## EPSOM AND ST HELIER UNIVERSITY HOSPITALS NHS TRUST

### GOVERNANCE FRAMEWORK

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INTRODUCTION

Governance in the public sector is about how public service bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner.

Corporate Governance is about the way in which the organisation is led, directed and controlled.

This Governance Framework sets out the legal framework within which the trust was established and a high level statement of its role, responsibilities and the standards it upholds, how the trust board and board committees ensure its objectives are delivered within the regulatory framework and the controls in place to ensure it discharges its statutory responsibilities.

This framework has five main sections which are:

1. The trust's legal status and the role of the trust board
2. Committees of the board
3. Our principles and values
4. The systems of internal control
5. Independent control and regulation.

The detailed controls supporting these sections are set out in the appendices to this framework document – see Appendices A to G.

1. AUTHORITATIVE BODIES

1.1 Statutory authorisation

Epsom and St Helier National Health Service Trust is a statutory body established on 1st April 1999 under Statutory Instrument 1999 No. 848 (the Establishment Order) under the National Health Service and Community Care Act 1990.

Under section 5(1)(a) of the National Health Service and Community Care Act 1990 the trust was established for the purpose of assuming responsibility for the ownership and management of hospitals or other establishments or facilities previously managed by the Regional, District or Special Health Authorities and the trust's functions shall be to own and manage Epsom General Hospital, St Helier Hospital, associated establishments and facilities, hospital accommodation and community health services.

- the principal place of business of the trust is Epsom General Hospital, Dorking Road, Epsom, Surrey KT18 7EG and St Helier University Hospitals NHS Trust, Wrythe Lane, Carshalton, Surrey SM5 1AA

- NHS Trusts are governed by Act of Parliament, the National Health Service and Community Care Act 1990 as amended by the Health Authorities Act 1995, the Health Act 1999, the National Health Service Act 2006 and subsequent revisions to legislation

- As a statutory body, the trust has specified powers to contract in its own name and to act as a corporate trustee. In the latter role it is accountable to the Charity Commission for those funds deemed to be charitable as well as to the Secretary of State for Health
The NHS 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. Please see Appendix B and Appendix D for details of these.

Epsom and St Helier University Hospitals NHS Trust is a large acute trust providing a full range of secondary care services to people living in south west London and Surrey.

Our purpose is to provide high quality, safe, accessible and compassionate care to the people of Sutton, Surrey Downs, Merton and the surrounding areas and to be their healthcare provider of choice.

1.2 Trust Board

The membership of our Trust Board is constituted by the Chair, five voting executive directors and five voting non-executive directors. The Chair and non-executive directors are appointed by the NHS Trust Development Authority usually for a four year term. Executive Directors are appointed by the trust.

The purpose of NHS boards is to govern effectively and in doing so build patient, public and stakeholder confidence that their health and healthcare is in safe hands. This fundamental accountability to the public and stakeholders is delivered by building confidence:

- In the quality and safety of health services.
- That resources are invested in a way that delivers optimal health outcomes.
- In the accessibility and responsiveness of health services.
- That patients and the public can help to shape health services to meet their needs.
- That public money is spent in a way that is fair, efficient, effective and economic.
(Source: The Healthy NHS Board 2013– Principles of Good Governance)

The membership of our Trust Board is constituted by the Chair, five voting executive directors and five voting non-executive directors. The Chair and non-executive directors are appointed by the NHS Trust Development Authority usually for a four year term. Executive Directors are appointed by the trust.

Collectively members of the board share corporate responsibility for all decisions of the board. There is a clear division of responsibility between the chair and the chief executive; the chair’s role and board functions are set out below; the chief executive is directly accountable to the board for meeting their objectives, and as Accountable Officer, to the Chief Executive of the NHS for the performance of the organisation.

Purpose of the board:

- To exercise all the powers of the Trust on its behalf, as set out in its establishment order to provide goods and services - hospital accommodation and services and community health services - for the purposes of the health service. The Board may delegate any of those powers to a committee of the Board or to an Executive Director. The Chairman is accountable, through the NHS Trust Development Authority, to the Secretary of State for Health
To govern the organisation effectively and in doing so to build public and stakeholder confidence that their health and healthcare is in safe hands and ensure that the Trust is providing safe, high quality, patient-centred care.

- Setting the strategic direction of the trust and associated plans, agreeing the corporate objectives as part of the business planning cycle at the start of each financial year, and reviewing the Assurance Framework regularly through year
- Ensuring accountability by holding the organisation to account for the delivery of the strategy and through seeking assurance that systems of control are robust and reliable.
- Ensuring high standards of clinical and corporate governance
- Reviewing all dimensions of quality (safety, experience and outcomes) and performance against the NHS Constitutional and other contractual standards
- Overseeing financial stewardship
- Establishing the values of the Trust and promoting these in the way that the Board does business and interacts with the rest of the organisation and external stakeholders.

2. COMMITTEES OF THE BOARD

The figure below shows all the committees that report to the Trust Board and gives a brief overview of their purpose. Detailed terms of reference are shown in Appendix G.
2.1 Audit Committee

The primary purpose of the Audit Committee is to review the establishment and maintenance of an effective system of integrated governance, risk management and internal control that supports the achievement of the organisation’s objectives. The Committee shall also ensure that the systems for financial reporting to the Board, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the Board.

2.2 Patient Safety and Quality Committee

The purpose of this committee is to seek assurances that the quality of patient services is of the highest standard and reflects the three main dimensions of quality, those of patient safety, clinical effectiveness and patient experience as defined in the Trust’s Quality Strategy.

2.3 Trust Executive Committee

The Trust Executive Committee is an Executive only committee whose purpose is:
- to manage the clinical and non-clinical services on behalf of the Trust Board ensuring quality and safe services for patients
- resolve operational performance issues ensuring that the Trust operates safely, effectively and efficiently and in a patient focussed way
- be responsible for the delivery and performance management of financial issues
ESH/POL/29715

- set the direction of travel for the organisation through making major strategic and operational decisions not reserved to the Board and the proposing and refining of issues and recommendations on matters reserved to the Board
- ensure there is an effective business planning process in place.

It will also establish a sub-committee to provide assurance that clinical and operational scrutiny has been properly discharged and that all reports submitted to the board have been fully discussed and approved.

2.4 People and Organisational Development Committee
The purpose of this committee is to receive proposals for and oversee the development of the people and organisational development strategy and annual plans for delivering that strategy, for approval by the Board. To monitor progress with delivery of the workforce strategy and annual plan and advise the Board on progress. To identify areas of concern and ensure that relevant steps to remedy these are taken and that the Board is appraised.

2.5 Finance Committee
The purpose of the committee is to review the financial plans and performance of the trust, consider the financial implications of investments in commercial opportunities and business cases including tender proposals. The committee will also approve and monitor the trusts capital investment plans and make recommendations to the Trust Board.

2.6 Remuneration Committee
The purpose of the committee is to agree on behalf of the board the remuneration and terms of service of the Senior Executive Group of the trust, defined as the Chief Executive and those directors that report directly to the Chief Executive.

2.7 Charitable Funds Committee
The purpose of the committee is to manage charitable funds on behalf of the trust and in accordance with the Trustee Act 2000 and the Trustees Investment Act 1961.

Terms of reference for all of the above committees are included in Appendix G.

2.8 Epsom and St Helier strategy 2015-2020
The board agreed a 5-year strategy in March 2015 and committed to the following five objectives to ensure we provide high quality, compassionate care to all our patients:

- Deliver safe and effective care;
- Create a positive patient experience;
- Provide responsive care;
- Be financially sustainable; and,
- Work in partnership with our Clinical Commissioning Groups (CCGs) and other stakeholders.
3. PRINCIPLES AND VALUES

As a publicly funded body, the trust it is accountable to Parliament for the services it provides and for the effective and the economical use of taxpayers’ money.

The trust must demonstrate accountability, probity and openness in everything it does. In demonstrates these qualities in the following ways.

3.1 NHS code of conduct and accountability

The trust upholds the principles and standards of personal conduct for the effective and economical use of taxpayers’ money as set out in the NHS Code of Conduct and Code of Accountability in the NHS.

Details of these standards are available in Appendix E.

3.2 Nolan Principles on standards in public life

As a public body, the trust upholds the public service values set out in the Nolan Report (The First Report of the Nolan Committee on Standards in Public Life, 1995).

The seven Nolan principles are:

Selflessness
Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

Integrity
Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

Objectivity
In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability
Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

Openness
Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider
public interest clearly demands.

Honesty
Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership
Holders of public office should promote and support these principles by leadership and example.

3.3 Our trust values and behaviours

At the heart of our work is a set of beliefs - a set of values that we all believe in. Our values drive us to keep on improving the service we provide to our patients as well as their family and friends. It also guides the way in which we work together as staff and volunteers, and how we treat each other.

Working with staff from across our hospitals, the trust established its five values and published these in July 2013. These are:

- Putting the patient first
- Work as one team
- Respect each other
- Protect the environment
- Strive for continuous improvement

Behind these values, we have identified a set of behaviours – a set of simple examples that we see every day across our hospitals – that can help to highlight just how to put these into practice. The behaviours can be accessed via the trusts intranet: http://insight/staff/aboutus/values/index.html?tm=nhs_blue&si=Live
4. INTERNAL CONTROL

4.1 Overview

Internal control entails having in place processes and procedures which together ensure that the Trust is meeting its statutory obligations, is operating effectively, efficiently and safely and managing its risks.

There are two broad categories of internal processes and procedures which ensure the proper running of the Trust.

Firstly, there are those which provide a framework for the proper conduct of business:
- Responsible and Accountable Officers (Appendix A)
- Standing Orders (Appendix B)
- Reservation and Delegation of Powers (Appendix C)
- Standing Financial Instructions (Appendix D)
- Business Conduct – declarations of interest; gifts, hospitality and donations (Appendix E)
- Tendering Procedures (Appendix F)
- Committee terms of reference (Appendix G)
- Legal duties and compliances (Appendix H)

Board members and managers should be aware of the existence of these documents and, where appropriate, should be familiar with the detailed provisions. In particular, staff should pay attention to the detailed scheme of delegation (Reservation and Delegation of Powers - Appendix C) to ensure that actions they take are within their delegated authority.

Secondly, there are the internal processes and procedures which include the Risk Register and Board Assurance Framework (BAF). The Risk Management Strategy sets out the identification of risks on the Risk Register identified at department and directorate level and which are reported up to the Board depending on the level of severity.

The Board Assurance Framework is a method for:
- managing the principal risks to meeting the organisation’s corporate objectives
- providing evidence for the Annual Governance Statement
- informing the annual internal audit plan of areas which may require further assurances.

4.2 Board Assurance Framework

The Board Assurance Framework (BAF) provides a structure and process that enables the trust to focus on those risks that might compromise the achievement of its corporate objectives and to map the key controls that should be in place to manage those risks. The board will review whether it has gained sufficient assurance about the effectiveness of these controls.

The Trust Board agrees the corporate objectives as part of the annual business planning cycle at the start of each financial year. An Executive Director lead is assigned to each corporate objective and takes responsibility for:
- defining the risk to the achievement of each objective and setting an initial risk score, a current risk score and the risk appetite (using the trust risk scoring matrix) together with a brief rationale for each of these scores
- the key controls in place to address the risk
- the assurances provided to the board on the effectiveness of the controls
- any gaps in these assurances
- actions to address any gaps.

The board will review the progress in achievement of the corporate objectives quarterly. Risk appetite and the impact of risks will change during the course of the year and the BAF will reflect these changes.

4.3 Risk Management Strategy

Risk management is the identification, measurement, analysis, prioritisation and control of risk. Identified risks can be corporate (organisation-wide impact), clinical, non-clinical, financial or related to business planning, statutory compliance and/or service change.

Individual members of committees have key responsibilities for taking risk issues to appropriate forums at all levels in the organisation and to ensure that actions are planned and implemented by the relevant groups. They are also responsible for ensuring feedback is received by the identifying committee or group. The clinical and corporate Directorate Governance Groups report to the Clinical Quality and Assurance Committee (CQAC) and the Health, Safety and Risk Committee but are accountable to the Operational Management Group (OMG).

Risks to achieving the trust corporate objectives are identified and summarised in the trusts risk register, together with a risk score of their likelihood and consequence.

The trusts risk scoring matrix gives the likelihood of a risk a score of:
1 = rare – probably never happen/recur;
2 = unlikely – do not expect to happen/recur but possible it may do so
3 = possible – might happen or recur occasionally
4 = likely – will probably happen/recur but not a persisting issue
5 = almost certain – will undoubtedly happen/recur, possibly happen frequently

and a consequence score of:
1 = negligible
2 = minor
3 = moderate
4 = major
5 = catastrophic
Detailed examples of the likely consequences are set out on the risk scoring matrix.

The risk grading is summarised on the trust’s risk scoring matrix as:
1 - 3 = low risk
4 - 6 = moderate risk
8 - 12 = high risk
15 - 25 = extreme risk.

Please refer to the trust’s Risk Management Strategy on the trust intranet for details.

4.4 Annual Governance Statement
The Annual Governance Statement (AGS) forms part of the trusts Annual Report and Accounts. It is a statement signed by the trusts Accountable Officer to give assurance about the stewardship of the organisation and to supplement the annual accounts.

The AGS draws together position statements and evidence on both corporate and quality governance, risk management and control to provide a more coherent and consistent reporting mechanism.

The AGS is drafted by the Trust Secretary on behalf of the Chief Executive and internal assurance is sought through the Trust Executive Committee before being audited by the trusts external auditors. Once audited, it is considered by the Audit Committee at the time of approving all of the reports which form part of our annual accounts. The AGS will include a statement from the Head of Internal Audit as to his/her view of the effectiveness of the system of internal control.

Once reviewed and approved by the Audit Committee, signed original copies of the governance statement is sent to the Department of Health as part of the accounts submission process. A final copy of the signed governance statement is also submitted to the NHS TDA.
5. **INDEPENDENT CONTROL AND REGULATION**

5.1 **Internal Audit**

**Independence and objectivity**
Internal Audit is an independent and objective appraisal service which has no executive responsibilities within its line management structure. It pays particular attention to any aspects of risk management, control or governance affected by material changes to the trust’s risk environment, and is subject to Audit Committee approval.

An Internal Audit Charter sets out the purpose, authority and responsibility of the Internal Audit service provided by London Audit Consortium (LAC) and is consistent with the requirements of the Public Sector Internal Audit Standards, which replaced the NHS Internal Audit Standards from 1 April 2013.

Internal Audit derives its authority from the Board, the Accountable Officer and Audit Committee. The appointment of the trust’s internal audit service and its Head of Internal Audit is determined by the Audit Committee, on behalf of the Board. For administrative and operational purposes, the Head of Internal Audit reports to the Chief Finance Officer.

**Audit Scope**
The scope of Internal Audit encompasses the examination and evaluation of the adequacy and effectiveness of the organisation’s governance, risk management arrangements, system of internal control, and the quality of performance in carrying out assigned responsibilities to achieve the trust’s stated goals and objectives.
It includes:
- Reviewing the reliability and integrity of financial and operating information and the means used to identify measure, classify, and report such information;
- Reviewing the systems established to ensure compliance with policies, plans, procedures, laws, and regulations which could have a significant impact on operations;
- Reviewing the means of safeguarding assets and, as appropriate, verifying the existence of such assets;
- Reviewing and appraising the economy and efficiency with which resources are employed;
- Reviewing operations or programmes to ascertain whether results are consistent with the organisation’s objectives and goals and whether the operations or programmes are being carried out as planned;
- Reviewing specific operations at the request of the Audit Committee or management, as appropriate;
- Monitoring and evaluating the effectiveness of the organisation’s risk management system;
- Ensuring effective co-ordination, as appropriate, with external auditors;
- Reviewing the annual governance statement produced by senior management;
- Assessing the arrangements for promotion of appropriate ethics and values of the trust; and
- Evaluating the arrangements for countering fraud.

**Audit Reporting**
(i) Audit Reports
The Head of Internal Audit will produce a written report following the completion of all planned and ad hoc projects. He will prepare and agree with the Trust a protocol for undertaking the audit process, report clearance and communication issues.
(ii) Audit Progress Reports
The Head of Internal Audit will produce a progress report for every meeting of the Audit Committee. This will summarise current audit work and include summary details of the most recently cleared reports.

(iii) Head of Internal Audit Opinion Statement
The Head of Internal Audit will produce an annual Head of Internal Audit Opinion Statement compliant with Department of Health guidance. This will be issued to the CEO as Accountable Officer who will use the statement to assist in preparing the Annual Governance Statement (AGS). The Head of Internal Audit Opinion Statement will also be presented to the Audit Committee. The Head of Internal Audit should identify for this Committee any inconsistencies between this and the AGS.

(iv) Internal Audit Annual Report
The Head of Internal Audit will produce an Annual Report summarising the internal audit work carried out during the year including the level of completion of the Annual Internal Audit Plan, a statement of compliance with NHS Internal Audit Standards and the level of compliance with agreed Key Performance Indicators.

The Internal Audit Charter is reviewed and approved annually by the Audit Committee.

5.2 Counter Fraud and Corruption

Managing the risk of fraud is the responsibility of line management. The trust has a Counter Fraud and Corruption Policy and Procedures document which is available via the trust intranet and has an Annual Counter Fraud Plan in place approved by the Audit Committee. The Local Counter Fraud Specialist service is provided by London Audit Consortium.

The Local Counter Fraud Specialist (LCFS) holds regular update meetings with the Chief Finance Officer of the Trust, where the Local Counter Fraud work plan is considered and reviewed with regards to both reactive and proactive work.

The Audit Committee receives a regular report on the work of the Counter Fraud service in respect of attending and presenting at the monthly staff induction programme, placing prevention and deterrent articles in the trusts newsletter, it continues to work through payroll and creditor matches as part of the National Fraud Initiative, and reports on new and ongoing Counter Fraud investigations. The Counter Fraud service has instigated a programme of engagement and information briefings for staff on fraud prevention.

5.3 External Audit

The trust use the services of Grant Thornton UK LLP, an external audit practice appointed by the NHS Trust Development Authority (formerly the Audit Commission) to provide independent verification of the trust financial statements, give a Value for Money view of the use of public funds and audit the trusts Quality Account.
5.4 **NHS Trust Development Authority**
The TDA oversees NHS trusts and holds them to account across all aspects of their business, while providing them with support to improve services and ultimately achieve a sustainable organisational form. It manages the process of NHS trusts becoming foundation trusts.

5.5 **Care Quality Commission**
The Care Quality Commission regulates the quality of services provided by NHS trusts and through the Chief Inspector of Hospitals is the ultimate arbiter of the quality of care. The Chief Inspector judges the quality of services and identifies where improvement is needed.

5.6 **Health & Safety Executive**
Is the body responsible for the encouragement, regulation and enforcement of workplace health, safety and welfare, and for research into occupational risks in England and Wales and Scotland. As part of its work HSE investigates industrial accidents, small and large, including major incidents.

5.7 **NHS Litigation Authority**
It is responsible for handling negligence claims made against NHS bodies in England, on behalf of these bodies. In addition it has developed an active risk management programme to raise NHS standards and reduce incidence of negligence.

5.8 **NHS Constitution**
The Constitution establishes the principles and values of the NHS in England. It sets out rights to which patients, public and staff are entitled, and pledges which the NHS is committed to achieve, together with responsibilities, which the public, patients and staff owe to one another to ensure that the NHS operates fairly and effectively.

The seven key principles which guide the NHS in all it does are:

(i) The NHS provides a comprehensive service, available to all irrespective of gender, race, disability, age, sexual orientation, religion, belief, gender reassignment, pregnancy and maternity or marital or civil partnership status.

(ii) Access to NHS services is based on clinical need, not an individual’s ability to pay.

(iii) The NHS aspires to the highest standards of excellence and professionalism

(iv) The patient will be at the heart of everything the NHS does.

(v) The NHS works across organisational boundaries and in partnership with other organisations in the interest of patients, local communities and the wider population.

(vi) The NHS is committed to providing best value for taxpayers’ money and the most effective, fair and sustainable use of finite resources.

(vii) The NHS is accountable to the public, communities and patients that it serves.

**Our relationship with our Commissioners**
Commissioners play a key role across the NHS in setting the shape and pattern of services and
overseeing the delivery of services through their contractual relationship with NHS providers. The trust works closely with its local clinical commissioning groups and with NHS England at regional and national level both on the planning of services and on the day-to-day delivery of services in line with agreed contractual requirements.

**NHS England**
NHS England has a number of roles in addition to the direct commissioning of certain services. It oversees the budget, planning, delivery and day-to-day operation of the commissioning side of the NHS in England as set out in the Health and Social Care Act 2012. It holds the contracts for GPs and NHS dentists.

**5.9 Responsible and Accountable Officers**
The following positions in the trust are established either in statute or by regulation. Job descriptions for these roles are shown in Appendix A.

**Accountable Officer**
The Accountable Officer is the Chief Executive of the trust and is responsible for ensuring that the trust meets all its statutory and service obligations and for developing policies, plans and budgets, and their subsequent implementation. The Chief Executive leads an established management team and is responsible for all operating systems and controls.
The Accountable Officer is Daniel Elkeles, Chief Executive.

**Responsible Officer**
The Medical Profession (Responsible Officer) Regulations came into force on 1 January 2011 and were amended on 1 April 2013. The regulations require all designated bodies to nominate or appoint a responsible officer (RO).
The trust’s Responsible Officer is Dr Martin Stockwell.

**Caldicott Guardian**
The Caldicott Guardian is the trust’s senior person responsible for protecting the confidentiality of patient and service-user information and enabling appropriate information-sharing to other NHS and non-NHS organisations.
The trust’s Caldicott Guardian is Dr Martin Stockwell.

**Senior Information Risk Owner (SIRO)**
The Senior Information Risk Owner (SIRO) will be an Executive Director or Senior Management Board Member who will take overall ownership of the Organisation’s Information Governance Policy, act as champion for information governance on the board and provide written advice to the Accounting Officer on the content of the Organisation’s Statement of Internal Control in regard to information risk.
The trust’s SIRO is the Director of Strategy, Corporate Affairs and ICT.

**Accountable Officer for Controlled Drugs**
Following the conclusion of the Shipman Inquiry January 2005, new guidance was introduced with respect to controlled drug (CD) management. Each trust is required to have an Accountable
Officer for Controlled Drugs, and a Local Intelligence Network (LIN) to share intelligence regarding controlled drug use/misuse is required. The trusts Accountable Officer for Controlled Drugs is the Chief Nurse.

**Director of Infection Prevention and Control (DIPC)**

An individual with overall responsibility for infection control and accountable directly to the chief Executive and to the board. The trust’s DIPC is the Chief Nurse.

**Named lead for Safeguarding Adults**

To provide leadership in the development of Adult Protection Services and be the point of contact and advice in relation to Safeguarding Adults, Mental Capacity Act including Deprivation of Liberty. To work in close collaboration with the Learning Disability Teams in Sutton, Merton & Surrey to promote and support holistic working. The trusts lead is Jackie O’Neill.

**Named Nurse, Midwife and Doctor for Child Protection**

All NHS trusts should identify a named doctor and a named nurse (and a named midwife if the organisation provides maternity services) for safeguarding. Named professionals have a key role in promoting good professional practice within their organisation, providing advice and expertise for fellow professionals, and ensuring safeguarding training is in place. They work closely with their organisation’s safeguarding lead, designated professionals and the Local Safeguarding Children’s Board.
Appendix A:

JOB DESCRIPTIONS FOR RESPONSIBLE AND ACCOUNTABLE OFFICERS
EPSOM AND ST. HELIER UNIVERSITY HOSPITALS NHS TRUST

JOB DESCRIPTION

JOB TITLE: Chief Executive

ACCOUNTABLE TO: Chair/Board

CONTEXT AND JOB PURPOSE

Epsom and St Helier NHS Trust provide healthcare and emergency services for the population of Sutton, Merton and Mid Surrey.

The Trust comprises two main district general hospitals, at Epsom and St Helier and also runs services from Sutton Hospital and in a number of other settings in the community.

The Chief Executive is responsible to the Chairman and the Board for the overall management of the Trust and its operations on a day-to-day basis.

As Accountable Officer they are responsible for ensuring that the Trust meets all its statutory and service obligations and for developing policies, plans and budgets, and their subsequent implementation. The Chief Executive leads an established management team and is responsible for all operating systems and controls.

KEY ACCOUNTABILITIES

• Act as the Accountable Officer responsible for the overall high performance of the Trust. The Trust sets high standards of performance and the Chief Executive must demonstrate this in their work.

• Ensuring that the financial management of the hospital is robust and complies with all statutory requirements and standards and enables the Trust to achieve recurring financial balance.

• Build upon existing relationships with external partners. These relations will be with the local health economy, local Members of Parliament, Ministers, the wider NHS, and other statutory and voluntary organisations.

• Work in partnership with NHS Sutton CCG and NHS Surrey Downs CCG, the local practice-based commissioners and local GPs to attain and remain preferred partner status.
• Working with the executive and clinical teams and external bodies to develop a common understanding of, and support for, the vision and strategic aims of the Trust.

• Working with the Trust Board to agree the objectives of the Trust and ensuring these are clearly and consistently communicated both internally and externally.

• Working with executive colleagues to ensure the highest standards of patient care, service and operational performance.

• Working closely with the Chair and other Directors to ensure the development of the Trust's clinical and managerial leaders.

• With staff and educational partners to develop a culture where increasing focus is placed on caring for patients and staff, and in which lifelong learning is encouraged.

• Ensuring that the requirements of clinical governance and risk management are maintained effectively within the hospital to meet national requirements and standards.

• Preparing plans for the development of services in line with the agreed Trust/whole systems strategy, and with the evolving NHS agenda, and – once agreed – ensure their efficient implementation.

• Building a strong external image for the hospital and create opportunities to enhance the profile of the Trust and its services.

• Building on and developing existing partnerships with community and voluntary groups, NHS England Area and Regional teams, neighbouring trusts, teaching bodies and other external contacts.

This outline job description reflects the present requirements of the post and is not intended to be an exhaustive list. It will be reviewed and subject to amendment in consultation with the post holder.
**JOB DESCRIPTION**

**Job Title:** Responsible Officer

**Responsible to:** Chief Executive

**Professionally accountable to:** The General Medical Council for his or her ethics and decision making.

**Hours:** To be confirmed

**Duration:** To be agreed

**Salary:** Additional remuneration or time in lieu may be agreed by the organisation.

1. **REVALIDATION**
   The three core components of revalidation are to improve:

   - **Patient safety** by ensuring that doctors are maintaining and raising further professional standards
   - **Effectiveness of care** by supporting a professional ethos to improve further the effectiveness of clinical care
   - **Patient experience** by ensuring that patients’ views are integral to evaluations of a doctor’s fitness to practise

2. **JOB PURPOSE AND SUMMARY**
   - To ensure that the doctors employed by the Trust take part in annual appraisals
   - To establish and implement procedures to investigate concerns about a doctor’s fitness to practise raised by patients or staff of the trust or arising from another source, in line with Maintaining High Professional Standards in the NHS
   - Where appropriate, to refer concerns about a doctor to the General Medical Council
   - Where a doctor employed by the Trust is subject to conditions imposed by or undertakings agreed with the GMC, to monitor compliance with those conditions
   - To make recommendations to the GMC about the fitness to practise of doctors employed by the Trust
   - To maintain secure records of doctors’ fitness to practise evaluations including appraisals and any other investigations or assessments

3. **OVERALL DUTIES AND RESPONSIBILITIES**
   - To maintain a list of doctors for whom the RO is responsible
   - To ensure there is an integrated system for monitoring doctors’ performance, recognising good practice and encouraging and supporting development and learning that is closely linked with the Trust clinical governance structures and processes
   - To ensure that effective systems and processes for doctors’ appraisal are in place
• To ensure appropriate action is taken to remedy identified areas of weakness in doctors’ performance
• To ensure doctors have qualifications and experience appropriate to the work to be performed and that appropriate references are obtained and checked
• To ensure doctors’ performance and conduct is monitored
• To ensure that appropriate timely action is taken when concerns about doctors’ performance or conduct are identified

4. KEY WORKING RELATIONSHIPS
• Chief Executive and Board members
• Clinical Directors
• Clinical governance lead
• Patient Safety lead
• Medical Staffing manager
• Relevant Human Resources staff
• Information analysts/managers
• Appraisal co-ordinator

5. EXTERNAL RELATIONSHIPS
• General Medical Council (GMC)
• National Clinical Assessment Service (NCAS)
• Royal Colleges
• Responsible Officer Support Network
• Service commissioners (GP consortia)
• NHS Trust Development Authority

6. OTHER DUTIES AND RESPONSIBILITIES

6.1 Appraisals:

The RO must ensure that doctors obtain and include all relevant supporting information for their appraisals, including that advised by the GMC and by the relevant Royal College or specialty association. The RO should ensure that information held by the Trust about doctors’ performance is shared with them in a timely manner to contribute usefully to their appraisals. This information includes data from reported adverse incidents, complaints and litigation as well as any monitoring data the Trust holds on doctors’ efficiency and effectiveness. The RO should ensure that doctors understand their personal responsibility to bring information about all their areas of practice (including those outside the Trust and outside the NHS) to their appraisal.

6.2 Contracts of employment

The RO must ensure that:
Doctors have qualifications and experience appropriate to the work to be performed
appropriate references are obtained and checked necessary steps are taken to verify the identify
and registration status of doctors accurate records are kept of all steps taken in accordance with
the above.

6.3 Conduct and performance
In relation to monitoring doctors’ conduct and performance the RO must:

- Regularly review the general performance information held by the Trust, including clinical indicators relating to outcomes to patients
- Identify any concerns or issues arising from that information relating to doctors' performance
- Ensure that the Trust takes steps to address any such issues

6.4 Responding to concerns: In relation to ensuring that appropriate action is taken in response to concerns about doctors’ conduct or performance, the RO must:

- Initiate investigations with appropriately qualified investigators in line with Trust policy on Handling Concerns about Doctors’ performance
- Ensure that procedures are in place to address concerns raised by patients or staff of the organisation or arising from another source
- Ensure that any investigation into the conduct or performance of a doctor takes into account any other relevant matters within the organisation. Ensure that you don’t deal with things in isolation – pick up information in other areas of organisation.
- Consider the need for further monitoring of the doctor’s conduct and performance and ensure that this takes place where appropriate
- Ensure that a doctor who is subject to procedures under this paragraph is kept informed about the process of the investigation
- Ensure that procedures under this paragraph include provision for the doctor’s comments to be sought and taken into account where appropriate
- Take any necessary steps to protect patients in line with Maintaining High Professional Standards in the NHS
- Where necessary, and as a neutral act, impose restrictions on a doctor’s practice, or temporary exclusion while an investigation is undertaken. Advice should always be taken from NCAS before exclusion of a doctor.
- Where concerns are substantiated, ensure that appropriate measures are taken to address these, including but not limited to:
  - Requiring the doctor to undergo training or retraining
  - Offering rehabilitation services
  - Providing opportunities to increase the doctor’s work experience
  - Addressing any systemic issues within the organisation which may have contributed to the concerns identified
  - Maintaining accurate records of all steps taken in accordance with the above.
  When concerns are identified relating to systemic issues within the organisation as a whole, the RO must raise risks through corporate risk monitoring process

6.5 Conflicts of interest

It is essential to ensure that there are checks and balances on the decision-making of the RO and of appraisers so that where there is a potential conflict of interest that may sway the process, and thereby potentially cause harm to patients, that this is recognised and made explicit and that other arrangements are put in place. For example, if there is a conflict of interest an RO from another organisation may be sought to handle the evaluation of fitness to practise of the doctor concerned.

2. REQUIREMENTS FOR THE POST
The individual

The RO must be a doctor in the consultant grade and:

- The person must at the time of appointment, have been a medical practitioner throughout the previous 5 years and for this purpose ‘medical practitioner means a person who was fully registered under the Act
- The RO must continue to be a doctor in order to remain as a Responsible Officer.

Support

While it is primarily the responsibility of individual doctors to collect the supporting information that they need for their appraisal, it is likely that in most organisations the resource required to collect and deliver to individual doctors relevant information that the Trust holds about them will be significantly greater than it was for old-style appraisal before the introduction of revalidation. The Trust should ensure that the RO has appropriate support for this.

7. EDUCATION AND TRAINING

7.1 The RO will need to undergo initial and on-going education and training, however initial interventions will vary according to the needs of the individual. The organisation will ensure that their RO is facilitated to take part in peer networking and other forms of learning and support, including periodic formal assessment of their performance in the role as it feeds into their own appraisal. This will be supported by the London Responsible Officers’ Network. The post holder is therefore required to attend such training sessions as appropriate to meet the needs identified.

7.2 The RO will need to ensure that those appraising consultants have the appropriate experience and training to do so, and to ensure through regular audit that doctors’ appraisal is being carried out effectively. The RO will also need to ensure that doctors in the Trust understand the relationship between appraisal and revalidation, and receive appropriate education regarding how to make their appraisal effective and successful.

8. COMPETENCIES OF THE RESPONSIBLE OFFICER

Recommended competencies are aligned with competency frameworks for medical management, appraisers and appraiser trainers in England:

- Communication
- Managing the process of medical revalidation, appraisal, quality assurance of appraisers, remediation, mediation, negotiation, investigation and rehabilitation, dealing with colleagues about whom there is concern
- Knowledge of regulation and the law as it relates to medical revalidation and of the specific underpinning processes. Understanding of principles of natural justice and the legal process, accountability and governance
- Maintaining the knowledge and skills needed for the role, consistency, rigour and accountability
ESH/POL/29715

- Strategic responsibilities of the RO, building and maintaining external relationships accessing the organisation’s resources
- Clinical governance, quality improvement and quality assurance of systems underpinning revalidation, information flows.
- High level of understanding of equality and diversity

9. TRUST POLICIES

It is expected that the RO will adhere to all relevant local policies which may apply to the role of Responsible Officer.

Source: NHS England
JOB DESCRIPTION

JOB TITLE: CALDICOTT GUARDIAN

ACCOUNTABLE TO: CHIEF EXECUTIVE

JOB SUMMARY:

The appointment of a Caldicott Guardian was one of the recommendations of the Caldicott Report published in December 1997. The role of the guardian is to safeguard and govern uses made of patient information within the Trust, as well as data flows to other NHS and non-NHS organisations. Caldicott Guardianship is a key component of broader information governance.

The Guardian is responsible for the establishment of procedures governing access to, and the use of, person-identifiable patient information and, where appropriate, the transfer of that information to other bodies.

In addition to the principles developed in the Caldicott Report, the Guardian must also take account of the codes of conduct provided by professional bodies, and guidance on the Protection and Use of Patient Information and on IM&T security disseminated by the Department of Health, including the NHS Confidentiality Code of Practice.

WORKING RELATIONSHIPS

The Caldicott Guardian will be expected to liaise and work with service users and the Trust Board in the course of promoting the Caldicott principles, which will include attendance at various meetings as appropriate.

The Caldicott Guardian is a member of the Trust’s Information Governance Committee and works closely with records management, HR, ICT, and other colleagues from work areas represented on that group.

Through an established network of NHS representatives, the Caldicott Guardian also contributes to the peer review and interpretation of local or national confidentiality issues and the development of standards throughout the local health and social care community and partner organisations.

The Caldicott Guardian is supported by the Head of Information Security.

KEY TASKS

1. PRODUCTION OF PROCEDURES, GUIDELINES AND PROTOCOLS

   1. To oversee development and implementation of procedures that ensure that all routine uses of person-identifiable patient information are identified, agreed as being justified and documented.
To oversee development and implementation of criteria and a process for dealing with ad hoc requests for person-identifiable patient information for non-clinical purposes.

To ensure standard procedures and protocols are in place to govern access to person-identifiable patient information.

To work with the colleagues to ensure protocols for releasing information for research and audit are in line with applicable information governance standards.

To understand and apply the principles of confidentiality and data protection as set out in the DH publication ‘Confidentiality: NHS Code of Practice, and, where current practice falls short of that required, to agree challenging and achievable improvement plans.

2 INFORMATION FOR STAFF

To ensure standard information governance procedures and protocols are in an understandable format and available to staff.

To ensure awareness, through training and education, of the standards of good information governance practice and Caldicott principles, and that they are understood and adhered to.

3 INFORMATION SHARING TO SUPPORT CARE

To work with other care providers and linked agencies to facilitate better sharing of relevant information about patients, in a manner that facilitates joined-up care across institutional boundaries while ensuring that patients’ legal rights and the Caldicott Principles are maintained.

To that end, ensure establishment of Information Sharing Protocols, in line with guidance provided by the Department of Health, to govern the use and sharing of patient-identifiable information between organisations both within and outside the NHS.

In collaboration with the Head of Information Security to draw to the attention of all staff through raising general awareness (Trust wide email bulletins, Team Brief, My News and any other suitable means at disposal) correct practices in relation to person identifiable patient information, following specific incidents where procedures, guidelines and protocols have been breached by staff.

4 STRATEGIC

To ensure that the Trust, in its development of strategy and process to implement the various elements of Connecting for Health, especially the National Care Record Service (NCRS), maintains its compliance with Caldicott Principles and other relevant legislation.

Specifically this will include, but not be limited to:

• Advising on staff registration and authentication processes
• Assignment of appropriate role profiles to staff
• Advising on workgroup construction for access control purposes
• Ensuring that confidentiality alerts and audit trail monitoring are effectively managed
4.3 To keep abreast of developments within *Connecting for Health*, and in particular the opportunities for safeguarding patient information through promoting use of anonymised or coded data obtained via the Secondary Uses Service (SUS).

5. REPORTING

5.1 In collaboration with the Confidentiality and IM&T Security Officer, to draw to the attention of the relevant manager any occasion where the appropriate

5.2 To raise concerns about any inappropriate uses made of patient information with the Medical Director and/or Chief Executive where necessary.

5.3 On an annual basis, to participate in the Information Governance Toolkit Assessment (adherence to the standards are included in the Trust’s performance ratings).

5.4 Also on an annual basis, to formally report to the Board or board committee the Trust’s performance against the whole IG agenda, making recommendations for further improvement where appropriate.

Source: Health & Social Care Information
**Job Title:**  Senior Information Risk Owner (SIRO)

**Responsible to:**  Chief Executive

**JOB SUMMARY**

The Senior Information Risk Owner (SIRO) will be an Executive Director or Senior Management Board Member who will take overall ownership of the Organisation’s Information Governance Policy, act as champion for information governance on the board and provide written advice to the Accounting Officer on the content of the Organisation’s Statement of Internal Control in regard to information risk.

The SIRO is expected to understand how the strategic business goals of the organisation and how other NHS Organisations’ business goals may be impacted by information risks, and how those risks may be managed.

The SIRO will implement and lead the NHS Information Governance (IG) risk assessment and management processes within the organisation and advise the board on the effectiveness of information risk management across the organisation.

The SIRO shall receive training as necessary to ensure they remain effective in their role as Senior Information Risk Officer.

**KEY RELATIONSHIPS**

Within the Organisation:
- Chief Executive and other Board members
- Risk Management Board
- Information Governance lead
- Information Asset Owners
- Risk Managers
- Information Security Manager
- Programme Managers, Technical Architects
- Health Records Manager
- Caldicott Guardian, although ownership of the Information Governance Policy and risk assessment processes will remain with the SIRO.

Regularly has contact with:
- Chief Executives, other Senior Information Risk Owners, Caldicott Guardians and Information Governance leads of Dept of Health and other NHS organisations

**KEY RESPONSIBILITIES**

1. **Policy and process**
   - Oversee the development of an Information Governance Policy. This should include a strategy for implementing the policy within the existing Information Governance Assurance Framework and be compliant with NHS IG policy, standards and methods.
• Take ownership of the assessment processes for information risk, including prioritisation of risks and review of the annual information risk assessment to support and inform the Statement of Internal Control.

• Ensure that the Board and the Accountable Officer are kept up to date and briefed on all information risk issues affecting the organisation and its business partners.

• Review and agree actions in respect of identified information risks.

• Ensure that the Organisation’s approach to information risk is effective in terms of resource, commitment and execution, being appropriately communicated to all staff.

• Provide a focal point for the escalation, resolution and/or discussion of information risk issues.

• Ensure that an effective infrastructure is in place to support the role by developing a simple Information Assurance governance structure, with clear lines of Information Asset ownership and reporting with well-defined roles and responsibilities

2. **Incident Management**

• Ensure that identified information threats and vulnerabilities are followed up for risk mitigation, and that perceived or actual information incidents are managed in accordance with NHS IG requirements.

• To ensure that there are effective mechanisms in place for reporting and managing Serious Untoward Incidents (SUIs) relating to the information of the Organisation. These mechanisms should accommodate technical, operational or procedural improvements arising from lessons learnt.

3. **Leadership**

• Provide leadership for Information Asset Owners (IAOs) of the Organisation through effective networking structures, sharing of relevant experience, provision of training and creation of information risk reporting structures.

• Advise the Board on the level of Information Risk Management performance within the Organisation, including potential cost reductions and process improvements arising etc

**TRAINING**

The SIRO will be required to undertake information risk management training at least annually to be able to demonstrate their skills and capabilities are up to date and relevant to the needs of the organisation.

**Source:** Health & Social Care Information Centre
Overview of the role of the Controlled Drugs Accountable Officer

Duties to secure safe management and use of controlled drugs

To be eligible to carry out the role of accountable officer, a person must be a senior manager of their organisation. They should not routinely supply or handle controlled drugs themselves as part of their duties as an employee or officer. The Controlled Drugs Accountable Officer (CDAO) of the trust must establish and put in place appropriate arrangements for securing the safe management and use of controlled drugs and ensure that the trust reviews those arrangements.

Details of the accountable officer’s role and responsibilities are covered by The Controlled Drugs (Supervision of Management and Use) Regulations 2013 which can be accessed via http://www.legislation.gov.uk/uksi/2013/373/pdfs/uksi_20130373_en.pdf

A CDAO of a provider body must establish and operate appropriate arrangements for securing the safe management and use of CDs and to review them as appropriate. In general, the CDAO has a variety of duties and functions such as to:
- ensure the safe and effective use and management of CDs within their own organisations and by anybody or person providing services to their organisation;
- ensure monitoring and auditing of the management and use of CDs;
- maintain a record of concerns regarding relevant individuals;
- assess and investigate concerns;
- take appropriate action if there are well-founded concerns;
- establish arrangements for sharing information;
- produce quarterly reports of CD occurrences for the lead NHSCB or HB CDAO;
- ensure adequate and up to date standard operating procedures (SOPs) are in place in relation to the management and use of CDs;
- ensure relevant individuals receive appropriate information, education or training; and
- ensure adequate destruction and disposal arrangements for CDs.

Responsibilities of the board

Each trust board must have a mechanism for ensuring that the post of AO remains appropriately filled at all times. The Accountable Officer (AO) for Epsom and St Helier University Hospitals NHS Trust is the Chief Nurse. Guidance on the role of the AO is provided and the AO is required to undertake training to support them in their role.

Controlled drug designated bodies (CDDB) must ensure that if their AO is changed, they have notified the Care Quality Commission of all the appropriate details. A check should be made by the CDDB every quarter to ensure that the AO recorded in the register is the current AO. The Trust Secretary is responsible for ensuring this check is made.

Prior to the newly appointed Chief Nurse taking up post in May 2015 the AO role will be covered in the interim by Carole Webster, Deputy Chief Nurse.

In 2012 the AO was also nominated as the responsible officer for ensuring compliance with the requirements of the Home Office license held by the trusts Chemical Pathology Service. This license is required to hold Schedule 1 to 4 CDs to allow for standardisation of tests for the toxicology service which is beyond the scope of the standard NHS exemption.
Prior to the newly appointed Chief Nurse taking up post in May 2015 the responsible officer for the Home Office license held by the Chemical Pathology Service was covered by Jackie Sullivan, Chief Operating Officer. This licence was relinquished in July 2015 as all drugs were disposed of when the toxicology service was outsourced.
Director of Infection Prevention and Control

The role of the DIPC in the trust is to:

• be accountable directly to the chief executive and to the board (but not necessarily a member of the board);
• be responsible for the organisation's infection prevention and control team (IPT) or infection control team
• oversee local prevention and control of infection policies and their implementation;
• be a full member of the ICT and regularly attend its infection prevention and control meetings;
• report directly to the board and, in non-NHS care settings, the registered provider;
• have the authority to challenge inappropriate practice and inappropriate antibiotic prescribing decisions;
• assess the impact of all existing and new policies on infections and make recommendations for change;
• be an integral member of the organisation's clinical governance and patient safety teams and structures; and
• produce an annual report and release it publicly.

Source: The Health and Social Care Act 2008
Code of Practice on the prevention and control of infections and related guidance.
Safeguarding Adults lead
To provide leadership in the development of Adult Protection Services across Epsom and St. Helier Trust, maintaining a high profile in vulnerable areas. To be a point of contact and advice in relation to Safeguarding Adults, Mental Capacity Act including Deprivation of Liberty. To work in close collaboration with the Learning Disability Teams in Sutton, Merton & Surrey to promote and support holistic working.

Named Nurse, Midwife and Doctor for Child Protection
All NHS trusts should identify a named doctor and a named nurse (and a named midwife if the organisation provides maternity services) for safeguarding.
Named professionals have a key role in promoting good professional practice within their organisation, providing advice and expertise for fellow professionals, and ensuring safeguarding training is in place. They work closely with their organisation’s safeguarding lead, designated professionals and the Local Safeguarding Children’s Board.

Detailed job descriptions for these designated and named professional roles can be found in the intercollegiate document:
Safeguarding Children and Young People: roles and competences for health care staff
Appendix B:

STANDING ORDERS
# STANDING ORDERS

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SECTION A

INTERPRETATION AND DEFINITIONS FOR STANDING ORDERS AND STANDING FINANCIAL INSTRUCTIONS

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 or Secretary to the Board).

2. Any expression to which a meaning is given in the National Health Service Act 1977, National Health Service and Community Care Act 1990 and other Acts 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:

3. "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.

4. "Trust" means the Epsom and St Helier University Hospitals NHS Trust.

5. "Board" means the Chairman, officer and non-officer members of the Trust collectively as a body.

6. "Budget" means a resource, expressed in financial terms, proposed by the Board for the purpose of carrying out, for a specific period, any or all of the functions of the Trust.

7. "Budget holder" means the director or employee with delegated authority to manage finances (Income and Expenditure) for a specific area of the organisation.

8. "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.

9. "Chief Executive" means the chief officer of the Trust.

10. “Patient Safety and Quality Committee" means a committee whose functions are concerned with the arrangements for the purpose of monitoring and improving the quality of healthcare for which the Trust has responsibility.

11. "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.

12. "Committee" means a committee or sub-committee created and appointed by the Trust.

13. "Committee members" means persons formally appointed by the Board to sit on or to chair specific committees.
14. "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.

15. "Director of Finance" means the Chief Financial Officer of the Trust.

16. "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.

17. "Member" means officer or non-officer member of the Board as the context permits. Member in relation to the Board does not include its Chairman.

18. "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.


20. "Nominated officer" means an officer charged with the responsibility for discharging specific tasks within Standing Orders and Standing Financial Instructions.

21. "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.

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

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).

24. "Secretary" means a 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.


27. "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.
SECTION B – STANDING ORDERS

INTRODUCTION

Statutory Framework

28. The Epsom and St Helier University Hospitals NHS Trust (the Trust) is a statutory body which came into existence with the name of The Epsom and St Helier National Health Service Trust on 1 April 1999 under The (Establishment) Order 1999 No. 848. The Name of the Trust was changed to The Epsom and St Helier University Hospitals National Health Service Trust on 20 June 2003 under the (Change of Name) Amendment Order 2003 No. 1500.

29. The principal places of business of the Trust are Epsom General Hospital, Dorking Road, Epsom, Surrey KT18 7EG and St Helier Hospital, Wrythe Lane, Carshalton, Surrey SM5 1AA.


31. The functions of the Trust are conferred by this legislation.

32. As a statutory body, the Trust has specified powers to contract in its own name and to act as a corporate trustee. In the latter role it is accountable to the Charity Commission for those funds deemed to be charitable as well as to the Secretary of State for Health.

33. The Trust also has statutory powers under Section 28A of the NHS Act 1977, as amended by the Health Act 1999, to fund projects jointly planned with local authorities, voluntary organisations and other bodies.

34. 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.

35. The Trust will also be bound by such other statutes and legal provisions which govern the conduct of its affairs.

NHS Framework

36. 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.

37. The Code of Accountability requires that, inter alia, Boards draw up a schedule of decisions reserved to the Board, and ensure that management arrangements are in place to enable responsibility to be clearly delegated to senior executives (a scheme of delegation). 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.
38. The Code of Practice on Openness in the NHS sets out the requirements for public access to information on the NHS.

Delegation of Powers

39. 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 5) 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 4 or by an officer of the Trust, in each case subject to such restrictions and conditions as the Trust thinks fit or as the Secretary of State may direct". Delegated Powers are covered in a separate document (Reservation of Powers to the Board and Delegation of Powers). (See Section 1.8 and Appendix 2 of the Corporate Governance Framework Manual.) This document has effect as if incorporated into the Standing Orders. Delegated Powers are covered in a separate document entitled – ‘Schedule of Matters reserved to the Board and Scheme of Delegation’ and have effect as if incorporated into the Standing Orders and Standing Financial Instructions.

Integrated Governance

40. Trust Boards are now encouraged to move away from silo governance and develop integrated governance that will lead to good governance and to ensure that decision-making is informed by intelligent information covering the full range of corporate, financial, clinical, information and research governance. Guidance from the Department of Health on the move toward and implementation of integrated governance has been issued and will be incorporated in the Trust’s Governance Strategy (see Integrated Governance Handbook 2006). Integrated governance will better enable the Board to take a holistic view of the organisation and its capacity to meet its legal and statutory requirements and clinical, quality and financial objectives.

THE TRUST BOARD: COMPOSITION OF MEMBERSHIP, TENURE AND ROLE OF MEMBERS

Composition of the Membership of the Trust Board

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

(1) The Chairman of the Trust (Appointed by the NHS Appointments Commission);

(2) Up to 5 non-officer members (appointed by the NHS Appointments Commission);

(3) Up to 5 officer members (but not exceeding the number of non-officer members) including:

• the Chief Executive;
• the Director of Finance;
Additional members are:
- Medical Director
- Director of Nursing and Care Standards
- Director of Clinical Operations

42. The Trust shall have not more than 11 and not less than 8 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).

**Appointment of Chairman and Members of the Trust**

43. Appointment of the Chairman and Members of the Trust - Paragraph 4 of Schedule 5A to the 1977 Act, as inserted by the Health Act 1999, 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.

**Terms of Office of the Chairman and Members**

44. 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.

**Appointment and Powers of Vice-Chairman**

45. Subject to Standing Order 2.4 (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.

46. 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 2.4 (1).

47. 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.

**Joint Members**

48. 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 2.1 as one person.
49. Where the office of a member of the Board is shared jointly by more than one person:

(a) either or both of those persons may attend or take part in meetings of the Board;

(b) if both are present at a meeting they should cast one vote if they agree;

(c) in the case of disagreements no vote should be cast;

(d) the presence of either or both of those persons should count as the presence of one person for the purposes of Standing Order 3.11 Quorum.

**Patient and Public Involvement Forum**

50. Every NHS Trust in England is required to establish a Patient and Public Involvement Forum. The rules governing the establishment and functioning of such a forum are contained in The Patients’ Forums (Membership and Procedure) Regulations 2003 and The Patients’ Forums (Functions) Regulations 2003.

**Role of Members**

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

(1) **Executive Members**

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

(2) **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.

(3) **Director of Finance**

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

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

(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.

**Corporate role of the Board**

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

53. All funds received in trust shall be held in the name of the Trust as corporate trustee.

54. 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. 3.

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

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

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

**Lead Roles for Board Members**

57. 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.).

MEETINGS OF THE TRUST

Calling meetings

58. Ordinary meetings of the Board shall be held at regular intervals at such times and places as the Board may determine.

59. The Chairman of the Trust may call a meeting of the Board at any time.

60. 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.

61. Notices of meetings, agendas and supporting papers shall be delivered electronically to the member’s usual email address provided for that purpose. Hard copies of agendas and supporting papers will follow to the work address or normal place of residence where requested by members.

Notice of Meetings and the Business to be transacted

62. Before each meeting of the Board a written notice specifying the business proposed to be transacted shall be delivered to every member electronically to the usual email address, 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. Want of service of such a notice on any member shall not affect the validity of a meeting.

63. 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.

64. No business shall be transacted at the meeting other than that specified on the agenda, or emergency motions allowed under Standing Order 3.6.

65. A member desiring a matter to be included on an agenda shall make his/her request in writing to the Chairman at least 15 clear days before the meeting. The request should state whether the item of business is proposed to be transacted in the presence of the public and should include appropriate supporting information. Requests made less than 15 days before a meeting may be included on the agenda at the discretion of the Chairman.

66. 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)).

Agenda and Supporting Papers
67. The Agenda will be sent to members 6 calendar 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.

Petitions

68. Where a petition has been received by the Trust (i.e. sent directly to the Chairman of the Board) the Chairman shall include the petition as an item for the agenda of the next meeting.

Notice of Motion

69. Subject to the provision of Standing Orders 3.7 ‘Motions: Procedure at and during a meeting’ and 3.8 ‘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.

70. The notice shall be delivered at least 15 clear days before the meeting. The Chief Executive shall include in the agenda for the meeting all notices so received that are in order and permissible under governing regulations. This Standing Order shall not prevent any motion being withdrawn or moved without notice on any business mentioned on the agenda for the meeting.

Emergency Motions

71. Subject to the agreement of the Chairman, and subject also to the provision of Standing Order 3.7 ‘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.

Motions: Procedure at and during a meeting

Who may propose

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

Contents of motions

73. 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:

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

Amendments to motions

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

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

76. 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.

Rights of reply to motions

Amendments

77. 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.

Substantive/original motion

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

Withdrawing a motion

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

Motions once under debate

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

- an amendment to the motion;
- the adjournment of the discussion, or the meeting;
- that the meeting proceed to the next business;
- that the question should be now put;
- the appointment of an 'ad hoc' committee to deal with a specific item of business;
- that a member/director be not further heard;
- a motion under Section I (2) or Section I (8) of the Public Bodies (Admissions to Meetings) Act 1960 resolving to exclude the public, including the press (see Standing Order 3.17).
81. 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.

82. 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.

Motion to Rescind a Resolution

83. 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.

84. 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.

Chairman of meeting

85. 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.

86. 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.

Chairman’s ruling

87. 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.

Quorum

88. 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.

89. An Officer in attendance for an Executive Director (Officer Member) but without formal acting up status may not count towards the quorum.

90. 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.7) that person shall no longer count towards the quorum.
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.

Voting

91. Save as provided in Standing Orders 3.13 - Suspension of Standing Orders and 3.14 - 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 (ie: the Chairman of the meeting shall have a second, and casting vote.

92. 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.

93. 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).

94. If a member so requests, their vote shall be recorded by name.

95. In no circumstances may an absent member vote by proxy. Absence is defined as being absent at the time of the vote.

96. A manager who has been formally appointed to act up for an Officer Member during a period of incapacity or temporarily to fill an Executive Director vacancy shall be entitled to exercise the voting rights of the Officer Member.

97. 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.

98. For the voting rules relating to joint members see Standing Order 2.5.

Suspension of Standing Orders

99. 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 3.11), 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.

100. 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.
101. No formal business may be transacted while Standing Orders are suspended.

102. The Audit Committee shall review every decision to suspend Standing Orders.

**Variation and amendment of Standing Orders**

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

- upon a notice of motion under Standing Order 3.5;
- upon a recommendation of the Chairman or Chief Executive included on the agenda for the meeting;
- 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;
- providing that any variation or amendment does not contravene a statutory provision or direction made by the Secretary of State.

**Record of Attendance**

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

**Minutes**

105. 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.

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

**Admission of public and the press**

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

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

- '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

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

108. 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.

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

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

110. 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.

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

111. 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.

Observers at Trust meetings

112. 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.
APPOINTMENT OF COMMITTEES AND SUB-COMMITTEES

Appointment of Committees

113. Subject to such directions as may be given by the Secretary of State for Health, the Trust Board may appoint committees of the Trust.

114. The Trust shall determine the membership and terms of reference of committees and sub-committees and shall if it requires to, receive and consider reports of such committees.

Joint Committees

115. Joint committees may be appointed by the Trust by joining together with one or more other commissioner or provider, 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.

116. 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-committees consisting wholly or partly of members of the committees or joint committee (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.

Applicability of Standing Orders and Standing Financial Instructions to Committees

117. 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 committee 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.)

Terms of Reference

118. 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.

Delegation of powers by Committees to Sub-Committees

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

Approval of Appointments to Committees
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.

**Appointments for Statutory functions**

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

**Committees established by the Trust Board**

The committees, sub-committees, and joint-committees established by the Board are:

**Audit Committee**

- 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.

- The Higgs report recommends a minimum of three non-executive directors be appointed, unless the Board decides otherwise, of which one must have significant, recent and relevant financial experience.

**Remuneration Committee**

- In line with the requirements of the NHS Codes of Conduct and Accountability, and more recently the Higgs report, a Terms of Service and Remuneration Committee will be established and constituted.

- The Higgs report recommends the committee be comprised exclusively of Non-Executive Directors, a minimum of three, who are independent of management.

- The purpose of the Committee will be to advise the Trust Board about appropriate remuneration and terms of service for the Chief Executive and other Executive Directors including:
(i) all aspects of salary (including any performance-related elements/bonuses);

(ii) provisions for other benefits, including pensions and cars;

(iii) arrangements for termination of employment and other contractual terms.

Charitable Funds Committee

- 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.

- The provisions of this Standing Order must be read in conjunction with Standing Order 2.8 and Standing Financial Instructions 29.

Other Committees

- The Board may also establish such other committees as required to discharge the Trust’s responsibilities.

- The Terms of reference and membership of all Trust Board committees will be maintained in a separate document entitled, ‘Trust Board and its committees – membership and terms of reference’. This document shall be viewed as forming part of these Standing Orders.

ARRANGEMENTS FOR THE EXERCISE OF TRUST FUNCTIONS BY DELEGATION

Delegation of Functions to Committees, Officers or other bodies

123. 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, sub-committee appointed by virtue of Standing Order 4, or by an officer of the Trust, or by another body as defined in Standing Order 5.1.2 below, in each case subject to such restrictions and conditions as the Trust thinks fit.

124. Section 16B of the NHS Act 1977 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:

(i) by another Trust;
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(ii) jointly with any one or more of the following: NHS trusts, the NHS Trust Development Authority or CCGs;

(iii) 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;

(iv) in relation to arrangements made under S63(1) of the Health Services and Public Health Act 1968, jointly with one or more of the NHS Trust Development Authority or CCGs, NHS Trusts.

125. 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-committees or officers, the Trust delegating the function retains full responsibility.

Emergency Powers and urgent decisions

126. The powers which the Board has reserved to itself within these Standing Orders (see Standing Order 2.9) may in 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.

Delegation to Committees

127. The Board shall agree from time to time to the delegation of executive powers to be exercised by other committees, or sub-committees, or joint-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, or sub-committees, or joint committees, and their specific executive powers shall be approved by the Board in respect of its sub-committees.

128. 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.

Delegation to Officers

129. Those functions of the Trust which have not been retained as reserved by the Board or delegated to other committee or sub-committee 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.

130. The Chief Executive shall prepare a Scheme of Delegation identifying his/her proposals which shall be considered and approved by the Board. The Chief Executive may periodically propose amendment to the Scheme of Delegation which shall be considered and approved by the Board.
131. Nothing in the Scheme of Delegation shall impair the discharge of the direct accountability to the Board of the Director of Finance to provide information and advise the Board in accordance with statutory or Department of Health requirements. Outside these statutory requirements the roles of the Director of Finance shall be accountable to the Chief Executive for operational matters.

Schedule of Matters Reserved to the Trust and Scheme of Delegation of powers

132. 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.

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

133. If for any reason these Standing Orders 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 to the Chief Executive as soon as possible.

OVERLAP WITH OTHER TRUST POLICY STATEMENTS/PROCEDURES, REGULATIONS AND THE STANDING FINANCIAL INSTRUCTIONS

Policy statements: general principles

134. The Trust Board will from time to time agree and approve Policy statements/procedures which will apply to all or specific groups of staff employed by the Trust. The decisions to approve such policies and procedures 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.

Specific Policy statements

135. Notwithstanding the application of SO 6.1 above, these Standing Orders and Standing Financial Instructions must be read in conjunction with the following Policy statements:

- the Standards of Business Conduct and Conflicts of Interest Policy for Trust staff;
- the staff Disciplinary and Appeals Procedures adopted by the Trust both of which shall have effect as if incorporated in these Standing Orders.

Standing Financial Instructions

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

Specific guidance
137. Notwithstanding the application of SO 6.1 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:

- Caldicott Guardian 1997;
- Human Rights Act 1998;

DUTIES AND OBLIGATIONS OF BOARD MEMBERS/DIRECTORS AND SENIOR MANAGERS UNDER THESE STANDING ORDERS

Declaration of Interests

Requirements for Declaring Interests and applicability to Board Members

138. 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.

Interests which are relevant and material

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

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

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

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

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

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

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

140. 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 7.3 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 as soon as practicable.
Advice on Interests

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 Trust’s Company Secretary.

141. 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.

Recording of Interests in Trust Board minutes

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

143. 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.

Publication of declared interests in Annual Report

144. 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.

Conflicts of interest which arise during the course of a meeting

145. 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. (See overlap with SO 7.3)

Register of Interests

146. 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 7.1.2) which have been declared by both executive and non-executive Trust Board members.

147. 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.

148. 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.

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

Definition of terms used in interpreting ‘Pecuniary’ interest
For the sake of clarity, the following definition of terms is to be used in interpreting this Standing Order:

(i) "spouse" shall include any person who lives with another person in the same household (and any pecuniary interest of one spouse shall, if known to the other spouse, be deemed to be an interest of that other spouse);

(ii) "contract" shall include any proposed contract or other course of dealing.

(iii) “Pecuniary interest”

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

a) 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

b) 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.

iv) Exception to Pecuniary interests

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

a) 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

b) 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

b) 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

Provided however, that where paragraph (c) above applies the person shall nevertheless be obliged to disclose/declare their interest in accordance with Standing Order 7.1.2 (ii).

Exclusion in proceedings of the Trust Board

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
ESH/POL/29715

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.

151. 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 7.3.3 on the ‘Waiver’ which has been approved by the Secretary of State for Health).

152. 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.

153. Any remuneration, compensation or allowance payable to the Chairman or a Member by virtue of paragraph 11 of Schedule 5A to the National Health Service Act 1977 (pay and allowances) shall not be treated as a pecuniary interest for the purpose of this Standing Order.

154. 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.

Waiver of Standing Orders made by the Secretary of State for Health

Power of the Secretary of State to make waivers

155. 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 (2) to (4) below.

Definition of ‘Chairman’ for the purpose of interpreting this waiver

156. For the purposes of paragraph 7.3.3.(3) (below), the “relevant chairman” is –

(a) at a meeting of the Trust, the Chairman of that Trust;

(b) 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;

(ii) in the case of any other member, the Chairman of that Committee.

Application of waiver

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

158. It will apply to:

(i) A member of 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.

(ii) Where the ‘pecuniary interest’ of the member in the matter which is the subject of consideration at a meeting at which 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.

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

159. The removal is subject to the following conditions:

(a) 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;
(b) the relevant chairman must consult the Chief Executive before making a declaration in relation to the member in question pursuant to paragraph 7.3.3 (2) (b) above, except where that member is the Chief Executive;

(c) **in the case of a meeting of the Trust:**
   
   (i) the member may take part in the consideration or discussion of the matter which must be subjected to a vote and the outcome recorded;
   
   (ii) may not vote on any question with respect to it.

(d) **in the case of a meeting of the Committee:**

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

**Standards of Business Conduct**

**Trust Policy and National Guidance**

160. All Trust staff and members of 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 6.2).

**Interest of Officers in Contracts**

161. 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 7.3) 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 Trust’s Company Secretary as soon as practicable.

162. 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.

163. The Trust will require interests, employment or relationships so declared to be entered in a register of interests of staff.

**Canvassing of and Recommendations by Members in Relation to Appointments**

164. 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.

165. 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.

Relatives of Members or Officers

166. 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.

167. 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.

168. 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.

169. 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 7) shall apply.

CUSTODY OF SEAL, SEALING OF DOCUMENTS AND SIGNATURE OF DOCUMENTS

Custody of Seal

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

Sealing of Documents

171. Where it is necessary that a document shall be sealed, the seal shall be affixed in the presence of two senior managers duly authorised by the Chief Executive, and not also from the originating department, and shall be attested by them. ‘Senior managers’ in this context shall mean ‘members of the Executive Committee’.

Register of Sealing

172. 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.
Signature of documents

173. Where any document will be a necessary step in legal proceedings on behalf of the Trust, it shall, unless any enactment otherwise requires or authorises, be signed by the Chief Executive or any Executive Director.

174. In land transactions, the signing of certain supporting documents will be delegated to Managers and set out clearly in the Scheme of Delegation but will not include the main or principal documents effecting the transfer (e.g. sale/purchase agreement, lease, contracts for construction works and main warranty agreements or any document which is required to be executed as a deed).

MISCELLANEOUS

Joint Finance Arrangements

175. The Board may confirm contracts to purchase from a voluntary organisation or a local authority using its powers under Section 28A of the NHS Act 1977. 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 Section 28A of the NHS Act 1977, as amended by section 29 of the Health Act 1999.

176. See overlap with Standing Financial Instructions.
Appendix C:

RESERVATION AND DELEGATION OF POWERS
## Appendix C
### RESERVATION AND DELEGATION OF POWERS

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<th>REF</th>
<th>THE BOARD</th>
<th>DECISIONS RESERVED TO THE BOARD</th>
</tr>
</thead>
<tbody>
<tr>
<td>NA</td>
<td>The Board</td>
<td><strong>General Enabling Provision</strong>&lt;br&gt;The Board may determine any matter, for which it has delegated or statutory authority, it wishes in full session within its statutory powers.</td>
</tr>
<tr>
<td>NA</td>
<td>The Board</td>
<td><strong>Regulations and Control</strong>&lt;br&gt;1. Approve Standing Orders (SOs), a schedule of matters reserved to the Board and Standing Financial Instructions for the regulation of its proceedings and business.&lt;br&gt;2. Suspend Standing Orders.&lt;br&gt;3. Vary or amend the Standing Orders.&lt;br&gt;4. Ratify any urgent decisions taken by the Chairman and Chief Executive in public session in accordance with SO 5.2&lt;br&gt;5. Approve a scheme of delegation of powers from the Board to committees.&lt;br&gt;6. Require and receive the declaration of Board members’ interests that may conflict with those of the Trust and determining the extent to which that member may remain involved with the matter under consideration.&lt;br&gt;7. Require and receive the declaration of officers’ interests that may conflict with those of the Trust.&lt;br&gt;8. Approve arrangements for dealing with complaints.&lt;br&gt;9. Adopt the organisation structures, processes and procedures to facilitate the discharge of business by the Trust and to agree modifications thereto.&lt;br&gt;10. Receive reports from committees including those that the Trust is required by the Secretary</td>
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<tr>
<td>REF</td>
<td>THE BOARD</td>
<td>DECISIONS RESERVED TO THE BOARD</td>
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<td>of State or other regulation to establish and to take appropriate action on.</td>
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<td>11. Confirm the recommendations of the Trust’s committees where the committees do not have executive powers.</td>
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<td>12. Approve arrangements relating to the discharge of the Trust’s responsibilities as a corporate trustee for funds held on trust.</td>
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<td>13. Establish terms of reference and reporting arrangements of all committees and sub-committees that are established by the Board.</td>
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<td></td>
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<td>14. Approve arrangements relating to the discharge of the Trust’s responsibilities as a bailer for patients’ property.</td>
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<td>15. Authorise use of the seal.</td>
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<td>16. Ratify or otherwise instances of failure to comply with Standing Orders brought to the Chief Executive’s attention in accordance with SO 5.6.</td>
</tr>
<tr>
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<td></td>
<td>17. Discipline members of the Board or employees who are in breach of statutory requirements or SOs.</td>
</tr>
<tr>
<td>NA</td>
<td>THE BOARD</td>
<td>Appointments/ Dismissal</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1. Appoint the Vice Chairman of the Board.</td>
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<td>2. Appoint and dismiss committees (and individual members) that are directly accountable to the Board.</td>
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<td>3. Appoint, appraise, discipline and dismiss Executive Directors (subject to SO 2.2).</td>
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<td></td>
<td>4. Confirm appointment of members of any committee of the Trust as representatives on outside bodies.</td>
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<tr>
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<td>5. Appoint, appraise, discipline and dismiss the Secretary (if the appointment of a Secretary is required under Standing Orders).</td>
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<tr>
<td>REF</td>
<td>THE BOARD</td>
<td>DECISIONS RESERVED TO THE BOARD</td>
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</tr>
<tr>
<td>NA</td>
<td>THE BOARD</td>
<td>Approve proposals of the Remuneration Committee regarding directors and senior employees and those of the Chief Executive for staff not covered by the Remuneration Committee.</td>
</tr>
</tbody>
</table>

**Strategy, Plans and Budgets**

1. Define the strategic aims and objectives of the Trust.
2. Approve proposals for ensuring quality and developing clinical governance in services provided by the Trust, having regard to any guidance issued by the Secretary of State.
3. Approve the Trust’s policies and procedures for the management of risk.
5. Approve budgets.
6. Approve annually Trust’s proposed organisational development proposals.
7. Ratify proposals for acquisition, disposal or change of use of land and/or buildings.
8. Approve PFI proposals.
9. Approve the opening of bank accounts.
10. Approve proposals on individual contracts (other than NHS contracts) of a capital or revenue nature amounting to, or likely to amount to over £100,000 over a 3 year period or the period of the contract if longer.
11. Approve proposals in individual cases for the write off of losses or making of special payments above the limits of delegation to the Chief Executive and Director of Finance (for losses and special payments) previously approved by the Board.
12. Approve individual compensation payments.
13. Approve proposals for action on litigation against or on behalf of the Trust.

Review use of NHSLA risk pooling schemes (LPST/CNST/RPST).
### DECISIONS RESERVED TO THE BOARD

<table>
<thead>
<tr>
<th>REF</th>
<th>THE BOARD</th>
<th>DECISIONS RESERVED TO THE BOARD</th>
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<td></td>
<td>THE BOARD</td>
<td><strong>Policy Determination</strong></td>
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<tr>
<td></td>
<td></td>
<td>1. Delegate approval of management policies including personnel policies incorporating the arrangements for the appointment, removal and remuneration of staff.</td>
</tr>
<tr>
<td>NA</td>
<td>THE BOARD</td>
<td><strong>Audit</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1. 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 Committee.</td>
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<td>2. Receive an annual report from the Internal Auditor and agree action on recommendations where appropriate of the Audit Committee.</td>
</tr>
<tr>
<td>NA</td>
<td>THE BOARD</td>
<td><strong>Annual Reports and Accounts</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1. Receipt and approval of the Trust's Annual Report and Annual Accounts.</td>
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<td>2. Receipt and approval of the Annual Report and Accounts for funds held on trust.</td>
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<tr>
<td>NA</td>
<td>THE BOARD</td>
<td><strong>Monitoring</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1. Receive of such reports as the Board sees fit from committees in respect of their exercise of powers delegated.</td>
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<tr>
<td></td>
<td></td>
<td>2. 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 and the Charity Commission shall be reported, at least in summary, to the Board.</td>
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<tr>
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<td>3. Receive reports from DoF on financial performance against budget and Local Delivery Plan.</td>
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<td>Receive reports from CE on actual and forecast income from SLA.</td>
</tr>
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<td></td>
<td><strong>AUDIT COMMITTEE</strong></td>
<td>The Committee will:</td>
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<tr>
<td></td>
<td></td>
<td>1. Advise the Board on internal and external audit services;</td>
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<td>2. The Committee shall review the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation’s activities (both clinical and non-clinical), that supports the achievement of the organisation’s objectives;</td>
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<td>3. Monitor compliance with Standing Orders and Standing Financial Instructions;</td>
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<td>4. Review schedules of losses and compensations and making recommendations to the Board.</td>
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<td>5. Review schedules of debtor/creditor balances &gt;£5k, &gt;6 months</td>
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<td>6. Review the annual financial statements prior to submission to the Board. [This will vary according to the terms of reference and the role of the Audit Committee relative to that of the Risk Management Committee.]</td>
</tr>
<tr>
<td></td>
<td><strong>RENUMERATION COMMITTEE</strong></td>
<td>The Committee will:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1. Advise the Board about appropriate remuneration and terms of service for the Chief Executive, other Executive Directors and other senior employees including:</td>
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<td>2. All aspects of salary (including any performance-related elements/bonuses);</td>
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<td>3. Provisions for other benefits, including pensions and cars;</td>
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<td>4. Arrangements for termination of employment and other contractual terms;</td>
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<td>5. Make recommendations to the Board on the remuneration and terms of service of executive directors and 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</td>
</tr>
<tr>
<td>REF</td>
<td>COMMITTEE</td>
<td>DECISIONS/DUTIES DELEGATED BY THE BOARD TO COMMITTEES</td>
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<td>and to the provisions of any national arrangements for such staff;</td>
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<td>6. Proper calculation and scrutiny of termination payments taking account of such national guidance as is appropriate advise on and oversee appropriate contractual arrangements for such staff;</td>
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<tr>
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<td>7. The Committee shall report in writing to the Board the basis for its recommendations.</td>
</tr>
<tr>
<td></td>
<td>PATIENT SAFETY AND QUALITY COMMITTEE</td>
<td>The Committee will:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1. Approve the Annual Quality Account.</td>
</tr>
<tr>
<td></td>
<td>TRUST EXECUTIVE COMMITTEE</td>
<td>The Committee will:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1. Approve trust policies on behalf of the board.</td>
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Appendix D:

STANDING FINANCIAL INSTRUCTIONS
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Annex A: Financial Limits contained within the Standing Financial Instructions
Annex B: Procedures Supporting the Standing Financial Instructions
Annex C: Scheme of Delegation
INTRODUCTION

General

1. These Standing Financial Instructions (SFIs) are issued in accordance with the Trust (Functions) Directions 2000 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 matters with which they are concerned. They shall have effect as if incorporated in the Standing Orders (SOs).

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.

3. Should any difficulties arise regarding the interpretation or application of any of the Standing Financial Instructions then the advice of the Chief Finance Officer must be sought before acting. The user of these Standing Financial Instructions should also be familiar with and comply with the provisions of the Trust’s Standing Orders.

KEY AUDIENCE

4. The Standing Financial Instructions apply to all Board Members, staff and contractors and their employees.

5. The failure to comply with Standing Financial Instructions and Standing Orders can in certain circumstances be regarded as a disciplinary matter that could result in dismissal.

6. Overriding Standing Financial Instructions – If for any reason these Standing Financial Instructions are not complied with, full details of the non-compliance and any justification for non-compliance and the circumstances around the non-compliance shall be reported to the next formal meeting of the Audit Committee for referring action or ratification. All members of the Board and staff have a duty to disclose any non-compliance with these Standing Financial Instructions to the Chief Finance Officer as soon as possible.

SUMMARY

7. 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 Director of Finance.

THE POLICY

RESPONSIBILITIES AND DELEGATION

The Trust Board

8. The Board exercises financial supervision and control by:

   • formulating the financial strategy;

   • requiring the submission and approval of budgets within approved allocations/overall income;

   • defining and approving essential features in respect of important procedures and financial systems (including the need to obtain value for money);

   • defining specific responsibilities placed on members of the Board and employees as indicated in the Scheme of Delegation document.

9. 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.

The Chief Executive and Chief Finance Officer

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

11. 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.

12. 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.

The Chief Finance Officer

13. The Chief Finance Officer is responsible for:
a. implementing the Trust’s financial policies and for coordinating any corrective action necessary to further these policies;

b. maintaining an effective system of internal financial control including ensuring that detailed financial procedures and systems incorporating the principles of separation of duties and internal checks are prepared, documented and maintained to supplement these instructions;

c. ensuring that sufficient records are maintained to show and explain the Trust’s transactions, in order to disclose, with reasonable accuracy, the financial position of the Trust at any time;

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

d. the provision of financial advice to other members of the Board and employees;

e. the design, implementation and supervision of systems of internal financial control;

f. the preparation and maintenance of such accounts, certificates, estimates, records and reports as the Trust may require for the purpose of carrying out its statutory duties.

**Board Members and Employees**

14. All members of the Board and employees, severally and collectively, are responsible for:

   - the security of the property of the Trust;

   - avoiding loss;

   - exercising economy and efficiency in the use of resources;

   - conforming with the requirements of Standing Orders, Standing Financial Instructions, Financial Procedures and the Scheme of Delegation.

**Contractors and their employees**

15. 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.

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

AUDIT

Audit Committee

17. In accordance with Standing Orders, the Board shall formally establish an Audit Committee, with clearly defined terms of reference and following guidance from the NHS Audit Committee Handbook (2005), which will provide an independent and objective view of internal control by:

- overseeing Internal and External Audit services;
- reviewing financial and information systems and monitoring the integrity of the financial statements and reviewing significant financial reporting judgments;
- review the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation’s activities (both clinical and non-clinical), that supports the achievement of the organisation’s objectives;
- monitoring compliance with Standing Orders and Standing Financial Instructions;
- reviewing schedules of losses and compensations and making recommendations to the Board;
- Reviewing the arrangements in place to support the Assurance Framework process prepared on behalf of the Board and advising the Board accordingly.

19. Where the Audit Committee considers there is evidence of ultra vires transactions, evidence of improper acts, or if there are other important matters that the Committee wishes to raise, the 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. (To the Chief Finance Officer in the first instance.)

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

Chief Finance Officer

21. The Chief Finance Officer is responsible for:

- 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;
• ensuring that the Internal Audit is adequate and meets the NHS mandatory audit standards;
• deciding at what stage to involve the police in cases of misappropriation and other irregularities not involving fraud or corruption;
• ensuring that an annual internal audit report is prepared for the consideration of the Audit Committee [and the Board]. The report must cover:
  o 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;
  o major internal financial control weaknesses discovered;
  o progress on the implementation of internal audit recommendations;
  o progress against plan over the previous year;
  o strategic audit plan covering the coming three years;
  o a detailed plan for the coming year.

22. The Chief Finance Officer or designated auditors are entitled without necessarily giving prior notice to require and receive:

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

Role of Internal Audit

23. Internal Audit will review, appraise and report upon:

• the extent of compliance with, and the financial effect of, relevant established policies, plans and procedures;
• the adequacy and application of financial and other related management controls;
• the suitability of financial and other related management data;
• the extent to which the Trust's assets and interests are accounted for and safeguarded from loss of any kind, arising from:
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- fraud and other offences;
- waste, extravagance, inefficient administration;
- poor value for money or other causes.

- Internal Audit shall also independently verify the Assurance Statements in accordance with guidance from the Department of Health.

24. Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores, or other property or any suspected irregularity in the exercise of any function of a pecuniary nature, the Director of Finance must be notified immediately.

25. The Chief Internal Auditor will normally attend Audit Committee meetings and has a right of access to all Audit Committee members, the Chairman and Chief Executive of the Trust.

26. The Chief Internal Auditor shall be accountable to the Chief Finance Officer. The reporting system for internal audit shall be agreed between the Director of Finance, the Audit Committee and the Chief Internal Auditor. 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.

External Audit

27. The External Auditor is appointed by the Audit Commission and paid for by the Trust. The Audit 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 and referred on to the Audit Commission if the issue cannot be resolved.
28. In line with their responsibilities, the Trust Chief Executive and Deputy Chief Executive/Chief Finance Officer & Performance shall monitor and ensure compliance with Directions issued by the Secretary of State for Health on fraud and corruption; and shall ensure compliance with the provisions of the Bribery Act 2010 (where relevant), with particular regard to the offence in section 7 of that legislation.

29. The Trust shall nominate a suitable person to carry out the duties of the local Counter Fraud Specialist as specified by NHS protect’s Fraud and Corruption Manual and guidance.

30. The Local Counter Fraud Specialist shall report to the Deputy Chief Executive/Chief Finance Officer & Performance and shall work with staff at NHS Protect in accordance with the Fraud and Corruption Manual.

31. The Local Counter Fraud Specialist will provide a written report, at least annually, on counter fraud work within the Trust.

SECURITY MANAGEMENT

32. 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.

33. 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.

34. The Trust shall nominate a Board Member to be responsible to the Board for NHS security management.

35. 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).

ALLOCATIONS, PLANNING, BUDGETS, BUDGETARY CONTROL, AND MONITORING

Preparation and Approval of Plans and Budgets

36. The Chief Executive will compile and submit to the Board a Local Delivery Plan which takes into account financial targets and forecast limits of available resources. The LDP will contain:

- a statement of the significant assumptions on which the plan is based;
details of major changes in workload, delivery of services or resources required to achieve the plan.

37. Prior to the start of the financial year the Chief Finance Officer will, on behalf of the Chief Executive, prepare and submit budgets for approval by the Board. Such budgets will:

- be in accordance with the aims and objectives set out in the Local Delivery Plan;
- accord with workload and manpower plans;
- be produced following discussion with appropriate budget holders;
- be prepared within the limits of available funds;
- take into account the profitability of each clinical service based on service line reporting
- identify potential risks.

38. The Chief Finance Officer shall monitor financial performance against budget and plan, periodically review them, and report to the Board.

39. All budget holders must provide information as required by the Director of Finance to enable budgets to be compiled.

40. All budget holders will sign up to their allocated budgets at the commencement of each financial year.

41. The Chief Finance Officer has a responsibility to ensure that adequate training is delivered on an on-going basis to budget holders to help them manage successfully.

**Budgetary Delegation**

42. The Chief Executive may delegate the management of a budget to permit the performance of a defined range of activities. This delegation must be in writing and be accompanied by a clear definition of:

- the amount of the budget;
- the purpose(s) of each budget heading;
- individual and group responsibilities;
- authority to exercise virement;
- achievement of planned levels of service;
- the provision of regular reports.

43. The Chief Executive and delegated budget holders must not exceed the budgetary total or virement limits set by the Board.

44. 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.
45. Non-recurring budgets should not be used to finance recurring expenditure without the authority in writing of the Chief Executive, as advised by the Chief Finance Officer.

**Budgetary Control and Reporting**

46. The Chief Finance Officer will devise and maintain systems of budgetary control. These will include:

- monthly financial reports to the Board in a form approved by the Board containing:
  - income and expenditure to date showing trends and forecast year-end position;
  - movements in working capital;
  - Movements in cash and capital;
  - capital project spend and projected outturn against plan;
  - explanations of any material variances from plan;
  - details of any corrective action where necessary and the Chief Executive's and/or Chief Finance Officer's view of whether such actions are sufficient to correct the situation;

- the issue of timely, accurate and comprehensible advice and financial reports to each budget holder, covering the areas for which they are responsible;

- investigation and reporting of variances from financial, workload and manpower budgets;

- monitoring of management action to correct variances; and

- arrangements for the authorisation of budget transfers.

47. Each Budget Holder is responsible for ensuring that:

- any likely overspending or reduction of income which cannot be met by virement is not incurred without the prior consent of the Board;
- 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;
- No permanent employees are appointed without the approval of the Chief Executive other than those provided for within the available resources and manpower establishment as approved by the Board.
48. The Chief Executive is responsible for identifying and implementing cost improvements and income generation initiatives in accordance with the requirements of the LDP and a balanced budget.

Capital Expenditure

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

Monitoring Returns

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

ANNUAL ACCOUNTS AND REPORTS

51. The Chief Finance Officer, on behalf of the Trust, will:

- 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;

- prepare and submit annual financial reports to the Department of Health certified in accordance with current guidelines;

- submit financial returns to the Department of Health for each financial year in accordance with the timetable prescribed by the Department of Health.

52. The Trust’s annual accounts must be audited by an auditor appointed by the Audit Commission. The Trust’s audited annual accounts must be presented to a public meeting and made available to the public.

53. 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.
BANK AND OPG ACCOUNTS

General

54. The Chief Finance Officer is responsible for managing the Trust’s banking arrangements and for advising the Trust on the provision of banking services and operation of accounts. This advice will take into account guidance/Directions issued from time to time by the Department of Health. In line with ‘Cash Management in the NHS’ Trusts should minimize the use of commercial bank accounts and consider using Office of the Paymaster General (OPG) accounts for all banking services.

55. The Board shall approve the banking arrangements.

Bank and OPG Accounts

56. The Chief Finance Officer is responsible for:

- bank accounts and Office of the Paymaster General (OPG) accounts;
- establishing separate bank accounts for the Trust’s non-exchequer funds;
- ensuring payments made from bank or OPG accounts do not exceed the amount credited to the account except where arrangements have been made;
- reporting to the Board all arrangements made with the Trust’s bankers for accounts to be overdrawn.
- monitoring compliance with DH guidance on the level of cleared funds.

Banking Procedures

57. The Chief Finance Officer will prepare detailed instructions on the operation of bank and OPG accounts which must include:

- the conditions under which each bank and OPG account is to be operated;
- those authorised to sign cheques or other orders drawn on the Trust’s accounts.

58. The Chief Finance Officer must advise the Trust’s bankers in writing of the conditions under which each account will be operated.

Tendering and Review

59. The Chief Finance Officer will review the commercial banking arrangements of the Trust at regular intervals to ensure they reflect best practice and represent best value for money by periodically seeking competitive tenders for the Trust’s commercial banking business.

60. 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
INCOME, FEES AND CHARGES AND SECURITY OF CASH, CHEQUES AND OTHER NEGOTIABLE INSTRUMENTS

Income Systems

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

62. The Chief Finance Officer is also responsible for the prompt banking of all monies received.

Fees and Charges

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

64. The Chief Finance Officer is responsible for approving and regularly reviewing the level of all fees and charges other than those determined by the Department of Health or by Statute.

65. All contracts which generate income must be approved by the Director of Finance or his delegated deputies.

66. 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.

67. All employees must inform the Chief Finance Officer promptly of money due arising from transactions which they initiate/deal with, including all contracts, leases, tenancy agreements, private patient undertakings and other transactions.

Debt Recovery

68. The Chief Finance Officer is responsible for the appropriate recovery action on all outstanding debts and will draw up appropriate detailed procedures.

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

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

Security of Cash, Cheques and other Negotiable Instruments

71. The Chief Finance Officer is responsible for:
a. approving the form of all receipt books, agreement forms, or other means of officially acknowledging or recording monies received or receivable;

b. ordering and securely controlling any such stationery;

c. the provision of adequate facilities and systems for employees whose duties include collecting and holding cash, including the provision of safes or lockable cash boxes, the procedures for keys, and for coin operated machines;

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

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

73. All cheques, postal orders, cash etc., shall be banked intact. Disbursements shall not be made from cash received, except under arrangements approved by the Chief Finance Officer.

74. 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.

TENDERING AND CONTRACTING PROCEDURE

Duty to comply with Standing Orders and Standing Financial Instructions

75. 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, ‘Suspension of Standing Orders is applied’).

EU Directives Governing Public Procurement

76. 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.

Capital Investment Manual and other Department of Health Guidance

77. 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".

Formal Competitive Tendering
General Applicability

78. The Trust shall ensure that competitive quotations and tenders are invited for:

- the supply of goods, materials and manufactured articles;
- the rendering of services including all forms of management consultancy services (other than specialised services sought from or provided by the DH);
- For the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens); for disposals.
- Limits for quotes, local tenders and OJEU tenders are set out in Annex A and the Scheme of Delegation.
- The use of national and regional framework agreements (such as NHS Supply Chain, the OGC/GPS/Buying Solutions and the London Procurement Programme /LPP), including any requirement to run a mini-competition within a framework agreement, shall be deemed to satisfy the requirement for formal competitive tenders and quotation.

Reverse eAuctions

79. 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

Health Care Services

80. These Standing Orders and Standing Financial Instructions shall apply as far as they are applicable to the tendering procedure.

Exceptions and instances where formal tendering and quotations need not be applied

81. The procedures for formal Trust-led tendering and quotations, need not be applied where:

(a) For quotations, the estimated expenditure or income does not, or is not reasonably expected, to exceed £10,000 over the course of the entire contract or transaction

(b) For tenders, the estimated expenditure or income does not or is not reasonably expected, to exceed £25,000 over the course of the entire contract or transaction

where the supply is proposed under special arrangements negotiated by the DH in which event the said special arrangements must be complied with;
• regarding disposals as set out in Standing Financial Instructions.

82. Formal tendering and quotation procedures may be waived in the following circumstances:

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

b. 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;

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

d. 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;

e. for the provision of legal advice and services providing that any legal firm or partnership commissioned by the Trust is regulated by the Law Society for England and Wales for the conduct of their business (or by the Bar Council for England and Wales in relation to the obtaining of Counsel’s opinion) and are generally recognised as having sufficient expertise in the area of work for which they are commissioned. The Chief Finance Officer will ensure that any fees paid are reasonable and within commonly accepted rates for the costing of such work.

f. where allowed and provided for in the Capital Investment Manual.

83. The waiving of competitive tendering and quotations 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.

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

Fair and Adequate Competition
Apart from the exceptions set out in paragraph 82 above apply, the Trust shall ensure that invitations to tender or quotation are sent to a sufficient number of firms/individuals to provide fair and adequate competition as appropriate, and in no case less than three firms/individuals, having regard to their capacity to supply the goods or materials or to undertake the services or works required.

**List of Approved Firms**

The Trust 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 Chief Finance Officer it is desirable to seek tenders from firms not on the approved lists, the reason shall be recorded in writing to the Chief Executive.

**Building and Engineering Construction Works**

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

**Items which subsequently breach thresholds after original approval**

Items estimated to be below the limits set in this Standing Financial Instruction for which formal tendering procedures are not used which subsequently prove to have a value above such limits shall be reported to the Chief Executive, and be recorded in an appropriate Trust record.

**TERMS OF SERVICE, ALLOWANCES AND PAYMENT OF MEMBERS OF THE TRUST BOARD AND EXECUTIVE COMMITTEE AND EMPLOYEES**

**Remuneration and Terms of Service**

In accordance with Standing Orders the Board shall establish a Remuneration and Terms of Service Committee, with clearly defined terms of reference, specifying which posts fall within its area of responsibility, its composition, and the arrangements for reporting. (See NHS guidance contained in the Higgs report.)

The Committee will:

(a) advise 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:

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

(ii) provisions for other benefits, including pensions and cars;

(iii) arrangements for termination of employment and other contractual terms;
(b) make such recommendations 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;

(c) monitor and evaluate the performance of individual officer members (and other senior employees);

(d) 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.

91. The Committee shall report in writing to the Board the basis for its recommendations. The Board shall use the report as the basis for their decisions, but remain accountable for taking decisions on the remuneration and terms of service of officer members. Minutes of the Board’s meetings should record such decisions.

92. 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.

93. 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.

Funded Establishment

94. The manpower plans incorporated within the annual budget will form the funded establishment.

95. The funded establishment of any department may not be varied without the approval of the Chief Finance Officer, (previously CEO)

Staff Appointments

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

- unless following procedures authorised by the Chief Executive and

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

97. The Board will approve procedures presented by the Chief Executive for the determination of commencing pay rates, conditions of service, etc, for employees and for procuring Agency and temporary staff

Processing Payroll
98. The Chief Finance Officer is responsible for:

(a) Specifying timetables for submission of properly authorised time records and other notifications;
(b) making payment on agreed dates;
(c) agreeing method of payment.

99. The Director of People & Organisational Development is responsible for:

a) ensuring staff are paid appropriately according to Agenda For Change and other national and local terms and conditions.

b) and managing the process for starter, leavers and contract variations.

c) For maintaining any locally agreed rates held on the payroll and the instructions on how they should be used.

100. The Chief Finance Officer will issue instructions regarding:

(a) verification and documentation of data, including the maintenance of a scheme of delegation for authorising of pay and variations to pay.

(b) the timetable for receipt and preparation of payroll data and the payment of employees and allowances;

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

(d) security and confidentiality of payroll information;

(e) checks to be applied to completed payroll before and after payment;

(f) authority to release payroll data under the provisions of the Data Protection Act;

(g) methods of payment available to various categories of employee and officers;

(h) procedures for payment by cheque, bank credit, or cash to employees and officers;

(i) procedures for the recall of cheques and bank credits;

(j) pay advances and their recovery;

(k) maintenance of regular and independent reconciliation of pay control accounts;

(l) separation of duties of preparing records and handling cash;
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(m) a system to ensure the recovery from those leaving the employment of the Trust of sums of money and property due by them to the Trust.

101. Appropriately nominated managers have delegated responsibility for:

(a) submitting time records, and other notifications in accordance with agreed timetables;

(b) completing time records and other notifications in accordance with the Chief Finance Officer's instructions and in the form prescribed by the Chief Finance Officer;

(c) submitting termination forms in the prescribed form immediately upon knowing the effective date of an employee's or officer's resignation, termination or retirement. Where an employee fails to report for duty or to fulfill obligations in circumstances that suggest they have left without notice, the Chief Finance Officer must be informed immediately.

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

Contracts of Employment

103. The Board shall delegate responsibility to an officer for:

(a) ensuring that all employees are issued with a Contract of Employment in a form approved by the Board and which complies with employment legislation and agreed national and local terms and conditions

(b) dealing with variations to, or termination of, contracts of employment.

NON-PAY EXPENDITURE

Delegation of Authority

104. 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 reporting directly to Chief Executive.

105. Chief Executive will set out:

(a) the list of managers who are authorised to place requisitions for the supply of goods and services;
106. The Chief Executive shall set out procedures on the seeking of professional advice regarding the supply of goods and services.

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

Requisitioning

107. The requisitioner, in choosing the item to be supplied (or the service to be performed) shall always obtain the best value for money for the Trust. In so doing, the advice of the Trust’s advisers on supply shall be always be sought. Where this advice is not acceptable to the requisitioner, the Chief Finance Officer (and/or the Chief Executive) shall be consulted.

System of Payment and Payment Verification

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

109. The Chief Finance Officer will:

(a) advise the Board regarding the setting of thresholds above which quotations (competitive or otherwise) or formal tenders must be obtained; and, once approved, the thresholds should be incorporated in Standing Orders and Standing Financial Instructions and regularly reviewed;

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

(c) be responsible for the prompt payment of all properly authorised accounts and claims;

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

(iii) Certification that:

- goods and services have been ordered according to the Trust’s procurement procedures.

- goods and services have been duly received, examined and are in accordance with specification and the prices are correct;
- work done or services rendered have been satisfactorily carried out in accordance with the order, and, where applicable, the materials used are of the requisite standard and the charges are correct;

- in the case of contracts based on the measurement of time, materials or expenses, the time charged is in accordance with the time sheets, the rates of labour are in accordance with the appropriate rates, the materials have been checked as regards quantity, quality, and price and the charges for the use of vehicles, plant and machinery have been examined;

- where appropriate, the expenditure is in accordance with regulations and all necessary authorisations have been obtained;

- the account is arithmetically correct;

- the account is in order for payment.

(iv) A timetable and system for submission to the Chief Finance Officer of accounts for payment; provision shall be made for the early submission of accounts subject to cash discounts or otherwise requiring early payment.

(e) be responsible for ensuring that payment for goods and services is only made once the goods and services are received. The only exceptions are set out in section 114 below.

Prepayments

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

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

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

   (c) The Chief Finance Officer 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);

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

Official orders
111. Official Orders must:

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

Duties of Managers and Officers

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

(a) all contracts (except as otherwise provided for in the Scheme of Delegation), leases, tenancy agreements and other commitments which may result in a liability are notified to the Chief Finance Officer in advance of any commitment being made;
(b) contracts above specified thresholds are advertised and awarded in accordance with EU rules on public procurement;
(c) where consultancy advice is being obtained, the procurement of such advice must be in accordance with guidance issued by the Department of Health;
(d) no order shall be issued for any item or items to any firm which has made an offer of gifts, reward or benefit to directors or employees, other than:
   (i) isolated gifts of a trivial character or inexpensive seasonal gifts, such as calendars;
   (ii) conventional hospitality, such as lunches in the course of working visits;
   (This provision needs to be read in conjunction with the principles outlined in the national guidance contained in HSG 93(5) “Standards of Business Conduct for NHS Staff”);
(e) no requisition/order is placed for any item or items for which there is no budget provision unless authorised by the Chief Finance Officer on behalf of the Chief Executive;
(f) all goods, services, or works are ordered on an official order unless specifically exempted under the scheme of delegation (take out except works and services executed in accordance with a contract) or are purchases from petty cash;
(g) verbal orders must only be issued very exceptionally - by an employee designated by the Chief Executive and only in cases of emergency or urgent necessity. These must be confirmed by an official order and clearly marked "Confirmation Order";

(h) orders are not split or otherwise placed in a manner devised so as to avoid the financial thresholds;

(i) goods are not taken on trial or loan in circumstances that could commit the Trust to a future uncompetitive purchase;

(j) changes to the list of employees and officers authorised to certify invoices are notified to the Chief Finance Officer;

(k) purchases from petty cash are restricted in value and by type of purchase in accordance with instructions issued by the Chief Finance Officer;

(l) petty cash records are maintained in a form as determined by the Chief Finance Officer.

(m) local procedures exist to verify the timely, complete and accurate receipt of goods and services ordered and subsequent recording in systems approved by the Chief Finance Officer.

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

Joint Finance Arrangements with Local Authorities and Voluntary Bodies

114. Payments to local authorities and voluntary organisations made under the powers of section 28A of the NHS Act shall comply with procedures laid down by the Chief Finance Officer which shall be in accordance with these Acts.

EXTERNAL BORROWING

123. The Chief Finance Officer 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 Chief Finance Officer is also responsible for reporting periodically to the Board concerning the PDC debt and all loans and overdrafts.

124. 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 Chief Finance Officer.
125. The Chief Finance Officer must prepare detailed procedural instructions concerning applications for working capital and capital expenditure loans and overdrafts.

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

127. 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 Director of Finance. The Board must be made aware of all short term borrowings at the next Board meeting.

128. All long-term borrowing must be consistent with the plans outlined in the current LDP and be approved by the Trust Board.

**INVESTMENTS**

129. 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.

130. The Chief Finance Officer is responsible for advising the Board on investments and shall report periodically to the Board concerning the performance of investments held.

131. The Chief Finance Officer will prepare detailed procedural instructions on the operation of investment accounts and on the records to be maintained.

**FINANCIAL FRAMEWORK**

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

**Capital Investment**

132. The Chief Executive and Chief Finance Officer:

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

   (b) are responsible for the management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost;

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

133. For capital schemes where the contracts stipulate stage payments, procedures will be issued for their management, incorporating the recommendations of “Estatecode”.
134. The Chief Finance Officer shall assess on an annual basis the requirement for the operation of the construction industry tax deduction scheme in accordance with Inland Revenue guidance.

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

136. The approval of a capital programme by the Board constitutes approval for expenditure on listed schemes. This will be monitored regularly by the Capital Steering Group which can make changes to the capital programme on behalf of the Board.

137. The Capital Steering Group shall issue to the manager responsible for any scheme:

   (a) specific authority to commit expenditure;

   (b) authority to proceed to tender

   (c) approval to accept a successful tender

138. The Chief Executive and Chief Finance Officer will issue a scheme of delegation for capital investment management in accordance with "Estatecode" guidance and the Trust’s Standing Orders.

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

**Private Finance**

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

   (a) The Chief Finance Officer shall demonstrate that the use of private finance represents value for money and genuinely transfers significant risk to the private sector.

   (b) Where the sum involved exceeds delegated limits, the business case must be referred to the Department of Health or in line with any current guidelines.

   (c) The proposal must be specifically agreed by the Board.

**Asset Registers**

141. The Chief Executive is responsible for the maintenance of registers of assets, taking account of the advice of the Chief Finance Officer concerning the form of any register and
the method of updating, and arranging for a physical check of assets against the asset register to be conducted once a year.

142. Each Trust shall maintain an asset register recording fixed assets. The minimum data set to be held within these registers shall be as specified in the Capital Accounting Manual as issued by the Department of Health.

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

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

   (b) stores, requisitions and wages records for own materials and labour including appropriate overheads;

   (c) lease agreements in respect of assets held under a finance lease and capitalised.

144. 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).

145. The Chief Finance Officer shall approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.

146. The value of each asset shall be indexed to current values in accordance with guidance issued by the Department of Health.

147. The value of each asset shall be depreciated using methods and rates in accordance with guidance issued by the Department of Health.

148. The Chief Finance Officer of the Trust shall calculate and pay capital charges as specified in accordance with guidance issued by the Department of Health.

Security of Assets

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

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

   (a) recording managerial responsibility for each asset;

   (b) identification of additions and disposals;

   (c) identification of all repairs and maintenance expenses;
(d) physical security of assets;
(e) periodic verification of the existence of, condition of, and title to, assets recorded;
(f) identification and reporting of all costs associated with the retention of an asset;
(g) reporting, recording and safekeeping of cash, cheques, and negotiable instruments.

151. All discrepancies revealed by verification of physical assets to fixed asset register shall be notified to the Chief Finance Officer.

152. 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.

153. 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.

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

STORES AND RECEIPT OF GOODS

General position

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

(a) kept to a minimum;
(b) subjected to annual stock take;
(c) valued at the lower of cost and net realisable value.

Control of Stores, Stocktaking, condemnations and disposal

156. Subject to the responsibility of the Chief Finance Officer for the systems of control, overall responsibility for the control of stores shall be delegated to an employee by the Chief Executive. 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 Director of Finance. The control of any Pharmaceutical stocks shall be the responsibility of a designated Pharmaceutical Officer; the control of any fuel oil and coal of a designated estates manager.

157. The responsibility for security arrangements and the custody of keys for any stores and locations shall be clearly defined in writing by the designated
manager/Pharmaceutical Officer. Wherever practicable, stocks should be marked as health service property.

158. The Chief Finance Officer shall set out procedures and systems to regulate the stores including records for receipt of goods, issues, and returns to stores, and losses.

159. Stocktaking arrangements shall be agreed with the Chief Finance Officer and there shall be a physical check covering all items in store at least once a year.

160. Where a complete system of stores control is not justified, alternative arrangements shall require the approval of the Chief Finance Officer.

161. The designated Manager/Pharmaceutical Officer shall be responsible for a system approved by the Chief Finance Officer for a review of slow moving and obsolete items and for condemnation, disposal, and replacement of all unserviceable articles. The designated Officer shall report to the Director of Finance any evidence of significant overstocking and of any negligence or malpractice (Disposals and Condemnations, Losses and Special Payments). Procedures for the disposal of obsolete stock shall follow the procedures set out for disposal of all surplus and obsolete goods.

Goods supplied by NHS Logistics

162. For goods supplied via the NHS Logistics 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 Chief Finance Officer who shall satisfy himself that the goods have been received before accepting the recharge.

DISPOSALS AND CONDEMNATIONS, LOSSES AND SPECIAL PAYMENTS

Disposals and Condemnations

Procedures

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

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

165. All unserviceable articles shall be:

(a) condemned or otherwise disposed of by an employee authorised for that purpose by the Chief Finance Officer;

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

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

Losses and Special Payments

Procedures

167. The Chief Finance Officer must prepare procedural instructions on the recording of and accounting for condemnations, losses, and special payments.

168. 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 Chief Finance Officer or inform an officer charged with responsibility for responding to concerns involving loss. This officer will then appropriately inform the Chief Finance Officer and/or Chief Executive. Where a criminal offence is suspected, the Chief Finance Officer must immediately inform the police if theft or arson is involved. In cases of fraud and corruption or of anomalies which may indicate fraud or corruption, the Chief Finance Officer must inform the relevant LCFS and CFSMS regional team in accordance with Secretary of State for Health’s Directions.

169. The Chief Finance Officer must notify the Counter Fraud and Security Management Services (CFSMS) and the External Auditor of all frauds.

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

   (a) the Board,

   (b) the External Auditor.

171. Within limits delegated to it by the Department of Health, the Board shall approve the writing-off of losses.

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

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

174. The Chief Finance Officer shall maintain a Losses and Special Payments Register in which write-off action is recorded.

175. No special payments exceeding delegated limits shall be made without the prior approval of the NHS Trust Development Authority. See below.
<table>
<thead>
<tr>
<th>Category of loss/special payment</th>
<th>Delegated limits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Losses</strong></td>
<td></td>
</tr>
<tr>
<td><strong>1. Losses of cash due to:</strong></td>
<td></td>
</tr>
<tr>
<td>a. theft, fraud, etc</td>
<td>50,000</td>
</tr>
<tr>
<td>b. overpayments of salaries, wages, fees and allowances</td>
<td>50,000</td>
</tr>
<tr>
<td>c. other causes, including un-vouched or incompletely vouched payments, overpayments other than</td>
<td>50,000</td>
</tr>
<tr>
<td>those included under 1(b); physical losses of cash and cash equivalents eg stamps due to fire</td>
<td></td>
</tr>
<tr>
<td>(other than arson), accident and similar causes</td>
<td></td>
</tr>
<tr>
<td><strong>2. Fruitless payments (including abandoned capital schemes)</strong></td>
<td>250,000</td>
</tr>
<tr>
<td><strong>3. Bad debts and claims abandoned:</strong></td>
<td></td>
</tr>
<tr>
<td>a. private patients (Sections 65 and 66 NHS Act 1977)</td>
<td>50,000</td>
</tr>
<tr>
<td>b. overseas visitors (Section 121 NHS Act 1977)</td>
<td>50,000</td>
</tr>
<tr>
<td>c. cases other than a to b</td>
<td>50,000</td>
</tr>
<tr>
<td><strong>4. Damage to buildings, their fittings, furniture and equipment and loss of equipment and property in stores and in use due to:</strong></td>
<td></td>
</tr>
<tr>
<td>a. culpable causes eg theft, fraud, arson or sabotage whether proved or suspected, neglect of</td>
<td>50,000</td>
</tr>
<tr>
<td>duty or gross carelessness</td>
<td></td>
</tr>
<tr>
<td>b. other causes</td>
<td>50,000</td>
</tr>
<tr>
<td><strong>Special payments</strong></td>
<td></td>
</tr>
<tr>
<td><strong>5. Compensation payments made under legal obligation</strong></td>
<td>FULL</td>
</tr>
<tr>
<td><strong>6. Extra contractual payments to contractors</strong></td>
<td>50,000</td>
</tr>
<tr>
<td><strong>7. Ex gratia payments</strong></td>
<td></td>
</tr>
<tr>
<td>a. to patients, staff and visitors for loss of personal effects</td>
<td>50,000</td>
</tr>
<tr>
<td>b. for clinical negligence (negotiated settlements following legal advice) where the guidance</td>
<td>1,000,000</td>
</tr>
<tr>
<td>relating to such payments has been applied.</td>
<td>including plaintiff’s costs</td>
</tr>
<tr>
<td>c. for personal injury claims involving negligence where legal advice obtained and relevant</td>
<td>1,000,000</td>
</tr>
<tr>
<td>guidance has been applied</td>
<td>including plaintiff’s costs</td>
</tr>
<tr>
<td>d. other clinical negligence cases and personal injury claims</td>
<td>50,000</td>
</tr>
<tr>
<td>e. other, except cases of maladministration where there was no financial loss by claimant</td>
<td>50,000</td>
</tr>
<tr>
<td>f. maladministration where there was no financial loss by claimant</td>
<td>NIL</td>
</tr>
<tr>
<td><strong>8. Extra statutory and extra regulationary payments</strong></td>
<td>NIL</td>
</tr>
</tbody>
</table>

176. All losses and special payments must be reported to the Audit Committee at every meeting.
INFORMATION TECHNOLOGY

Responsibilities and duties of the Chief Finance Officer

177. The Chief Finance Officer, who is responsible for the accuracy and security of the computerised financial data of the Trust, shall:

(a) devise and implement any necessary procedures to ensure adequate (reasonable) protection of the Trust’s data, programs and computer hardware for which the Director is responsible from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Data Protection Act 1998;

(b) ensure that adequate (reasonable) controls exist over data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;

(c) ensure that adequate controls exist such that the computer operation is separated from development, maintenance and amendment;

(d) ensure that 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.

178. The Chief Finance Officer shall need to ensure that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by another organisation, assurances of adequacy must be obtained from them prior to implementation.

179. The Trust Secretary 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.

Contracts for Computer Services with other health bodies or outside agencies

180. The Chief Finance Officer shall ensure that contracts for computer services for financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes.
181. Where another health organisation or any other agency provides a computer service for financial applications, the Chief Finance Officer shall periodically seek assurances that adequate controls are in operation.

RISK ASSESSMENT

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

REQUIREMENTS FOR COMPUTER SYSTEMS WHICH HAVE AN IMPACT ON CORPORATE FINANCIAL SYSTEMS

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

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

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

(c) Chief Finance Officer staff have access to such data;

(d) such computer audit reviews as are considered necessary are being carried out.

PATIENTS’ PROPERTY

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

185. The Chief Executive is responsible for ensuring that patients or their guardians, as appropriate, are informed before or at admission by:

- notices and information booklets; *(notices are subject to sensitivity guidance)*
- hospital admission documentation and property records;
- the oral advice of administrative and nursing staff responsible for admissions, that the Trust will not accept responsibility or liability for patients’ property brought into Health Service premises, unless it is handed in for safe custody and a copy of an official patients’ property record is obtained as a receipt.

186. The Chief Finance Officer must provide detailed written instructions on the collection, custody, investment, recording, safekeeping, and disposal of patients’ property (including instructions on the disposal of the property of deceased patients and of patients transferred to other premises) for all staff whose duty is to administer, in any way, the property of patients. Due care should be exercised in the management of a patient’s money in order to maximise the benefits to the patient.
187. Where Department of Health instructions require the opening of separate accounts for patients’ moneys, these shall be opened and operated under arrangements agreed by the Chief Finance Officer.

188. In all cases where property of a deceased patient is of a total value in excess of £5,000 (or such other amount as may be prescribed by any amendment to the Administration of Estates, Small Payments, Act 1965), the production of Probate or Letters of Administration shall be required before any of the property is released. Where the total value of property is £5,000 or less, forms of indemnity shall be obtained.

189. Staff should be informed, on appointment, by the appropriate departmental or senior manager of their responsibilities and duties for the administration of the property of patients.

190. Where patients’ property or income is received for specific purposes and held for safekeeping the property or income shall be used only for that purpose, unless any variation is approved by the donor or patient in writing.

Funds Held on Trust

Corporate Trustee

191. Standing Order’s outlines the Trust’s responsibilities as a corporate trustee for the management of funds it holds on trust. Also there is a requirement for compliance with Charities Commission latest guidance and best practice.

192. 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.

193. The Chief Finance Officer 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.

Accountability to Charity Commission and Secretary of State for Health

194. The trustee responsibilities must be discharged separately and full recognition given to the Trust’s dual accountabilities to the Charity Commission for charitable funds held on trust and to the Secretary of State for all funds held on trust.

195. The Schedule of Matters Reserved to the Board 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.

Applicability of Standing Financial Instructions to funds held on Trust
196. 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.

197. The over-riding principle is that the integrity of each Trust must be maintained and statutory and Trust obligations met. Materiality must be assessed separately from Exchequer activities and funds.

**ACCEPTANCE OF GIFTS BY STAFF AND LINK TO STANDARDS OF BUSINESS CONDUCT**

198. The Chief Finance Officer shall ensure that all staff are made aware of the Trust policy on acceptance of gifts and other benefits in kind by staff. This policy follows the guidance contained in the Department of Health circular HSG (93) 5 ‘Standards of Business Conduct for NHS Staff’ and is also deemed to be an integral part of these Standing Orders and Standing Financial Instructions (see overlap with SO No. 6).

**RETENTION OF RECORDS**

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

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

201. Records held in accordance with latest Department of Health guidance shall only be destroyed at the express instigation of the Chief Executive. Detail shall be maintained of records so destroyed.

**RISK MANAGEMENT AND INSURANCE**

**Programme of Risk Management**

202. 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.

203. The programme of risk management shall include:

   a) a process for identifying and quantifying risks and potential liabilities;
   
   b) engendering among all levels of staff a positive attitude towards the control of risk;
   
   c) management processes to ensure all significant risks and potential liabilities are addressed including effective systems of internal control, cost effective insurance cover, and decisions on the acceptable level of retained risk;
   
   d) contingency plans to offset the impact of adverse events;
ESH/POL/29715

e) audit arrangements including; Internal Audit, clinical audit, health and safety review;

f) a clear indication of which risks shall be insured;

g) arrangements to review the Risk Management programme.

204. 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.

Insurance: Risk Pooling Schemes administered by NHSLA

205. 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.

Insurance arrangements with commercial insurers

206. 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:

(1) Trust’s may enter commercial arrangements for insuring motor vehicles owned by the Trust including insuring third party liability arising from their use;

(2) where the Trust is involved with a consortium in a Private Finance Initiative contract and the other consortium members require that commercial insurance arrangements are entered into; and

(3) where income generation activities take place. Income generation activities should normally be insured against all risks using commercial insurance. If the income generation activity is also an activity normally carried out by the Trust for a NHS purpose the activity may be covered in the risk pool. Confirmation of coverage in the risk pool must be obtained from the Litigation Authority. In any case of doubt concerning a Trust’s powers to enter into commercial insurance arrangements the Finance Director should consult the Department of Health.

Arrangements to be followed by the Board in agreeing Insurance cover

207. Where the Board decides to use the risk pooling schemes administered by the NHS Litigation Authority the Chief Finance Officer shall ensure that the arrangements entered into are appropriate and complementary to the risk management programme. The Chief Finance Officer shall ensure that documented procedures cover these arrangements.

208. 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 Chief
Finance Officer shall ensure that the Board is informed of the nature and extent of the risks that are self insured as a result of this decision. The Chief Finance Officer will draw up formal documented procedures for the management of any claims arising from third parties and payments in respect of losses which will not be reimbursed.

209. All the risk pooling schemes require Scheme members to make some contribution to the settlement of claims (the ‘deductible’). The Director of Finance should ensure documented procedures also cover the management of claims and payments below the deductible in each case.
### Financial Limits contained within the Standing Financial Instructions

<table>
<thead>
<tr>
<th>Section B Para.</th>
<th>Limit</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>78</td>
<td>Verbal quotes should be obtained for purchases of up to;</td>
<td>10,000</td>
</tr>
<tr>
<td>78</td>
<td>3 Written Quotations are required where intended expenditure/income is reasonably expected be between. Otherwise a quotation waiver needs to be approved</td>
<td>10,001 and 25,000</td>
</tr>
<tr>
<td>78</td>
<td>Formal Tendering is required if over the course of the entire contract or transaction, income or expenditure is reasonably expected to exceed</td>
<td>&gt;25,000</td>
</tr>
</tbody>
</table>

| 78              | OJEU Tender is required if income or expenditure is likely to exceed Threshold. Currently set at £113,057 for goods and Services and £4,348,350 for works (November 2013). Please refer to http://www.ojec.com/Threshholds.aspx for latest thresholds. | 113,057 4,348,350 |
|                 | The above amounts are indicative.                                    |      |

| 188             | Value above which Probate or Letters of Administration required if patient property held exceeds | 5,000  |
| 188             | Forms on indemnity are required if property of deceased patients fall below | 5,000  |
### Procedures Supporting the Standing Financial Instructions

<table>
<thead>
<tr>
<th>Section</th>
<th>Procedure</th>
<th>Lead</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 (b)</td>
<td>Ensuring detailed financial procedures and systems incorporating the principles of separation of duties and internal checks are prepared, documented and maintained to supplement these instructions.</td>
<td>DF</td>
</tr>
<tr>
<td>57</td>
<td>Prepare detailed instructions on the operation of bank and OPG accounts</td>
<td>DF</td>
</tr>
<tr>
<td>68</td>
<td>Responsible for the appropriate recovery action on all outstanding debts and will draw up appropriate detailed procedures.</td>
<td>DF</td>
</tr>
<tr>
<td>71 (c)</td>
<td>The security of keys, and for coin operated machines;</td>
<td>DF</td>
</tr>
<tr>
<td>71 (d)</td>
<td>Prescribing systems and procedures for handling cash and negotiable securities</td>
<td>DF</td>
</tr>
<tr>
<td>75-87</td>
<td>Tendering and Contracting</td>
<td>DF</td>
</tr>
<tr>
<td>100</td>
<td>Determination of starting pay rates, condition of service, etc, for employees.</td>
<td>DOP&amp;OD</td>
</tr>
<tr>
<td>104 (h)</td>
<td>Procedures for payment by cheque, bank credit or cash</td>
<td>DF</td>
</tr>
<tr>
<td>104 (i)</td>
<td>Procedure for the recall of cheques and bank credits</td>
<td>DF</td>
</tr>
<tr>
<td>106</td>
<td>Payroll: Audit Review Procedures</td>
<td>DF</td>
</tr>
<tr>
<td>114</td>
<td>Professional Advice for the supply of goods and services</td>
<td>DF</td>
</tr>
<tr>
<td>117 (b)</td>
<td>Instructions or guidance within the Scheme of Delegation on the obtaining of goods, works and services incorporating the thresholds</td>
<td>DF</td>
</tr>
<tr>
<td>120 (k)</td>
<td>Restrictions of purchases from petty cash in terms of value and by type of purchase.</td>
<td>DF</td>
</tr>
<tr>
<td>120 (m)</td>
<td>To verify the timely, complete and accurate receipt of goods and services ordered</td>
<td>DF</td>
</tr>
<tr>
<td>122</td>
<td>Payments to Local Authorities &amp; Voluntary Organisations under Section 28A</td>
<td>DF</td>
</tr>
<tr>
<td>125</td>
<td>Applications for loans and overdrafts.</td>
<td>DF</td>
</tr>
<tr>
<td>135</td>
<td>Capital Projects: Stage payments</td>
<td>DF</td>
</tr>
<tr>
<td>137</td>
<td>Regular reporting of Capital expenditure and commitment against authorised expenditure</td>
<td>DF</td>
</tr>
<tr>
<td>138</td>
<td>Issue a scheme of delegation for capital investment management</td>
<td>CE/DF</td>
</tr>
<tr>
<td>141</td>
<td>The financial management, including variations to contract, of capital investment projects and valuation for accounting purposes</td>
<td>DF</td>
</tr>
<tr>
<td></td>
<td>Reconciliation of Asset Register with ledger</td>
<td>DF</td>
</tr>
<tr>
<td>147</td>
<td>Approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers</td>
<td>DF</td>
</tr>
<tr>
<td>152</td>
<td>Asset Control</td>
<td>DF</td>
</tr>
<tr>
<td>154</td>
<td>Reporting of breaches of agreed security practices</td>
<td>DoE</td>
</tr>
<tr>
<td>160</td>
<td>Set out procedures and systems to regulate the stores including records for receipt of goods, issues, and returns to stores, and losses.</td>
<td>DF</td>
</tr>
<tr>
<td>163</td>
<td>Procedures for the disposal of obsolete stock shall follow the procedures set out for disposal of all surplus and obsolete goods.</td>
<td>DF</td>
</tr>
<tr>
<td>165</td>
<td>Detailed procedures for the disposal of assets including condemnations, and ensure that these are notified to managers</td>
<td>DF</td>
</tr>
<tr>
<td>169</td>
<td>Prepare detailed procedures for the disposal of assets including condemnations, and ensure that these are notified to managers</td>
<td>DF</td>
</tr>
<tr>
<td>179 (a)</td>
<td>Devise and implement any necessary procedures to ensure adequate (reasonable) protection of the Trust’s financial data, programs and computer hardware</td>
<td>DF</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td><strong>189</strong></td>
<td>Provide detailed written instructions on the collection, custody, investment, recording, safekeeping, and disposal of patients' property (including instructions on the disposal of the property of deceased patients and of patients transferred to other premises)</td>
<td></td>
</tr>
<tr>
<td><strong>190</strong></td>
<td>Where Department of Health instructions require the opening of separate accounts for patients’ moneys, these shall be opened and operated under agreed arrangements.</td>
<td></td>
</tr>
<tr>
<td><strong>210</strong></td>
<td>Use the risk pooling schemes administered by the NHS Litigation Authority</td>
<td></td>
</tr>
<tr>
<td><strong>211</strong></td>
<td>Management of any claims arising from third parties and payments in respect of uninsured</td>
<td></td>
</tr>
<tr>
<td><strong>212</strong></td>
<td>Ensure documented procedures to cover the management of claims and payments below the deductible in risk pooling schemes</td>
<td></td>
</tr>
</tbody>
</table>

**NB:** “1.1.7 The Finance Director shall ensure that detailed procedures and systems are prepared and maintained relating to all sections of these SFIs. These in effect form part of these Standing Financial Instructions.”
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>APPROVAL/ADOPTION</strong></td>
<td>August 2015</td>
</tr>
<tr>
<td><strong>DATE FOR REVIEW</strong></td>
<td>August 2016</td>
</tr>
<tr>
<td><strong>DISTRIBUTION</strong></td>
<td>All Staff</td>
</tr>
<tr>
<td><strong>RELATED POLICIES</strong></td>
<td>Standing Orders, Standing Financial Instructions</td>
</tr>
</tbody>
</table>
| **AUTHOR/FURTHER INFORMATION** | Rakesh Patel  
Chief Finance Officer  
0208 296 2960 |
| **THIS DOCUMENT REPLACES** |                                                      |
Scheme of delegation

1. The current scheme of delegation is included in this document and is set out below.

2. Currently the TEC has reserved decisions on a number of issues, which means that business cases need to be referred to the committee for agreement, via the new Operational Management Group (OMG). These decisions include
   - Any new Consultant appointment
   - Service Developments
   - Capital Initiatives
   - Approval to recruit both permanent and temporary staff via CTM (Chief Executives Team Meeting)
   - Significant changes to services

Authorised Signatories

The Scheme of Delegation set out below relates to the approval of requisitions/invoices/recharges and petty cash.

This scheme of delegation will be reflected in the Oracle Financial System. Budget holders, other than those specified below, have an approval limit of £500.

<table>
<thead>
<tr>
<th>Position</th>
<th>Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive</td>
<td>Unlimited</td>
</tr>
<tr>
<td>Chief Finance Officer</td>
<td>Unlimited</td>
</tr>
<tr>
<td>Chief Operating Officer</td>
<td>up to £149,999</td>
</tr>
<tr>
<td>Joint Medical Directors</td>
<td>up to £149,999</td>
</tr>
<tr>
<td>Chief Nurse</td>
<td>up to £149,999</td>
</tr>
<tr>
<td>Director of Estates, Facilities and Capital Projects</td>
<td>up to £100,000</td>
</tr>
<tr>
<td>Director of EOC</td>
<td>up to £34,999</td>
</tr>
<tr>
<td>Director of Communications</td>
<td>up to £34,999</td>
</tr>
<tr>
<td>Director of Strategy, Corporate Affairs and ICT</td>
<td>up to £34,999</td>
</tr>
<tr>
<td>Deputy Director of Finance</td>
<td>up to £34,999</td>
</tr>
<tr>
<td>Director of People and Organisational Development</td>
<td>up to £34,999</td>
</tr>
<tr>
<td>Director of Transformation and Innovation</td>
<td>up to £34,999</td>
</tr>
<tr>
<td>Research and Development Director</td>
<td>up to £34,999</td>
</tr>
<tr>
<td>Deputy Chief Operating Officer, Clinical Directors, General Managers, Heads of Nursing and Chief Pharmacist</td>
<td>up to £9,999</td>
</tr>
<tr>
<td>Director of Nursing - EOC, General Manager</td>
<td>up to £9,999</td>
</tr>
<tr>
<td>Associate Medical Directors</td>
<td>up to £9,999</td>
</tr>
<tr>
<td>Deputy Director of Nursing</td>
<td>up to £9,999</td>
</tr>
</tbody>
</table>
Chief Executive only  
up to £149,999

Chief Executive and Chief Finance Officer  
Unlimited

*Unlimited- For projects, contracts and business cases above £499,999 already approved by TEC and Board (£1m and above), the Chief Executive and or the Deputy Chief Executive / Chief Finance Officer can sign off related transactions

The above figures are inclusive of VAT and taken into account on the Oracle Financial System

**Purchasing and Logistics**

NB - All amounts below are for the lifetime of the contract and exclude VAT

<table>
<thead>
<tr>
<th>Formal Competitive Tendering Limits</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Verbal Quote</td>
<td>Nil-£10,000</td>
</tr>
<tr>
<td>3 Written Quotes- Otherwise a quotation waiver needs to be approved</td>
<td>£10,001 - £25,000</td>
</tr>
<tr>
<td>The Trust will invite up to 6 bids where possible and a minimum of 3 for goods and services (local tender)</td>
<td>£25,001 - OJEU Threshold</td>
</tr>
<tr>
<td>The Trust will invite up to 6 bids where possible and a minimum of 3 for Works (Estates- local tender)</td>
<td>£25,001 - OJEU Threshold</td>
</tr>
<tr>
<td>Formal OJEU tendering requirements must be met (goods, services and Works) accordingly</td>
<td>greater than OJEU Threshold</td>
</tr>
</tbody>
</table>

**Signing Contracts for Goods & Services**

Head of Procurement  
Nil- £25,000

Above plus Chief Finance Officer and/ or Chief Executive  >£25,000
The Capital Scheme of Delegation

The Capital Steering Group is responsible for agreeing the Trusts capital programme prior to signing off by various sub Committees of the Board. It will also monitor and can amend the capital programme approved by the Board accordingly in response to operational challenge. Approval of capital projects will be signed off by the group. The Chief Finance Officer in exceptional circumstances will approve capital projects when the group cannot meet immediately to ensure continuity of service. This will be subsequently ratified at the next meeting.

Please Note
1. The executive committee approval is required where the project, contract or business case exceeds £500,000
2. The Trust Board approval is also required where the project, contract or business case exceeds £1,000,000
3. Where there is currently no authorised signatory named above or there is a requirement to amend the current named authorised signatories the Director responsible for that Directorate/Department will be required to obtain the approval of the Chief Finance Officer to any proposed changes
4. Directorates should also refer to the guidance published in Autumn 2008 regarding the approval process for projects to be included in the Trust’s Procurement Work plan where the priorities for delivery will include the Trust’s Business Plan, Recovery Plan, Clinical Strategy and Capital Programme.

For the avoidance of doubt:
Where the requisition is for a contract the above values will apply to the total value of the contract, e.g. a 3 year contract with an annual value of £9,500 will require the approval of the appropriate Director as the total value of the contractual commitment of the Trust will be £28,500
Where an invoice is not covered by a purchase order the above limits will also apply
The above figures are inclusive of VAT, for purchases/commitments where VAT is not recoverable

Waiver of Standing Financial Instructions
In exceptional circumstances as set out in the Standing Financial Instructions there may be a requirement to obtain approval for single tender action. The following approval process will required prior to an order being raised. Where the total value of the order is:
£25,001 to £250,000 – Head of Purchasing and Logistics and Chief Finance Officer
Over £250,000 – Finance Director and Chief Executive

Tender Opening—all tenders are opened electronically via ‘Bravo’ (An e-Tendering tool). Two Executive Directors should be nominated to sign off the outcome of tender evaluation panels for contracts from £1m per annum
Appendix E:

BUSINESS CONDUCT
Declarations of interest, gifts and hospitality

1. Declarations of Interests

TYPES OF CONFLICT OF INTERESTS

The most common types of conflicts of interest include:

- direct financial interest
  - the award of a contract or the sale of assets below market value to a company or other business with which you are involved
- indirect financial interest
  - when a close relative receives a benefit from the Trust, e.g. a spouse, partner, dependent child, or someone directly connected to you in some other way
- non-financial or personal conflicts
  - where you receive no financial benefit, but gain some other intangible benefit or kudos, or the awarding of contracts to friends or personal business contacts
- Conflict of loyalty
  - where you may have competing loyalties between the Trust to which you owe a primary duty and some other person or entity.

RELEVANT AND MATERIAL INTERESTS

Interests which are considered ‘relevant and material’ and must be declared include:

(a) Directorships, including non-executive directorships held in private companies or public limited companies (PLCs) and sole proprietorships
(b) Ownership or part ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS
(c) Majority or controlling shareholdings in organisations likely or possibly seeking to do business with the NHS
(d) a position of authority in a charity or voluntary organisation in the field of health or social care
(e) any connection with a voluntary or other organisation contracting NHS services
(f) research funding/grants that may be received by an individual or their department

OTHER DECLARATIONS OF INTEREST

Interests that may impact on your work and should also be declared include:

- any directorships of companies likely to be engaged with the business of the Trust
- relevant previous or current employment
- voluntary or remunerated positions, such as trusteeship, local authority positions, or other public positions
- investments in unlisted companies, partnerships and other forms of business, major
shareholdings and beneficial interests in companies likely to be engaged with the business of the Trust
- gifts or hospitality offered to you by external bodies and whether this was declined or accepted in the last twelve months
- any other conflicts that are not covered by the above.
# DECLARATION OF INTERESTS

<table>
<thead>
<tr>
<th>Name:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Job title:</td>
<td></td>
</tr>
<tr>
<td>Directorate:</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Relevant and Material Interest in other organisation (including start and end date where applicable)</th>
<th>Name and principal address of the organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

I confirm that I have declared all interests of which I am aware that might affect or be seen to affect my impartiality or judgement in respect of my duties a member of the Trust Board, Trust Executive Committee, Director or an employee of Epsom and St Helier University Hospitals NHS Trust. I will ensure that any interests I have will not conflict with my work for the Trust.

NB – If you have no interests to declare, please write this above and score through any remaining boxes.

Signed ……………………………… ………………….............. Date ……………………………… …………………..............

Please return completed form to Phil Ireland, Trust Secretary.
2. Gifts and hospitality

Under the Bribery Act it is both an offence to bribe another person by promising or giving a financial or other advantage to another person, and intending the advantage to induce a person to perform improperly a relevant function or activity, or to reward a person for the improper performance of such a function or activity.

The Bribery Act 2010 introduced a corporate offence of failure to prevent bribery by persons working on behalf of a commercial organisation. Under the Bribery Act 2010, officers may be prosecuted personally if they are found to be guilty of consenting or conniving in the commission of bribery, with penalties of up to ten years imprisonment, fines or both.

The trust policy on Donations and Gifts Offered to Staff sets out definitions of what constitutes a gift or hospitality and the guidelines for what may be accepted in the normal course of business.

Definitions

Gifts: (defined as a present given to an individual): may be accepted by staff so long as they tokens of gratitude and do not exceed £25 in value. Cash or gifts valued over £25 may never be accepted personally.

Donations: (defined as unconditional contributions made to the hospital, not dependent on the provision of services or goods): this may be accepted by staff on behalf of the hospitals’ charitable funds.

Hospitality: provided it is normal and reasonable in the circumstances (eg lunches in the course of working visits) MAY be acceptable, though it should be similar to the scale of hospitality which the NHS as an employer would be likely to offer.

Sponsorship: (defined as contributions to allow named individuals or staff groups to undertake some activity): these can be accepted so long as they are declared and approved by your manager.

Income: (defined as the receipt of monies in return for goods or services provided). Where the hospitals’ resources have been used to provide the goods and services the monies will be treated as hospital income.

What is acceptable?

(i) Gifts from Patients
Staff may accept a gift of gratitude from patients or their carers, such as flowers or chocolates so long as the value does not exceed £25. If they do they exceed this value they should politely refuse. Staff can never accept gifts of money personally but can accept it as a donation, on behalf of the hospitals charitable funds.
Any monies received must be recorded on a donation acknowledgement form and banked with the hospital cashier at the earliest opportunity. Staff should never solicit gifts from patients.

(ii) Gift from organisations
Items of such a diaries and calendars may be accepted so long as their value does not exceed £25. Gifts whose value exceeds £25 should be politely refused but if the organisation wants to make a gift over this value, then it should be advised to make a donation to the hospitals charitable fund. All offers and actual gifts by organisations should be reported to your manager, who should report the details (name of employee, their department, name of organisation, description of gift, reason offered and date received or offered) to the Trust Secretary.

(iii) Donations
Where patients or others, including organisations wish to make a gift which is above the £25 limit mentioned above, they can do this by making a donation to the hospitals charitable fund. The hospitals charitable fund is split into many separate funds so as to restrict the expenditure of donations for the purpose or hospital department they were given for. Potential donors can be referred to the Charitable Fund Accountant who can ascertain the donors wishes and advise them which fund to donate to. Donations to the Charitable Fund must be spent in accordance with the donors’ wishes and these must be clearly recorded. However donors should be encouraged not to be too specific as it may make it too difficult to use their donation.

(iv) Offers of donations of equipment and assets
The Trust should normally receive donations of money into its Charitable Funds to allow it to buy equipment it needs. Donors can be specific about what equipment / asset that should be bought so long as the assessments described below have been carried out. However if the donor’s wishes cannot be met any donation will have to be returned or declined. Before any donation of monies to buy specific equipment or assets should be accepted from any individual or organisation it must satisfy the following
• The equipment / asset is needed as assessed by the department manager due to receive the equipment.
• The equipment / asset meets the required standard required as assessed by the Purchasing and Logistics manager
• The Trust can afford to maintain and operate the equipment / asset as assessed by the Finance Manager for that Directorate or arrangement shave been made for the Charitable Fund to finance this during the life of the asset.
• The equipment fits with the strategic direction and other capital and equipment replacement programmes currently operating. This will be assessed by the Purchasing and Logistics manager and will be referred to the capital steering group for consideration, for all assets above £5000.

Assets and equipment bought by the trust’s Charitable Funds belong to the Charitable Fund.
## Gifts and Hospitality Declaration Form

<table>
<thead>
<tr>
<th>Description of Gift/Hospitality offered</th>
<th>Source of offer (eg patient or company – name to be given in latter case)</th>
<th>Accepted/R efused (Yes/No)</th>
<th>Member of Staff receiving gift or hospitality (please print name)</th>
<th>Clinical Directorate/ Specialty Corp Directorate</th>
<th>Authorised by: (Clinical/Corporate Director or Line Manager)</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

On completion, please send or email this form to Phil Ireland, Trust Secretary.
Appendix F:

TENDERING PROCEDURES
Tendering and Contracting

Our Purchasing & Logistics Department works actively to ensure they deliver a purchasing service that meets the strategic objectives of the Trust, and works closely with requisitioners/budget holders to select the best value for money which are both clinically / technically acceptable.

(See the trust Standing Financial Instructions for details of approval thresholds for the value of contracts - sections 75 to 88).

It is a legal requirement that any contract value which is likely to exceed the OJEU threshold, currently set at £113,057 net of VAT, is tendered in line with the EU Directive guidelines.

The threshold costs include total lifetime cost of the purchase, any associated consumables, accessories and maintenance /service contract. Under the European Competitive Tendering process – it is illegal to separate parts and order in smaller quantities to avoid tendering the requirement.

The process will take a minimum of 6 to 12 months depending on the complexity of the product / service required. It is imperative that staff contact the Contracts Team as soon as they start planning a project so that the correct procurement process can be chosen and a project timetable agreed.

The same rules apply for goods / services being purchased whether through capital, charitable or revenue / lease funds.

The information leaflet on the following page sets out the standards expected of our suppliers when dealing directly with trust staff.

Waiver Competitive Tendering / Single Tender Action

In exceptional circumstances, as set out in the Standing Financial Instructions, there may be a requirement to obtain approval for single tender or quotation action. In such circumstances Purchasing and Logistics should be approached to discuss the reason for the request and ascertain if it meets the criteria for consideration of approval of single tender action.

Time restraint is not an acceptable reason for not competitively tendering for products / services and will be challenged in law.

The Trust currently uses the SBS Oracle System for procurement.
Guidance for suppliers

We work closely with our suppliers to deliver high quality healthcare services and have a Supplier Access Policy to ensure an effective partnership exists between all parties.

Our ten golden rules:

1. Our Purchasing and Logistics department is the first point of contact for current, new and potential suppliers.

2. All supplier/company staff must wear an ID badge with their name and company name clearly visible when on site.

3. Our staff should seek advice and support from Purchasing and Logistics department where there are issues/queries.

4. ‘Cold calling’ or visiting wards/departments without permission or an appointment is strictly prohibited.

5. Orders for goods or services must not be solicited from our staff - the only recognised documentation is an official order issued by our Purchasing and Logistics department.

6. Price/commercial discussions can only be conducted in conjunction with our Purchasing and Logistics department.

7. Our staff must not be offered samples of products unless by prior agreement with our Purchasing and Logistics department.

8. Business gifts (other than items of small intrinsic value such as diaries or calendars) must not be offered and will not be accepted.

9. All medical equipment loaned to the trust will be subject to our medical equipment management procedures, including indemnity arrangements.

10. Ensure professionalism and courtesy are shown and reciprocated at all times.

Contact our Purchasing and Logistics department

Email: purchasing.logistics@esth.nhs.uk • Phone: 020 8296 4688 or 721 4688 (internal)

Write to us: Purchasing and Logistics department, 2nd floor, Ferguson House, St Helier Hospital, Wrythe Lane, Carshalton, SM5 1AA • We aim to reply within five working days from your initial contact to us with next steps.

Authors: Patrick Ion-Autoch • Produced: April 2014 • Revised: April 2016
Appendix G:

COMMITTEE TERMS OF REFERENCE

Audit Committee
Patient Safety and Quality
Trust Executive Committee
People and Organisational Development Committee
Finance Committee
Remuneration Committee
Charitable Funds Committee
# AUDIT COMMITTEE

<table>
<thead>
<tr>
<th>Title:</th>
<th>Audit Committee Terms of Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date approved and approving body:</td>
<td>Last approved by the Committee on 21st November 2014.</td>
</tr>
<tr>
<td>Purpose:</td>
<td>To review the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation’s activities (both clinical and non-clinical), that supports the achievement of the organisation’s objectives. The Committee shall also ensure that the systems for financial reporting to the Board, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the Board.</td>
</tr>
<tr>
<td>Membership:</td>
<td>Not less than three Non-Executive Directors</td>
</tr>
<tr>
<td>Chair:</td>
<td>One of the members will be appointed Chair of the Committee by the governing body. The Chair of the organisation itself shall not be a member of the Committee.</td>
</tr>
<tr>
<td>Secretary:</td>
<td>The organisation’s secretary (or governance lead) shall be secretary to the Committee and shall attend to take minutes of the meeting and provide appropriate support to the Chair and committee members.</td>
</tr>
<tr>
<td>Quorum:</td>
<td>Two Non-Executive Directors</td>
</tr>
<tr>
<td>Frequency of Meetings:</td>
<td>A benchmark of five meetings per annum at appropriate times in the reporting and audit cycle is suggested. The governing body, accounting (or accountable) officer, external auditors or Head of Internal Audit may request an additional meeting if they consider that one is necessary.</td>
</tr>
<tr>
<td>Attendance at Meetings:</td>
<td>The Director of Finance, Head of Internal Audit and a representative from External Audit shall normally attend meetings. The counter fraud specialist will attend a minimum of two meetings a year. The Accountable Officer should be invited to attend meetings and should discuss at least annually with the audit committee the process for assurance that supports the governance statement. He or she should also attend when the Committee considers the draft annual governance statement and the annual report and accounts. Other executive directors/ managers should be invited to attend,</td>
</tr>
</tbody>
</table>
particularly when the Committee is discussing areas of risk or operation that are the responsibility of that director/manager. Representatives from other organisations (for example, NHS Protect) and other individuals may be invited to attend on occasion. At least once a year the Committee should meet privately with the external and internal auditors.

<table>
<thead>
<tr>
<th>Access to the Chair of Audit Committee</th>
<th>The Head of Internal Audit, representative of external audit and counter fraud have a right of direct access to the Chair of the committee.</th>
</tr>
</thead>
</table>

| Duties of the Committee: | **Duties**

The duties of the Committee can be categorised as follows: Integrated Governance, Risk Management and Internal Control.

The Committee shall review the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation’s activities (both clinical and non-clinical), that supports the achievement of the organisation’s objectives.

In particular, the Committee will review the adequacy of:

- all risk and control related disclosure statements (in particular the Annual Governance Statement and declarations of compliance with the Care Quality Commission, together with any accompanying Head of Internal Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the Board)
- the underlying assurance processes that indicate the degree of achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements;
- the policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements and related reporting and self-certifications;
- the policies and procedures for all work related to counter fraud and security as required by NHS Protect.

In carrying out this work the Committee will primarily utilise the work of Internal Audit, External Audit and other assurance functions, but will not be limited to these sources. It will also seek reports and assurances from directors and managers as appropriate, concentrating on the overarching systems of integrated governance, risk management and internal control, together with indicators of their effectiveness.

This will be evidenced through the Committee’s use of an effective Assurance Framework to guide its work and that of the audit and assurance functions that report to it.
As part of its integrated approach, the committee will have effective relationships with other key committees (for example, the [Patient Safety and Quality Committee]) so that it understands processes and linkages. However, these other committees must not usurp the Audit Committee’s role.

**Internal Audit**

The Committee shall ensure that there is an effective internal audit function that meets the *Public Sector Internal Audit Standards, 2013* and provides appropriate independent assurance to the Audit Committee, Chief Executive and Board. This will be achieved by:

- consideration of the provision of the Internal Audit service, the costs involved
- review and approval of the Internal Audit plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation as identified in the Assurance Framework;
- consideration of the major findings of internal audit work (and management’s response) and ensure co-ordination between the Internal and External Auditors to optimise the use of audit resources;
- ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation;
- annual review of the effectiveness of internal audit.

**External Audit**

The Committee shall review and monitor the external auditor’s independence and objectivity and the effectiveness of the audit process. In particular, the Committee will review the work and findings of the External Auditor, Grant Thornton appointed by the Audit Commission, and consider the implications and management’s responses to their work. This will be achieved by:

- consideration of the appointment and performance of the External Auditor, as far as the Audit Commission’s rules permit (and make recommendations to the Trust Board when appropriate);
- discussion and agreement with the External Auditor, before the audit commences, of the nature and scope of the audit as set out in the Annual Plan
- discussion with the External Auditors of their local evaluation of audit risks and assessment of the Trust; and the impact of the audit fee
- review all External Audit reports, including the report to those charged with governance (before its submission to the Board) and any work carried outside the annual audit plan, together
with the appropriateness of management responses

- ensuring that there is in place a clear policy for the engagement of external auditors to supply non audit services.

**Other Assurance Functions**

The Audit Committee shall review the findings of other significant assurance functions, both internal and external to the organisation, and consider the implications for the governance of the organisation. These will include, but will not be limited to, Regulators/Inspectors/professional bodies (e.g. Care Quality Commission, NHS Litigation Authority, Royal Colleges, and other accreditation bodies, etc).

In addition, the Committee will review the work of other committees within the organisation, whose work can provide relevant assurance to the Audit Committee’s own areas of responsibility. This will particularly include the Patient Safety and Quality Committee, Clinical Quality and Assurance Committee, and the Risk committees that are established.

In reviewing the work of the Clinical Quality and Assurance Committee, and issues around clinical risk management, the Audit Committee will wish to satisfy itself on the assurance that can be gained from the Patient Safety and Quality Committee of the clinical audit function.

**Counter Fraud**

The Committee shall satisfy itself that the organisation has adequate arrangements in place for counter fraud and security management that meet NHS Protect’s standards and shall review the outcomes of work in these areas.

**Management**

The Committee shall request and review reports, evidence and assurances from directors and managers on the overall arrangements for governance, risk management and internal control.

It may also request specific reports from individual functions within the organisation (e.g. clinical audit).

It will require Executive Directors to attend meetings of the Committee (and lead Operational Managers) to address internal Audit reports where any limited assurance has been given to explain what actions have been implemented to address shortcomings in these audits.
### Financial Reporting

The Committee shall monitor the integrity of the financial statements of the organisation and any formal announcements relating to its financial performance.

The Committee should ensure that the systems for financial reporting to the Trust Board, including those of budgetary control, are subject to review as to the completeness and accuracy of the information provided.

The Audit Committee shall review the Annual Report and Financial Statements and exercise its delegated responsibility from the Board for sign-off of the accounts, focusing particularly on:

- the wording in the Annual Governance Statement and other disclosures relevant to the Terms of Reference of the Committee;
- changes in, and compliance with, accounting policies, practices and estimation techniques;
- unadjusted mis-statements in the financial statements;
- significant judgements in preparation of the financial statements;
- significant adjustments resulting from the audit;
- Letters of representation
- Explanations for significant variances.

The Committee shall also receive the Quality Accounts for noting only.

### Whistleblowing

The Committee should review the effectiveness of the arrangements in place for allowing staff to raise (in confidence) concerns about possible improprieties in financial, clinical or safety matters and ensure that any such concerns are investigated proportionately and independently.

### Reporting

The Committee shall report to the Trust Board on how it discharges its responsibilities.

The minutes of Audit Committee meetings shall be formally recorded by the Trust Secretary and submitted to the Board. The Chair of the Committee shall draw to the attention of the Board any issues that require disclosure to the full Board, or require executive action.
The Committee will report to the Board at least annually on its work in support of the Annual Governance Statement, specifically commenting on:

- the fitness for purpose of the Assurance Framework,
- the completeness and embeddedness of risk management in the organisation
- the integration of governance arrangements
- the appropriateness of the evidence that shows the organisation is fulfilling regulatory requirements relating to its existence as a functioning business
- the robustness of the processes behind the quality accounts.

This annual report should also describe how the committee had fulfilled its terms of reference and give details of any significant issues that the committee considered in relation to the financial statements and how they were addressed.

 administrative support

<table>
<thead>
<tr>
<th>The Committee shall be supported administratively by its secretary (the organisation’s secretary or governance lead) – his or her duties in this respect will include:</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Agreement of agendas with the Chair and attendees</td>
</tr>
<tr>
<td>- Preparation, collation and circulation of papers in good time</td>
</tr>
<tr>
<td>- Ensuring that those invited to each meeting attend</td>
</tr>
<tr>
<td>- Taking the minutes and helping the Chair to prepare reports to the governing body</td>
</tr>
<tr>
<td>- Keeping a record of matters arising and issues to be carried forward</td>
</tr>
<tr>
<td>- Arranging meetings for the Chair – for example, with the internal/external auditors or local counter fraud specialists</td>
</tr>
<tr>
<td>- Maintaining records of members’ appointments and renewal dates etc</td>
</tr>
<tr>
<td>- Advising the Committee on pertinent issues/areas of interest/policy developments</td>
</tr>
<tr>
<td>- Ensuring that action points are taken forward between meetings</td>
</tr>
<tr>
<td>- Ensuring that Committee members receive the development and training they need.</td>
</tr>
</tbody>
</table>
### PATIENT SAFETY AND QUALITY COMMITTEE

<table>
<thead>
<tr>
<th>Title:</th>
<th>PATIENT SAFETY and QUALITY COMMITTEE</th>
</tr>
</thead>
</table>
| Date approved and approving body: | Patient Safety and Quality Committee: 24th August 2015  
Trust Board: 4th September 2015 |
| Purpose: | To seek assurances that the quality of patient services is of the highest standard and reflects the three main dimensions of quality, those of patient safety, clinical effectiveness and patient experience as defined in the Trust’s Quality Strategy. |
| Membership: | Three Non-Executive Directors, plus  
Chief Executive  
Deputy Chief Executive/Joint Medical Director (Executive lead)  
Joint Medical Director  
Chief Operating Officer  
Chief Nurse  
Chief Financial Officer  
Director of Strategy, Corporate Affairs and ICT  
Director of People and Organisational Development  
Director of Communications  
Director of Estates, Facilities and Capital Projects  
Associate Director of Quality |
| Chair: | Non Executive Director |
| Secretary: | Trust Secretary |
| Quorum: | Four members, including two Executive Directors and two Non-Executive Directors (including the Non-Executive Chairman of the Committee). |
| Frequency of Meetings: | Monthly, excluding June and August |
| Attendance at meetings: | Executive members unable to attend must send a suitably briefed deputy who is able to make decisions on their behalf.  
Members are expected to attend a minimum of 75% of meetings in person. |
| Duties – decision making: | 1. Adopt a quality dashboard which reports on the key indicators of safe and effective care, patient experience and responsive care across the trust and by directorate  
2. Approve the Quality Account as delegated by the Trust Board. |
| Duties – advisory: | Make recommendations and seek assurances as to the robustness of the controls in place with particular focus on the key challenges identified of strengthening staffing in key areas, the variability in the delivery of clinical care and the constraints from the quality of our |
estates.
Refer any relevant matter to any other board committee and respond to items referred into the committee from other board committees.

| Duties – monitoring: | 1. Monitor the patient experience including feedback through the Friends and Family test, national and local patient experience surveys, complaints, Serious Incidents, litigation and inquests and patient stories and seek assurances as to the reduction in patient harm through learning from these indicators. |
| | 2. Seek assurances that services are safe and effective, for example from reports to the committee on mortality, infection control, pressure ulcers, falls, nursing and medical staffing, the London Quality Standards and 24/7 working, maternity standards, and safeguarding. |
| | 3. Monitor the ongoing assurances for compliance with the CQC standards, including from internal pilot and formal CQC inspections. |
| | 4. Seek assurances that directorate and specialty services are safe, effective, caring, responsive and well-led (the 5 CQC questions) with additional assurance taken from directorate teams attending the Committee and addressing these 5 questions. |
| | 5. Identify the quality impact from any workforce gaps and cross-reference any concerns to the People and Organisational Development Committee. |
| | 7. Monitor clinical effectiveness through the clinical audit programme as measured though improved outcomes for patients and ensure that Audit Committee is being informed. |
| | 8. Monitor the quality and responsiveness of care provided in meeting access targets from reports including on our A&E performance, cancer waiting times and our patient focussed CQUINs. |
| | 9. Seek assurances from the Clinical Assurance Panel that any negative impacts on clinical quality from cost improvement plans, service changes and pathway redesign are identified and mitigated. |
| | 10. Review assurances on the quality and safety of care from reports submitted from those in statutory and regulatory positions, for example medical revalidation, safeguarding adults and children, controlled drugs. |
| | 11. Review the work of its sub-committees through regular updates from the Chairs of these groups and review of their meeting minutes. |
| Subgroups: | Clinical Quality and Assurance Committee – incorporating reports from the Clinical Audit Committee. |
| **Improving Patient Experience Committee**  
| **Health, Safety and Risk Committee**  
| **Information Governance Committee.** |

| **Accountability:** | The Committee is accountable to the Trust Board. |
| **Reporting responsibilities:** | Chairman’s annual report to Trust Board together with copies of each approved set of Committee minutes. |
## TRUST EXECUTIVE COMMITTEE

<table>
<thead>
<tr>
<th>Name of committee:</th>
<th>Trust Executive Committee</th>
</tr>
</thead>
</table>
| Date TORs approved | Trust Executive Committee – 19th August 2015  
Trust Board – 4th September 2015 |
| approving body:    |                           |
| Purpose:           | 1. The Trust Executive Committee will be constituted by the key  
senior leadership body of the trust with a membership of 55 people.  
It will provide the trust board with assurances that the following have  
been subjected to both clinical and operational scrutiny and have the  
support of the senior leadership team within the trust:  
- manage the clinical and non-clinical services on behalf of the  
  Trust Board ensuring quality and safe services for patients  
- resolve operational performance issues ensuring that the Trust  
  operates safely, effectively and efficiently and in a patient  
  focussed way  
- be responsible for the delivery and performance management  
  of financial issues  
- set the direction of travel for the organisation through making  
  major strategic and operational decisions not reserved to the  
  Board and the proposing and refining of issues and  
  recommendations on matters reserved to the Board  
- ensure there is an effective business planning process in place.  
2. Establish a sub-committee to provide assurance that clinical and  
   operational scrutiny has been properly discharged and that all  
   reports submitted to the board have been fully discussed and  
   approved. |
| Membership:        | Membership needs to be representative of the leadership of the trust  
                    and include both clinical and non-clinical divisions, Associate Medical  
                    Directors and Clinical Directors for Transformation and Innovation.  
                    This requires a membership that is informed by the views of staff and  
                    has the legitimacy to be able to debate, propose and implement  
                    change in their areas.  
                    Membership:  
                    Executive directors x10  
                    Clinical Directors x13  
                    Clinical Directors for Transformation and Innovation inc. Director x 4  
                    Associate Medical Directors x 4 (AMD for Quality is a joint role)  
                    Lead Doctor for Infection Prevention and Control  
                    Deputy Chief Nurse  
                    Deputy Chief Operating Officer  
                    Chief Pharmacist |
<table>
<thead>
<tr>
<th><strong>Head of Midwifery</strong></th>
<th><strong>Head of Therapies</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Managers x 6</strong></td>
<td><strong>Heads of Nursing x 6</strong></td>
</tr>
<tr>
<td><strong>Associate Director of Quality</strong></td>
<td><strong>Deputy Director of Estates</strong></td>
</tr>
<tr>
<td><strong>Deputy Director of Finance</strong></td>
<td><strong>Deputy Director of Human Resources</strong></td>
</tr>
<tr>
<td><strong>Junior doctor representatives x2</strong></td>
<td><strong>(Total = 55)</strong></td>
</tr>
</tbody>
</table>

The Chairman may request any other member of staff to attend as required.

<table>
<thead>
<tr>
<th><strong>Chair:</strong></th>
<th><strong>Chief Executive</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Secretary:</strong></td>
<td><strong>Trust Secretary</strong></td>
</tr>
<tr>
<td><strong>Quorum:</strong></td>
<td>At least one third of the membership, including the Chief Executive or a nominated deputy, and one representative from each clinical division.</td>
</tr>
<tr>
<td><strong>Frequency of Meetings:</strong></td>
<td>Monthly</td>
</tr>
<tr>
<td><strong>Attendance:</strong></td>
<td>Members are expected to attend a minimum of 75% of meetings in person. Members unable to attend must send a deputy who is briefed and able to make decisions on their behalf, except clinical divisions where at least one representative from each clinical division is expected to attend every meeting.</td>
</tr>
<tr>
<td><strong>Duties – decision making:</strong></td>
<td>To carry out all duties in line with the Scheme of Delegation as delegated by the trust board. To respond to any matter delegated to it by the trust board or referred from any other board committee. To have a wider and more detailed debate on strategically important matters of importance and agree actions to address areas that are not performing to plan. To delegate to the TEC sub-committee approval for all matters which are required to go to the trust board, including but not limited to: Reports on quality and patient safety, performance, finance and risk, audit and regulatory matters - business cases for service developments and contracts in accordance with the limits set out in the Scheme of Delegation - trust policies - minutes of sub committees.</td>
</tr>
<tr>
<td><strong>Duties – advisory:</strong></td>
<td>To advise the Board on operational and strategic matters reserved for decision by the Board.</td>
</tr>
</tbody>
</table>
To recommend corporate objectives as part of the business plan for approval by the Trust Board.
To review the annual financial plan, savings plans and capital programme for approval by the Finance Committee and Trust Board.
To review the trust mission statement, vision and values and codes of conduct, for approval by the Trust Board.

<table>
<thead>
<tr>
<th>Duties – monitoring:</th>
<th>To monitor the effectiveness and efficiency of the TEC sub-committee in performing its delegated duties.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sub-groups:</strong></td>
<td>TEC sub-committee</td>
</tr>
<tr>
<td></td>
<td>Operational Management Group</td>
</tr>
<tr>
<td></td>
<td>Integration and Transformation Board</td>
</tr>
<tr>
<td></td>
<td>Patient First Steering Group</td>
</tr>
<tr>
<td><strong>Accountability:</strong></td>
<td>The Trust Executive Committee is accountable to the trust board.</td>
</tr>
<tr>
<td><strong>Reporting responsibilities:</strong></td>
<td>Minutes to be included on the agenda of each Trust Board meeting.</td>
</tr>
</tbody>
</table>
### Name of committee:
Trust Executive Committee (TEC sub-committee)

### Date TORs approved and approving body:
- Trust Executive Committee – 19<sup>th</sup> August 2015
- Trust Board – 4<sup>th</sup> September 2015

### Purpose:
To provide assurance that clinical and operational scrutiny has been properly discharged and that all reports submitted to the board have been fully discussed and approved.

This will enable the Trust Executive Committee the scope to have a wider and more detailed debate on strategic and operational matters and discuss and agree actions to address areas that are not performing to plan.

### Membership:
All Executive directors, plus one member from each Divisional Management team is required to attend the TEC Sub-committee to approve all matters to go to the trust board.

### Chair:
Chief Executive

### Secretary:
Trust Secretary

### Quorum:
One third of the membership, including the Chief Executive or a nominated deputy, and one representative from each clinical division.

### Frequency of Meetings:
Monthly.

### Attendance:
Members are expected to attend a minimum of 75% of meetings in person.

Executive members unable to attend must send a deputy who is briefed and able to make decisions on their behalf.

One representative from each clinical division is expected to attend every meeting.

### Duties – decision making:
1. To approve on behalf of TEC all matters that are required to be considered at the trust board including:
   - Reports on quality and patient safety, performance, finance and risk, audit and regulatory matters
   - Business cases for service developments and contracts in accordance with the limits set out in the Scheme of Delegation
   - Trust policies
   - Minutes of sub committees.
2. Review of the Risk Register and BAF for submission to Audit Committee and Trust Board.
3. Identify any areas of non-delivery which require further discussion with the wider TEC group.
<table>
<thead>
<tr>
<th>Duties – advisory:</th>
<th>To refer back to TEC any matters on which it is not satisfied is ready to go to the trust board and provide TEC with appropriate reasons.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Duties – monitoring:</td>
<td>None</td>
</tr>
<tr>
<td>Sub-groups:</td>
<td>N/A</td>
</tr>
<tr>
<td>Accountability:</td>
<td>Trust Executive Committee.</td>
</tr>
<tr>
<td>Reporting responsibilities:</td>
<td>The Chief Executive chairs TEC sub-committee and the Trust Executive Committee and is a member of the Trust Board.</td>
</tr>
<tr>
<td>Name of Committee:</td>
<td>People and Organisational Development Committee</td>
</tr>
<tr>
<td>--------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>Date approved and approving body:</td>
<td>People and Organisational Development Committee: 2\textsuperscript{nd} February 2015</td>
</tr>
<tr>
<td>Purpose:</td>
<td>To receive proposals for and oversee the development of the people and organisational development strategy (incorporating calibre, motivation and training), and annual plans for delivering that strategy, for approval by the Board. To monitor progress with delivery of the workforce strategy and annual plan and advise the Board on progress. To identify areas of concern and ensure that relevant steps to remedy these are taken and that the Board is appraised.</td>
</tr>
</tbody>
</table>
| Membership: | Non-Executive Director x 3  
Chief Executive  
Director of People & Organisational Development (Exec lead)  
Deputy Director of Human Resources  
Director of Nursing Standards & Quality Assurance  
Medical Director  
Chief Operating Officer  
Head of Clinical Programmes  
Staffside Chair  
Head of Learning & Development  
Trust Secretary |
| Chair: | Non Executive Director |
| Secretary: | PA to the Director of People and Organisational Development |
| Quorum: | Two Non Executive Directors and two Executive Directors of which one must be the Director of People & Organisational Development or their nominated deputy. |
| Frequency of Meetings: | Quarterly |
| Attendance: | Members unable to attend must send a deputy who is briefed and able to make decisions on their behalf. Members are expected to attend a minimum of 75\% of meetings in person. |
| Terms of Reference | The People and Organisational Development Committee acts on behalf of the Trust Board to:  
- seek assurance on the delivery of the Trust’s three-year people and organisational development strategy on an annual basis and report to the Trust Board accordingly;  
- receive assurance that the Trust has in place structures, |
systems and processes for effective workforce management in the light of that strategy;

- receive assurance that the Trust’s workforce policies and procedures are in accordance with legislation, NHS guidelines and requirements, and are operating within the Trust’s overall assurance framework;

- where necessary bring recommendations to the attention of the Board on key workforce issues affecting the staff and the Trust;

- receive assurance on workforce performance against the agreed set of performance measures and standards;

- receive assurance on the workforce annual delivery plan and bring to the attention of the Trust Board matters of concern;

- seek assurance on the performance of all groups that report directly to the Workforce Committee by agreeing terms of reference, annual work plans and receiving quarterly progress reports against those plans, with a particular focus on exceptions;

- liaise, where appropriate, with other relevant Trust Board Sub-Committees to ensure an integrated and consistent approach to quality, finance, performance and communication.

- Seek assurance of compliance with standards 12, 13 and 14 of the Care Quality Commission’s essential standards of quality and safety in relation to workforce.

**Sub-groups:**
The sub-groups of the People and Organisational Development Committee are currently under review.

**Accountability**
To the Trust Board

**Reporting responsibilities**
The Committee will present a People and Organisational Development Strategy to the Board every three years and an annual People and Organisational Development Plan to the Board.

The Committee will provide exception reports to the Board on delivery of the annual workforce plan twice a year and an annual report.

Minutes will be presented to the Board for information.

Updated 2 February 2015
## FINANCE AND INVESTMENT COMMITTEE

<table>
<thead>
<tr>
<th><strong>Name of committee:</strong></th>
<th>Finance and Investment Committee</th>
</tr>
</thead>
</table>
| **Date TORs approved and approving body:** | Finance and Service Improvement Committee: 27th August 2015  
Trust Board: 4th September 2015 |
| **Purpose:**  
*High level statement of the purpose of the Committee.* | The purpose of the committee is to approve the annual financial plan and review financial performance to ensure the trust achieves its annual financial targets; review and approve the investment in service development opportunities and approve tender proposals and business cases. |
| **Membership:** | Trust Chair  
Non-Executive Directors (X 2)  
Chief Executive  
Chief Financial Officer  
Chief Operating Officer  
Joint Medical Director  
Chief Nurse  
Director of People and Organisational Development  
Director of Strategy, Corporate Affairs and ICT  
The Chair may request any other member of staff to attend as required. |
| **Chair:** | Trust Chair |
| **Secretary:** | Assistant Director of Finance |
| **Quorum:** | Two Directors, and two Non-Executive Directors (including the Chair) |
| **Frequency of Meetings:** | Monthly |
| **Attendance:** | Members unable to attend must send a deputy who is briefed and able to make decisions on their behalf.  
Members are expected to attend a minimum of 75% of meetings in person. |
| **Duties – decision making:** | Approve the timeliness and robustness of the annual business planning process.  
Review and approve contractual arrangements with the trust’s commissioners  
Review and recommend the annual financial plan for approval by the trust board, and ensure it is aligned with the trusts 5-year strategy and supports the trusts corporate objectives. |
Review financial performance against plan, approve any proposed remedial actions and review the year end forecast position in order to provide assurances on its robustness to the trust board.

Approve the Cost Improvement Plans (CIPS) and seek assurances that any resulting service changes do not have an adverse effect on the quality of patient care before recommending to the trust board.

Approve the annual Capital Plan and recommend to the trust board.

Review and approve tenders and bids for new business opportunities

Review and approve investment required in service developments and recommend for trust board for approval.

Approve on behalf of the board the monthly self-assessment return to the NHS Trust Development Authority (in months were the timing of the submission to the TDA is before the date the board meets).

Approve all contracts awarded over £50,000 and recommend to the trust board for approval.

Approve the annual Reference Cost Assurance submission.

**Duties – advisory:** Refer any matter to any other board committee and respond to items referred into the committee from others board committees.

**Duties – monitoring:** Review performance against the CIP and NHS Patient Care Income Programme. Review progress against the Capital Programme.

Review productivity, profitability and efficiency metrics including information from of Patient Level Costing and Information System (PLICS) data.

**Sub-groups:** Finance and Contracting Group

Capital Steering Group

**Accountability:** Trust Board

**Reporting responsibilities:** Verbal update from the Chair and Approved minutes included as an item for information to each Trust Board meeting.

Updated August 2015
## REMUNERATION COMMITTEE

<table>
<thead>
<tr>
<th>Title:</th>
<th>REMUNERATION COMMITTEE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date approved and approving body:</td>
<td>Trust Board 5&lt;sup&gt;th&lt;/sup&gt; November 2010</td>
</tr>
<tr>
<td>Purpose:</td>
<td>To agree on behalf of the Board the remuneration and terms of service of the Senior Executive Group of the Trust, defined as the Chief Executive and those directors that report directly to the Chief Executive and to include the Director of Information Services.</td>
</tr>
<tr>
<td>Approach:</td>
<td>N/A</td>
</tr>
<tr>
<td>Membership:</td>
<td>Chairman of the Trust and all Non-Executive Directors</td>
</tr>
<tr>
<td>In Attendance:</td>
<td>Chief Executive</td>
</tr>
<tr>
<td>Director of People and Organisational Development (Executive lead)</td>
<td></td>
</tr>
<tr>
<td>Chair:</td>
<td>Chairman of the Trust Board</td>
</tr>
<tr>
<td>Secretary:</td>
<td>Director of People and Organisational Development</td>
</tr>
<tr>
<td>Quorum:</td>
<td>Two members (excluding the Committee chair)</td>
</tr>
<tr>
<td>Frequency of Meetings:</td>
<td>At least once per year.</td>
</tr>
<tr>
<td>Attendance:</td>
<td>Members are required to attend all meetings. If this is not possible, the Chair must be notified so that a decision can be taken as to how to approach the meeting. Non Executive members cannot send deputies.</td>
</tr>
<tr>
<td>Duties – decision making:</td>
<td>To agree on behalf of the Board the remuneration and terms of service of the senior executives of the Trust. To ensure that the executives and other very senior managers are fairly rewarded for their contribution to the Trust, having proper regard to its circumstances and performance, and to the provisions of any national arrangements for such staff where appropriate. To 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.</td>
</tr>
<tr>
<td>Duties – advisory:</td>
<td>N/A</td>
</tr>
<tr>
<td>Duties – monitoring:</td>
<td>To monitor and evaluate the performance of individual directors in the context of their clearly stated responsibilities.</td>
</tr>
<tr>
<td>Sub-groups:</td>
<td>N/A</td>
</tr>
<tr>
<td>Accountability:</td>
<td>N/A</td>
</tr>
</tbody>
</table>
### CHARITABLE FUNDS COMMITTEE

<table>
<thead>
<tr>
<th>Name of committee:</th>
<th>Charitable Funds Committee</th>
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| Date TORs approved and approving body: | Charitable Funds Committee - July 2015  
Trust Board – 4 September 2015 |
| Purpose: | To manage charitable funds on behalf of the Trust and in accordance with the Trustee Act 2000 and the Trustees Investment Act 1961. |
| Membership: | Chairman of the Trust  
Chief Executive  
Chief Financial Officer  
Chief Nurse  
Nominee of the Senior Medical Staff Committee  
Assistant Director of Finance (In attendance) |
| Chair: | Chairman of the Trust |
| Secretary: | PA to the Chief Financial Officer |
| Quorum: | Two Trustees |
| Frequency of Meetings: | Quarterly |
| Attendance: | Members are expected to attend a minimum of 75% of meetings in person. |
| Duties – decision making: | To raise charitable funds and to make decisions on the investment of those funds.  
To consider applications for using the funds and to disburse funds in accordance with the wishes of the donor and within relevant legislation and local policies, whilst maintaining capital balances.  
To review the investment policy every two years, including ethical investments e.g. funds not invested in sectors such as tobacco, spirits, arms, boxing etc.  
To ensure that best value is secured from the investment broker. |
| Duties – advisory: | None |
| Duties – monitoring: | The Committee may wish to instruct its investment broker to track particular investments. |
| Sub-groups: | None |
| Accountability: | Charity Commission |
| Reporting responsibilities: | Charity Commission via annual report and annual accounts. |
# EQUALITY IMPACT ASSESSMENT FORM

In order to carry out an effective impact assessment it is important to examine all available data and research so that any adverse impact on equality can be properly assessed.

<table>
<thead>
<tr>
<th>1. Name of function, strategy, project or policy</th>
<th>Governance Framework</th>
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| 2. Name, job title, department, and the telephone number of staff completing the assessment form | Phil Ireland, Trust Secretary  
Strategy, Corporate Affairs and ICT  
Tel: 0208 296 4990 |
| 3. What is the main purpose and outcomes of the function, strategy, project or policy. | It sets out the legal framework within which the trust was established and a high level statement of its role, responsibilities and the standards it upholds, how the trust board ensures its objectives are delivered within the regulatory framework and the controls in place to ensure it discharges its statutory responsibilities. |
| 4. List the main activities of the function, project/policy (for strategies list the main policy areas) | • The trusts legal status and the role of the trust board  
• Committees of the board  
• Our principles and values  
• The systems of internal control  
• Independent control and regulation and supporting detailed appendices. |
| 5. Who would benefit from the strategy/project/policy | All trust staff, patients, carers, volunteers and all stakeholders. |
| 6. Is it relevant to:  
- Race Relations Act  
- Sex Discrimination Act  
- Disability Discrimination Act  
- Employment Equality Regulations  
- Religion or Belief  
- Sexual Orientation  
- Age | Yes | No |
| 7. Do you think that the function/strategy/project/policy could have a negative or positive impact on:  
Race  
Disability  
Gender  
Religion | Positive:  
(Give Reason)  
This Framework is neutral in its impact. | Negative:  
(Give Reason) |
<table>
<thead>
<tr>
<th>Sexual Orientation Age</th>
</tr>
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</table>
| 8. How could you minimise or improve any negative impact? Explain how. | N/A  
| 9. What consultation with relevant users on this project has taken place? | None  
| 10. If there are gaps in your consultation and research, are there any experts/relevant groups that can be contacted to get further views or evidence on the issues. Please list them and explain how you will obtain their views. | N/A  
| 11 a) Have you involved your staff in taking forward this impact assessment?  
11 b) How have you involved the staff | N/A  
| 12. In the light of all the information detailed in this form what practical actions would you take to reduce or remove any adverse/negative impact. | N/A  

Note: Any consultation detailed in the impact assessment must be undertaken within a 3 month period so that your action plan can address this specific function/policy. Also it is your responsibility to ensure that feedback is provided to individuals/groups you have consulted with and update them on any actions which you may take to address the negative impact. If there is a negative impact that cannot be resolved you will need to complete a Trust Risk Assessment Form assessing the risks involved.

To be signed by the Manager completing this form.

Signed........................................................................................................ Date: 7th August 2015