifts, loans, fees, rewards or other privileges'. The offending party may not benefit directly from their deeds; however, they may be unreasonably using their position to give some advantage to another.

Any suspected offence of Fraud or Bribery should be reported to the Local Counter Fraud Specialist or Executive Director of Finance.

Standing Orders and Standing Financial Instructions

- 18.5.3 The Trust shall nominate a suitable person to carry out the duties of the Local Counter Fraud Specialist as specified by the NHS Counter Fraud and Corruption Manual and guidance.
- 18.5.4 The Local Counter Fraud Specialist shall report to the Trust Executive Director of Finance and shall work with NHS Protect and the Area Anti-Fraud specialist (AAFS) in accordance with the Department of Health Fraud and Corruption Manual.
- 18.5.5 The Local Counter Fraud Specialist will provide a written report, at least annually, on counter fraud work within the Trust.
- 18.5.6 The Executive Director of Finance will prepare a Counter Fraud Policy and response plan that sets out the action to be taken both by persons detecting a suspected fraud and those persons responsible for investigating it.

18.6 Security Management

- 18.6.1 In line with their responsibilities, the Trust Chief Executive will monitor and ensure compliance with Directions issued by the Secretary of State for Health on NHS security management.
- 18.6.2 The Trust shall nominate a suitable person to carry out the duties of the Local Security Management Specialist (LSMS) as specified by the Secretary of State for Health guidance on NHS security management.
- 18.6.3 The Trust shall nominate a Non-executive Director to be responsible to the Board for NHS security management.
- 18.6.4 The Chief Executive has overall responsibility for controlling and coordinating security. However, key tasks are delegated to the Security Management Director (SMD) and the appointed Local Security Management Specialist (LSMS).

19 Allocations, Planning, Budgets, Budgetary Control, and Monitoring

19.1 Preparation and Approval of Plans and Budgets

- 19.1.1 The Chief Executive will compile and submit to the Board an Annual (Operating) Plan which takes into account financial targets and forecast limits of available resources. The Annual (Operating) Plan will contain:
 - 19.1.1.1 a statement of the significant assumptions on which the plan is based;
 - 19.1.1.2 details of major changes in workload, delivery of services or resources required to achieve the plan.
- 19.1.2 Prior to the start of the financial year the Executive Director of Finance will, on behalf of the Chief Executive, prepare and submit budgets for approval by the Board. Such budgets will:
 - 19.1.2.1 be in accordance with the aims and objectives set out in the Annual (Operating) Plan;
 - 19.1.2.2 accord with workload plans;
 - 19.1.2.3 be produced following discussion with appropriate budget holders;
 - 19.1.2.4 be prepared within the limits of available funds;
 - 19.1.2.5 identify potential risks.
- 19.1.3 The Executive Director of Finances shall monitor financial performance against budget and plan, periodically review them, and report to the Board.

Standing Orders and Standing Financial Instructions

- 19.1.4 All budget holders must provide information as required by the Executive Director of Finance to enable budgets to be compiled.
- 19.1.5 All budget holders will sign up to their allocated budgets at the commencement of each financial year.
- 19.1.6 The Executive 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. This includes training to be able to use Trust systems effectively to assist in managing budgets.

19.2 Budgetary Delegation

- 19.2.1 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:
 - 19.2.1.1 the amount of the budget;
 - 19.2.1.2 the purpose(s) of each budget heading;
 - 19.2.1.3 individual and group responsibilities;
 - 19.2.1.4 authority to exercise virement;
 - 19.2.1.5 achievement of planned levels of service;
 - 19.2.1.6 the provision of regular reports.
- 19.2.2 The Chief Executive and delegated budget holders must not exceed the budgetary total or virement limits set by the Board.
- 19.2.3 Any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Chief Executive, subject to any authorised use of virement.
- 19.2.4 Non-recurring budgets should not be used to finance recurring expenditure without the authority in writing of the Chief Executive, as advised by the Executive Director of Finance.

19.3 Budgetary Control and Reporting

- 19.3.1 The Executive Director of Finance will devise and maintain systems of budgetary control. These will include:
 - 19.3.1.1 monthly financial reports to the Board in a form approved by the Board containing:
 - 19.3.1.1.1 income and expenditure to date showing trends and forecast year-end position;
 - 19.3.1.1.2 movements in working capital;
 - 19.3.1.1.3 movements in cash and capital;
 - 19.3.1.1.4 capital project spend and projected outturn against plan;
 - 19.3.1.1.5 explanations of any material variances from plan;
 - 19.3.1.1.6 details of any corrective action where necessary and the Chief Executive's and/or Executive Director of Finance' view of whether such actions are sufficient to correct the situation;

Standing Orders and Standing Financial Instructions

- 19.3.1.1.7 the issue of, or availability of access to timely, accurate and comprehensible advice and financial reports to each budget holder, covering the areas for which they are responsible;
 - 19.3.1.1.8 investigation and reporting of variances from financial and workload budgets;
 - 19.3.1.1.9 monitoring of management action to correct variances; and
 - 19.3.1.1.10 arrangements for the authorisation of budget transfers.
- 19.3.2 Each Budget Holder is responsible for ensuring that:
- 19.3.2.1 any likely overspending or reduction of income which cannot be met by virement is not incurred without the prior consent of the Board;
 - 19.3.2.2 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;
 - 19.3.2.3 no permanent employees are appointed without the approval of the Chief Executive other than those provided for within the available resources and workforce establishment as approved by the Board.
- 19.3.3 The Chief Executive is responsible for identifying and implementing cost improvements and income generation initiatives in accordance with the requirements of the Annual (Operating) Plan and a balanced budget.

19.4 Capital Expenditure

- 19.4.1 The general rules applying to delegation and reporting shall also apply to capital expenditure. (The particular applications relating to capital are contained in SFI 28.2).

19.5 Monitoring Returns

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

20 Annual Accounts and Reports

20.1 The Executive Director of Finance, on behalf of the Trust, will:

- 20.1.1 prepare financial returns in accordance with the accounting policies and guidance given by the Department of Health and the Treasury, the Trust's accounting policies, and generally accepted accounting practice;
- 20.1.2 prepare and submit annual financial reports to the Department of Health certified in accordance with current guidelines;
- 20.1.3 submit financial returns to the Department of Health for each financial year in accordance with the timetable prescribed by the Department of Health.

20.2 The Trust's annual accounts must be audited by an auditor appointed by the External Audit Body. The Trust's audited annual accounts must be presented to a public meeting and made available to the public.

20.3 The Trust will publish an annual report, in accordance with guidelines on local accountability, and present it at a public meeting. The document will comply with the Department of Health's Manual for Accounts.

21 Bank and Government Banking Service (GBS) Accounts

21.1 General

- 21.1.1 The Executive Director of Finance is responsible for managing the Trust's banking arrangements and for advising the Trust on the provision of banking services and operation of accounts. This advice will take into account guidance/ Directions issued from time to time by the Department of Health. In line with 'Cash Management in the NHS' Trusts should minimize the use of commercial bank accounts and consider using Government Banking Service (GBS) accounts for all banking services.
- 21.1.2 The Board shall approve the banking arrangements.
- 21.1.3 No Officer of the Trust should disclose details of the Trust's bank accounts without the approval of the Executive Director of Finance.
- 21.1.4 is to ensure that the risk of fraud and money laundering to Trust's account is minimised.

21.2 Bank and Government Banking Service (GBS) Accounts

- 21.2.1 The Executive Director of Finance is responsible for:
- 21.2.1.1 commercial bank accounts and Government Banking Service (GBS) accounts;
 - 21.2.1.2 establishing separate bank accounts for the Trust's non-exchequer funds;
 - 21.2.1.3 ensuring payments made from commercial bank or GBS accounts do not exceed the amount credited to the account except where arrangements have been made;
 - 21.2.1.4 reporting to the Board all arrangements made with the Trust's bankers for accounts to be overdrawn.
 - 21.2.1.5 monitoring compliance with DH guidance on the level of cleared funds.

21.3 Banking Procedures

- 21.3.1 The Executive Director of Finance shall prepare detailed instructions on the operation of commercial bank and GBS accounts which must include:
- 21.3.1.1 the conditions under which each commercial bank and GBS account is to be operated;
 - 21.3.1.2 those authorised to sign cheques or other orders drawn on the Trust's accounts.
- 21.3.2 The Executive Director of Finance must advise the Trust's bankers in writing of the conditions under which each account will be operated.

21.4 Tendering and Review

- 21.4.1 The Executive Director of Finance will review the commercial banking arrangements of the Trust at regular intervals to ensure they reflect best practice and represent best value for money by periodically seeking competitive tenders for the Trust's commercial banking business.
- 21.4.2 Competitive tenders should be sought at least every five years. The results of the tendering exercise should be reported to the Board. This review is not necessary for GBS accounts.

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

22.1 Income Systems

22.1.1 The Executive 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.

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

22.2 Fees and Charges

22.2.1 The Trust shall follow the Department of Health's advice in the "Costing" Manual in setting prices for NHS service agreements

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

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

22.3 Debt Recovery

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

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

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

22.4 Security of Cash, Cheques and other Negotiable Instruments

22.4.1 The Executive Director of Finance is responsible for:

22.4.1.1 approving the form of all receipt books, agreement forms, or other means of officially acknowledging or recording monies received or receivable;

22.4.1.2 ordering and securely controlling any such stationery

22.4.1.3 the provision of adequate facilities and systems for employees whose duties include collecting and holding cash, ensuring they obtain safes or lockable cash boxes, the procedures for keys, and procedures for coin operated machines;

22.4.1.4 prescribing systems and procedures for handling cash and negotiable securities on behalf of the Trust.

22.4.2 Official money shall not under any circumstances be used for the encashment of private cheques or IOUs.

- 22.4.3 All cheques, postal orders, cash etc., shall be banked intact. Disbursements shall not be made from cash received, except under arrangements approved by the Executive Director of Finance.
- 22.4.4 The holders of safe keys shall not accept unofficial funds for depositing in their safes unless such deposits are in special sealed envelopes or locked containers. It shall be made clear to the depositors that the Trust is not to be held liable for any loss, and written indemnities must be obtained from the organisation or individuals absolving the Trust from responsibility for any loss.

23 Tendering and Contracting Procedure

23.1 Duty to comply with Standing Orders and Standing Financial Instructions

- 23.1.1 The procedure for making all contracts by or on behalf of the Trust shall comply with these Standing Orders and Standing Financial Instructions (except where Standing Order No. 4.14 Suspension of Standing Orders is applied).
- 23.1.2 The following information has been extracted from the Bribery Act 2010, and related guidance documents and serves to identify the main offences covered within the Act.
- 23.1.3 All those involved in the tendering and contracting process should be aware that the Bribery Act 2010 replaces the fragmented and complex offences at common law and in the prevention of corruption Acts 1889-1916. This broadly defines the sections below:

Two general offences of bribery –

- 23.1.3.1 Offering or giving a bribe to induce someone to behave, or to reward someone for behaving, improperly and
- 23.1.3.2 Requesting or accepting a bribe either in exchange for acting improperly, or where the request or acceptance is itself improper;
- 23.1.4 The new corporate offence of negligently failing by a company or limited liability partnership to prevent bribery being given or offered by an employee or agent on behalf of that organization.
- 23.1.5 Bribing a foreign official:

All personnel involved in tendering and contracting activities must be aware of the Bribery Act 2010 and must ensure that all dealings with other organisations and their staff do not bring them in breach of the Act that could leave them open to investigation by the Counter Fraud Specialist, and criminal proceedings being commenced.

23.2 EU Directives Governing Public Procurement

- 23.2.1 Directives by the Council of the European Union promulgated by the Department of Health (DH) prescribing procedures for awarding all forms of contracts shall have effect as if incorporated in these Standing Orders and Standing Financial Instructions.

23.3 Reverse eAuctions

- 23.3.1 The Trust should have policies and procedures in place for the control of all tendering activity carried out through Reverse eAuctions. For further guidance on Reverse eAuctions refer to www.ogc.gov.uk

23.4 Capital Investment Manual and other Department of Health Guidance

23.4.1 The Trust shall comply as far as is practicable with the requirements of the Department of Health "Capital Investment Manual" and "Estate code" in respect of capital investment and estate and property transactions. In the case of management consultancy contracts the Trust shall comply as far as is practicable with Department of Health guidance "The Procurement and Management of Consultants within the NHS".

23.5 Formal Competitive Tendering

23.5.1 General Applicability

23.5.2 The Trust shall ensure that written or secure electronic competitive tenders are invited and duly recorded for:

23.5.2.1 the supply of goods, materials and manufactured articles;

23.5.2.2 the rendering of services including all forms of management consultancy services (other than specialised services sought from or provided by the DH);

23.5.2.3 For the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens); for disposals.

23.5.2.4 the estimated expenditure is reasonably expected to exceed £24,999

23.5.3 Health Care Services

23.5.4 Where the Trust elects to invite tenders for the supply of healthcare services these Standing Orders and Standing Financial Instructions shall apply as far as they are applicable to the tendering procedure and need to be read in conjunction with Standing Financial Instruction No. 24.

23.5.5 Exceptions and instances where formal tendering need not be applied

23.5.6 Formal tendering procedures need not be applied where:

23.5.6.1 the estimated expenditure does not, or is not reasonably expected to, exceed £20,000;

23.5.6.2 where the supply is proposed under special arrangements negotiated by the DH in which event the said special arrangements must be complied with;

23.5.6.3 regarding disposals as set out in Standing Financial Instructions No. 28.9;

23.5.7 Formal tendering procedures may be waived in the following circumstances:

23.5.7.1 in very exceptional circumstances where the Chief Executive decides that formal tendering procedures would not be practicable or the estimated expenditure would not warrant formal tendering procedures, and the circumstances are detailed in an appropriate Trust record;

23.5.7.2 where the requirement is covered by an existing contract;

23.5.7.3 where CCS Buying Solutions agreements are in place and have been approved by the Board;

23.5.7.4 where a consortium arrangement is in place and a lead organisation has been appointed to carry out tendering activity on behalf of the consortium members;

23.5.7.5 where the timescale genuinely precludes competitive tendering but failure to plan the work properly would not be regarded as a justification for a single tender;

23.5.7.6 where specialist expertise is required and is available from only one source;

- 23.5.7.7 when the task is essential to complete the project, and arises as a consequence of a recently completed assignment and engaging different consultants for the new task would be inappropriate;
- 23.5.7.8 there is a clear benefit to be gained from maintaining continuity with an earlier project. However in such cases the benefits of such continuity must outweigh any potential financial advantage to be gained by competitive tendering;
- 23.5.7.9 for the provision of legal advice and services providing that any legal firm or partnership commissioned by the Trust is regulated by the Law Society for England and Wales for the conduct of their business (or by the Bar Council for England and Wales in relation to the obtaining of Counsel's opinion) and are generally recognised as having sufficient expertise in the area of work for which they are commissioned. The Executive Director of Finance will ensure that any fees paid are reasonable and within commonly accepted rates for the costing of such work.
- 23.5.7.10 where allowed and provided for in the Capital Investment Manual.
- 23.5.7.11 the waiving of competitive tendering procedures should not be used to avoid competition or for administrative convenience or to award further work to a consultant originally appointed through a competitive procedure. Where it is decided that competitive tendering is not applicable and should be waived, the fact of the waiver and the reasons should be documented and recorded in an appropriate Trust record and reported to the Audit and Risk Committee at each meeting.
- 23.5.8 Fair and Adequate Competition
- 23.5.9 Where the exceptions set out in SFI Nos. 23.1 and 23.5.5 apply, the Trust shall ensure that invitations to tender are sent to a sufficient number of firms/individuals to provide fair and adequate competition as appropriate, and in no case less than two firms/individuals, having regard to their capacity to supply the goods or materials or to undertake the services or works required.
- 23.5.10 List of Approved Firms
- 23.5.11 The Board shall ensure that the firms/individuals invited to tender (and where appropriate, quote) are among those on approved lists. Where in the opinion of the Executive Director of Finance it is desirable to seek tenders from firms not on the approved lists, the reason shall be recorded in writing to the Chief Executive (see SFI 23.6.10 List of Approved Firms).
- 23.5.12 Building and Engineering Construction Works
- 23.5.13 Competitive Tendering cannot be waived for building and engineering construction works and maintenance (other than in accordance with Concode) without Departmental of Health approval.
- 23.5.14 Items which subsequently breach thresholds after original approval
- 23.5.15 Items estimated to be below the limits set in this Standing Financial Instruction for which formal tendering procedures are not used which subsequently prove to have a value above such limits shall be reported to the Chief Executive, and be recorded in an appropriate Trust record.

23.6 Contracting / Tendering Procedure

23.6.1 Invitation to Tender

- 23.6.1.1 All invitations to tender shall state the date and time as being the latest time for the receipt of tenders.

- 23.6.1.2 All invitations to tender shall state that no tender will be accepted unless:
- 23.6.1.2.1 submitted in a plain sealed package or envelope bearing a pre-printed label supplied by the Trust (or the word "tender" followed by the subject to which it relates) and the latest date and time for the receipt of such tender addressed to the Chief Executive or nominated Manager;
- 23.6.1.2.2 submitted electronically by secure means containing the reference supplied by the Trust (or the word "tender" followed by the subject to which it relates in the subject) and the latest date and time for receipt of such tender addressed to the Chief Executive or nominated Manager;
- 23.6.1.2.3 that tender envelopes/ packages shall not bear any names or marks indicating the sender. The use of courier/postal services must not identify the sender on the envelope or on any receipt so required by the deliverer.
- 23.6.1.3 Every tender for goods, materials, services or disposals shall embody such of the NHS Standard Contract Conditions as are applicable.
- 23.6.1.4 Every tender for building or engineering works (except for maintenance work, when Estmancode guidance shall be followed) shall embody or be in the terms of the current edition of one of the Joint Contracts Tribunal Standard Forms of Building Contract or Department of the Environment (GC/Wks) Standard forms of contract amended to comply with concode; or, when the content of the work is primarily engineering, the General Conditions of Contract recommended by the Institution of Mechanical and Electrical Engineers and the Association of Consulting Engineers (Form A), or (in the case of civil engineering work) the General Conditions of Contract recommended by the Institute of Civil Engineers, the Association of Consulting Engineers and the Federation of Civil Engineering Contractors. These documents shall be modified and/or amplified to accord with Department of Health guidance and, in minor respects, to cover special features of individual projects.
- 23.6.2 Receipt and safe custody of tenders
- 23.6.3 The Chief Executive or his nominated representative will be responsible for the receipt, endorsement and safe custody of tenders received until the time appointed for their opening.
- 23.6.4 The date and time of receipt of each tender shall be endorsed on the tender envelope/package/email.

Opening tenders and Register of tenders

- 23.6.4.1 As soon as practicable after the date and time stated as being the latest time for the receipt of tenders, they shall be opened by two senior officers/managers designated by the Chief Executive and not from the originating department.
- 23.6.4.2 A member of the Trust Board will be required to be one of the two approved persons present for the opening of tenders estimated above £24,999. The rules relating to the opening of tenders will need to be read in conjunction with any delegated authority set out in the Trust's Scheme of Delegation.
- 23.6.4.3 The 'originating' Department will be taken to mean the Department sponsoring or commissioning the tender.
- 23.6.4.4 The involvement of Resources Directorate staff in the preparation of a tender proposal will not preclude the Executive Director of Finance or any approved Senior Manager from the Resources Directorate from serving as one of the two senior managers to open tenders.
- 23.6.4.5 All Executive Directors/members will be authorised to open tenders regardless of whether they are from the originating department provided that the other authorised person opening the tenders with them is not from the originating department.

Standing Orders and Standing Financial Instructions

- 23.6.4.6 The Secretary will count as a Director for the purposes of opening tenders.
- 23.6.4.7 Every tender received shall be marked with the date of opening and initialled by those present at the opening.
- 23.6.4.8 A register shall be maintained by the Chief Executive, or a person authorised by him, to show for each set of competitive tender invitations despatched:
- 23.6.4.8.1 the name of all firms individuals invited;
 - 23.6.4.8.2 the names of firms individuals from which tenders have been received;
 - 23.6.4.8.3 the date the tenders were opened;
 - 23.6.4.8.4 the persons present at the opening;
 - 23.6.4.8.5 the price shown on each tender;
 - 23.6.4.8.6 a note where price alterations have been made on the tender.
- 23.6.4.9 Each entry to this register shall be signed by those present.
- 23.6.4.10 A note shall be made in the register if any one tender price has had so many alterations that it cannot be readily read or understood.
- 23.6.4.11 Incomplete tenders, i.e. those from which information necessary for the adjudication of the tender is missing, and amended tenders i.e., those amended by the tenderer upon his own initiative either orally or in writing after the due time for receipt, but prior to the opening of other tenders, should be dealt with in the same way as late tenders. (Standing Order No. 23.6.6).
- 23.6.5 Admissibility
- 23.6.5.1 If for any reason the designated officers are of the opinion that the tenders received are not strictly competitive (for example, because their numbers are insufficient or any are amended, incomplete or qualified) no contract shall be awarded without the approval of the Chief Executive.
- 23.6.5.2 Where only one tender is sought and/or received, the Chief Executive and Executive Director of Finance shall, as far practicable, ensure that the price to be paid is fair and reasonable and will ensure value for money for the Trust.
- 23.6.6 Late tenders
- 23.6.6.1 Tenders received after the due time and date, but prior to the opening of the other tenders, may be considered only if the Chief Executive or his nominated officer decides that there are exceptional circumstances i.e. sent in good time but delayed through no fault of the tenderer.
- 23.6.6.2 Only in the most exceptional circumstances will a tender be considered which is received after the opening of the other tenders and only then if the tenders that have been duly opened have not left the custody of the Chief Executive or his nominated officer or if the process of evaluation and adjudication has not started.
- 23.6.6.3 While decisions as to the admissibility of late, incomplete or amended tenders are under consideration, the tender documents shall be kept strictly confidential, recorded, and held in safe custody by the Chief Executive or his nominated officer.
- 23.6.7 Acceptance of formal tenders

Standing Orders and Standing Financial Instructions

- 23.6.7.1 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.
- 23.6.7.2 The lowest tender, if payment is to be made by the Trust, or the highest, if payment is to be received by the Trust, shall be accepted unless there are good and sufficient reasons to the contrary. Such reasons shall be set out in either the contract file, or other appropriate record.
- 23.6.7.3 It is accepted that for professional services such as management consultancy, the lowest price does not always represent the best value for money. Other factors affecting the success of a project include:
- 23.6.7.3.1 experience and qualifications of team members;
 - 23.6.7.3.2 understanding of client's needs;
 - 23.6.7.3.3 feasibility and credibility of proposed approach;
 - 23.6.7.3.4 ability to complete the project on time.
- 23.6.7.4 Where other factors are taken into account in selecting a tenderer, these must be clearly recorded and documented in the contract file, and the reason(s) for not accepting the lowest tender clearly stated.
- 23.6.7.5 No tender shall be accepted which will commit expenditure in excess of that which has been allocated by the Trust and which is not in accordance with these Instructions except with the authorisation of the Chief Executive.
- 23.6.7.6 The use of these procedures must demonstrate that the award of the contract was:
- 23.6.7.7 1. not in excess of the going market rate / price current at the time the contract was awarded; 2. that best value for money was achieved.
- 23.6.7.8 All tenders should be treated as confidential and should be retained for inspection.
- 23.6.8 Tender reports to the Trust Board
- 23.6.9 Reports to the Trust Board will be made on an exceptional circumstance basis only.
- 23.6.10 List of approved firms
- 23.6.11 Responsibility for maintaining list
- 23.6.12 A manager nominated by the Chief Executive shall on behalf of the Trust maintain lists of approved firms from who tenders and quotations may be invited. These shall be kept under frequent review. The lists shall include all firms who have applied for permission to tender and as to whose technical and financial competence the Trust is satisfied. All suppliers must be made aware of the Trust's terms and conditions of contract.
- 23.6.13 Building and Engineering Construction Works
- 23.6.14 Invitations to tender shall be made only to firms included on the approved list of tenderers compiled in accordance with this Instruction or on the separate maintenance lists compiled in accordance with Estmancode guidance (Health Notice HN(78)147).
- 23.6.15 Firms included on the approved list of tenderers shall ensure that when engaging, training, promoting or dismissing employees or in any conditions of employment, shall not discriminate against any person because of colour, race, ethnic or national origins, religion or sex, and will comply with the provisions of the Equalities Act 2010 and any amending and/or related legislation.

23.6.16 Firms shall conform at least with the requirements of the Health and Safety at Work Act and any amending and/or other related legislation concerned with the health, safety and welfare of workers and other persons, and to any relevant British Standard Code of Practice issued by the British Standard Institution. Firms must provide to the appropriate manager a copy of its safety policy and evidence of the safety of plant and equipment, when requested.

23.6.17 Financial Standing and Technical Competence of Contractors

23.6.17.1 The Executive Director of Finance may make or institute any enquiries he/she deems appropriate concerning the financial standing and financial suitability of approved contractors. The Director with lead responsibility for clinical governance will similarly make such enquiries as is felt appropriate to be satisfied as to their technical / medical competence.

23.6.18 Exceptions to using approved contractors

23.6.18.1 If in the opinion of the Chief Executive and the Executive Director of Finance or the Director with lead responsibility for clinical governance it is impractical to use a potential contractor from the list of approved firms/individuals (for example where specialist services or skills are required and there are insufficient suitable potential contractors on the list), or where a list for whatever reason has not been prepared, the Chief Executive should ensure that appropriate checks are carried out as to the technical and financial capability of those firms that are invited to tender or quote.

23.6.18.2 An appropriate record in the contract file should be made of the reasons for inviting a tender or quote other than from an approved list.

23.7 Quotations: Competitive and non-competitive

23.7.1 General Position on quotations

23.7.2 Quotations are required where formal tendering procedures are not adopted and where the intended expenditure exceeds, or is reasonably expected to exceed the values stated in the Delegated Limits Appendix to these Standing Orders and Standing Financial Instructions.

23.7.3 Competitive Quotations

23.7.3.1 Quotations should be obtained where possible from at least 3 firms/individuals based on specifications or terms of reference prepared by, or on behalf of, the Trust.

23.7.3.2 Quotations should be in writing unless the Chief Executive or his nominated officer determines that it is impractical to do so in which case quotations may be obtained by telephone. Confirmation of telephone quotations should be obtained as soon as possible and the reasons why the telephone quotation was obtained should be set out in a permanent record.

23.7.3.3 All quotations should be treated as confidential and should be retained for inspection.

23.7.3.4 The Chief Executive or his nominated officer should evaluate the quotation and select the quote which gives the best value for money. If this is not the 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.

23.7.4 Non-Competitive Quotations

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

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

- 23.7.5.2 the supply of goods or manufactured articles of any kind which are required quickly and are not obtainable under existing contracts;
- 23.7.5.3 miscellaneous services, supplies and disposals;
- 23.7.5.4 where the goods or services are for building and engineering maintenance the responsible works manager must certify that the first two conditions of this SFI apply.
- 23.7.6 Quotations to be within Financial Limits

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

23.8 Authorisation of Tenders and Competitive Quotations

- 23.8.1 Providing all the conditions and circumstances set out in these Standing Financial Instructions have been fully complied with, formal authorisation and awarding of a contract may be decided as stated in the Delegated Limits Appendix to these Standing Orders and Standing Financial Instructions
- 23.8.2 These levels of authorisation may be varied or changed and need to be read in conjunction with the Trust Board's Scheme of Delegation of Powers.
- 23.8.3 Formal authorisation must be put in writing. In the case of authorisation by the Trust Board this shall be recorded in their minutes.

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

- 23.9.1 Where competitive tendering or a competitive quotation is not required the Trust should adopt one of the following alternatives:
 - 23.9.1.1 the Trust shall use the NHS Supply Chain for procurement of all goods and services unless the Chief Executive or nominated officers deem it inappropriate. The decision to use alternative sources must be documented.
 - 23.9.1.2 If the Trust does not use the NHS Supply Chain - where tenders or quotations are not required, because expenditure is below the de minimus value as set out in the delegated limits appendix, the Trust shall procure goods and services in accordance with procurement procedures approved by the Executive Director of Finance.

23.10 Private Finance for capital procurement

- 23.10.1 The Trust must consider the need to market-test for PFI (Private Finance Initiative funding) when considering a capital procurement. When the Board proposes, or is required, to use finance provided by the private sector the following must apply:
 - 23.10.1.1 The Chief Executive shall demonstrate that the use of private finance represents value for money and genuinely transfers risk to the private sector.
 - 23.10.1.2 Where the sum exceeds delegated limits, a business case must be referred to the appropriate Department of Health for approval or treated as per current guidelines.
 - 23.10.1.3 The proposal must be specifically agreed by the Board of the Trust.
 - 23.10.1.4 The selection of a contractor/finance company must be on the basis of competitive tendering or quotations.

23.11 Compliance requirements for all contracts

- 23.11.1 The Board may only enter into contracts on behalf of the Trust within the statutory powers delegated to it by the Secretary of State and shall comply with:
- 23.11.1.1 The Trust's Standing Orders and Standing Financial Instructions;
 - 23.11.1.2 EU Directives and other statutory provisions;
 - 23.11.1.3 any relevant directions including the Capital Investment Manual, Estate code and guidance on the Procurement and Management of Consultants;
 - 23.11.1.4 such of the NHS Standard Contract Conditions as are applicable.
 - 23.11.1.5 contracts with Foundation Trusts must be in a form compliant with appropriate NHS guidance.
 - 23.11.1.6 Where appropriate contracts shall be in or embody the same terms and conditions of contract as was the basis on which tenders or quotations were invited.
 - 23.11.1.7 In all contracts made by the Trust, the Board shall endeavour to obtain best value for money by use of all systems in place. The Chief Executive shall nominate an officer who shall oversee and manage each contract on behalf of the Trust.

23.12 Personnel and Agency or Temporary Staff Contracts

- 23.12.1 The Chief Executive shall nominate officers with delegated authority to enter into formal contracts including staff contracts of employment, and contracts with agencies.

23.13 Healthcare Services Agreements

- 23.13.1 Service agreements with NHS providers for the supply of healthcare services shall be drawn up in accordance with the NHS and Community Care Act 1990 and administered by the Trust. Service agreements are not contracts in law and therefore not enforceable by the courts. However, a contract with a Foundation Trust, being a PBC, is a legal document and is enforceable in law.
- 23.13.2 The Chief Executive shall nominate officers to commission service agreements with providers of healthcare in line with a commissioning plan approved by the Board.

23.14 Disposals

- 23.14.1 Competitive Tendering or Quotation procedures shall not apply to the disposal of:
- 23.14.1.1 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 his nominated officer;
 - 23.14.1.2 obsolete or condemned articles and stores, which may be disposed of in accordance with the supplies policy of the Trust;
 - 23.14.1.3 items to be disposed of with an estimated sale value of less than the deminimus value set out in the delegated limits appendix this figure will be reviewed on a periodic basis;
 - 23.14.1.4 items arising from works of construction, demolition or site clearance, which should be dealt with in accordance with the relevant contract;
 - 23.14.1.5 land or buildings concerning which DH guidance has been issued but subject to compliance with such guidance.

23.15 In-house Services

23.15.1 The Chief Executive shall be responsible for ensuring that best value for money can be demonstrated for all services provided on an in-house basis. The Trust may also determine from time to time that in-house services should be market tested by competitive tendering.

23.15.2 In all cases where the Board determines that in-house services should be subject to competitive tendering the following groups shall be set up:

23.15.2.1 Specification group, comprising the Chief Executive or nominated officer/s and specialist.

23.15.2.2 In-house tender group, comprising a nominee of the Chief Executive and technical support.

23.15.2.3 Evaluation team, comprising normally a specialist officer, a supplies officer and an Executive Director of Finance representative. For services having a likely annual expenditure exceeding £1,000,000 a non-officer member should be a member of the evaluation team.

23.15.3 All groups should work independently of each other and individual officers may be a member of more than one group but no member of the in-house tender group may participate in the evaluation of tenders.

23.15.4 The evaluation team shall make recommendations to the Board.

23.15.5 The Chief Executive shall nominate an officer to oversee and manage the contract on behalf of the Trust.

23.16 Applicability of SFIs on Tendering and Contracting to funds held in trust

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

23.17 Partnership agreements

23.17.1 The Trust shall ensure, through the Chief Executive, that there are processes in place for establishing and reviewing the effectiveness of all partnership arrangements and that these are appropriate for the local circumstances. Any partnership that includes a transfer of funds to another organisation (regardless of being NHS or non-NHS) should either go through the formal tendering process or have a single tender waiver that is reported to the Audit & Risk Committee in the normal manner.

23.17.2 Where the Trust makes arrangements for the provision of services by both NHS and non-NHS providers it is the Chief Executive and Trust Board, as advised by Finance and Planning Committee, who are responsible for ensuring that the agreements put in place have due regard to the quality and the cost-effectiveness of the services provided. Before making any agreement with non-NHS providers, the Trust should explore fully the scope to make maximum cost-effective use of NHS facilities. The Chief Executive shall demonstrate that the aim of the partnership arrangement is to improve services for users by raising standards and improving the quality and responsiveness of services.

23.17.3 Irrespective of form implemented, any partnership entered into by the Trust shall have a written agreement covering:-

23.17.3.1 the functions covered.

23.17.3.2 the aims of the partnership.

23.17.3.3 the management and accountability (including financial accountability) framework.

- 23.17.3.4 the funds that each partner will contribute (if applicable)
- 23.17.3.5 how risk (including financial risk) is to be managed.
- 23.17.4 The written partnership agreement must be specifically agreed by the Board of Directors.
- 23.17.5 The Board will be responsible for assuring themselves that any Partnership or joint venture arrangement are in line with the Trust strategy. This will also require assurance that it represents best value for money, sustainable and are written within the scope and power of the Trust as set out by the Secretary of State and NHS Improvement.
- 23.17.6 The Finance and Planning Committee, as delegated by the Board is responsible for overseeing all bids or withdrawals from contracts. Dependant on the total value of the contract, the Finance and Planning Committee will recommend proceeding to bid or withdraw to the Board or will make this decision within their committee.

24 NHS Service Agreements for Provision of Services

24.1 Service Level Agreements (SLAs)

- 24.1.1 The Chief Executive, as the Accountable Officer, is responsible for ensuring the Trust enters into suitable Service Level Agreements (SLA) with service commissioners for the provision of NHS services.
- 24.1.2 All SLAs should aim to implement the agreed priorities contained within the Annual (Operating) Plan and wherever possible, be based upon integrated care pathways to reflect expected service user experience. In discharging this responsibility, the Chief Executive should take into account:
- 24.1.2.1 the standards of service quality expected;
 - 24.1.2.2 the relevant national service framework (if any);
 - 24.1.2.3 the provision of reliable information on cost and volume of services;
 - 24.1.2.4 the NHS National Performance Assessment Framework;
 - 24.1.2.5 that SLAs build where appropriate on existing Joint Investment Plans;
 - 24.1.2.6 that SLAs are based on integrated care pathways.
- 24.1.3 Service Level Agreements should be signed following due consideration of:
- 24.1.3.1 Flexibility to deliver services from alternative locations.
 - 24.1.3.2 Arrangements for termination of the contracts.
 - 24.1.3.3 Arrangements for variations to the contract.

25 Terms of Service, Allowances and Payment of Members of The Trust Board and Executive Committee and Employee

25.1 Remuneration and Terms of Service

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

25.1.2 The Committee will:

25.1.2.1 Report to the Board about appropriate remuneration and terms of service for the Chief Executive, other officer members employed by the Trust and other senior employees including:

25.1.2.2 provisions for other benefits, including pensions and cars;

25.1.2.3 arrangements for termination of employment and other contractual terms; Report to the Board on the remuneration and terms of service of officer members of the Board (and other senior employees) to ensure they are fairly rewarded for their individual contribution to the Trust - having proper regard to the Trust's circumstances and performance and to the provisions of any national arrangements for such members and staff where appropriate; monitor and evaluate the performance of individual officer members (and other senior employees); advise on and oversee appropriate contractual arrangements for such staff including the proper calculation and scrutiny of termination payments taking account of such national guidance as is appropriate.

25.1.3 The Committee shall report in writing to the Board the basis for its decisions.

25.1.4 The Board will consider and need to approve proposals presented by the Chief Executive for the setting of remuneration and conditions of service for those employees and officers not covered by the Committee.

25.1.5 The Trust will pay allowances to the Chairman and non-officer members of the Board in accordance with instructions issued by the Secretary of State for Health.

25.1.6 The Chief Executive and Executive Director of Finance have delegated authority to sign off all redundancy payments except where it relates to the Chief Executive and other Executive Directors. All Payments over £50k are to be referred to the Remuneration Committee for prior approval. Approvals from the Remuneration Committee over £100k must then be submitted to NHS Improvement(NHS i) prior to sign off by the Chief Executive or Executive Director of Finance. A register of redundancy payments will be maintained and reported to the Remuneration Committee for ratification.

25.2 Funded Establishment

25.2.1 The workforce plans incorporated within the annual budget will form the funded establishment.

25.2.2 The funded establishment of any department may not be varied unless cost-neutral or delivering a financial saving in the year without the approval of the Chief Executive.

25.3 Staff Appointments, Re-Banding and Re-grading

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

25.3.1.1 unless authorised to do so by the Chief Executive; or

25.3.1.2 within the limit of their approved budget and funded establishment.

25.3.2 Re-banding or re-grading of employees can only be made via the agreed relevant policies. Officers will apply the application(s) of grading criterion / job evaluation revisions and notify the budget manager accordingly. No re-banding or re-grading changes may be applied in excess of agreed budget without prior agreement from the Chief Executive.

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

25.4 Processing Payroll

25.4.1 The Executive Director of Finance is responsible for:

25.4.1.1 specifying timetables for submission of any properly authorised time records and other notifications;

25.4.1.2 the final determination of pay and allowances;

25.4.1.3 making payment on agreed dates;

25.4.1.4 agreeing method of payment.

25.4.2 The Executive Director of Finance will issue instructions regarding:

25.4.2.1 verification and documentation of data;

25.4.2.2 the timetable for receipt and preparation of payroll data and the payment of employees and allowances;

25.4.2.3 maintenance of subsidiary records for superannuation, income tax, social security and other authorised deductions from pay;

25.4.2.4 security and confidentiality of payroll information;

25.4.2.5 checks to be applied to completed payroll before and after payment;

25.4.2.6 authority to release payroll data under the provisions of the Data Protection Act;

25.4.2.7 methods of payment available to various categories of employee and officers;

25.4.2.8 procedures for payment by cheque, bank credit, or cash to employees and officers;

25.4.2.9 procedures for the recall of cheques and bank credits;

25.4.2.10 pay advances and their recovery;

25.4.2.11 maintenance of regular and independent reconciliation of pay control accounts;

25.4.2.12 separation of duties of preparing records and handling cash;

25.4.2.13 a system to ensure the recovery from those leaving the Trust of sums of money and property due by them to the Trust.

25.4.3 Appropriately nominated managers have delegated responsibility for:

25.4.3.1 submitting any time records, and other notifications in accordance with agreed timetables;

25.4.3.2 completing any time records and other notifications in accordance with the Executive Director of Finance instructions and in the form prescribed by the Executive Director of Finance.

25.4.3.3 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 Executive Director of Finance must be informed immediately.

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

25.5 Contracts of Employment

25.5.1 The Board shall delegate responsibility to the Executive Director of Finance for:

25.5.1.1 ensuring that all employees are issued with a Contract of Employment in a form approved by the Board and which complies with employment legislation;

25.5.1.2 dealing with variations to, or termination of, contracts of employment.

26 Non-pay Expenditure

26.1 Delegation of Authority

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

26.1.2 The Chief Executive will set out:

26.1.2.1 the list of managers who are authorised to place requisitions for the supply of goods and services;

26.1.2.2 the maximum level of each requisition and the system for authorisation above that level.

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

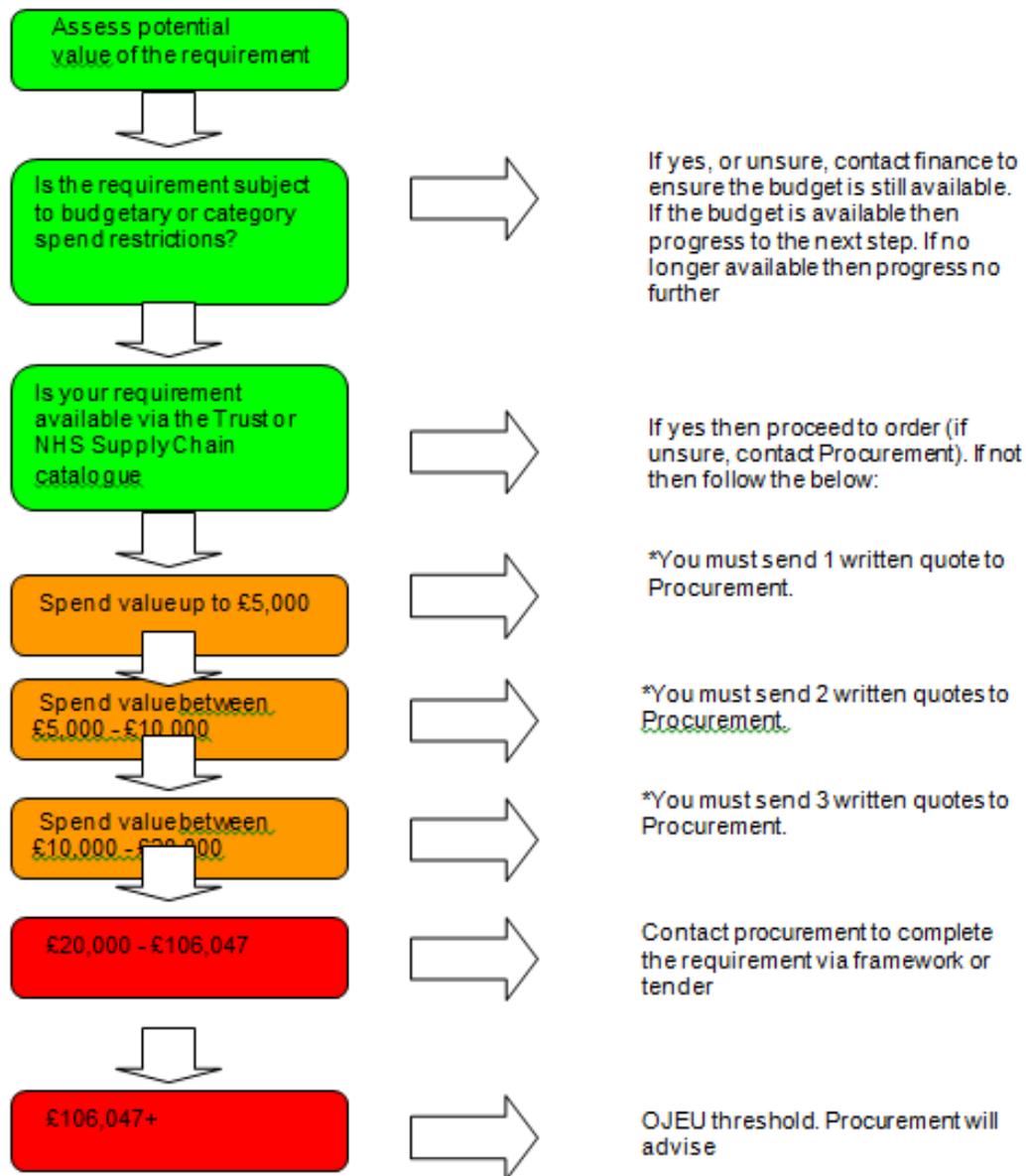
26.2 Choice, Requisitioning, Ordering, Receipt and Payment for Goods and Services

26.2.1 Requisitioning

26.2.2 The requisitioner, in requesting the item to be supplied (or the service to be performed) shall always obtain the best value for money for the Trust. In so doing, the advice of the Trust's procurement team on supply shall be sought. Where this advice is not acceptable to the requisitioner, the Executive Director of Finance (and/or the Chief Executive) shall be consulted.

26.2.3 The levels of action that should be taken with regards to the procurement of items are set out in the flow chart below:-

Standing Orders and Standing Financial Instructions



26.2.4 System of Payment and Payment Verification

26.2.5 The Executive Director of Finance shall be responsible for the prompt payment of accounts and claims. Payment of contract invoices shall be in accordance with contract terms, or otherwise, in accordance with national guidance.

26.2.6 The Executive Director of Finance will:

26.2.6.1 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 Standing Financial Instructions and regularly reviewed;

26.2.6.2 prepare procedural instructions or guidance within the Scheme of Delegation on the obtaining of goods, works and services incorporating the thresholds;

26.2.6.3 be responsible for the prompt payment of all properly authorised accounts and claims;

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

Standing Orders and Standing Financial Instructions

26.2.6.4.1 A list of Board employees (including specimens of their signatures) authorised to certify invoices.

26.2.6.4.2 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;
- e. the account is arithmetically correct;
- f. the account is in order for payment.

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

26.2.6.4.4 Instructions to employees regarding the handling and payment of accounts within the Finance Department.

26.2.6.5 be responsible for ensuring that payment for goods and services is only made once the goods and services are received. The only exceptions are set out in SFI No. 26.2.6 below.

26.2.7 Prepayments

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

26.2.8.1 Prepayments are only permitted where the contractually obliged or financial advantages outweigh the disadvantages (i.e. cash flows must be discounted to NPV using the National Loans Fund (NLF) rate plus 2%).

26.2.8.2 The appropriate officer must provide, in the form of a written report, a case setting out all relevant circumstances of the purchase. The report must set out the effects on the Trust if the supplier is at some time during the course of the prepayment agreement unable to meet his commitments;

26.2.8.3 The Executive Director of Finance will need to be satisfied with the proposed arrangements before contractual arrangements proceed (taking into account the EU public procurement rules where the contract is above a stipulated financial threshold);

26.2.8.4 The budget holder is responsible for ensuring that all items due under a prepayment contract are received and they must immediately inform the appropriate Director or Chief Executive if problems are encountered.

26.2.9 Official orders

26.2.10 Official Orders must:

26.2.10.1 be consecutively numbered;

Standing Orders and Standing Financial Instructions

- 26.2.10.2 be in a form approved by the Executive Director of Finance;
- 26.2.10.3 state the Trust's terms and conditions of trade;
- 26.2.10.4 only be issued to, and used by, those duly authorised by the Chief Executive.
- 26.2.11 Duties of Managers and Officers
- 26.2.12 Managers and officers must ensure that they comply fully with the guidance and limits specified by the Executive Director of Finance and that:
- 26.2.12.1 all contracts (except as otherwise provided for in the Scheme of Delegation), leases, tenancy agreements and other commitments which may result in a liability are notified to the Executive Director of Finance in advance of any commitment being made;
- 26.2.12.2 contracts above specified thresholds are advertised and awarded in accordance with EU rules on public procurement;
- 26.2.12.3 where consultancy advice is being obtained, the procurement of such advice must be in accordance with guidance issued by the Department of Health;
- 26.2.12.4 no order shall be issued for any item or items to any firm which has made an offer of gifts, reward or benefit to directors or employees, other than:
- 26.2.12.4.1 isolated gifts of a trivial character or inexpensive seasonal gifts, such as calendars;
- 26.2.12.4.2 conventional hospitality, such as lunches in the course of working visits;
- 26.2.12.4.3 (This provision needs to be read in conjunction with Standing Order No. 7 and the principles outlined in the national guidance contained in HSG 93(5) "Standards of Business Conduct for NHS Staff");
- 26.2.12.5 no requisition/order is placed for any item or items for which there is no budget provision unless authorised by the Executive Director of Finance on behalf of the Chief Executive;
- 26.2.12.6 all goods, services, or works are ordered on an official order or through an approved procurement method except services executed in accordance with a contract and purchases from petty cash;
- 26.2.12.7 verbal orders must only be issued very exceptionally - by an employee designated by the Chief Executive and only in cases of emergency or urgent necessity. These must be confirmed by an official order and clearly marked "Confirmation Order";
- 26.2.12.8 orders are not split or otherwise placed in a manner devised so as to avoid the financial thresholds;
- 26.2.12.9 goods are not taken on trial or loan in circumstances that could commit the Trust to a future uncompetitive purchase;
- 26.2.12.10 changes to the list of employees and officers authorised to certify invoices are notified to the Executive Director of Finance;
- 26.2.12.11 purchases from petty cash are restricted in value and by type of purchase in accordance with instructions issued by the Executive Director of Finance;
- 26.2.12.12 petty cash records are maintained in a form as determined by the Executive Director of Finance.

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

26.3 Joint Finance Arrangements with Local Authorities and Voluntary Bodies

26.3.1 Payments to local authorities and voluntary organisations made under the powers of sections 28A and 75 of the NHS Act shall comply with procedures laid down by the Executive Director of Finance which shall be in accordance with these Acts.

27 External Borrowing & Investments

27.1 The Executive Director of Finance will advise the Board concerning the Trust's ability to pay dividend on, and repay Public Dividend Capital and any proposed new borrowing, within the limits set by the Department of Health. The Executive Director of Finance is also responsible for reporting periodically to the Board concerning the PDC debt and all loans and overdrafts.

27.2 The Board will agree the list of employees (including specimens of their signatures) who are authorised to make short term borrowings on behalf of the Trust. This must contain the Chief Executive and the Executive Director of Finance.

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

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

27.5 Any short-term borrowing must be with the authority of two members of an authorised panel, one of which must be the Chief Executive or the Executive Director of Finance. The Board must be made aware of all short term borrowings at the next Board meeting.

27.6 All long-term borrowing must be consistent with the plans outlined in the current Annual (Operating) Plan and be approved by the Trust Board.

27.7 Investments

27.7.1 Temporary cash surpluses must be held only in such public or private sector investments as notified by the Secretary of State and authorised by the Board.

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

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

28 Financial Framework

28.1 Responsibilities

28.1.1 The Executive Director of Finance should ensure that members of the Board are aware of the Financial Framework. This document contains directions which the Trust must follow. It also contains directions to the NHS Improvement(NHSi) regarding resource and capital allocation and funding to Trust's. The Executive Director of Finance should also ensure that the direction and guidance in the framework is followed by the Trust.

28.2 Capital Investment

28.2.1 The Chief Executive:

28.2.1.1 shall ensure that there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon business plans;

28.2.1.2 is responsible for the management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost;

28.2.1.3 shall ensure that the capital investment is not undertaken without confirmation of purchaser(s) support and the availability of resources to finance all revenue consequences, including capital charges.

28.2.2 For every capital expenditure proposal the Chief Executive shall ensure:

28.2.2.1 that a business case (in line with the guidance contained within the Capital Investment Manual) is produced setting out:

28.2.2.1.1 an option appraisal of potential benefits compared with known costs to determine the option with the highest ratio of benefits to costs;

28.2.2.1.2 the involvement of appropriate Trust personnel and external agencies;

28.2.2.1.3 appropriate project management and control arrangements;

28.2.2.2 that the Executive Director of Finance has certified professionally to the costs and revenue consequences detailed in the business case.

28.2.2.3 that for business cases of greater value than £5m, NHS Trust Improvement(NHSi) approval has been sought and given. This limit for NHS Improvement (NHSi) approval is taken to be £1m where the Trust is in financial deficit and/or the business case is deemed to be complicated or contentious.

28.2.3 For capital schemes where the contracts stipulate stage payments, the Chief Executive will issue procedures for their management, incorporating the recommendations of "Estate code".

28.2.4 The Executive Director of Finance shall assess on an annual basis the requirement for the operation of the construction industry tax deduction scheme (CIS) in accordance with HM Revenue and Customs guidance.

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

28.2.6 The approval of a capital programme shall not constitute approval for expenditure on any scheme. Every Scheme must have specific approval prior to expenditure.

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

28.2.7.1 specific authority to commit expenditure;

28.2.7.2 authority to proceed to tender;

28.2.7.3 approval to accept a successful tender.

28.2.8 The Chief Executive will issue a Scheme of Delegation for capital investment management in accordance with "Estate code" guidance and the Trust's Standing Orders.

28.2.9 The Executive Director of Finance shall issue procedures governing the financial management, including variations to contract, of capital investment projects and valuation for accounting purposes. These procedures shall fully take into account the delegated limits for capital schemes included in Annex C of HSC (1999) 246.

28.3 Private Finance

28.3.1 Refer to SFI 23.10

28.4 Asset Registers

28.4.1 The Chief Executive is responsible for the maintenance of registers of assets, taking account of the advice of the Executive Director of Finance concerning the form of any register and the method of updating, and arranging for a physical check of assets against the asset register to be conducted once a year. A valuation of land and buildings will be carried out every 3 years to reflect the accounting policies of the Trust.

28.4.2 The Trust shall maintain an asset register recording fixed assets.

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

28.4.3.1 properly authorised and approved agreements, architect's certificates, supplier's invoices and other documentary evidence in respect of purchases from third parties;

28.4.3.2 stores, requisitions and wages records for own materials and labour including appropriate overheads;

28.4.3.3 lease agreements in respect of assets held under a finance lease and capitalised.

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

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

28.4.6 The value of each asset shall be revalued to current values where applicable and if necessary ahead of a valuation if a material change is indicated either due to a change of usage or significant additional expenditure takes place

28.4.7 The value of each asset shall be depreciated using appropriate methods and rates.

28.4.8 The Executive Director of Finance of the Trust shall calculate and pay capital charges as specified by the Department of Health.

28.5 Security of Assets

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

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

Standing Orders and Standing Financial Instructions

- 28.5.2.1 recording managerial responsibility for each asset;
 - 28.5.2.2 identification of additions and disposals;
 - 28.5.2.3 identification of all repairs and maintenance expenses;
 - 28.5.2.4 physical security of assets;
 - 28.5.2.5 periodic verification of the existence of, condition of, and title to, assets recorded;
 - 28.5.2.6 identification and reporting of all costs associated with the retention of an asset;
 - 28.5.2.7 reporting, recording and safekeeping of cash, cheques, and negotiable instruments.
- 28.5.3 All discrepancies revealed by verification of physical assets to fixed asset register shall be notified to the Executive Director of Finance.
- 28.5.4 Whilst each employee and officer has a responsibility for the security of property of the Trust, it is the responsibility of Board members and senior employees in all disciplines to apply such appropriate routine security practices in relation to NHS property as may be determined by the Board. Any breach of agreed security practices must be reported in accordance with agreed procedures.
- 28.5.5 Any damage to the Trust's premises, vehicles and equipment, or any loss of equipment, stores or supplies must be reported by Board members and employees in accordance with the procedure for reporting losses and also reported to the Local Security Management Specialist for investigation, as appropriate
- 28.5.6 Where practical, assets should be marked as Trust property.

28.6 Stores and Receipt of Goods

- 28.6.1 General Position - Stores, defined in terms of controlled stores and departmental stores (for immediate use) should be:
- 28.6.1.1 kept to a minimum;
 - 28.6.1.2 subjected to annual Inventory count;
 - 28.6.1.3 valued at the lower of cost and net realisable value.

28.7 Control of Stores, Inventory Counts, condemnations and disposal

- 28.7.1 Subject to the responsibility of the Executive Director of Finance for the systems of control, overall responsibility for the control of stores shall be delegated to an employee by the Chief Executive. The day-to-day responsibility may be delegated by him to departmental employees and stores managers/keepers, subject to such delegation being entered in a record available to the Executive Director of Finance. The control of any Pharmaceutical inventories shall be the responsibility of a designated Pharmaceutical Officer; the control of any fuel oil and coal of a designated estates manager.
- 28.7.2 The responsibility for security arrangements and the custody of keys for any stores and locations shall be clearly defined in writing by the designated manager/Pharmaceutical Officer. Wherever practicable, inventories should be marked as health service property.
- 28.7.3 The Executive Director of Finance shall set out procedures and systems to regulate the stores including records for receipt of goods, issues, and returns to stores, and losses.

- 28.7.4 Inventory taking arrangements shall be agreed with the Executive Director of Finance and there shall be a physical check covering all items in store at least once a year or once every two years where Inventory balances are immaterial.
- 28.7.5 Where a complete system of stores control is not justified, alternative arrangements shall require the approval of the Executive Director of Finance.
- 28.7.6 The designated Manager/Pharmaceutical Officer shall be responsible for a system approved by the Executive Director of Finance for a review of slow moving and obsolete items and for condemnation, disposal, and replacement of all unserviceable articles⁹. The designated Officer shall report to the Executive Director of Finance any evidence of significant overstocking and of any negligence or malpractice procedures for the disposal of obsolete inventory shall follow the procedures set out for disposal of all surplus and obsolete goods.

28.8 Goods supplied by NHS Supply Chain

- 28.8.1 For goods supplied via the NHS Supply Chain central warehouses, the Chief Executive shall identify those authorised to requisition and accept goods from the store. The authorised person shall check receipt against the delivery note before forwarding this to the Executive Director of Finance who shall satisfy himself that the goods have been received before accepting the recharge.

28.9 Disposals and Condemnations

28.9.1 Procedures

- 28.9.2 The Executive Director of Finance must prepare detailed procedures for the disposal of assets including condemnations, and ensure that these are notified to managers.
- 28.9.3 When it is decided to dispose of a Trust asset, the Head of Department or authorised deputy will determine and advise the Executive Director of Finance of the estimated market value of the item, taking account of professional advice where appropriate.
- 28.9.4 When it is decided to dispose of a Trust asset, the relevant Head of Department or an authorised deputy will determine any appropriate NHSi guidance on the retention of proceeds i.e. for land disposals and advise the Executive Director of Finance accordingly. This will recognise where a NHS Trust is entitled to retain and reinvest sale proceeds from a disposal transaction in line with the Trust's delegated limit for capital investment.

28.9.5 All unserviceable articles shall be:

- 28.9.5.1 condemned or otherwise disposed of by an employee authorised for that purpose by the Executive Director of Finance;
- 28.9.5.2 recorded by the Condemning Officer in a form approved by the Executive Director of Finance, which will indicate whether the articles are to be converted, destroyed or otherwise disposed of. All entries shall be confirmed by the countersignature of a second employee authorised for the purpose by the Executive Director of Finance.
- 28.9.6 The Condemning Officer shall satisfy himself as to whether or not there is evidence of negligence in use and shall report any such evidence to the Executive Director of Finance who will take the appropriate action.

28.10 Losses and Special Payments

28.10.1 Procedures

- 28.10.2 The Executive Director of Finance must prepare procedural instructions on the recording of and accounting for condemnations, losses, and special payments.

- 28.10.3 Any employee or officer discovering or suspecting a loss of any kind must either immediately inform their head of department, who must immediately inform the Chief Executive and the Executive Director of Finance or inform an officer charged with responsibility for responding to concerns involving loss. This officer will then appropriately inform the Executive Director of Finance. Where a criminal offence is suspected, the Executive Director of Finance 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 Executive Director of Finance must inform the relevant LCFS in line with the standards for providers.
- 28.10.4 The Executive Director of Finance must notify the LCFS and the External Auditor of all frauds.
- 28.10.5 For losses apparently caused by theft, arson, neglect of duty or gross carelessness, except if trivial, the Executive Director of Finance must immediately notify:
- 28.10.5.1 the Board,
- 28.10.5.2 the External Auditor.
- 28.10.6 Within limits delegated to it by the Department of Health, the Board shall approve the writing-off of losses in line with the losses and special payments procedure
- 28.10.7 The Executive Director of Finance shall be authorised to take any necessary steps to safeguard the Trust's interests in bankruptcies and company liquidations.
- 28.10.8 For any loss, the Executive Director of Finance should consider whether any insurance claim can be made.
- 28.10.9 The Executive Director of Finance shall maintain a Losses and Special Payments Register in which write-off action is recorded.
- 28.10.10 No special payments exceeding delegated limits shall be made without the prior approval of the Department of Health.
- 28.10.11 All losses and special payments must be reported to the Audit Committee at regular meetings with evidence that the required checklist has been completed
- 28.10.12 The Trust will ensure that a formal process and procedure to support the learning of lessons, monitoring of implementation of lessons learned, evaluation of the lessons and thereafter the auditing of each component is developed and is set out in its losses and special payments procedure.
- 28.10.13 Any employee or officer discovering or suspecting a loss of any kind must either inform the Chief Executive and the Director of Finance or inform an officer charged with responsibility for responding to concerns involving loss. This officer will then appropriately inform the Director of Finance and/or the Chief Executive. Where a criminal offence is suspected, the Director of Finance must immediately inform the police if theft or arson is involved. In cases of fraud and corruption or of anomalies which may indicate fraud or corruption Director of Finance must inform the relevant LCFS and Security Manager in accordance with the Secretary of State for Health's directions. The Director of Finance must notify the Counter Fraud and Security Management and the External Auditor of all frauds.

29 Information Technology

29.1 Responsibilities and duties of the Executive Director of Finance

- 29.1.1 The Executive Director of Finance, who is responsible for the accuracy and security of the computerised financial data of the Trust, shall:

- 29.1.1.1 devise and implement any necessary procedures to ensure adequate (reasonable) protection of the Trust's data, programs and computer hardware for which the Director is responsible from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Data Protection Act 1998;
- 29.1.1.2 ensure that adequate (reasonable) controls exist over data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;
- 29.1.1.3 ensure that adequate controls exist such that the computer operation is separated from development, maintenance and amendment;
- 29.1.1.4 ensure that an adequate management (audit) trail exists through the computerised system and that such computer audit reviews as the Director may consider necessary are being carried out.
- 29.1.2 The Executive Director of Finance shall need to ensure that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by another organisation, assurances of adequacy must be obtained from them prior to implementation.
- 29.1.3 The Executive Director of Finance shall publish and maintain a Freedom of Information (FOI) Publication Scheme, or adopt a model Publication Scheme approved by the Information Commissioner. A Publication Scheme is a complete guide to the information routinely published by a public authority. It describes the classes or types of information about our Trust that we make publicly available.

29.2 Responsibilities and Duties of other Directors and Officers

- 29.2.1 In the case of computer systems which are proposed General Applications (i.e. normally those applications which the majority of Trust's in the Region wish to sponsor jointly) all responsible directors and employees will send to the Executive Director of Finance:
 - 29.2.1.1 details of the outline design of the system;
 - 29.2.1.2 in the case of packages acquired either from a commercial organisation, from the NHS, or from another public sector organisation, the operational requirement.

29.3 Contracts for Computer Services with other health bodies or outside agencies

- 29.3.1 The Executive Director of Finance shall ensure that contracts for computer services for financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes.
- 29.3.2 Where another health organisation or any other agency provides a computer service for financial applications, the Executive Director of Finance shall periodically seek assurances that adequate controls are in operation.
- 29.3.3 Controlled Purchase of hardware and software: Only approved hardware and software may be used and any purchase of hardware, software or IM&T consultancy may only be made with the prior involvement of the IM&T department in accordance with the procedure approved by the Director of Finance.

29.4 Risk Assessment

29.4.1 The Executive Director of Finance shall ensure that risks to the Trust arising from the use of IT are effectively identified and considered and appropriate action taken to mitigate or control risk. This shall include the preparation and testing of appropriate disaster recovery plans.

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

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

29.5.1.1 systems acquisition, development and maintenance are in line with corporate policies such as an Information Technology Strategy;

29.5.1.2 data produced for use with financial systems is adequate, accurate, complete and timely, and that a management (audit) trail exists;

29.5.1.3 Executive Director of Finance staff have access to such data;

29.5.1.4 such computer audit reviews as are considered necessary are being carried out.

30 Service User Money and Property

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

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

30.2.1 notices and information booklets; (notices are subject to sensitivity guidance)

30.2.2 hospital admission documentation and property records;

30.2.3 the oral advice of administrative and nursing staff responsible for admissions,

30.2.4 that the Trust will not accept responsibility or liability for service user property brought into Health Service premises, unless it is handed in for safe custody and a copy of an official service user' property record is obtained as a receipt.

30.3 The Executive Director of Finance must provide detailed written instructions on the collection, custody, investment, recording, safekeeping, and disposal of service user property (including instructions on the disposal of the property of deceased service users and of service users transferred to other premises) for all staff whose duty is to administer, in any way, the property of service users. Due care should be exercised in the management of a service user's money in order to maximise the benefits to them.

30.4 Where Department of Health instructions require the opening of separate accounts for service user money, these shall be opened and operated under arrangements agreed by the Executive Director of Finance.

30.5 In all cases where property of a deceased service user 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.

- 30.6** Staff should be informed, on appointment, by the appropriate departmental or senior manager of their responsibilities and duties for the administration of the property of service users.
- 30.7** Where service user property or income is received for specific purposes and held for safekeeping the property or income shall be used only for that purpose, unless any variation is approved by the donor or service user in writing.

31 Funds Held on Trust

31.1 Corporate Trustee

- 31.1.1 Standing Order No. 3.8 outlines the Trust's responsibilities as a corporate trustee for the management of funds it holds on trust, along with SO 5.8.7 that defines the need for compliance with Charities Commission latest guidance and best practice.
- 31.1.2 The discharge of the Trust's corporate trustee responsibilities are distinct from its responsibilities for exchequer funds and may not necessarily be discharged in the same manner, but there must still be adherence to the overriding general principles of financial regularity, prudence and propriety. Trustee responsibilities cover both charitable and non-charitable purposes.
- 31.1.3 The Executive Director of Finance shall ensure that each trust fund which the Trust is responsible for managing is managed appropriately with regard to its purpose and to its requirements.

31.2 Accountability to Charity Commission

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

31.3 Applicability of Standing Financial Instructions to funds held on Trust

- 31.3.1 In so far as it is possible to do so, most of the sections of these Standing Financial Instructions will apply to the management of funds held on trust.
- 31.3.2 The over-riding principle is that the integrity of each fund must be maintained and statutory and Trust obligations met. Materiality must be assessed separately from Exchequer activities and funds.

32 Acceptance of Gifts by Staff

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

33 Retention of Records

- 33.1** The Chief Executive shall be responsible for maintaining archives for all records in line with statutory guidance and legislation issued by the Department of Health and other regulators. The Chief Executive shall develop a policy and ensure all staff are aware of the mandatory requirements and best practice in relation to the retention of documents.
- 33.2** The records held in archives shall be capable of retrieval by authorised persons.
- 33.3** Records held in accordance with latest Statutory legislation and shall only be destroyed at the express instigation of the Chief Executive. Detail shall be maintained of records so destroyed.

34 Risk Management and Insurance

34.1 Programme of Risk Management

- 34.1.1 The Chief Executive shall ensure that the Trust has a programme of risk management, in accordance with current Department of Health assurance framework requirements, which must be approved and monitored by the Board.
- 34.1.2 The programme of risk management shall include:
- 34.1.2.1 a process for identifying and quantifying risks and potential liabilities;
 - 34.1.2.2 engendering among all levels of staff a positive attitude towards the control of risk;
 - 34.1.2.3 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;
 - 34.1.2.4 contingency plans to offset the impact of adverse events;
 - 34.1.2.5 audit arrangements including; Internal Audit, clinical audit, health and safety review;
 - 34.1.2.6 a clear indication of which risks shall be insured;
 - 34.1.2.7 arrangements to review the Risk Management programme.
- 34.1.3 The existence, integration and evaluation of the above elements will assist in providing a basis to make a Statement on the effectiveness of Internal Control (SIC) within the Annual Report and Accounts as required by current Department of Health guidance.

34.2 Insurance: Risk Pooling Schemes administered by NHSLA

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

34.3 Insurance arrangements with commercial insurers

- 34.3.1 There is a general prohibition on entering into insurance arrangements with commercial insurers. There are, however, three exceptions when Trust's may enter into insurance arrangements with commercial insurers. The exceptions are:
- 34.3.1.1 Trust's may enter commercial arrangements for insuring motor vehicles owned by the Trust including insuring third party liability arising from their use;

- 34.3.1.2 where the Trust is involved with a consortium in a Private Finance Initiative contract and the other consortium members require that commercial insurance arrangements are entered into; and
- 34.3.1.3 where income generation activities take place. Income generation activities should normally be insured against all risks using commercial insurance. If the income generation activity is also an activity normally carried out by the Trust for a NHS purpose the activity may be covered in the risk pool. Confirmation of coverage in the risk pool must be obtained from the Litigation Authority. In any case of doubt concerning a Trust's powers to enter into commercial insurance arrangements the Executive Director of Finance Director of Finance should consult the Department of Health.
- 34.4** Arrangements to be followed by the Board in agreeing Insurance cover
- 34.4.1 Where the Board decides to use the risk pooling schemes administered by the NHS Litigation Authority the Executive Director of Finance shall ensure that the arrangements entered into are appropriate and complementary to the risk management programme. The Executive Director of Finance shall ensure that documented procedures cover these arrangements.
- 34.4.2 Where the Board decides not to use the risk pooling schemes administered by the NHS Litigation Authority for one or other of the risks covered by the schemes, the Executive Director of Finance shall ensure that the Board is informed of the nature and extent of the risks that are self insured as a result of this decision. The Executive Director of Finance will draw up formal documented procedures for the management of any claims arising from third parties and payments in respect of losses which will not be reimbursed.
- 34.4.3 All the risk pooling schemes require Scheme members to make some contribution to the settlement of claims (the 'deductible'). The Executive Director of Finance should ensure documented procedures also cover the management of claims and payments below the deductible in each case.

35 Delegated Authority Schedule

- 35.1** These delegated authorities set out the maximum authorised delegated authority. All delegated authority, except where otherwise indicated applies only to the Directorate or cost centre for which the delegated authority has been given as described on the Delegated Authority Form that is required to be completed.
- 35.2** Officers with delegated limits are responsible for ensuring that Standing Orders and Standing Financial Instructions are followed and that commitments are only made using the Trust formal processes which requires that goods and services must be ordered utilising the Trust Purchasing processes as issued from time to time by the Executive Director of Finance or Head of Procurement and that the formal tendering process, where applicable, has been followed in accordance with Standing Orders and Standing Financial Instructions.
- 35.3** Delegated authority may be exercised only on amounts up to agreed budget limits and no higher, and carries no discretionary freedom to overspend against budgets.
- 35.4** The delegation of authority is a formal process and each person to whom authority is delegated within this process is required to complete a Delegated Authority Form in a format to be determined by the Executive Director of Finance. The Head of Procurement will hold a copy of the register of delegated authorities but the master register and the signed Delegated Authority Forms are to be retained by the Financial Control Team. The delegated authority will be in line with the agreed organisational structure of the Trust through the Electronic Staff Record (ESR) system.

Standing Orders and Standing Financial Instructions

- 35.5** The Chief Executive will issue delegated authority to Executive Directors who may delegate to managers at any lower level. Each authority level can delegate authority to a level lower than their own delegated level.
- 35.6** In the absence of the delegated officer, authority reverts to the higher level of authority - with exception of the Chief Executive whose nominated Deputy will assume the Chief Executive's level of Authority during planned or unplanned absences.
- 35.7** In the absence of the Chief Executive's nominated Deputy the authority will revert to the Board of Directors.

Delegated Authority Limits

APPENDIX 1 - BOARD APPROVED DELEGATED AUTHORITY LEVELS (All values are total contract values excluding VAT)

	Board of Directors (See note 1)	Chief Executive	Executive Directors (voting and non-voting)	Level 1 (see note 3)	Level 2 (see note 4)	Level 3 (see note 5)	Pay only	Specific
A - Income								
Authorisation to Proceed to Bid for new business	Above £1m	Bids where estimated income is up to £1m	None	None	None	None	None	Anything up to £1m can be authorised by Finance & Planning Committee
Contracts for new Income	Above £1m	Up to £1m	Executive Director of Finance only - up to £1m	Up to £50,000	None	None	None	None
Contracts for existing/ rollover/ extension	ALL	ALL in the absence of the Director of Finance	Executive Director of Finance only	None	None	None	None	Most likely to include CCG income contracts renewed on an annual basis. All CCG contract variations to be approved by Director of Finance
R&D Income	Above £500,000	Up to £500,000	Executive Director of Finance only - up to £250,000	None	None	None	None	
B - Capital Schemes - approval (see note 6)								
Capital Schemes - approval	Up to £5m	Up to £500,000	Executive Director of Finance only - up to £250,000	None	None	None	None	All bids to Investment & Planning Group with recommendation to appropriate level
Sale of assets	Over £50,000	Up to £50,000	Up to £50,000	None	None	None	None	None
C – Non Capital Expenditure Contracts			This applies to a formal contract where one is required, Note: Where contracts are required under seal 2 signatures from executive directors will be required.					
For Goods and Services being purchased (excluding capital)	ALL	Up to £1m	Up to £250,000	Up to £50,000	Up to £10,000	Up to £2,000	None	None
Authority to waive competitive process	Above £50,000	Above £25,000 & below £50,000	Executive Director of Finance only – Up to £25,000	None	None	None	None	All waivers must be reported to Audit & Risk Committee

Standing Orders and Standing Financial Instructions

Authority to accept other than lowest quote	Above £250,000	Up to £250,000	Executive Director of Finance only - Up to £250,000	None	None	None	None	None
Approval to make contract awards (including extensions)*	Above £250,000	Up to £250,000	Executive Director of Finance only - Up to £250,000	Up to £50,000	Up to £10,000	Up to £2,000	None	None

*NB – All contract awards above £50,000 to be reported to Trust Board for information

Evaluation Panel for a contract to include a non-executive director if £1m and above

	Board of Directors (See note 1)	Chief Executive	Executive Directors (voting and non-voting)	Level 1 (see note 3)	Level 2 (see note 4)	Level 3 (see note 5)	Pay only	Specific
All leases and All property purchase contracts: Where Board approval to the business case has been given: For leases authorisation level relates to cost over total contract period.	ALL	Up to £1m	Executive Director of Finance only - Up to £250,000	None	None	None	None	Deputy Director of Finance up to £50,000
Consultancy Contracts	Over £50,000	Up to £50,000	Up to £50,000	None	None	None	None	Above £50,000 requires a business case and approval from NHSI
D - Capital Contracts (see note 6)			This relates to Capital Contracts where Board approval has been given and applies to a formal contract where one is required, Note: Where contracts are required under seal 2 signatures from executive directors will be required.					
Estates	Over £0.5m	Up to £0.5m	Executive Director of Finance only - up to £250,000	None	None	None	None	Deputy Director of Finance up to £100,000
IT equipment	Over £0.5m	Up to £0.5m	Executive Director of Finance only - up to £250,000	None	None	None	None	Deputy Director of Finance up to £100,000

Standing Orders and Standing Financial Instructions

Other equipment	Over £0.5m	Up to £0.5m	Executive Director of Finance only - up to £250,000	None	None	None	None	None
Other capital contract related (not covered above)	ALL	£1m	Executive Director of Finance only - up to £250,000	None	None	None	None	None
E - Non contract purchase order expenditure			This relates to the acquisition of goods and services not covered by a contract as specified in Sections C & D above. Trust policies and procedures must be adhered to and all orders must be issued on formal Trust Purchase orders.					
Goods and services (excluding IT equip and services)	Over £250,000	Up to £250,000	Executive Director of Finance up to £500,000. Remaining Executive Directors up to £100,000	up to £50,000	up to £10,000	up to £2,000	None	None
IT equipment , software and services	Over £250,000	up to £250,000	Executive Director of Finance only up to £250,000	up to £50,000	up to £10,000	up to £2,000		Limited to Trust staff within the IT department, not all users with delegated authority
F - Pay & People Related Costs								
New Posts (see note 2) - Incremental establishment (where no budget)	YES	YES	None	None	None	None	None	Board delegation to Finance & Planning Committee
New Post(s) matched by Post(s) disestablishment for skill Mix Changes – cost- neutral or delivering a financial saving in year	YES	YES	YES	YES	YES	None	None	None
Authorisation of timesheets at ward and team level	YES	YES	YES	YES	YES	YES	YES	None

Standing Orders and Standing Financial Instructions

Authorisation of Roster Pro timesheets at ward and team level	YES	YES	YES	YES	YES	YES	YES	None
Salary changes – within budget and subject to HR Policies	YES	YES	YES	YES	None	None	None	None
Overtime	YES	YES	YES	YES	YES	YES	None	None
Agency	YES	YES	YES	YES	YES	YES	None	None
Bank (same rate or cheaper)	YES	YES	YES	YES	YES	YES	None	None
Temporary Staff (where no post exists), and no budget (n.b – no budget at locality/Directorate level)	YES	YES	YES	YES	YES	YES	None	None
Approval of business expenses (per claim) within 3 months of occurrence necessarily incurred for Trust business for staff managed within delegated Cost centres. NOTE – all expense claims must be made within 3 months.	ALL	up to £5,000	up to £1,500	up to £1,000	up to £500	up to £500	Up to £500	None
Service User Claims (per Claim) in accordance with Service User Policy	ALL	up to £1000	up to £500	up to £300	up to £200	up to £100	None	None
Appointing to Posts in Establishment in accordance with guidelines issued by Chief Executive	YES	YES	YES	YES	YES	YES	YES	YES
Relocation Expenses (within policy)	YES	Up to£8,000	up to £8,000	None	None	None	None	None
Inward & outward secondees	YES	YES	Executive Director of Finance only	None	None	None	None	None

Standing Orders and Standing Financial Instructions

Severance payments i.e. redundancies, compensation in lieu of office	Following NHS Improvement and/or Remuneration Committee approval if >£50,000	Following NHS Improvement and/or Remuneration Committee approval if >£50,000	Executive Director of Finance–following NHS Improvement and/or Remuneration Committee Approval if >£50,000	None	None	None	None	Payments >£50,000 require Remuneration Committee approval, in addition , payments >£100,000 require NHS Improvement approval
Early Retirement Costs within DH regulations	Above £100,000	Up to £100,000	Executive Director of Finance– up to £100,000	None	None	None	None	None
G - Other Delegated Authorities			All within Delegated Limits					
Authorisation of Petty cash – only expenditure in accordance with the Finance Guide	ALL	up to £500	up to £100	Up to £35	Up to £35	Up to £35	None	Head of Financial Accounting, Treasury Management & Finance Systems exceptional items up to £100 plus charitable fund requests within appropriate guidance
Authorisation of Credit Notes with net I&E impact	ALL	ALL	Executive Director of Finance- ALL	Deputy Director of Finance up to £100,000	None	None	None	Head of Financial Management and Head of Financial Accounting, Treasury Management & Finance Systems up to £25,000

Standing Orders and Standing Financial Instructions

Authorisation of Credit Notes replaced by new invoice of equal amount	ALL	ALL	Executive Director of Finance - ALL	Deputy Director of Finance up to £100,000	None	None	None	Head of Financial Management and Head of Financial Accounting, Treasury Management & Finance Systems up to £25,000
Patient monies (repayments of patients money) in accordance with Service User Policy	ALL	ALL	ALL	ALL	ALL	ALL	None	None
Clinical Negligence, personal injury claims	Over £250,000	Up to £250,000	Up to £100,000	None	None	None	None	None
Losses and Write offs	All	Above £50,000	Executive Director of Finance- up to £50,000	Associate Director up to £1,000	None	None	None	Deputy Director of Finance – up to £25,000. All reported to Audit & Risk Committee
Special/Compensation Payments/Ex-gratia payments* - excluding severance payments covered above	All	Up to £50,000	Up to £10,000	None	None	None	None	Deputy Director of Finance – up to £5,000
Budget virement with movement of budget but no cost impact	Over £250,000	Up to £250,000	Executive Director of Finance up to £250,000	None	None	None	None	Deputy Director of Finance – up to £100,000. All reported to Finance & Planning Committee
Budget virement with movement of budget with additional budget requirement	Over £100,000	Up to £100,000	Executive Director of Finance up to £100,000	None	None	None	None	Deputy Director of Finance – up to £50,000. All reported to Finance & Planning Committee

Standing Orders and Standing Financial Instructions

Charitable Trust Funds	Board of Directors (Corporate Trustee)	Charitable Funds Committee	Executive Directors	Other Directors	Named Fund manager
Expenditure Plans approved By Charitable Funds Committee	All within Delegated Limits	up to £50,000	up to £5,000	up to £5,000	up to £250

Note 1: Where the Board exercises its authority to approve an item it will designate a Trust Officer to authorise the transaction, this authority will be recorded in Board meeting Minutes. This authority will normally be delegated to the Chief Executive or an Executive Director.

Note 2 : New posts include all changes which are entered into the Agresso Financial Ledger where a new post is added, even where this is on the basis of deleting existing posts to support the change.

Note 3: Level 1 - These are the Executive Directors, Divisional Clinical Directors and Associate Directors (including deputy Chief Operating Officer) in the new locality management structure

Note : Level 2 - These are Operations and Clinical Leads, Locality Directors, , modern matrons and service managers in the locality management structure plus all Deputy Directors and “Heads of” within the Corporate Directorates

Note 5: Level 3 - These are all other budget holders i.e. ward managers, team managers and other budget holders

Note 6: Please note the distinction between B Capital schemes approval and D Capital Contracts. The former relates to the approval of new capital schemes and the latter to the authorisation of expenditure on capital schemes already approved. For Example, the Chief Executive has a limit of £100,000 for approving capital schemes and this is correctly far lower than his / her limit for authorising expenditure on schemes already approved.

Note 7: Delegated authority, including budget holder authority can only be granted from an existing member of staff who has a greater level of authority than that being requested. For example, a Level 1 employee could request Level 2 authority for another member of staff. It should also be noted that the member of staff requesting the authority should ensure that appropriate budgetary control training has been provided.

Note 8: Absence cover for Executive Directors should be to the designated deputies for the Finance, HR, Nursing, Medical, Operations Divisions only as well as Chief Executive. Absence cover for any other Executive Directors should be to the Director of Finance.

Version History

Version	Date	Revision description	Editor	Status
1.0	28 Mar 2007	Approved by Board of Directors	Director of Finance	Archived
1.1	24 Feb 2010	Revision of team delegation	Company Secretary	Approved
2.0	30 Mar 2011	Annual Review & approved by Board of Directors	Director of Finance	Approved
2.1	26 Jan 2012	Change approved in delegated limits to reflect approval of business expenses within 3 months	Director of Finance	Approved
3.0	27 Apr 2012	Annual Review & approved by Board of Directors	Director of Finance	Approved
3.1	02 May 2013	Annual Review & approved by Board of Directors	Director of Finance	Approved
3.2	25 September 2013	Update to section 3 – The Trust Board - Membership, Tenure and Roles to support governance structures	Company Secretary	Approved
3.3	30 October 2013	Update to titles following change to Executive Team	Company Secretary	Approved
3.4	6 January 2014	Amendment to clearly define the delegated responsibilities of the Trust Board's sub-Committees to approve policies. This clarification is made in section 12	Company Secretary	Approved
4.0	28 May 2014	Annual Review for approval by Board of Directors	Company Secretary	Approved
4.1	01 September 2014	Administrative update to correct historic error. Appendix 2, schedule F: "Approval of business expenses (per claim) within 3 months of occurrence necessarily incurred for Trust business for staff managed within delegated Cost centres". Approved by Trust Board November 2012 – error at next review amended to 6 months. Now corrected.	Company Secretary	Approved
4.2	29 December 2014	Correction to expiry date and version number in footers	Company Secretary	Approved
4.3	14 May 2015	Annual review of Standing Orders only. Revisions to reflect changes in legislation.	Company Secretary	Draft
5.0	27 May 2015	Approved by Trust Board, with extended review date for SFIs to 30 September 2015	Company Secretary	Approved
6.0	24 June 2015	Foreword – revision of Health Act 2009 to Health and Social Care Act 2012 Section 2.4 – revision to wording to reflect most recent guidance available and Trust response. Section 4.18.2 – revision of Head of Communications to External Communications and Engagement Manager Insertion of Fit and Proper Persons requirement at section 8.4 Amendment to update reference 8.4 to 8.5 (as per insertion above) in section 15 – Scheme of	Company Secretary	Approved

Standing Orders and Standing Financial Instructions

		Delegation of Powers		
7.0	27 Jan 2016	Approved by Trust Board – no revision needed	Company Secretary	Approved
8.0	29 September 2017	Updating of appropriate SOD levels given the new LDU structures. Also included the addition of partnership agreements and commercial companies	Head of Financial Accounts and Treasury Management	Approved
9.0	November 2018	Updating of redundancy authority levels, confirming of asset revaluation periods, correction of all reference numbers and updating of titles and reference points	Head of Financial Accounts and Treasury Management	Approved