Croydon Health Services NHS
NHS Trust

STANDING ORDERS, RESERVATION AND DELEGATION OF POWERS AND STANDING FINANCIAL INSTRUCTIONS

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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 Chair of the Trust shall be the final authority on the interpretation of Standing Orders on which they should be advised by the Chief Executive.

2. Any expression to which a meaning is given in the National Health Service Act 2006 ("NHS Act 2006"), Health and Social Care Act 2012 and other Acts of Parliament ("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:

Accountable Officer	means the Officer responsible and accountable for funds entrusted to the Trust. The Accountable Officer shall be responsible for ensuring the proper stewardship of public funds and assets. For the Trust the Accountable Officer shall be the Chief Executive.
Board	means the Chair, Executive Board Members and Non-Executive Board Members of the Trust who are members of the Board collectively as a body.
Board Member	means those persons appointed to the Board in accordance with the Membership and Procedure Regulations and a "member of the Board" shall have the same meaning.
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.
Budget holder	means the director or employee with delegated authority to manage finances (income and expenditure) for a specific area of the organisation.
Chair of the Board (or Trust)	is the person appointed by the Secretary of State to lead the Board and to ensure that it successfully discharges its overall responsibility for the Trust as a whole. The expression "the Chair of the Trust" shall be deemed to include the Vice-Chair of the Trust if the Chair is absent from the meeting or is otherwise unavailable[1].
Chief Executive	means the chief Executive of the Trust. The Chief Executive is also the Accountable Officer.
Commissioning	means the process for determining the need for and for obtaining the supply of healthcare and related services by the Trust within available resources.

[1] The Chair will be appointed by NHS England under delegated powers from the Secretary of State. Once the relevant provisions for the Health and Care Act 2022 have come into force NHS England will have legal power to appoint the Chair.

Committee	means a committee or sub-committee of the Board created and appointed by the Trust.
Committee members	mean persons formally appointed by the Board to sit on or to chair specific committees.
Croydon Health Charity	means the Trust's charity set up under the Croydon health services charitable fund
Director	means the Executive Board Members and the Non-Executive Board Members.
Executive Board Member	means a member of the Board who is an employee of the Trust or is to be treated as an employee by virtue of regulation 5(5) of the Membership and Procedure Regulations and is appointed to the Board in accordance with regulation 17 or regulation 18 of the Membership and Procedure Regulations.
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 Part 11 of the NHS Act 2006, as amended. Such funds may or may not be charitable.
Joint Chief Finance Officer	means the Chief Financial Officer of the Trust.
Membership and Procedure Regulations	means National Health Service Trusts (Membership and Procedure) Regulations 1990 (SI 1990/2024) and subsequent amendments.
Nominated officer	means an officer charged with the responsibility for discharging specific tasks within Standing Orders and Standing Financial Instructions.
Non-Executive Board Member	means a member of the Board who is not an employee of the Trust and is appointed to the Board by NHS England and is not to be treated as an employee by virtue of regulation 5(5) of the Membership and Procedure Regulations.
Officer (or "staff")	means a person appointed to act independently of the Board to provide advice on corporate governance issues to the Board and the Chair and monitor the Trust's compliance with the law, Standing Orders, and Department of Health and Social Care guidance
Secretary of State	means, at the time of publication, the Secretary of State for Health and Social Care (and as the context requires from time to time shall include such other title as may apply or may have applied to the secretary of state in the UK Government with responsibility for the National Health Service).
SFIs	means Standing Financial Instructions.

SID	means the Senior Independent Director who plays a key role in ensuring that there is an independent route to the Board and fulfil the duties of the Chairman in circumstances where they might be conflicted. The SID supports the Chair, acting as a sounding board and source of advice, and serves as an intermediary for other Board members if they have concerns which the usual channels have failed to resolve or where it would be inappropriate to use such channels.
SOs	means Standing Orders.
Trust	means the Croydon Health Services NHS Trust.
Vice-Chair	means the Non-Executive Board Member of the Board appointed by the Board to take on the Chair's duties if the Chair is absent for any reason, on a short-term/temporary basis (e.g. up to one month). This may include chairing any meetings that will normally be chaired by the Trust Chair, and any other duties agreed between the Chair and Vice-Chair

SECTION B – STANDING ORDERS

1. INTRODUCTION

1.1 Statutory Framework

1.1.1 The Croydon Health Services NHS Trust is a statutory body which was established on 1st April 1993 under the Mayday Healthcare NHS Trust (Establishment) Order 1993 (SI 1993/27) (and the "Establishment Order" is used below to refer to that order as amended from time to time).

1.1.2 The Secretary of State approved the Trust's change of name to "Croydon Health Services NHS Trust" from the 1st October 2010 under the Mayday Healthcare National Health Service Trust (Establishment) Amendment Order 2010 (SI 2010/2230).

1.1.3 The Secretary of State approved the change in composition to 7 Non-Executive Board Members, in addition to the Chair, one of whom should be appointed from St George's University of London from the 1st November 2016 under the Mayday Healthcare National Health Service Trust (Establishment) (Amendment) Order 2016 (SI 2016/1028).

1.1.4 The principal place of business of the Trust is Croydon University Hospital, 530 London Road, Croydon, Surrey CR7 7YE.

1.1.5 NHS Trusts are governed by Act of Parliament, principally the National Health Service Act 2006 ("NHS Act 2006") as amended from time to time, most significantly by, the Health and Social Care Act 2012 and the Health and Care Act 2022.

1.1.6 The functions of the Trust are set out at paragraph 3 of the Establishment Order. The functions are to: provide goods and services, namely hospital accommodation and services and community health services, for the purposes of the health service.

1.1.7 The powers of the Trust are set out in the NHS Act 2006 and in particular in Schedule 4 of the Act which specifies that the Trust has the power to acquire and dispose of property, to enter into contracts and to accept gifts of property including property to be held on trust, either for the general or any specific purposes of the NHS trust or for any purposes relating to the health service.

1.1.8 Regulation 19 (2) of the Membership and Procedure Regulations requires the Trust to make Standing Orders for the regulation of the Trust's 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 in the context of the financial commitments made or to be made by the Trust.

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

1.2 NHS Framework

1.2.1 In addition to the statutory requirements the Secretary of State through the Department of Health and Social Care issues further directions and guidance from time to time. These are normally issued under cover of a circular or letter.

1.2.2 The NHS Code of Conduct and Accountability[2].and other relevant codes of conduct require amongst other matters that 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.

[2] The NHS Code of Conduct and Accountability is no longer available but has not been replaced. See: https://www.hfma.org.uk/docs/default-source/publications/guides---%27look-inside%27-documents/nhs-audit-committee-handbook---look-inside.pdf?sfvrsn=0 . The provisions still apply nonetheless as referenced in the Healthcare Financial Management Association NHS Audit Committee Handbook. References to the Code of Conduct and Accountability are therefore retained in these Standing Orders as the code underpins the form of Standing Orders originally adopted by the Trust. NHS England has undertaken a consultation on an updated draft of the Code of governance for NHS provider trusts which will seek to set out an overarching framework for the corporate governance of trusts. Once the final code is issued, these Standing Orders will be reviewed and updated accordingly. The consultation is available via this link:- https://www.engage.england.nhs.uk/consultation/code-of-governance-for-nhs-provider-trusts/

1.2.3 The NHS Code of Conduct and Accountability also makes various requirements concerning possible conflicts of interest of Board members.

1.2.4 The NHS Code of Conduct and Accountability sets out the requirements for public access to information on the NHS.

1.2.5 Where relevant these Standing Orders include provisions drawing on the NHS Code of Conduct and Accountability.

1.3 **Delegation of Powers**

1.3.1 The Trust has powers to delegate and make arrangements for delegation (Membership and Procedure Regulations Regulation 16 (delegation to committees)). The delegated powers are covered in Section C of this document: "Scheme of Reservation and Delegation". This document has effect as if incorporated into the Standing Orders.

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

2.1 **Composition of the Membership of the Trust Board**

In accordance with the Membership and Procedure Regulations the composition of the Board shall be:

2.1.1 The Chair of the Trust; (Appointed by the Secretary of State)[3];

2.1.2 7 Non-Executive Board Members; (not including the Chair, and appointed by NHS England; one of the Non-Executive Board Members must be appointed from St George's, University of London);

2.1.3 5 Executive Board Members including:

a) the Chief Executive;
b) the Joint Chief Finance Officer;
c) the Chief People Officer;
d) the Chief Nurse; and
e) the Medical Director.

2.1.4 The Trust Board shall have not more than 12 members in addition to the Chair unless otherwise determined by the Secretary of State and set out in the Trust's Establishment Order or other relevant and binding communication from the Secretary of State.

[3] The appointment will be made by NHS England on behalf of the Secretary of State until provisions empowering NHS England to make the appointment come into force.

2.2 Appointment of Chair and members of the Board of the Trust

2.2.1 The Appointment of the Chair is by the Secretary of State delegated to NHS England and the Non-Executive Board Members of the Trust are appointed by NHS England.

2.2.2 By Regulation 17 of the Membership and Procedure Regulations, the Chief Executive is appointed by a committee of the Chair and the Non-Executive Board Members.

2.2.3 By Regulation 18 of the Membership and Procedure Regulations, Executive Board Members are to be appointed by a committee comprising the Chair, Chief Executive and Non-Executive Board Members.

2.2.4 The Executive Board Members shall be those parties appointed to the roles set out at Standing Order 2.1.3 above and appointed by the committee established in accordance with Regulation 18 of the Membership and Procedure Regulations as referred above. Those Executive Board Members shall be the 'executive directors' for the purposes of the Membership and Procedure Regulations and shall be the only officers or employees of the Trust being members of the Board and being entitled to vote at any meeting of the Board. Any other Trust Officer or employee appointed to a role with a title including the word 'director' shall not be a member of the Board and shall not have any right to vote at meetings of the Board. Any such executive director may nevertheless be invited to attend meetings of the Board by the Chief Executive.

2.3 Terms of Office of the Chair and Members

2.3.1 The regulations setting out the period of tenure of office of the Chair and members of the Board and for the termination or suspension of office of the Chair and members of the Board are contained in regulations 7 to 9 of the Membership and Procedure Regulations, and will be applied, as well as any requirements specified by NHS England.

2.3.2 Executive Board Members, other than the Chief Officer and Chief Finance Officer will be appointed for such period as the relevant committee may specify subject to their continuing to hold a post in the Trust and subject to a decision of the appointing committee that such tenure should be terminated. On any suspension from their post at the Trust an Executive Board Member shall be suspended from their role as Board Member for the period of that suspension.

2.3.3 The Chair and Non-Executive Board Members may resign their office at any time by giving notice in writing to NHS England. An Executive Board Member, other than Chief Executive or Chief Finance Officer can resign at any time by giving notice in writing to the relevant committee.

2.3.4 Where a Non-Executive Board Member is appointed as Chair, their tenure of office as Non-Executive Board Member will terminate when their appointment as Chair takes effect.

2.4 Appointment and Powers of Vice-Chair

2.4.1 Subject to Standing Order 2.4.2 below, the Chair and members of the Board may appoint one of their number, who is a Non-Executive Board Member, to be Vice-Chair, for such period, not exceeding the remainder of his/her term as a member of the Board of the Trust, as they may specify on appointing him/her.

2.4.2 Any member so appointed may at any time resign from the office of Vice-Chair by giving notice in writing to the Chair. The Chair and Board members may thereupon appoint another Board member as Vice-Chair in accordance with the provisions of Standing Order 2.4.1.

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

2.5 Joint Members

2.5.1 Where more than one person is appointed jointly to a post mentioned in regulation 6 of the Membership and Procedure Regulations those persons shall count for the purpose of Standing Order 2.1 as one person.

2.5.2 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 shall only be entitled to cast one vote;
c) in the case of disagreements no vote should be cast; and
d) the presence of either or both of those persons should count as the presence of one person for the purposes of Standing Order 3.12 Quorum.

2.6 Role of Members of the Board

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

a) Executive Board Members

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

b) 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.

c) Joint Chief Finance Officer

The Joint Chief Finance Officer 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.

d) Non-Executive Board Members

The Non-Executive Board 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.

e) Chair

The Chair shall be responsible for the operation of the Board and chair all Board meetings when present. The Chair has certain delegated executive powers. The Chair must comply with the terms of appointment and with these Standing Orders.

The Chair shall liaise with the NHS England over the appointment of Non-Executive Board Members and once appointed shall take responsibility either directly or indirectly for their induction, their portfolios of interests and assignments, and their performance.

The Chair shall work closely with the Chief Executive and shall ensure that relevant 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.

2.7 Corporate Role of the Board

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

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

2.7.3 The powers of the Trust established under statute shall be exercised by the Board meeting in public session except as otherwise provided for in Standing Order 3.

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

2.8.1 The Board has resolved that certain powers and decisions may only be exercised by the Board in formal session. These powers and decisions are set out in the "Scheme of Reservation and Delegation" set out at Section C of this document and which 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 Reservation and Delegation.

2.9 **Lead Roles for Board Members**

2.9.1 The Chair will ensure that the designation of Lead roles or appointments of Board members as required by the Department of Health and Social Care 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.).

3. MEETINGS OF THE TRUST

3.1 **Calling meetings**

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

3.1.2 The Chair of the Trust may call a meeting of the Board at any time.

3.1.3 One third or more members of the Board may requisition a meeting in writing. If the Chair 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.

3.2 **Format of Meetings**

3.2.1 Ordinary meetings of the Board can be held and conducted by:

a) physical attendance by members of the Board at a particular place (physical meeting);
b) suitable electronic means only as agreed by Board Members in which each Board Member may communicate with all the other Board Members (virtual meeting);
c) both physical attendance by members at a particular place and by Board Members also being able to attend and participate by electronic means without needing to be in physical attendance at a same place (hybrid meeting).

3.2.2 The Board Members shall in their discretion determine whether the ordinary meeting is to be held as a physical meeting, a hybrid meeting or by electronic means only.

3.2.3 At hybrid meetings and meetings held by electronic means, the Board Members in attendance shall be counted in the quorum and entitled to vote and that meeting shall be duly constituted and its proceedings will be valid, if the Chair of the meeting is satisfied that adequate facilities are available to ensure that Board Members attending can:

a) participate in the business for which the meeting has been convened;
b) hear all persons who speak at the meeting; and
c) be heard by all other persons at the meeting.

3.2.4 Without prejudice to Standing Order 3.2.2, any interruption to the electronic participation of, or technology failure on the part of, one or more members shall not affect the validity of the meeting or any business transacted at it.

3.2.5 If during the meeting, the chair considers that the electronic means are no longer adequate and no longer meet the criteria at Standing Order 3.2.3 the Chair may adjourn the ordinary meeting. All business conducted at the ordinary meeting up to the time of an adjournment shall be valid.

3.2.6 Any meeting held in accordance with Standing Order 3.1 shall make provision for the public in accordance with this Standing Order 3.18.1.

3.3 **Notice of Meetings and the Business to be transacted**

3.3.1 Before each meeting of the Board a written notice specifying the business proposed to be transacted shall be delivered to every member, or sent by post to the usual place of residence of each member, so as to be available to members at least three clear days before the meeting. The notice shall be signed by the Chair or by an Officer authorised by the Chair to sign on their behalf of service of such a notice on any member of the Board shall not affect the validity of a meeting.

3.3.2 In the case of a meeting called by members in default of the Chair calling the meeting, the notice shall be signed by those members.

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

3.3.4 A member desiring a matter to be included on an agenda shall make his/her request in writing to the Chair 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 Chair.

3.3.5 Before each public meeting of the Board a public notice of the time, format of meeting and place of the meeting, and the public part of the agenda, shall be published on The Trust official website at least three clear days before the meeting, (required by the Public Bodies (Admission to Meetings) Act 1960 Section 1(4)(a)).

3.4 **Agenda and Supporting Papers**

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

3.5 **Petitions**

3.5.1 Where a petition has been received by the Trust, the Chair shall include the petition as an item for the agenda of the next meeting.

3.6 **Notice of Resolution**

3.6.1 Subject to the provision of Standing Orders 3.8 “Resolutions: Procedure at and during a meeting" and 3.9 “Resolutions to rescind a resolution", a member of the Board wishing to propose a resolution at any meeting shall send a written notice to the Chief Executive who will ensure that it is brought to the immediate attention of the Chair.

3.6.2 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 resolution being withdrawn or moved without notice on any business mentioned on the agenda for the meeting.

3.7 **Emergency Resolutions**

3.7.1 Subject to the agreement of the Chair, and subject also to the provision of Standing Order 3.8 “Resolutions: Procedure at and during a meeting”, a member of the Board may give written notice of an emergency resolution 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 Chair's decision to include the item shall be final.

3.8 Resolutions: Procedure at and during a meeting

3.8.1 Who may propose

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

3.8.2 Contents of resolutions

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

a) the reception of a report;
b) consideration of any item of business before the Trust Board;
c) the accuracy of minutes;
d) that the Board proceed to next business;
e) that the Board adjourn; and
f) that the question be now put.

3.8.3 Amendments to resolutions

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

Amendments to resolutions shall be moved relevant to the resolution, and shall not have the effect of negating the resolution before the Board.

If there are a number of amendments, they shall be considered one at a time.

When a resolution has been amended, the amended resolution shall become the substantive resolution before the meeting, upon which any further amendment may be proposed.

3.8.4 Rights of reply to resolutions

a) Amendments
   The proposer of an amendment may reply to the debate on their amendment immediately prior to the proposer of the original resolution, who shall have the right of reply at the close of debate on the amendment, but may not otherwise speak on it.

b) Substantive/original resolution
   The member who proposed the substantive resolution shall have a right of reply at the close of any debate on the resolution.

3.8.5 **Withdrawing a resolution**

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

3.8.6 **Resolutions once under debate**

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

a) an amendment to the resolution;
b) the adjournment of the discussion, or the meeting;
c) that the meeting proceed to the next business;
d) that the question should be now put;
e) the appointment of an 'ad hoc' committee to deal with a specific item of business;
f) that a member/director be not further heard;
g) a resolution under Section 1(2) or Section 1(8) of the Public Bodies (Admissions to Meetings) Act 1960 resolving to exclude the public, including the press (see Standing Order 3.18).

In those cases where the resolution is either that the meeting proceeds to the “next business” or “that the question be now put” in the interests of objectivity these should only be put forward by a member of the Board who has not taken part in the debate and who is eligible to vote.

If a resolution to proceed to the next business or that the question be now put, is carried, the Chair should give the proposer of the substantive resolution under debate a right of reply, if not already exercised. The matter should then be put to the vote.

3.9 **Resolution to Rescind a Resolution**

3.9.1 Notice of resolution 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 resolution of which notice shall have been given, the Trust Board may refer the matter to any appropriate Committee or the Chief Executive for recommendation.

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

3.10 **Chair of Meeting**

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

3.10.2 If the Chair and Vice-Chair are absent, the Directors present, who are eligible to vote shall choose a Non-Executive Board Member who shall preside.

3.11 **Chair's Ruling**

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

3.12 **Quorum**

3.12.1 No business shall be transacted at a meeting unless at least one-third of the whole number of the Chair and Directors (including at least one Executive Board Member and one Non-Executive Board Member) is present.

3.12.2 An Officer in attendance for an Executive Board Member but without formal acting up status may not count towards the quorum.

3.12.3 If the Chair 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 Standing Order No.7) that person shall no longer count towards the quorum. If a quorum is then not available for the discussion and/or the passing of a resolution on any matter, that matter may not be discussed further or voted upon at that meeting. Such a position shall be recorded in the minutes of the meeting. The meeting must then proceed to the next business.

3.13 **Voting**

3.13.1 Save as provided in Standing Orders 3.14 - Suspension of Standing Orders and 3.15 - Variation and Amendment of Standing Orders, every question put to a vote at a meeting shall be determined by a majority of the votes of members present and voting on the question. In the case of an equal vote, the person presiding (i.e. the Chair of the meeting) shall have a second, and casting vote.

3.13.2 At the discretion of the Chair all questions put to the vote shall be determined by oral expression or by a show of hands, unless the Chair directs otherwise, or it is proposed, seconded and carried that a vote be taken by paper ballot.

3.13.3 If at least one third of the members present so request, the voting on any question may be recorded so as to show how each member present voted or did not vote (except when conducted by paper ballot).

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

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

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

3.13.7 A manager attending the Trust Board meeting to represent an Executive Board Member during a period of incapacity or temporary absence without formal acting up status may not exercise the voting rights of the Executive Board Member. An Officer's status when attending a meeting shall be recorded in the minutes.

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

3.14 **Suspension of Standing Orders**

3.14.1 Except where this would contravene any statutory provision or any direction made by the Secretary of State or the rules relating to the Quorum (Standing Order 3.12), any one or more of the Standing Orders may be suspended at any meeting, provided that at least two-thirds of the whole number of the members of the Board are present (including at least one member who is an Executive Board 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.

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

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

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

3.15 **Variation and Amendment of Standing Orders**

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

a) upon a notice of resolution under Standing Order 3.6;
b) upon a recommendation of the Chair or Chief Executive included on the

agenda for the meeting;

c) 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-Executive Board Members vote in favour of the amendment; and
d) providing that any variation or amendment does not contravene a statutory provision or direction made by the Secretary of State.

3.16 **Record of Attendance**

3.16.1 The names of the Chair and Directors/members present at the meeting shall be recorded.

3.17 **Minutes**

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

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

3.18 **Admission of Public and the Press**

3.18.1 Admission and Exclusion on Grounds of Confidentiality of Business to be Transacted

The public and representatives of the press may be invited to attend all meetings of the Trust, but shall be required to withdraw upon the Trust Board as follows: "A body may, by resolution, exclude the public from a meeting (whether during the whole or part of the proceedings) whenever publicity would be prejudicial to the public interest by reason of the confidential nature of the business to be transacted or for other special reasons stated in the resolution"", Section 1 (2), Public Bodies (Admission to Meetings) Act 1960.

Guidance should be sought from the Trust's Freedom of Information Lead to ensure correct procedure is followed on matters to be included in the exclusion.

3.18.2 General Disturbances

The Chair (or Vice-Chair 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 (Admission to Meetings) Act 1960.

3.18.3 Business Proposed to be Transacted When the Press and Public Have Been Excluded from a Meeting

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 Standing Orders 3.18.1 and 3.18.2 above, shall be confidential to the members of the Board.

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.

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

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.

3.19 **Observers at Trust Meetings**

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

4. APPOINTMENT OF COMMITTEES AND SUB-COMMITTEES

4.1 Appointment of Committees

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

4.1.2 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.

4.2 **Joint Committees**

4.2.1 Joint committees may be appointed by the Trust by joining together with one or more other NHS England or other Trusts consisting of, wholly or partly of the Chair 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.

4.2.2 Any committee or joint committee appointed under this Standing Order may, subject to such directions as may be given by the Secretary of State or the Trust or other health bodies in question, appoint sub-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.

4.3 **Applicability of Standing Orders and Standing Financial Instructions to Committees**

4.3.1 The Standing Orders and Standing Financial Instructions of the Trust, as far as they are applicable, shall as appropriate apply to meetings and any committees established by the Trust. In which case the term “Chair” is to be read as a reference to the Chair 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.)

4.4 **Terms of Reference**

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

4.5 **Delegation of Powers by Committees to Sub-Committees**

4.5.1 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.

4.6 **Approval of Appointments to Committees**

4.6.1 The Board shall approve the appointments to each of the committees which it has formally constituted. Where the Board determines, and regulations permit, that persons, who are neither members nor Officer, 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.

4.6.2 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.

4.7 Appointments for Statutory Functions

4.7.1 Where the Board is required to appoint persons to a committee and/or to undertake statutory functions as required by the Secretary of State or NHS England, 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.

4.8 Committees Established by the Trust Board

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

4.8.1 Audit Committee

In line with the requirements of the NHS Audit Committee Handbook (2018), the NHS Codes of Conduct and Accountability, and 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 (Appendix 4) will be approved by the Trust Board and reviewed on a periodic basis.

A minimum of three Non-Executive Board Members be appointed, unless the Board decides otherwise, of which one must have significant, recent and relevant financial experience.

4.8.2 Remuneration Committee

In line with the requirements of the NHS Codes of Conduct and Accountability, and the Higgs report, a Terms of Service and Remuneration Committee will be established and constituted (see Appendix 5 for the Terms of Reference).

The committee should 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 Board Members including:

a) all aspects of salary (including any performance-related elements/bonuses);
b) provisions for other benefits, including pensions and cars; and
c) arrangements for termination of employment and other contractual terms.

4.8.3 **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 has established 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 Charity Commission. The relevant charity established is Croydon Health Charity.

The provisions of this Standing Order must be read in conjunction with Standing Order 2.7 and Standing Financial Instructions 29. The Committee's Terms of Reference can be found in Appendix 7)

4.8.4 **Finance, Investment and Transformation Committee**

The purpose of the committee is to oversee the Trust in its efforts to maximise its healthcare provision subject to financial constraints (see also Appendix 2 for the Terms of Reference). The committee considers patient safety to be of paramount importance. The committee seeks to support the development of plans that will seek to transform the way in which the Trust delivers services that will achieve long term sustainability. The Committee's role is to provide challenge, critical review and assurance of the Trust's performance delivery and the quality of the services that it provides. It achieves its aim by providing assurance to the Board that there are robust mechanisms in place to ensure:

a) There is detailed consideration of the Trust's sustainability in respect of financial, investment and performance issues;
b) There is adequate information available on key issues to enable clear decisions to be made Compliance with regulatory requirements e.g. NHS Improvement and the Care Quality Commission;
c) The achievement of the Trust's strategic aims and objectives;
d) The signing off of business cases;
e) Appropriate oversight of the Capital Budget; and
f) Oversight of strategies and plans to transform and deliver services.

4.8.5 **Quality Committee**

The Quality Committee is responsible for providing the Trust Board with assurance on all aspects of quality including: safety; patient experience; clinical effectiveness; performance standards including a robust performance management framework to overview performance against national targets and corporate objectives; research

& development; and regulatory standards of care (refer to Appendix 3 for the Terms of Reference).

In addition as part of the integration agenda the Committee seeks to provide assurance to the CHS Board and Place Committee in relation to the system clinical care performance, patient experience against nationally and locally agreed standards.
The Committee ensures that appropriate systems are in place to ensure:

a) The delivery and reporting of the Trust's Quality Account and the Quality priorities;
b) An effective review and scrutiny on all aspects of quality to ensure any aspects of concern are satisfactorily addressed;
c) Relevant independent reports and enquiries are responded to;
d) Monitoring of progress and completion of action plans as a result of Care Quality Commission Inspections and other external body assessments or accreditations; and
e) Provide the forum where clinical matters between the Trust and the Croydon Place can be addressed. This will include reviewing escalated events and exceptions to performance.

4.8.6 **People and Place Committee**

People and Place Committee (see Appendix 6 for the Committee's Terms of Reference) is the CHS Trust Board assurance committee for People/workforce with the purpose of providing assurance around:

- the CHS workforce strategy and development/training of an integrated CHS workforce in collaboration with system partners for the health and well-being of our staff
- Ensuring the Trust is a good employer and contributes appropriately as an Anchor Institution
- Receiving updates on joint work across Croydon Place and considering specific implications for CHS

4.8.7 **Other Committees**

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

5. ARRANGEMENTS FOR THE EXERCISE OF TRUST FUNCTIONS BY DELEGATION

5.1 Delegation of Functions to Committees, Officers or Other Bodies

5.1.1 Subject to such directions as may be given by the Secretary of State, the Board may make arrangements for the exercise, on behalf of the Board, of any of its functions by a committee, 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.

5.1.2 Section 65Z5 of the National Health Service Act 2006 provides for the functions of Trusts to be carried out jointly with one or more of the following:

a) by a relevant body (as defined by the 2022 Act and including NHS England, an integrated care board, a NHS trust, a NHS foundation trust);
b) a local authority;
c) a combined authority.

5.1.3 Where a function is delegated by these Regulations to another Trust, then that Trust or health service body exercises the function in its own right; the receiving Trust has responsibility to ensure that the proper delegation of the function is in place. In other situations, i.e. delegation to committees, sub-committees or Officers, the Trust delegating the function retains full responsibility.

5.2 Emergency Powers and Urgent Decisions- Chair's action

5.2.1 As referred to at Standing Order 3.7, the powers which the Board has reserved to itself within these Standing Orders (see Standing Order 2.8) may in emergency or for an urgent decision be exercised by the Chief Executive and the Chair after having consulted at least two Non-Executive Board Members. The exercise of such powers by the Chief Executive and Chair shall be reported to the next formal meeting of the Trust Board in public session for formal ratification.

5.2.2 A decision made under Standing Order 5.2.1 is the process usually referred to as 'Chair's Action'.

5.3 Delegation to Committees

5.3.1 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.

5.3.2 When the Board is not meeting as the Trust in public session it shall operate as a committee and may only exercise such powers as may have been delegated to it by the Trust in public session.

5.4 Delegation to Officers

5.4.1 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.

5.4.2 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.

5.4.3 Nothing in the Scheme of Delegation shall impair the discharge of the direct accountability to the Board of the Joint Chief Finance Officer to provide information and advise the Board in accordance with statutory or Department of Health and Social Care requirements. Outside these statutory requirements the roles of the Joint Chief Finance Officer shall be accountable to the Chief Executive for operational matters.

5.5 Schedule of Matters Reserved to the Trust and Scheme of Delegation of Powers

5.5.1 The arrangements made by the Board as set out in the "Scheme of Reservation and Delegation" set out at Section C of this document which shall have effect as if incorporated in these Standing Orders.

5.6 Duty to Report Non-Compliance with Standing Orders and Standing Financial Instructions

5.6.1 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.

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

6.1 Policy Statements: General Principles

6.1.1 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 Croydon Health Services NHS 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.

6.2 **Specific Policy Statements**

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

a) the Standards of Business Conduct and Conflicts of Interest Policy for Croydon Health Services NHS Trust staff;
b) the staff Disciplinary and Appeals Procedures adopted by the Trust both of which shall have effect as if incorporated in these Standing Orders;
c) the Bribery Act 2010.

6.3 **Standing Financial Instructions**

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

6.4 **Specific Guidance**

6.4.1 Notwithstanding the application of Standing Order 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:

a) Caldicott Guardian 1997;
b) Human Rights Act 1998;
c) Freedom of Information Act 2000;
d) Equality Act 2010;
e) Bribery Act 2010; and
f) Economic Crime and Corporate Transparency Act 2023

7. DUTIES AND OBLIGATIONS OF BOARD MEMBERS/DIRECTORS, SENIOR MANAGERS AND ALL EMPLOYEES UNDER THESE STANDING ORDERS

7.1 **Declaration of Interests**

7.1.1 **Requirements for Declaring Interests and Applicability to Board Members**

The NHS Code of Conduct and 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 and subsequently at the start of every new financial year.

7.1.2 **Interests which are Relevant and Material**

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

i. Directorships, including Non-Executive Board Memberships held in private companies or PLCs (with the exception of those of dormant companies);
ii. Ownership or part-ownership of private companies, businesses or consultancies likely or possibly seeking to do business with the NHS;
iii. Majority or controlling shareholdings in organisations likely or possibly seeking to do business with the NHS;
iv. A position of authority in a charity or voluntary organisation in the field of health and social care;
v. Any connection with a voluntary or other organisation contracting for NHS services;
vi. Research funding/grants that may be received by an individual or their department; and
vii. Interests in pooled funds that are under separate management.

b) 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.

7.1.3 **Advice on Interests**

If Board members have any doubt about the relevance of an interest, this should be discussed with the Chair of the Trust or with the Chief Executive.

International Accounting Standard 24 – Related Party Disclosures - 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.

7.1.4 **Record of Interests in Trust Board minutes**

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

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.

7.1.5 **Publication of Declared Interests in Annual Report**

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.

7.1.6 **Conflicts of Interest Which Arise During the Course of a Meeting**

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 Standing Order 7.3).

7.2 **Register of Interests**

7.2.1 The Chief Executive will ensure that a Register of Interests is established to record formally declarations of interests of Board or Committee members. In particular the Register of Interests will include details of all directorships and other relevant and material interests (as defined in Standing Order 7.1.2) which have been declared by both executive and non-executive Trust Board members.

7.2.2 These details will be kept up to date by means of an annual review of the Register of Interests in which any changes to interests declared during the preceding twelve months will be incorporated.

7.2.3 The Register of Interests will be available to the public and the Chief Executive will take reasonable steps to bring the existence of the Register of Interests to the attention of local residents and to publicise arrangements for viewing it.

7.3 **Exclusion of Chair and Members in Proceedings on Account of Pecuniary Interest**

7.3.1 **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:

a) "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);
b) "contract" shall include any proposed contract or other course of dealing;
c) "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:

   i. 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

ii. 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.

d) Exception to Pecuniary Interests: A person shall not be regarded as having a pecuniary interest in any contract if:

i. 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

ii. 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

iii. those securities of any company in which he/she (or any person connected with him/her) has a beneficial interest do not exceed £5,000 in nominal value or one per cent of the total issued share capital of the company or of the relevant class of such capital, whichever is the less.

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

7.3.2 **Exclusion in Proceedings of the Trust Board**

a) Subject to the following provisions of this Standing Order, if the Chair or a member of the Trust Board has any pecuniary interest, direct or indirect, in any contract, proposed contract or other matter and is present at a meeting of the Trust Board at which the contract or other matter is the subject of consideration, they shall at the meeting and as soon as practicable after its commencement disclose the fact and shall not take part in the consideration or discussion of the contract or other matter or vote on any question with respect to it.

b) 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 Standing Order 7.3.3 on the "Waiver" which has been approved by the Secretary of State).

c) The Trust Board may exclude the Chair 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.

d) Any remuneration, compensation or allowance payable to the Chair or a Member by virtue of paragraph 233, Part 11 of the NHS Act 2006 shall not be treated as a pecuniary interest for the purpose of this Standing Order.

e) 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.

7.3.3 **Waiver of Standing Orders Made by the Secretary of State**

a) Power of the Secretary of State to make waivers

Under regulation 20 (2) of the Membership and Procedure Regulations, there is a power for NHS England to issue waivers if it appears to NHS England in the interests of the health service that the disability in regulation 20 (which prevents a Chair 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 (b) to (d) below.

b) Definition of „Chair" for the purpose of interpreting this waiver

For the purposes of Standing Order 7.3.3(c) (below), the "relevant Chair" is:

i. at a meeting of the Trust, the Chair of that Trust;
ii. at a meeting of a Committee;

- in a case where the member in question is the Chair of that Committee, the Chair of the Trust;
- in the case of any other member, the Chair of that Committee.

c) Application of waiver

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

It will apply to:

i. A member of the Croydon Health Services NHS Trust ("the Trust"), who is a healthcare professional, within the meaning of regulation 5(5) of the Regulations, and who is providing or performing, or assisting in the provision or performance, of:

- services under the NHS Act 2006; or
- services in connection with a pilot scheme under the Health and Social Care Act 2012; 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:

- 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;
- has been declared by the relevant Chair as an interest which cannot reasonably be regarded as an interest more substantial than that of the majority of other persons who:

  a. are members of the same profession as the member in question,
  b. 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.

d) <u>Conditions which apply to the waiver and the removal of having a pecuniary interest</u>

The removal is subject to the following conditions:

i. the member must disclose his/her interest as soon as practicable after the commencement of the meeting and this must be recorded in the minutes;
ii. the relevant Chair must consult the Chief Executive before making a declaration in relation to the member in question pursuant to Standing Order 7.3.3(b)(ii) above, except where that member is the Chief Executive;

iii. in the case of a meeting of the Trust:

- the member may take part in the consideration or discussion of the matter which must be subjected to a vote and the outcome recorded;
- may not vote on any question with respect to it;

iv. in the case of a meeting of the Committee:

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

7.4 Standards of Business Conduct

7.4.1 Trust Policy and National Guidance

All Trust staff and members of must comply with the Trust's Interests, Gifts, Hospitality and Sponsorship Policy and the national guidance contained in "Managing Conflicts of Interest in the NHS".

7.4.2 Interest of Officers and Employees in Contracts

a) 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.
b) An Officer and employee 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.
c) The Trust will require interests, employment or relationships so declared to be entered in a register of interests of staff.

7.4.3 Canvassing of and Recommendations by Members in Relation to Appointments

a) 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.
b) 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.

7.4.4 Relatives of Members or Officers

a) 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.
b) The Chair 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.

c) On appointment, members (and prior to acceptance of an appointment in the case of Executive Board Members) should disclose to the Trust whether they are related to any other member or holder of any office under the Trust.
d) Where the relationship to a member of the Trust is disclosed, the Standing Order headed „Exclusion of Chair and members in proceedings on account of pecuniary interest" (Standing Order 7) shall apply.

8. CUSTODY OF SEAL, SEALING OF DOCUMENTS AND SIGNATURE OF DOCUMENTS

8.1 Custody of Seal

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

8.2 Circumstances where a Document is required to be sealed

Documents executed by the Trust must be executed by the application of the seal in accordance with Standing Order 8.3 below. Documents can also be executed on behalf of the Trust by officers in accordance with the Scheme of Reservation and Delegation.

However, there are circumstances where it is necessary to execute a document as a deed. Any document executed as a deeds is required to be executed by application of the seal. Examples of transactions where documents are required to be executed as deeds include:

1. Where there is a transfer of land;
2. Leases;
3. Appointment of trustees;
4. Power of attorney;
5. Gifts of tangible goods that are not accompanied by delivery;
6. Releases and variations to the above documents,

Where there is any uncertainty as to the manner of execution of any document the Trust Secretary should be consulted.

8.3 Sealing of Documents

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.

8.4 **Register of Sealing**

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

8.5 Signature of Documents

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 Board Member.

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).

9. MISCELLANEOUS (see overlap with SFI No 21.3)

9.1 **Joint Finance Arrangements**

The Board may confirm contracts to purchase from a local authority using its powers under Section 75 of the NHS Act 2006. Under s.75 of the NHS Act 2006 the Board may confirm contracts to transfer money from the NHS to the prescribed 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.

See overlap with Standing Financial Instruction No. 21.3.

SECTION C - SCHEME OF RESERVATION AND DELEGATION

Scheme of Reservation

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

REF	THE BOARD	DECISIONS RESERVED TO THE BOARD
NA	The Board	**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. 4. Approve Outline and Final Business Cases for Capital Investment over, £1,000,000. 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 £1,000,000 over the period of the contract. 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 Joint Chief Finance Officer (for losses and special payments) previously approved by the Board. If a proposed loss or special payment is novel, contentious, or repercussive, prior approval of the Board is required before submission for approval to the Department of Health and Social Care. 12. Approve individual compensation payments. 13. Approve proposals for action on litigation against or on behalf of the Trust. 14. Review use of NHSBA risk pooling schemes (Liabilities to Third Parties Schemes (LTPS); Property Expenses Schemes (PES) / Clinical Negligence Schemes (CNST)).
NA	The Board	**Policy Determination** 1. Approve management policies including personnel policies incorporating the arrangements for the appointment, removal and remuneration of staff.
NA	The Board	**Audit** 1. Approval of external auditors" arrangements for the separate audit of funds held on trust, and the submission of reports to the Audit Committee meetings who will take appropriate action. 2. Receive the Annual Audit Letter from the external auditor and agreement of proposed action, taking account of the advice, where appropriate, of the Audit Committee.
NA	The Board	**Annual Reports and Accounts** 1. Receipt and approval of the Trust's Annual Report and Annual Accounts. 2. Receipt and approval of the Annual Report and Accounts for funds held on trust.
NA	The Board	**Monitoring** 1. Receive such reports as the Board sees fit from committees in respect of their exercise of powers delegated. 2. Continuous appraisal of the affairs of the Trust by means of the provision 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 Social Care and the Charity Commission shall be reported, at least in summary, to the Board. 3. Receive reports from CFO on financial performance against budget and Business Plan. 4. Receive reports from CE on actual and forecast income from SLA.

REF	THE BOARD	DECISIONS RESERVED TO THE BOARD
Appendix 2	Finance, Investment and Transformation Committee	The Committee will: 1. Support the Board it in its responsibilities for financial management. 2. Provide the Trust Board with an objective review of the financial strategy, financial position, investment policy, major investment decisions and the financial management of the Trust and oversee the delivery of financial targets 3. Ensure the design and operation of a comprehensive budgetary control framework that accords with guidance and legislation and meets the business requirements of the Trust. 4. Review financial plans and strategies and ensure they are consistent with overall Trust objectives and plans. 5. Ensure that there is detailed consideration of the Trust's sustainability in respect of financial, investment and performance issues. 6. Approve budget-setting timetable processes and recommend budgets to the Trust Board for adoption. 7. Monitor financial performance against budgets and ensure appropriate and timely corrective actions are planned and implemented. 8. Ensure appropriate stakeholder involvement in financial decision making processes. 9. Ensure senior financial management resources are appropriate and of high quality. 10. Review the content and format of financial information, focusing particularly on: • clarity and appropriateness of presentation • timeliness and accuracy • provision of sufficient and relevant detail to inform decision-making • requirements of different users 11. Promote a culture in which: • financial awareness is valued and encouraged amongst all stakeholders • financial skills are developed to ensure regular and wide consideration of financial issues • financial information is shared openly and honestly 12. Evaluate, scrutinise and approve the financial validity of individual investment decisions, including the review of Outline and Full Business Cases. Business cases will be referred to the committee following initial review by the Health Management Board (Revenue Schemes) or Capital Planning Group. The following investment decisions shall be subject to review by the Committee: • all capital schemes with an investment value in excess of £500k. • all revenue (including leased assets) with a cost implication in excess £500k over the period of the contract • all proposed asset disposals 13. Review and approve the Trust's Investment Policy ensuring that it is maintained to fit best practice. 14. Where there is evidence of ultra vires transactions or evidence of improper acts, the Finance Investment and Transformation Committee Chair, with the Chairman of the Trust, in consultation with the Chair of the Audit Committee, would raise this at a full meeting of the Trust Board. 15. Receive and review the minutes of the Capital Planning Group. 16. Consider the content of any Public Interest Reports and the management's proposed response before presentation to Trust Board.

REF	THE BOARD	DECISIONS RESERVED TO THE BOARD
Appendix 3	Quality Committee	The Committee will: 1. Monitor progress of and assure the Trust Board in relation to the Trust's compliance with regulatory standards, national practice and mandatory guidance issued by but not restricted to: • The Care Quality Commission (CQC) • National Institute for Clinical Excellence (NICE) • National Audit Office (NAO) • Royal Colleges (e.g. Nursing, Surgeons, Physicians etc.) • NHS England and Improvement • General Medical Council 2. Oversee and receive reports regarding the effectiveness of systems relating to: • Compliance with the CQC Fundamental Standards • The safety of patient care • The delivery of a high quality experience for all patients and service users • Monitoring clinical outcomes and effectiveness. 3. Monitor the delivery and reporting of the Trust Quality Account and Trust Quality priorities (as defined within the Quality Strategy). 4. Receive reports relating to mortality so that the Committee is assured that the Trust has a clear understanding of its mortality profile and is sufficiently appraised on any indicators where the Trust is an outlier and that action is taken where relevant. 5. Receive reports relating to clinical audit and effectiveness so that adequate oversight is maintained over the clinical audit programme and that issues of concern are satisfactorily addressed. 6. Receive reports on HCAI and any resultant actions. 7. Oversee and assure the delivery to reflect the baseline measure for national, regional, local and specialist CQUIN targets. 8. Receive and review reports on other quality matters which includes: incidents, VTE, safety thermometer, complaints and Family & Friends test, etc. 9. Monitor the progress of the completion of actions plans as a result of CQC inspections and other eternal body assessments/accreditations. 10. Ensure that the Trust is compliant with its duties in relation to the Equalities Act 2010. 11. Ensure that workforce issues, where they impact or have a direct relationship with the quality and safety of care are discussed and monitored. 12. Review quality components of the Corporate Risk Register and Board Assurance Framework, and make recommendations on areas requiring attention so that where relevant quality improvement is linked to the Trust's risk profile. 13. Regularly review operational performance 14. Ensure that management processes are in place which provides assurance that the Trust has taken appropriate action in response to relevant independent reports, and ad hoc reports from enquiries and independent reviews. 15. Ensure there are clear lines of accountability for the overall quality and safety of clinical care. 16. Provide the forum where clinical matters between the Trust and the Croydon Place can be addressed. 17. Receive regular updates on Place Quality matters of relevance to the Trust and its work. 18. Receive reports relating to maternity services. The Committee will also 1. Ensure the design and operation of a comprehensive performance management framework that accords with guidance and legislation and meets the quality requirements of the Trust. 2. Review operating plans and trajectories / forecasts and ensure they are consistent with overall Trust objectives and plans with regards to quality agenda. 3. Ensure appropriate and timely corrective quality actions are planned and implemented as required.

REF	THE BOARD	DECISIONS RESERVED TO THE BOARD
Appendix 4	Audit Committee	The Committee will: 1. 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. 2. 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 CQC standards of quality and safety), together with any accompanying Head of Internal Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the Board; • the Board Assurance Framework and the underlying assurance processes that indicate the degree of the 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; • the policies and procedures for all work related to fraud, bribery and corruption as set out in the revised Standard Contract and Government Functional Standard 013 Counter Fraud and as required by the NHS Counter Fraud Authority; • the operational effectiveness of policies and procedures; • Standing Financial Instructions (SFIs) and Standing Orders (SOs) on an annual basis; and Management's corrective actions where significant weaknesses are identified. Material or continued failure to take effective corrective action should be brought to the Board's attention. 3. Seek reports and assurances from directors and managers as appropriate, concentrating on the over-arching systems of integrated governance, risk management and internal control, together with indicators of their effectiveness. 4. Ensure that there is an effective internal audit function, established by management that meets mandatory NHS Internal Audit Standards 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 cost of the audit and any questions of resignation and dismissal • review and approval of the Internal Audit strategy, operational plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation as identified in Board Assurance Framework and Corporate Risk Register • 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 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 5. Review the work and findings of the External Auditor (appointed by the Audit Committee) and consider the implications and management's responses to their work 6. Review the findings of other significant assurance functions, both internal and external to the organisation, and consider the implications to the governance of the organisation. These will include, but will not be limited to, any reviews by Department of Health and Social Care Arm's Length Bodies or Regulators/Inspectors (e.g. Care Quality Commission, etc.), professional bodies with responsibility for the performance of staff or functions (e.g. Royal Colleges, accreditation bodies, etc.) 7. Review the work of other committees within the organisation, whose work can provide relevant assurance to the Audit Committee's own scope of work. This will include the Quality and Clinical Governance Committee and any other committees that are considered relevant by the Committee. 8. In reviewing Clinical Governance and issues around clinical risk management, the Audit Committee will wish to satisfy themselves on the assurance that is gained from the clinical audit function. 9. Request and review reports and positive assurances from directors and managers on the overall arrangements for governance, risk management and internal control 10. Request specific reports from individual functions within the organisation (e.g. clinical audit) as they may be appropriate to the overall arrangements 11. Review the Financial Statements, including any necessary adjustments to the Accounts, and the Auditor's Report and recommend them to the Board for approval

REF	THE BOARD	DECISIONS RESERVED TO THE BOARD
	Audit Committee (cont)	12. 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. 13. Review and report to the Board on the Trust's draft Quality Account. 14. Report to the Board annually on its work in support of the Annual Governance Statement, specifically commenting on the fitness for purpose of the Board Assurance Framework, the completeness and embeddedness of risk management in the organisation, the integration of governance arrangements and the appropriateness of assessments against the Care Quality Commission's registration requirements. 15. Manage Information Strategy and Information Governance
Appendix 5 and SFI 20.1.2	Remuneration Committee	The Committee will: 1. To agree the broad remuneration policy and performance management framework for the Trust's senior managers. 2. To approve the service contracts of the Trust's senior managers, including starting salaries, provisions for other benefits, allowances and termination arrangements. 3. To monitor and evaluate the performance of the Trust's Chief Executive and Executive Directors against objectives for the previous year and note forward objectives. 4. Performance of other senior managers will be monitored and evaluated by their line managers. 5. To agree individual remuneration arrangements for senior managers (including salaries, provision for other benefits and allowances). 6. In determining remuneration policy and packages, to have due regard to the policies and recommendations of the Department of Health and Social Care and the NHS England, and other relevant bodies and to adhere to all relevant laws, codes and regulations. 7. To keep abreast of executive level remuneration policy and practice and market development elsewhere in the NHS and in other relevant organisations, drawing on external advice as required. 8. To agree those Compromise Agreements, Settlements and Redundancy Payments which require final approval by NHS Improvement, HM Treasury as well as any proposed termination payment to the Chief Executive or an Executive Director. 9. To receive regular reports on other Compromise Agreements, Settlements and Redundancies approved in accordance with Trust policies. 10. To receive an annual report on the outcome of the employer-based (local) Clinical Excellence Awards round. 11. To undertake any other duties as directed by the Trust Board.

Appendix 7	Charitable Funds Committee	The Committee will: 1. Ensure that policies and procedures are in place to meet the requirements of the Charities Commission and the laws governing charitable funds; 2. Ensure that 'best practice' is followed in the conduct of all its affairs fulfilling all of its legal responsibilities; 3. To ensure that the CFC's membership is refreshed and that undue reliance is not placed on particular individuals when undertaking the responsibilities of the CFC; 4. Review and update annually these Terms of Reference, recommending any changes to the Trust Board; 5. Act on behalf of the Trust in satisfying the duties and responsibilities of Trustees in managing the funds by explicitly applying their strategies, setting future targets and managing these through the relevant processes in the most appropriate manner over the period; 6. Advise the Corporate Trustee of essential education and training needs; 7. Review legacies received and ensure that the Trust complies with the terms of the legacy. 8. Agree and ensure the delivery of a fundraising strategy to support income generation for Croydon Health Charity; 9. Review and monitor the activities of the Charity, including appeals, and receive regular reports on the performance of all charitable fundraising activities and income; 10. Implement, as appropriate, procedures and policies to ensure that accounting systems are robust, donations received are coded as instructed and that all expenditure is reasonable, clinically and ethically appropriate; 11. Review the expenditure transactions for all funds, ensuring that monies are spent in accordance with the Charity's agreed Grants Policy, following the relevant processes and funding charitable initiatives which meet the charitable mission; 12. Authorise/agree the establishment of new funds; 13. Provide support, guidance and encouragement for all its income raising activities whilst managing and monitoring the receipt of all income; 14. Receive regular reports on the performance of the charitable fundraising activities. 15. Manage the investment of funds in accordance with the Charity Act 2011, and if necessary to appoint fund managers to act on its behalf; 16. Monitor the performance of appointed Investment Managers; 17. Ensure funding decisions are appropriate and are consistent with the Trust's objectives; 18. Ensure that the Investment Policy ratified by the Trust's Policy Assurance Group is adhered to and that performance is continually reviewed whilst being aware of ethical considerations; 19. Review the application of the appropriate policies, including Reserves Policy, ratified by the Trust's Policy Assurance Group.

Scheme of Delegation derived from the Accountable Officer Memorandum

REF	DELEGATED TO	DUTIES DELEGATED
7	Chief Executive (CE)	Accountable through NHS Accounting Officer to Parliament for stewardship of Trust resources
9	CE and Joint Chief Finance Officer (CFO)	Ensure the accounts of the Trust are prepared under principles and in a format directed by the SofS. Accounts must disclose a true and fair view of the Trusts income and expenditure and its state of affairs. Sign the accounts on behalf of the Board.
10	Chief Executive	Sign a statement in the accounts outlining responsibilities as the Accountable Officer. Sign a statement in the accounts outlining responsibilities in respect of Internal Control.
12 & 13	Chief Executive	Ensure effective management systems that safeguard public funds and assist the Trust Chairman to implement requirements of corporate governance including ensuring managers: • have a clear view of their objectives and the means to assess achievements in relation to those objectives • be assigned well defined responsibilities for making best use of resources • have the information, training and access to the expert advice they need to exercise their responsibilities effectively."
12	Chairman	Implement requirements of corporate governance.
13	Chief Executive	Achieve value for money from the resources available to the Trust and avoid waste and extravagance in the organisation's activities. Follow through the implementation of any recommendations affecting good practice as set out on reports from such body as National Audit Office (NAO).
15	Joint Chief Finance Officer (CFO)	Operational responsibility for effective and sound financial management and information.
15	Chief Executive	Primary duty to see that CFO discharges this function.
16	Chief Executive	Ensuring that expenditure by the Trust complies with Parliamentary requirements.
18	CE and Joint Chief Finance Officer (CFO)	Chief Executive, supported by Joint Chief Finance Officer, to ensure appropriate advice is given to the Board on all matters of probity, regularity, prudent and economical administration, efficiency and effectiveness.
19	Chief Executive	If the CE considers the Board or Chairman is doing something that might infringe probity or regularity, he should set this out in writing to the Chairman and the Board. If the matter is unresolved, he/she should ask the Audit Committee to inquire and if necessary NHS Improvement (NHSI) and Department of Health and Social Care.
21	Chief Executive	If the Board is contemplating a course of action that raises an issue not of formal propriety or regularity but affects the CE"s responsibility for value for money, the CE should draw the relevant factors to the attention of the Board. If the outcome is that the CE is overruled, it is normally sufficient to ensure that the CE"s advice and the overruling of it are clearly apparent from the papers. Exceptionally, the CE should inform the Special Health Authority and the DH. In such cases, and in those described in paragraph 24, the CE should as a member of the Board vote against the course of action rather than merely abstain from voting.

Scheme of Delegation derived from the Codes of Conduct and Accountability

REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
1.3.1.7	Board	Approve procedure for declaration of hospitality and sponsorship.
1.3.1.8	Board	Ensure proper and widely publicised procedures for voicing complaints, concerns about misadministration, breaches of Code of Conduct, and other ethical concerns.
1.31.9 & 1.3.2.2	ALL Board members	Subscribe to Code of Conduct.
1.3.2.4	Board	Board members share corporate responsibility for all decisions of the Board.
1.3.2.4	Chair and non-Executive/officer members	Chair and non-officer members are responsible for monitoring the executive management of the organisation and are responsible to the SofS for the discharge of those responsibilities.
1.3.2.4	Board	The Board has six key functions for which it is held accountable by the Department of Health and Social Care on behalf of the Secretary of State: 1. to ensure effective financial stewardship through value for money, financial control and financial planning and strategy; 2. to ensure that high standards of corporate governance and personal behaviour are maintained in the conduct of the business of the whole organisation; 3. to appoint, appraise and remunerate senior executives; 4. to ratify the strategic direction of the organisation within the overall policies and priorities of the Government and the NHS, define its annual and longer term objectives and agree plans to achieve them; 5. to oversee the delivery of planned results by monitoring performance against objectives and ensuring corrective action is taken when necessary; 6. to ensure effective dialogue between the organisation and the local community on its plans and performance and that these are responsive to the community's needs.
1.3.24	Board	It is the Board's duty to: 1. act within statutory financial and other constraints; 2. be clear what decisions and information are appropriate to the Board and draw up Standing Orders, a schedule of decisions reserved to the Board and Standing Financial Instructions to reflect these, 3. ensure that management arrangements are in place to enable responsibility to be clearly delegated to senior executives for the main programmes of action and for performance against programmes to be monitored and senior executives held to account; 4. establish performance and quality measures that maintain the effective use of resources and provide value for money; 5. specify its requirements in organising and presenting financial and other information succinctly and efficiently to ensure the Board can fully undertake its responsibilities; 6. establish Audit and Remuneration Committees on the basis of formally agreed terms of reference that set out the membership of the sub-committee, the limit to their powers, and the arrangements for reporting back to the main Board.

REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
1.3.2.5	Chairman	It is the Chairman's role to: 1. provide leadership to the Board 2. enable all Board members to make a full contribution to the Board's affairs and ensure that the Board acts as a team; 3. ensure that key and appropriate issues are discussed by the Board in a timely manner, 4. ensure the Board has adequate support and is provided efficiently with all the necessary data on which to base informed decisions; 5. lead Non-Executive Board members through a formally-appointed Remuneration Committee of the main Board on the appointment, appraisal and remuneration of the Chief Executive and (with the latter) other Executive Board members; 6. appoint Non-Executive Board members to an Audit Committee of the main Board; 7. advise the Secretary of State on the performance of Non-Executive Board members.
1.3.2.5	Chief Executive	The Chief Executive is accountable to the Chairman and Non-Executive members of the Board for ensuring that its decisions are implemented, that the organisation works effectively, in accordance with Government policy and public service values and for the maintenance of proper financial stewardship. The Chief Executive should be allowed full scope, within clearly defined delegated powers, for action in fulfilling the decisions of the Board. The other duties of the Chief Executive as Accountable Officer are laid out in the Accountable Officer Memorandum.
1.3.2.6	Non-Executive Directors	Non-Executive Directors are appointed by Appointments Commission to bring independent judgement to bear on issues of strategy, performance, key appointments and accountability through the Department of Health and Social Care to Ministers and to the local community.
1.3.2.8	Chair and Directors	Declaration of conflict of interests.
1.3.2.9	Board	NHS Boards must comply with legislation and guidance issued by the Department of Health and Social Care on behalf of the Secretary of State, respect agreements entered into by themselves or in on their behalf and establish terms and conditions of service that are fair to the staff and represent good value for taxpayers' money.

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

* Nominated officers and the areas for which they are responsible should be incorporated into the Trust’s Scheme of Delegation document.

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
10.1.3	Joint Chief Finance Officer	Approval of all financial procedures.
10.1.4	Joint Chief Finance Officer	Advice on interpretation or application of SFIs.
10.1.6	All members of the Board and employees	Have a duty to disclose any non-compliance with these Standing Financial Instructions to the Director of Performance and Finance as soon as possible.
10.2.4	Chief Executive	Responsible as the Accountable Officer to ensure financial targets and obligations are met and have overall responsibility for the System of Internal Control.
10.2.4	Chief Executive & Joint Chief Finance	Accountable for financial control but will, as far as possible, delegate their detailed responsibilities.
10.2.5	Chief Executive	To ensure all Board members, officers and employees, present and future, are notified of and understand Standing Financial Instructions.
10.2.6	Joint Chief Finance Officer	Responsible for: Implementing the Trust's financial policies and coordinating corrective action; Maintaining an effective system of financial control including ensuring detailed financial procedures and systems are prepared and documented; Ensuring that sufficient records are maintained to explain Trust's transactions and financial position; Providing financial advice to members of Board and staff; Maintaining such accounts, certificates etc. as are required for the Trust to carry out its statutory duties.
10.2.7	All members of the Board and employees	Responsible for security of the Trust's property, avoiding loss, exercising economy and efficiency in using resources and conforming to Standing Orders, Financial Instructions and financial procedures.
10.2.8	Chief Executive	Ensure that any contractor or employee of a contractor who is empowered by the Trust to commit the Trust to expenditure or who is authorised to obtain income are made aware of these instructions and their requirement to comply.
11.1.1	Audit Committee	Provide independent and objective view on internal control and probity.
11.1.2	Audit Chair	Raise the matter at the Board meeting where Audit Committee considers there is evidence of ultra vires transactions or improper acts.
11.1.3 & 11.2.1	Joint Chief Finance Officer	Ensure an adequate internal audit service, for which he/she is accountable, is provided (and involve the Audit Committee in the selection process when/if an internal audit service provider is changed.)
11.2.1	Joint Chief Finance	Decide at what stage to involve police in cases of misappropriation and other irregularities not involving fraud, bribery or corruption.
11.3	Head of Internal Audit	Review, appraise and report in accordance with NHS Internal Audit Manual and best practice.
11.4	Audit Committee	Ensure cost-effective External Audit.
11.5	Chief Executive &	Monitor and ensure compliance with the NHS Standard Contract in relation to fraud, bribery and corruption including the appointment of the Local Counter

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
11.5	Joint Chief Finance	Local Counter Fraud Specialist.
11.6	Chief Executive	Monitor and ensure compliance with Directions issued by the Secretary of State for Health on NHS security management including appointment of the Local Security Management Specialist.
13.1.1	Chief Executive	Compile and submit to the Board a Business Plan which takes into account financial targets and forecast limits of available resources. The Business Plan 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.
13.1.2 & 13.1.3	Joint Chief Finance Officer	Submit budgets to the Board for approval. Monitor performance against budget; submit to the Board financial estimates and forecasts.
13.1.6	Joint Chief Finance	Ensure adequate training is delivered on an on-going basis to budget holders.
13.3.1	Chief Executive	Delegate budget to budget holders.
13.3.2	Chief Executive & Budget Holders	Must not exceed the budgetary total or virement limits set by the Board.
13.4.1	Joint Chief Finance	Devise and maintain systems of budgetary control.
13.4.2	Budget Holders	Ensure that • no overspend or reduction of income that cannot be met from virement is incurred without prior consent of Board; • approved budget is not used for any other than specified purpose subject to rules of virement; • no permanent employees are appointed without the approval of the CE other than those provided for within available resources and manpower establishment.
13.4.3	Chief Executive	Identify and implement cost improvements and income generation activities in line with the Business Plan.
13.6.1	Chief Executive	Submit monitoring returns
14.1	Joint Chief Finance	Preparation of annual accounts and reports.
15.1	Joint Chief Finance Officer	Managing banking arrangements, including provision of banking services, operation of accounts, preparation of instructions and list of cheque signatories. (Board approves arrangements.)
16	Joint Chief Finance Officer	Income systems, including system design, prompt banking, review and approval of fees and charges, debt recovery arrangements, design and control of receipts, provision of adequate facilities and systems for employees whose duties include collecting or holding cash.
16.2.3	All employees	Duty to inform CFO of money due from transactions which they initiate/deal with.
17	Chief Executive	Tendering and contract procedure.
17.5.3	Chief Executive	Waive formal tendering procedures.
17.5.3	Chief Executive	Report waivers of tendering procedures to the Audit Committee
17.6.2	Chief Executive	Responsible for the receipt, endorsement and safe custody of tenders received.
17.6.3	Chief Executive	Shall maintain a register to show each set of competitive tender invitations despatched.
17.6.4	Chief Executive and Joint Chief Finance	Where one tender is received will assess for value for money and fair price.

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
17.6.6	Chief Executive	No tender shall be accepted which will commit expenditure in excess of that which has been allocated by the Trust and which is not in accordance with these Instructions except with the authorisation of the Chief Executive.
17.6.9	Chief Executive	Shall ensure that appropriate checks are carried out as to the technical and financial capability of those firms that are invited to tender or quote.
17.7.2	Chief Executive	The Chief Executive or his nominated officer should evaluate the quotation and select the quote which gives the best value for money.
17.7.4	Chief Executive or Joint Chief Finance	No quotation shall be accepted which will commit expenditure in excess of that which has been allocated by the Trust and which is not in accordance with these Instructions except with the authorisation of the Chief Executive.
17.10	Chief Executive	The Chief Executive shall demonstrate that the use of private finance represents value for money and genuinely transfers risk to the private sector.
17.10	Board	All PFI proposals must be agreed by the Board.
17.11	Chief Executive	The Chief Executive shall nominate an officer who shall oversee and manage each contract on behalf of the Trust.
17.12	Chief Executive	The Chief Executive shall nominate officers with delegated authority to enter into contracts of employment, regarding staff, agency staff or temporary staff service contracts.
17.15	Chief Executive	The Chief Executive shall be responsible for ensuring that best value for money can be demonstrated for all services provided on an in-house basis.
17.15.5	Chief Executive	The Chief Executive shall nominate an officer to oversee and manage the contract on behalf of the Trust.
18.1.1	Chief Executive	Must ensure the Trust enters into suitable Service Level Agreements (SLAs) with service commissioners for the provision of NHS services
18.3	Chief Executive	As the Accountable Officer, ensure that regular reports are provided to the Board detailing actual and forecast income from the SLA
20.1.1	Board	Establish a Remuneration & Terms of Service Committee
20.1.2	Remuneration Committee	Advise the Board on and make recommendations on the remuneration and terms of service of the CE, other officer members and senior employees to ensure they are fairly rewarded having proper regard to the Trusts circumstances and any national agreements; Monitor and evaluate the performance of individual senior employees; Advise on and oversee appropriate contractual arrangements for such staff, including proper calculation and scrutiny of termination payments.
20.1.3	Remuneration Committee	Report in writing to the Board its advice and its bases about remuneration and terms of service of directors and senior employees.
20.1.4	Board	Approve proposals presented by the Chief Executive for setting of remuneration and conditions of service for those employees and officers not covered by the Remuneration Committee.
20.2.2	Chief Executive	Approval of variation to funded establishment of any department.
20.3	Chief Executive	Staff, including agency staff, appointments and re-grading.
20.4.1 and 20.4.2	Joint Chief Finance Officer	Payroll: • specifying timetables for submission of properly authorised time records and other notifications; • final determination of pay and allowances; • making payments on agreed dates; • agreeing method of payment; • issuing instructions (as listed in SFI 20.4.2).

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
20.4.3	Nominated managers	Submit time records in line with timetable Complete time records and other notifications in required form. Submitting termination forms in prescribed form and on time.
20.4.4	Joint Chief Finance Officer	Ensure that the chosen method for payroll processing is supported by appropriate (contracted) terms and conditions, adequate internal controls and audit review procedures and that suitable arrangements are made for the collection of payroll deductions and payment of these to appropriate bodies.
20.5	Nominated Manager*	Ensure that all employees are issued with a Contract of Employment in a form approved by the Board and which complies with employment legislation; and Deal with variations to, or termination of, contracts of employment.
21.1	Chief Executive	Determine, and set out, level of delegation of non-pay expenditure to budget managers, including a list of managers authorised to place requisitions, the maximum level of each requisition and the system for authorisation above that level. This is appended to the Scheme of Delegation document.
21.1.3	Chief Executive	Set out procedures on the seeking of professional advice regarding the supply of goods and services.
21.2.1	Requisitioner*	In choosing the item to be supplied (or the service to be performed) shall always obtain the best value for money for the Trust. In so doing, the advice of the Trust's adviser on supply shall be sought.
21.2.2	Joint Chief Finance	Shall be responsible for the prompt payment of accounts and claims.
21.2.3	Joint Chief Finance Officer	• Advise the Board regarding the setting of thresholds above which quotations (competitive or otherwise) or formal tenders must be obtained; and, once approved, the thresholds should be incorporated in standing orders and regularly reviewed; • Prepare procedural instructions [where not already provided in the Scheme of Delegation or procedure notes for budget holders] on the obtaining of goods, works and services incorporating the thresholds; • Be responsible for the prompt payment of all properly authorised accounts and claims; • Be responsible for designing and maintaining a system of verification, recording and payment of all amounts payable; • A timetable and system for submission to the Joint 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; • Instructions to employees regarding the handling and payment of accounts within the Finance Department; • Be responsible for ensuring that payment for goods and services is only made once the goods and services are received.
21.2.4	Appropriate Executive Director	Make a written case to support the need for a prepayment.
21.2.4	Joint Chief Finance	Approve proposed prepayment arrangements.
21.2.4	Budget holder	Ensure that all items due under a prepayment contract are received (and immediately inform CFO if problems are encountered).
21.2.5	Chief Executive	Authorise who may use and be issued with official orders.
21.2.6	Managers and officers	Ensure that they comply fully with the guidance and limits specified by the Joint Chief Finance Officer.
21.2.7	Chief Executive Joint Chief Finance Officer	Ensure that the arrangements for financial control and financial audit of building and engineering contracts and property transactions comply with the guidance contained within CONCODE and ESTATECODE, and the framework arrangements listed at Appendix 1. The technical audit of these contracts shall be the responsibility of the relevant Director.

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
21.3	Joint Chief Finance Officer	Lay down procedures for payments to local authorities and voluntary organisations made under the powers of section 28A of the NHS Act 1977.
22.1.1	Joint Chief Finance Officer	The CFO will advise the Board on the Trusts ability to pay dividend on Public Dividend Capital (PDC) and report, periodically, concerning the PDC debt and all loans and overdrafts.
22.1.2	Board	Approve a list of employees authorised to make short term borrowings on behalf of the Trust. (This must include the CE and CFO.)
22.1.3	Joint Chief Finance Officer	Prepare detailed procedural instructions concerning applications for loans and overdrafts.
22.2.2	Joint Chief Finance Officer	Will advise the Board on investments and report, periodically, on performance of same.
22.2.3	Joint Chief Finance Officer	Prepare detailed procedural instructions on the operation of investments held.
23	Joint Chief Finance Officer	Ensure that Board members are aware of the Financial Framework and ensure compliance
24.1.1 & 2	Chief Executive	Capital investment programme: • ensure that there is adequate appraisal and approval process for determining capital expenditure priorities and the effect that each has on plans • responsible for the management of capital schemes and for ensuring that they are delivered on time and within cost; • ensure that capital investment is not undertaken without availability of resources to finance all revenue consequences; • ensure that a business case is produced for each proposal.
24.1.2	Joint Chief Finance Officer	Certify professionally the costs and revenue consequences detailed in the business case for capital investment.
24.1.3	Chief Executive	Issue procedures for management of contracts involving stage payments.
24.1.4	Joint Chief Finance Officer	Assess the requirement for the operation of the construction industry taxation deduction scheme.
24.1.5	Joint Chief Finance Officer	Issue procedures for the regular reporting of expenditure and commitment against authorised capital expenditure.
24.1.6	Chief Executive	Issue manager responsible for any capital scheme with authority to commit expenditure, authority to proceed to tender and approval to accept a successful tender. Issue a scheme of delegation for capital investment management.
24.1.7	Joint Chief Finance Officer	Issue procedures governing financial management, including variation to contract, of capital investment projects and valuation for accounting purposes.
24.2.1	Joint Chief Finance Officer	Demonstrate that the use of private finance represents value for money and genuinely transfers significant risk to the private sector.
24.2.1	Board	Proposal to use PFI must be specifically agreed by the Board.
24.3.1	Chief Executive	Maintenance of asset registers (on advice from CFO).
24.3.5	Joint Chief Finance Officer	Approve procedures for reconciling balances on non-current assets accounts in ledgers against balances on non-current asset registers.
24.3.8	Joint Chief Finance Officer	Calculate and pay capital charges in accordance with Department of Health and Social Care requirements.
24.4.1	Chief Executive	Overall responsibility for non-current assets.
24.4.2	Joint Chief Finance Officer	Approval of Non-current asset control procedures.
24.4.4	Board, Executive Members and All senior	Responsibility for security of Trust assets including notifying discrepancies to CFO, and reporting losses in accordance with Trust procedure.
25.2	Chief Executive	Delegate overall responsibility for control of stores (subject to CFO responsibility for systems of control). Further delegation for day-to-day responsibility subject to such delegation being recorded.

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
25.2	Joint Chief Finance Officer	Responsible for systems of control over stores and receipt of goods.
25.2	Designated Pharmaceutical officer	Responsible for controls of pharmaceutical stocks
25.2	SWL Procurement Partnership	Responsible for controls of stores, general stocks and inventory on hand
25.2	Designated Estates Officer	Responsible for statutory compliance for water, gas, electricity, lifts and lifting, asbestos, ventilation, pressure systems, building regulations, waste management, food safety, fire safety, sustainability, decontamination services, electro-bio medical engineering, mortuary
25.2.2	Nominated Officers*	Security arrangements and custody of keys
25.2.3	Joint Chief Finance Officer	Set out procedures and systems to regulate the stores.
25.2.4	Joint Chief Finance Officer	Agree stocktaking arrangements.
25.2.5	Joint Chief Finance Officer	Approve alternative arrangements where a complete system of stores control is not justified.
25.2.6	Joint Chief Finance Officer	Approve system for review of slow moving and obsolete items and for condemnation, disposal and replacement of all unserviceable items.
25.2.6	Nominated officers*	Operate system for slow moving and obsolete stock, and report to CFO evidence of significant overstocking.
25.3.1	Chief Executive	Identify persons authorised to requisition and accept goods from suppliers.
26.1.1	Joint Chief Finance Officer	Prepare detailed procedures for disposal of assets including condemnations and ensure that these are notified to managers.
26.2.1	Joint Chief Finance Officer	Prepare procedures for recording and accounting for losses, special payments and informing police in cases of suspected arson or theft.
26.2.2	All Staff	Discovery or suspicion of loss of any kind must be reported immediately to either head of department or nominated officer. The head of department / nominated officer should then inform the CE and CFO.
26.2.2	Joint Chief Finance Officer	Where a criminal offence is suspected, CFO must inform the police if theft or arson is involved and also report to the Local Security Management Specialist in instances of theft. In cases of fraud, bribery and corruption CFO must inform the relevant LCFS and NHS Counter Fraud Authority in line with the revised NHS Standard Contract.
26.2.2	Joint Chief Finance Officer	Notify NHS Counter Fraud Authority and External Audit of all frauds.
26.2.3	Joint Chief Finance Officer	Notify Board and External Auditor of losses caused theft, arson, neglect of duty or gross carelessness (unless trivial).
26.2.4	Board	Informed of losses written off and special payments authorised by officers.
	Designated Senior Officers	Power to write off losses and make special payments will be exercised by two or more nominated senior officers, acting jointly and within the delegated limits set by the Board.
	Board	If the loss or special payment is novel, contentious, or repercussive, a report to the Board must be prepared for pre-approval, and then the approval of the Department of Health and Social Care must be obtained prior to the payment or write off.
26.2.6	Joint Chief Finance Officer	Consider whether any insurance claim can be made.
26.2.7	Joint Chief Finance Officer	Maintain losses and special payments register.
27.1	Joint Chief Finance Officer	Responsible for accuracy and security of computerised financial data.
27.1	Joint Chief Finance Officer	Satisfy himself that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by another organisation assurances of adequacy must be obtained from them prior to implementation.

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED
27.1.3	Joint Chief Finance Officer & information	Shall publish and maintain a Freedom of Information Scheme.
27.2.1	Relevant officers	Send proposals for general computer systems to CFO
27.3	Joint Chief Finance Officer	Ensure that contracts with other bodies for the provision of computer services for financial applications clearly define responsibility of all parties for security, privacy, accuracy, completeness and timeliness of data during processing, transmission and storage, and allow for audit review. Seek periodic assurances from the provider that adequate controls are in operation.
27.4	Joint Chief Finance Officer	Ensure that risks to the Trust from use of IT are identified and considered and that disaster recovery plans are in place.
27.5	Joint Chief Finance Officer	Where computer systems have an impact on corporate financial systems satisfy himself that: a) systems acquisition, development and maintenance are in line with corporate policies; b) data assembled for processing by financial systems is adequate, accurate, complete and timely, and that a management rail exists; c) CFO and staff have access to such data; Such computer audit reviews are being carried out as are considered necessary.
28.2	Chief Executive	Responsible for ensuring patients and guardians are informed about patients' money and property procedures on admission.
28.3	Joint Chief Finance Officer	Provide detailed written instructions on the collection, custody, investment, recording, safekeeping, and disposal of patients' property (including instructions on the disposal of the property of deceased patients and of patients transferred to other premises) for all staff whose duty is to administer, in any way, the property of.
28.6	Departmental managers	Inform staff of their responsibilities and duties for the administration of the property of patients.
29.1	Joint Chief Finance Officer	Shall ensure that each trust fund which the Trust is responsible for managing is managed appropriately.
30	Joint Chief Finance Officer	Ensure all staff are made aware of the Trust policy on the acceptance of gifts and other benefits in kind by staff
32	Chief Executive	Retention of document procedures in accordance with Department of Health and Social Care guidelines.
33.1	Chief Executive	Risk management programme.
33.1	Board	Approve and monitor risk management programme.
33.2	Board	Decide whether the Trust will use the risk pooling schemes administered by the NHS Resolution or self-insure for some or all of the risks (where discretion is allowed). Decisions to self-insure should be reviewed annually.
33.4	Joint Chief Finance Officer	Where the Board decides to use the risk pooling schemes administered by the NHS Resolution the Joint Chief Finance Officer shall ensure that the arrangements entered into are appropriate and complementary to the risk management programme. The Joint Chief Finance Officer shall ensure that documented procedures cover these arrangements. Where the Board decides not to use the risk pooling schemes administered by the NHS Resolution for any one or other of the risks covered by the schemes, the Joint 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 Joint Chief Finance Officer will draw up formal documented procedures for the management of any claims arising from third parties and payments in respect of losses that will not be reimbursed.
33.4	Joint Chief Finance Officer	Ensure documented procedures cover management of claims and payments below the deductible.

* Nominated officers and the areas for which they are responsible should be incorporated into the Trusts Scheme of Delegation document.

Expenditure and Requisition Approval Limits

The limits below apply to those substantive staff who are deemed to have the authority to commit the Trust to expenditure during the course of their official duties as an employee of Croydon Health Services NHS Trust.

The Directors limits apply to both voting and non-voting Executive Directors.

Authority Level	Vested Authority	No of Signatories	Approvers	Current Limit
12			PAs to Directors (signing on behalf of Directors)	£500
11			Junior Managers (B7 or under)	£500
			Staff Nurse / Senior Nurse	
			Business Support Administrator	
10			Senior Managers (B8a-b)	£1,000
9			Estates Managers (B6/7)	£5,000
8			Assistant Directors (B8c)	£5,000
7			Associate Directors including ADNs	£25,000
			Deputy Directors/CFO	
			Clinical Directors	
			Chief Pharmacist	
			Deputy Head of IT	
			Service Managers – Estates and Facilities	
			Theatre Managers	
7			Directors authorised to sign on the relevant cost cenre.	£50,000
6			Any Executive Director on the Board	£75,000
5			Any Voting Executive Director on the Board	£100,000
4			Joint Chief Finance Officer (CFO)	£250,000
3			Chief Executive	£500,000
2	**The Finance, Investment and Transformation Committee (FITC)**		Chief Executive or Joint Chief Finance Officer **AND** One Voting Executive Director on the Board	£500,001-£1,000,000
1	**The Trust Board**		Chief Executive **AND** Joint Chief Finance Officer **AND** One Voting Executive Director on the Board	Over £1,000,000

- A business case is needed when investment is sought from the Trust above that which is allocated in budget. The case should set out why additional funding is needed and assess the benefits; cost and risk of investment against a range of other options (please refer to Business Case guidance).

- Any cost (revenue or capital) less than £25k will require a plan on a page to be sent for Business Case Review Group (BCRG); if above £25k a full business case will be required. The BCRG is responsible for reviewing all business cases to ensure they have been sufficiently scrutinised before submitting to the respective Sub-Board Committee for approval.

- The Trust tenders new or renewing service level agreements or contracts with various suppliers for provision of services and capital expenditure (refer to section 24). The Trust is also required to comply with the spending limit set by NHS Improvement on provision of services (e.g. agency and consultancy) and capital expenditure (refer to section 24 page 89) requirements. Furthermore, as part of the Trust's enforcement undertakings with NHSI any increase in workforce costs of more than £250k require business case to be submitted to NHSI with any implementation only made after approval is received. As per the Trust scheme of delegations any transaction above £1m will require Trust Board approval.

Electronic Authorisation via NHS SBS I-Procurement System

- No Purchase Order, no payment policy was implemented in July 2015; for best practice, approved service level agreements or contracts should be assigned with an electronic Purchase Order. All spend will be authorised in advance and POs raised via the relevant system (i-procurement) prior to any commitment being made to suppliers on behalf of the Trust.

- The budget holder (manager in charge of the contract/SLA agreement) or the project manager for capital projects will raise the Purchase Requisition via i-procurement. The budget holder or project manager will submit a copy of the signed document/contract (authorised by the Trust Board) to the Procurement team. The copy of signed contract/SLA agreement will serve as delegation of authority to the Procurement Team to approve the Purchase Requisition in the i-procurement system and to raise a blanket Purchase Order (one single purchase order) to cover the entire financial period. If the contract/SLA agreement overlaps into a new financial year; the service should raise a new Purchase Order each financial year until the contracted sum is exhausted.

- The Trust Board (non-executive directors) has not been set up in the I-Procurement system; hence no authoriser will be able to approve PO above £500k in the Oracle System. To ensure business as usual, the following steps have been taken to ensure good governance and best practice are in place:

    1. Where the value of an invoice / requisition / contract is above the individuals own authorisation limit, and is also above the authorisation limit of the director/other immediate officer relevant to that area and

    2. Where there is an existing contract held on the contracts database in procurement, the manager completing the requisition is to forward the requisition on the i-proc system to the Deputy Director of Procurement – Operations, South West London Procurement Partnership or the Joint Chief Finance Officer (Mike Sexton) or the Chief Executive (Matthew Kershaw).

- The following authorisation limit is only applied for authorisation of Purchase Order (PO) in I-Procurement system once the SLA contracts have been signed by the Trust Board and document sighted by the approval below.

Authority Level	Vested Authority	No. of Signatories	Approvers	Goods & Services Limit with Signed SLA
2	Authorisation in I-Proc	1	Deputy Director of Procurement – Operations, South West London Procurement Partnership Senior Responsible Officer for Procurement at Croydon Health Services NHS Trust	unlimited
1	Authorisation in I-Proc	1	Chief Executive **or** Joint Chief Finance Officer	unlimited

- When the products or services have been delivered, the respective budget holder (the requisitioner) will receipt the products or services until the total contracted sum is exhausted.

- This procedure will help to eliminate duplication of administration work and will speed up the authorisation process to ensure the supplier is paid on time.

Authorisation Limit for Credit Note in Oracle System.

The following limit is only applied for rectification of Service Level Agreement (SLA) due to year end settlement for under/over performance, budget virements, dispute settlements and PO/Invoice corrections.

Authority Level	Vested Authority	No. of Signatories	Approvers	Credit Note Limit
5		1	Assistant Director of Finance (Business Services)	£500,000
4		1	Assistant Director of Finance (Financial Services)	£500,000
3		1	Associate Director of Finance	£1,000,000
2		1	Deputy Joint Chief Finance Officer	£2,000,000
1		1	Chief Execitve or Joint Chief Finance Officer	£10,000,000

SECTION D - STANDING FINANCIAL INSTRUCTIONS

10. INTRODUCTION

10.1 General

10.1.1 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 financial matters with which they are concerned. They shall have effect as if incorporated in the Standing Orders (SOs).

10.1.2 These Standing Financial Instructions detail the financial responsibilities, policies and procedures adopted by the Trust. They are designed to ensure that the Trust's financial transactions are carried out in accordance with the law and with Government policy in order to achieve probity, accuracy, economy, efficiency and effectiveness. They should be used in conjunction with the Schedule of Decisions Reserved to the Board and the Scheme of Delegation adopted by the Trust.

10.1.3 These Standing Financial Instructions identify the financial responsibilities which apply to everyone working for the Trust and its constituent organisations including Trading Units. They do not provide detailed procedural advice and should be read in conjunction with the detailed departmental and financial procedure notes. All financial procedures must be approved by the Joint Chief Finance Officer.

10.1.4 Should any difficulties arise regarding the interpretation or application of any of the Standing Financial Instructions then the advice of the Joint 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 Trusts Standing Orders.

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

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

10.2 Responsibilities and delegation

10.2.1 The Trust Board

The Board exercises financial supervision and control by:

a) formulating the financial strategy;

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

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

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

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" section. All other powers have been delegated to such other committees as the Trust has established.

10.2.2 The Chief Executive and Joint Chief Finance Officer

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

Within the Standing Financial Instructions, it is acknowledged that the Chief Executive 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 Trusts 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 Trusts system of internal control.

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.

10.2.3 The Joint Chief Finance Officer

The Joint Chief Finance Officer is responsible for:

a) implementing the Trusts 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 Trusts 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 Joint Chief Finance Officer include:

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

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

   iii. 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.

10.2.4 Board Members and Employees

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

a) the security of the property of the Trust;

b) avoiding loss;

c) exercising economy and efficiency in the use of resources; and

d) conforming to the requirements of Standing Orders, Standing Financial Instructions, Financial Procedures and the Scheme of Delegation.

10.2.5 Contractors and their employees

Any contractor or employee of a contractor who is empowered by the Trust to commit the Trust to expenditure or who is authorised to obtain income shall be covered by these instructions. It is the responsibility of the Chief Executive to ensure that such persons are made aware of this.

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 Joint Chief Finance Officer.

11. AUDIT

11.1 Audit Committee

11.1.1 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 (2011), which will provide an independent and objective view of internal control by:

a) overseeing Internal and External Audit services;

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

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

d) monitoring compliance with Standing Orders and Standing Financial Instructions;

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

f) Reviewing the arrangements in place to support the Board Assurance Framework (BAF) and Corporate Risk Register (CRR) process prepared on behalf of the Board and advising the Board accordingly.

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

11.1.3 It is the responsibility of the Joint 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.

11.1.4 Audit Committee will act as panel for appointment of external auditor with effect from the Financial Year 2017/18.

11.2 Joint Chief Finance Officer

11.2.1 The Joint Chief Finance Officer is responsible for:

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

b) ensuring that the Internal Audit is adequate and meets the NHS mandatory audit standards;

c) deciding at what stage to involve the police in cases of misappropriation and other irregularities not involving fraud, bribery or corruption;

d) ensuring that reports are prepared for the consideration of the Audit Committee [and the Board]. These reports must cover:

i. a clear opinion on the effectiveness of internal control in accordance with current assurance framework guidance issued by the Department of Health and Social Care including, for example, compliance with control criteria and standards;

ii. major internal financial control weaknesses discovered;

iii. progress on the implementation of internal audit recommendations;

iv. progress against plan over the previous year;

v. strategic audit plan covering the coming three years;

vi. a detailed plan for the coming year.

11.2.2 The Joint Chief Finance Officer or designated auditors are entitled, without necessarily giving prior notice, to require and receive:

a) access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature;

b) access at all reasonable times to any land, premises or members of the Board or employee of the Trust;

c) the production of any cash, stores or other property of the Trust under a member of the Board or an employee's control; and

d) explanations concerning any matter under investigation.

11.3 Role of Internal Audit

11.3.1 Internal Audit will review, appraise and report upon:

a) the extent of compliance with, and the financial effect of, relevant established policies, plans and procedures;

b) the adequacy and application of financial and other related management controls;

c) the suitability of financial and other related management data;

d) the extent to which the Trust's assets and interests are accounted for and safeguarded from loss of any kind, arising from:

i. fraud and other offences;

ii. waste, extravagance, inefficient administration;

iii. poor value for money or other causes.

e) Internal Audit shall also independently verify the Assurance Statements in accordance with guidance from the Department of Health and Social Care.

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

11.3.3 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.

11.3.4 The Chief Internal Auditor shall be accountable to the Joint Chief Finance Officer. The reporting system for internal audit shall be agreed between the Joint Chief Finance Officer, 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.

11.4 **External Audit**

11.4.1 The External Auditor is appointed by the Audit Committee (with effect from the Financial Year 2017/18) 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 Trust Board if the issue cannot be resolved.

11.5 **Fraud Bribery and Corruption**

11.5.1 In line with their responsibilities, the Trust Chief Executive and Joint Chief Finance Officer shall monitor and ensure compliance with Directions issued by the Secretary of State for Health and Social Care, the revised NHS Standard Contract on Fraud Bribery and Corruption and the Government Functional Standard for Counter Fraud (GovS013). The Trust Chief Executive and Joint Chief Finance Officer shall ensure compliance with the provisions of the Bribery Act 2010 (where relevant), with particular regard to the offence in section 7 “Failure of commercial organisations to prevent bribery” of that legislation.

11.5.2 The Trust shall nominate a suitable person to carry out the duties of the Local Counter Fraud Specialist as specified by the NHS revised NHS Standard Contract.

11.5.3 The Local Counter Fraud Specialist shall report to the Trust Joint Chief Finance Officer and shall work with staff in NHS Counter Fraud Authority in accordance with the NHS Counter Fraud Authority’s Counter Fraud Manual.

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

11.6 **Security Management**

The Secretary of State Directions for Security Management ceased when NHS Protect were disbanded in 2016. We now work to the NHS Contract and the relevant Standards. The need to recruit an Accredited Security Management Specialist also ceased in 2016.

11.6.1 The Chief Executive has overall responsibility for controlling and coordinating security. However, key tasks are delegated to the Director of Estates and Facilities.

11.6.2 The Director of Estates and Facilities as Security Management Director will monitor compliance to relevant sections of the NHS Standard Contract including the Violence Reduction Standard.

The Trust shall employ a suitably trained-person to carry ensure compliance with the relevant Standards

12. RESOURCE LIMIT CONTROL

12.1 Capital Resource Limit

12.1.1 The Trust is given a Capital Resource Limit (CRL) by the Department of Health and Social Care, which it is not permitted to exceed. The Trust monitors its capital spends against its CRL each month at Capital Planning Group, with a summary report in the Trust Board Finance & Performance Report.

13. ALLOCATIONS, PLANNING, BUDGETS, BUDGETARY CONTROL, AND MONITORING

13.1 Preparation and Approval of Plans and Budgets

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

a) a statement of the significant assumptions on which the plan is based;

b) details of major changes in workload, delivery of services or resources required to achieve the plan.

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

a) be in accordance with the aims and objectives set out in the Business Plan;

b) accord with workload and manpower plans;

c) be produced following discussion with appropriate budget holders;

d) be prepared within the limits of available funds;

e) identify potential risks.

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

13.1.4 All budget holders must provide information as required by the Joint Chief Finance Officer to enable budgets to be compiled.

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

13.1.6 The Joint 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.

13.2 Budgetary Delegation

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

a) the amount of the budget;

b) the purpose(s) of each budget heading;

c) individual and group responsibilities;

d) authority to exercise virement;

e) achievement of planned levels of service;

f) the provision of regular reports.

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

13.2.3 Any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Chief Executive, subject to any authorised use of virement.

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

13.3 **Budgetary Control and Reporting**

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

a) monthly financial reports to the Board in a form approved by the Board containing:

i. income and expenditure to date showing trends and forecast year-end position;

ii. movements in working capital;

iii. movements in cash and capital;

iv. capital project spend and projected outturn against plan;

v. explanations of any material variances from plan;

vi. details of any corrective action where necessary and the Chief Executive's and/or Joint Chief Finance Officers view of whether such actions are sufficient to correct the situation;

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

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

d) monitoring of management action to correct variances; and

e) arrangements for the authorisation of budget transfers.

13.3.2 Each Budget Holder is responsible for ensuring that:

a) any likely overspending or reduction of income which cannot be met by virement is not incurred without the prior consent of the Board;

b) 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;

c) 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.

13.3.3 The Chief Executive is responsible for identifying and implementing cost improvements and income generation initiatives in accordance with the requirements of the Business Plan and a balanced budget.

13.4 **Capital Expenditure**

13.4.1 The general rules applying to delegation and reporting shall also apply to capital expenditure. (The particular applications relating to capital are contained in SFI 24).

13.5 **Monitoring Returns**

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

14. ANNUAL ACCOUNTS AND REPORTS

14.1 The Joint Chief Finance Officer, on behalf of the Trust, will:

a) prepare financial returns in accordance with the accounting policies and guidance given by the Department of Health and Social Care and the Treasury, the Trusts accounting policies, and International Financial Reporting Standards;

b) prepare and submit annual financial reports to the Department of Health and Social Care certified in accordance with current guidelines;

c) submit financial returns to the Department of Health and Social Care for each financial year in accordance with the timetable prescribed by the Department of Health and Social Care.

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

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

15. BANK AND GOVERNMENT BANKING SERVICE (GBS) ACCOUNTS

15.1 **General**

15.1.1 The Joint 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 and Social Care. In line with „Cash Management in the NHS" Trusts should minimize the use of commercial bank accounts and consider using Government Banking Service (GBS) accounts for all banking services.

15.1.2 The Board shall approve the banking arrangements.

15.2 **Bank and GBS Accounts**

15.2.1 The Joint Chief Finance Officer is responsible for:

a) bank accounts and Government Banking Service (GBS) accounts;

b) establishing separate bank accounts for the Trusts non-exchequer funds;

c) ensuring payments made from bank or GBS accounts do not exceed the amount credited to the account except where arrangements have been made;

d) reporting to the Board all arrangements made with the Trusts bankers for accounts to be overdrawn.

e) monitoring compliance with DH guidance on the level of cleared funds.

15.3 Banking Procedures

15.3.1 The Joint Chief Finance Officer will prepare detailed instructions on the operation of bank and GBS accounts which must include:

a. the conditions under which each bank and GBS account is to be operated;

b. those authorised to sign cheques or other orders drawn on the Trusts accounts.

15.3.2 The Joint Chief Finance Officer must advise the Trusts bankers in writing of the conditions under which each account will be operated.

15.4 Tendering and Review

15.4.1 The Joint 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 Trusts commercial banking business.

15.4.2 Competitive tenders should be sought at least every five years. The results of the tendering exercise should be reported to the Board. This review is not necessary for GBS accounts.

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

16.1 Income Systems

16.1.1 The Joint 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.

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

16.2 Fees and Charges

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

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

16.2.3 All employees must inform the Joint 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.

16.3 **Debt Recovery**

16.3.1 The Joint Chief Finance Officer is responsible for the appropriate recovery action on all outstanding debts.

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

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

16.4 **Security of Cash, Cheques and other Negotiable Instruments**

16.4.1 The Joint 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.

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

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

16.4.4 The holders of safe keys shall not accept unofficial funds for depositing in their safes unless such deposits are in special sealed envelopes or locked containers. It shall be made clear to the depositors that the Trust is not to be held liable for any loss, and written indemnities must be obtained from the organisation or individuals absolving the Trust from responsibility for any loss.

17. TENDERING AND CONTRACTING PROCEDURE

17.1 **Duty to comply with Standing Orders and Standing Financial Instructions**

17.1.1 The procedure for making all contracts by or on behalf of the Trust shall comply with these Standing Orders and Standing Financial Instructions. This includes trials of products and equipment; and includes all written agreement to enter into new contracts for goods, services and works (except where Standing Order No. 3.14 Suspension of Standing Orders is applied).

17.1.2 Procurement must be engaged on all tendering activities to ensure compliance with the Standing Orders and all other current directives.

17.1.3 No agreements, irrespective of value, may be entered into without the involvement of Procurement. Any agreement signed by any staff member below board level other than procurement lead is ultra vires and not valid.

17.1.4 Verbal agreements are prohibited and will be considered null and void

17.2 EU Directives Governing Public Procurement

17.2.1 The Trust shall comply with the UK Public Contracts Regulations 2015 and all relevant directives promulgated by Department of Health and Social Care applicable UK authorities prescribing procedures for awarding all forms of contracts shall have effect as if incorporated in these Standing Orders and Standing Financial Instructions.

17.2.2 In the case of management consultancy contracts the Trust shall comply as far as is practicable with Department of Health and Social Care and NHS Improvement guidance "The Procurement and Management of Consultants within the NHS" Directives.

17.3 Reverse e-tender and EU Procurement Regulations and UK Public Contract Regulations 2015

17.3.1 The Trust shall have policies and procedures in place for the control of all tendering activity carried out including electronic tendering and quotations and Reverse eAuctions. For further guidance on Reverse eAuctions and Public Sector Procurement Procedures refer to https://www.gov.uk/government/collections/procurement-policy-notes

17.4 Capital Investment Manual and other Department of Health and Social Care Guidance

17.4.1 The Trust shall comply as far as is practicable with the requirements of the Department of Health and Social Care "Capital Investment Manual", “Estate code” and the Department of Health and Social Care’s “Delegated Limits for Capital Investment”, and the framework arrangements listed at Appendix 1, in respect of capital investment and estate and property transactions.

17.5 Formal Competitive Tendering

17.5.1 General Applicability

The Trust shall ensure that competitive tenders are invited for:

a) the supply of goods, materials and manufactured articles;

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

c) for the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens);

d) for disposals of tangible and intangible property (including equipment and intellectual property).

17.5.2 Health Care Services

Where the Trust elects to invite tenders for the supply of healthcare services these Standing Orders and Standing Financial Instructions shall apply as far as they are applicable to the tendering procedure and need to be read in conjunction with Standing Financial Instruction No.18 and No.19.

The Trust will take account of relevant NHS guidance on procurement (including but not limited the “Principles and Rules for Cooperation and Competition”, and the “Procurement Guide for Commissioners of NHS-funded Services.”

17.5.3 Exceptions and instances where formal tendering need not be applied

Formal tendering procedures need not be applied where:

a) the estimated expenditure or income does not, or is not reasonably expected to, exceed £25,000

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

c) regarding disposals as set out in Standing Financial Instructions No. 26;

Formal tendering procedures may be waived in the following circumstances:

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

d) where the requirement is covered by an existing contract; where Crown Commercial Service, London Procurement Partnership (LPP) and other national framework contracts are in place and have been approved by the Board;

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

c) 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 waiver;

d) where specialist expertise is required and is available from only one source (although this may need to be tested and demonstrated);

e) when the task is essential to complete the project, and arises as a consequence of a recently completed assignment and engaging different consultants for the new task would be inappropriate, and the change in specification is not material to the overall value of the total project;

f) 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;

g) where allowed and provided for in the Risk and Evaluation of Investment Decisions guidance as issued by NHS Improvement

h) where allowed and provided for in the Capital Investment Manual and the framework arrangements listed at Appendix 1.

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

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

17.5.4 Waiver Process

When a service line including E&F / IT / Corporate and Clinical Directorate's wish to access a supply of goods or services from a supplier and feel a waiver may be necessary, or they realise that activity has already occurred in breach of SFI's then they are to work with their category manager who will request the waiver from a single access point. If you are not sure who your category manager is, this can be found via our helpdesk online at www.swLondonProcurement.nhs.uk the contact form is available here. Alternatively, you can contact the helpdesk on 0203 322 3912.

The process will be as follows

a) Establish potential need for a waiver and discuss with the relevant Procurement Category Manager. Note: Requisitions can be raised at this stage however will not be approved by Procurement until the appropriate process has been followed.

b) Category Manager to request a waiver form by emailing Breaches.Waivers@stgeorges.nhs.uk providing the following information:

   i. Name of supplier
   ii. Cost centre
   iii. Division / Directorate
   iv. Name of Budget Holder
   v. Start/ end date if known

c) A Waiver reference is allocated by the Breaches and Waivers team and a form is sent out to the requestor for completion.

d) Once completed, form is to be returned to Breaches.Waivers@stgeorges.nhs.uk who will send this over to the Budget Holder for approval. Note: The Budget Holder cannot be the one requesting and completing the form. In the case that the requestor and Budget Holder are the same person, the form will have to be approved by a senior member of staff.

e) Please note all waivers for Croydon will then be uploaded to DocuSign as per our current process. For approval by Deputy Director of Procurement, Director of Finance, Joint Chief Finance Officer and Chief Executive depending on value of spend being waivered and SFI delegated limits.

f) Once fully approved, the end user will be notified by Breaches and Waivers and asked to provide the requisition number for approval by the buying team. Note: Not providing the buying team with the requisition number will delay the approval process and will cause delays in payment.

Any waivers sent directly to the procurement director around this process may take longer to process as will still need to be assigned to a category manager. The earlier we can access category support when considering a sourcing decision, the easier this may be. It would be good to remove the need to waiver wherever possible. This means getting a single quotation with some assurance of VFM for total costs 0 to £10k, 3 quotations from £10k to £25k total cost, local tender from £25k to OJEU threshold (Currently £122,976 for goods and services or £4,733,252 for works). Note we cannot waive the legal requirement to publically tender above this threshold.

17.5.5 **Fair and Adequate Competition**

17.5.5.1 Where the exceptions set out in SFI Nos. 17.1 and 17.5.3 apply, the Trust shall ensure that invitations to tender are sent to a sufficient number of firms/individuals to provide fair and adequate competition as appropriate, and in no case less than three firms/individuals, having regard to their capacity to supply the goods or materials or to undertake the services or works required.

17.5.5.2 It shall be confirmed in all tender submissions/quotes that suppliers are not entering into anti-competitive or unlawful practices.

17.5.5.3 Collusive strategies through a signed declaration of compliance.

17.5.5.4 Under the 2015 amendments to the Public Contract Regulations all tender activity over £25k that is not tendered under a framework must also be advertised on national Contracts Finder website or via a platform that links to it.

17.5.6 **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 Board approval.

17.5.7 **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.

17.6 **Contracting/Tendering Procedure**

17.6.1 **Invitation to tender**

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

b) All invitations to tender shall state that no tender will be accepted unless:

   i. submitted electronically using the Trusts e-tendering system, or alternatively;

   ii. submitted in a plain sealed package or envelope bearing a pre-printed label supplied by the Trust (or the word "tender" followed by the subject to which it relates), on or before the latest date and time for the receipt of such tender, addressed to the Chief Executive or nominated Manager;

   iii. that tender envelopes/ packages shall not bear any names or marks indicating the sender. The use of courier/postal services must not identify the sender on the envelope or on any receipt so required by the deliverer.

c) The Chief Executive or nominated representative is empowered to use his/her discretion in accepting tenders where the sender can be identified.

d) Every tender for goods, materials, services or disposals shall embody such of the NHS Contract Conditions as are applicable.

e) Every tender for building or engineering works (except for maintenance work, when Estmancode guidance shall be followed) shall embody or be in the terms of the current edition of one of the Joint Contracts Tribunal Standard Forms of Building Contract or Department of the Environment (GC/Wks) Standard forms of contract amended to comply with Concode; or,

f) when the content of the work is primarily engineering, the General Conditions of Contract recommended by the Institution of Engineering and Technology and the Association of Consulting Engineers (Form A), or (in the case of civil engineering work) the General Conditions of Contract recommended by the Institute of Civil Engineers, the Association of Consulting Engineers and the Civil Engineering Contractors Association. These documents shall be modified and/or amplified to accord with Department of Health and Social Care guidance and, in minor respects, to cover special features of individual projects.

17.6.2 **Receipt and safe custody of tenders**

a) The Chief Executive or his nominated representative will be responsible for the receipt, endorsement and safe custody of tenders received until the time appointed for their opening.

b) The date and time of receipt of each tender shall be endorsed on the tender envelope/package, or alternatively will be held securely on the Trusts electronic e-tendering system.

17.6.3 **Opening tenders and Register of tenders**

a) As soon as practicable after the date and time stated as being the latest time for the receipt of tenders, they shall be opened by two senior officers/managers designated by the Chief Executive and not from the originating department. This will be done either electronically via the Trusts e-tendering system, or manually if the tender is paper based.

b) A member of the Trust Board will be required to be one of the two approved persons present for the opening of tenders estimated above £250,000. The rules relating to the opening of tenders will need to be read in conjunction with any delegated authority set out in the Trusts Scheme of Delegation.

c) The „originating" Department will be taken to mean the Department sponsoring or commissioning the tender.

d) The involvement of Finance Directorate staff in the preparation of a tender proposal will not preclude the Joint Chief Finance Officer or any approved Senior Manager from the Finance Directorate from serving as one of the two senior managers to open tenders.

e) All Executive Directors/members will be authorised to open tenders regardless of whether they are from the originating department provided that the other authorised person opening the tenders with them is not from the originating department.

f) Every tender received shall be marked with the date of opening and initialled by those present at the opening.

g) A register shall be maintained by the Chief Executive, or a person authorised by him, to show for each set of competitive tender invitations dispatched:

   i. the name of all firms / individuals invited;

   ii. the names of firms / individuals from which tenders have been received;

   iii. the date the tenders were opened;

   iv. the persons present at the opening;

   v. the price shown on each tender;

   vi. a note where price alterations have been made on the tender.

   Each entry to this register shall be signed by those present.

   A note shall be made in the register if any one tender price has had so many alterations that it cannot be readily read or understood.

h) Incomplete tenders, i.e. those from which information necessary for the adjudication of the tender is missing, and amended tenders i.e., those amended by the tenderer upon his own initiative either orally or in writing after the due time for receipt, but prior to the opening of other tenders, should be dealt with in the same way as late tenders. (Standing Financial Instructions No. 17.6.5 below).

17.6.4 **Admissibility**

a) If for any reason the designated officers are of the opinion that the tenders received are not strictly competitive (for example, because their numbers are insufficient or any are amended, incomplete or qualified) no contract shall be awarded without the approval of the Chief Executive.

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

17.6.5 **Late tenders**

a) Tenders received after the due time and date, but prior to the opening of the other tenders, may be considered only if the Chief Executive or his nominated officer decides that there are exceptional circumstances i.e. dispatched in good time but delayed through no fault of the tenderer.

b) The Evolve Contract + e-tender system will not accept late tenders. It is the responsibility of the tenderer to upload their tender response in sufficient time to meet the “lock-out” deadline. Trust tender documents must make it clear that the trust does not take responsibility for IT problems which prevent or delay access and upload of documents by a tenderer

c) Only in the most exceptional circumstances will a tender be considered which is received after the opening of the other tenders and only then if the tenders that have been duly opened have not left the custody of the Chief Executive or his nominated officer or if the process of evaluation and adjudication has not started.

d) While decisions as to the admissibility of late, incomplete or amended tenders are under consideration, the tender documents shall be kept strictly confidential, recorded, and held in safe custody by the Chief Executive or his nominated officer.

17.6.6 **Acceptance of formal tenders (See overlap with SFI No. 17.7)**

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

b) The lowest tender, if payment is to be made by the Trust, or the highest, if payment is to be received by the Trust, shall be accepted unless there are good and sufficient reasons to the contrary. Such reasons shall be set out in either the contract file, or other appropriate record.

c) It is accepted that for professional services such as management consultancy, the lowest price does not always represent the best value for money. Other factors affecting the success of a project include:

   i. experience and qualifications of team members;

   ii. understanding of clients’ needs;

   iii. feasibility and credibility of proposed approach;

   iv. ability to complete the project on time.

d) Where other factors are taken into account in selecting a tenderer, these must be clearly recorded and documented in the contract file, and the reason(s) for not accepting the lowest tender clearly stated.

e) No tender shall be accepted which will commit expenditure in excess of that which has been allocated by the Trust and which is not in accordance with these Instructions except with the authorisation of the Chief Executive.

f) The use of these procedures must demonstrate that the award of the contract was:

   i. not in excess of the going market rate / price current at the time the contract was awarded;

   ii. that best value for money was achieved.

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

17.6.7 **Tender reports to the Trust Board**

Reports to the Trust Board will be made on an exceptional circumstance basis only.

17.7 **Quotations: Competitive and non-competitive**

17.7.1 **General position on quotations**

17.7.1.1 All tenders exceeding the UK Public Contract (PCR 2015) tendering limits must be tendered under the PCR 2015 process or via an authorised framework that has already complied with the PCR 2015 requirements.

17.7.1.2 At least three quotations are required where formal tendering procedures are not adopted and where the intended expenditure or income exceeds, or is reasonably expected to exceed £10,000 but not exceed £24,999.

17.7.1.3 Below £10,000 more than one quotation is normally required. All purchases must demonstrate value for money and the Procurement Department must be consulted prior to purchasing or requisitioning.

17.7.1.4 Evidence of agreement of the price must be obtained (a computer record will suffice).

17.7.2 **Competitive Quotations**

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

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

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

d) The Chief Executive or his nominated officer should evaluate the quotation and select the quote which gives the best value for money. If this is not the lowest quotation if payment is to be made by the Trust, or the highest if payment is to be received by the Trust, then the choice made and the reasons why should be recorded in a permanent record.

17.7.3 **Non-Competitive Quotations**

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

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

b) the supply of goods or manufactured articles of any kind which are required quickly and are not obtainable under existing contracts;

c) miscellaneous services, supplies and disposals;

d) where the goods or services are for building and engineering maintenance, the responsible works manager must certify that the first two conditions of this SFI (i.e.: (i) and (ii) of this SFI) apply.

17.7.4 **Quotations to be within Financial Limits**

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

17.8 **Authorisation of Tenders and Competitive Quotations**

Providing all the conditions and circumstances set out in these Standing Financial Instructions have been fully complied with, formal authorisation and awarding of a contract (whole life value) may be decided according to the limits of the staff set out in Expenditure and Requisition Approval Limits in Section C, Scheme of Reservation and Delegation.

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

17.9 **Instances where formal competitive tendering or competitive quotation is not required**

Where competitive tendering or a competitive quotation is not required the Trust should adopt one of the following alternatives:

a) the Trust shall use the Crown Commercial Service, NHS Supply Chain, London Procurement Partnership, and other framework arrangements for procurement of all goods and services unless the Chief Executive or nominated officers deem it inappropriate. The decision to use alternative sources must be documented.

b) If the Trust does not use the Crown Commercial Service, NHS Supply Chain, London Procurement Partnership, and other framework arrangements - where tenders or quotations are not required, because expenditure is below £5,000, the Trust shall procure goods and services in accordance with procurement procedures approved by the Joint Chief Finance Officer.

17.10 **Private Finance for capital procurement (see overlap with SFI No. 24)**

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

a) The Chief Executive shall demonstrate that the use of private finance represents value for money and genuinely transfers risk to the private sector;

b) Where the sum exceeds delegated limits, a business case must be referred to the appropriate Department of Health and Social Care for approval or treated as per current guidelines;

c) The proposal must be specifically agreed by the Board of the Trust; and

d) The selection of a contractor/finance company must be on the basis of competitive tendering or quotations.

17.11 **Compliance requirements for all contracts**

The Board may only enter into contracts on behalf of the Trust within the statutory powers delegated to it by the Secretary of State and shall comply with:

a) The Trusts Standing Orders and Standing Financial Instructions;

b) UK Public Contract Regulations (2015) as amended and other statutory provisions;

c) any relevant directions including the Capital Investment Manual, Estate code and the Department of Health and Social Care's "Delegated Limits for Capital Investment" and the framework arrangements listed at Appendix 1;

d) such of the NHS Standard Contract Conditions as are applicable.
Contracts with Foundation Trusts must be in a form compliant with appropriate NHS guidance.

e) Where appropriate contracts shall be in or embody the same terms and conditions of contract as was the basis on which tenders or quotations were invited.

f) In all contracts made by the Trust, the Board shall endeavour to obtain best value for money by use of all systems in place. The Chief Executive shall nominate an officer who shall oversee and manage each contract on behalf of the Trust.

17.12 **Personnel and Agency or Temporary Staff Contracts**

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

17.13 **Healthcare Services Agreements (see overlap with SFI No. 18)**

Service agreements with NHS providers for the supply of healthcare services shall be drawn up in accordance with the NHS and Community Care Act 1990 and administered by the Trust. Service agreements are not contracts in law and therefore not enforceable by the courts. However, a contract with a Foundation Trust, being a Public Benefit Corporation (PBC), is a legal document and is enforceable in law.

The Chief Executive shall nominate officers to commission service agreements with providers of healthcare in line with a commissioning plan approved by the Board.

17.14 **Disposals (See overlap with SFI No. 26)**

Competitive Tendering or Quotation procedures shall not apply to the disposal of:

a) any matter in respect of which a fair price can be obtained only by negotiation or sale by auction as determined (or pre-determined in a reserve) by the Chief Executive or his nominated officer;

b) obsolete or condemned articles and stores, which may be disposed of in accordance with the Procurement Manual of the Trust;

c) items to be disposed of with an estimated sale value of less than £1,000, this figure to be reviewed on a periodic basis;

d) items arising from works of construction, demolition or site clearance, which should be dealt with in accordance with the relevant contract;

e) land or buildings concerning which DH guidance has been issued but subject to compliance with such guidance.

All expired or wasted goods or consumables should be reported to Procurement and Supplies and a record of the cost should be kept. The decision to dispose or give away Trust owned goods should be pre-authorised by the procurement lead and authorised by the Joint Chief Finance Officer or deputy.

17.15 **In-house Services**

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

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

a) Specification group, comprising the Chief Executive or nominated officer/s and specialist;

b) In-house tender group, comprising a nominee of the Chief Executive and technical support; and

c) Evaluation team, comprising normally a specialist officer, a supplies officer and a Joint Chief Finance Officer representative. For services having a likely annual expenditure exceeding £250,000, a non-officer member should be a member of the evaluation team.

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

17.15.4 The evaluation team shall make recommendations to the Board.

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

17.16 **Applicability of SFIs on Tendering and Contracting to funds held in trust (see overlap with SFI No. 29)**

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

18. NHS SERVICE AGREEMENTS FOR PROVISION OF SERVICES (see overlap with SFI No. 17.13)

18.1 Service Level Agreements (SLAs)

The Chief Executive, as the Accountable Officer, is responsible for ensuring the Trust enters into suitable Service Level Agreements (SLA) with service commissioners for the provision of NHS services.

All SLAs should aim to implement the agreed priorities contained within the Business Plan (BP) and wherever possible, be based upon integrated care pathways to reflect expected patient experience. In discharging this responsibility, the Chief Executive should take into account:

a) the standards of service quality expected;

b) the relevant national service framework (if any);

c) the provision of reliable information on cost and volume of services;

d) the NHS Performance Framework;

e) that SLAs build where appropriate on existing Joint Investment Plans;

f) that SLAs are based on integrated care pathways.

18.2 Involving Partners and jointly managing risk

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

18.3 Reports to Board on SLAs

The Chief Executive, as the Accountable Officer, will need to ensure that regular reports are provided to the Board detailing actual and forecast income from the SLA. This will include information on costing arrangements, which increasingly should be based upon Healthcare Resource Groups (HRGs). Where HRGs are unavailable for specific services, all parties should agree a common currency for application across the range of SLAs.

19. COMMISSIONING

In limited cases Trusts may be responsible for operational commissioning of services. In these circumstances Trusts should refer to the model SFIs on Commissioning for SWL ICB, and, and adopt/amend the relevant paragraphs as appropriate.

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

20.1 Remuneration and Terms of Service (see overlap with SO No. 4)

20.1.1 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.)

20.1.2 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:

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

c) provisions for other benefits, including pensions and cars;

d) arrangements for termination of employment and other contractual terms;

e) 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 Trusts circumstances and performance and to the provisions of any national arrangements for such members and staff where appropriate;

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

g) advise on and oversee appropriate contractual arrangements for such staff including the proper calculation and scrutiny of termination payments taking account of such national guidance as is appropriate.

20.1.3 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.

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

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

20.2 **Funded Establishment**

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

20.2.2 The funded establishment of any department may not be varied without the approval of the Chief Executive.

20.3 **Staff Appointments**

20.3.1 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:

a) unless authorised to do so by the Chief Executive;

b) within the limit of their approved budget and funded establishment.

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

20.4 Processing Payroll

20.4.1 The Joint Chief Finance Officer is responsible for:

a) specifying timetables for submission of properly authorised time records and other notifications;

b) the final determination of pay and allowances;

c) making payment on agreed dates;

d) agreeing method of payment.

20.4.2 The Joint Chief Finance Officer will issue instructions regarding:

a) verification and documentation of data;

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

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

d) security and confidentiality of payroll information;

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

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

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

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.

20.4.3 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 Joint Chief Finance Officer's instructions and in the form prescribed by the Joint 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 fulfil obligations in circumstances that suggest they have left without notice, the Joint Chief Finance Officer must be informed immediately.

20.4.4 Regardless of the arrangements for providing the payroll service, the Joint 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.

20.5 **Contracts of Employment**

20.5.1 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;

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

21. NON-PAY EXPENDITURE

21.1 Delegation of Authority

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

21.1.2 The Chief Executive will set out:

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

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

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

21.2 Choice, Requisitioning, Ordering, Receipt and Payment for Goods and Services (see overlap with Standing Financial Instruction No. 17)

21.2.1 Requisitioning

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

a) **Purchase to Pay (P2P) Process**

a. Supplier Approval and Appraisal

i. For a supplier to receive a Purchase order from the Trust they must be listed within the supplier database of the Oracle (i-proc) purchasing system. This database is managed by NHS SBS.

ii. When a new supplier has been requested Procurement will check if the supplier is already listed within Oracle (i-proc) or if the goods or services can be obtained from an alternative supplier.

iii. Where new suppliers have been requested the following information must be obtained: billable supplier name and address, contact name, telephone number, fax & email address, Bank details all on letter headed paper.

iv. Upon receipt of information from the supplier, Procurement approves and creates the entry on the i-proc system. NHS SBS then confirm to Procurement when this has been completed and approved

b. Goods or Service Specification

i. All requisitions must contain accurate information reflecting the goods and services being requested such as: full description of the item or service, product code(s),

contract period (note: for best practice POs are normally raised per financial year) unit or total cost ex VAT. Providing this information will enable Procurement to process the requisition in a timely manner. Please indicate if your request is VAT exempt or has a different VAT rate.

c. Purchase Requisition

i. A purchase requisition needs to be created for all goods and services required. To raise the requisition, you must be registered on SBS and have had all the necessary training required. The requisition can be raised on behalf of another person who will be responsible for the receipting. Once a requisition has been raised within i-Procurement this will then automatically move to the Line Manager(s) within the hierarchy for approval. A workflow email will be sent to the Line Manager (s) notifying a requisition needs approving.

ii. Once approved if the item is available via a pre-approved eCatalogue the order will be automatically released to the supplier. If an eCatalogue is not available a member of the Procurement & Logistics Department will manually process the requisition into a purchase order ensuring VFM and the order will be sent to the supplied via electronic transmission.

d. Purchase Order

i. A purchase order is required for all goods and services being purchased and must be provided to the supplier before any goods or services are provided. A purchase order is created from an approved requisition and can be quantity or value based, it can be a single requirement or a call off order, it can be for single or multiple cost centres or can be split between cost centres.

e. Receipting Process

i. Where goods have been delivered or services provided against a purchase order, a Goods Receipt Note (GRN) will need to be created. This confirms that the goods or services have been completed and no problems have arisen, i.e. quantity (or value) received match quantity (or value) ordered, and will enable payment of invoices.

ii. Where goods are received at Receipt & Despatch the Procurement & Logistics staff will be responsible for the receipting of goods. If the orders are delivered direct or within the community these will need to be receipted by the requisitioner.

iii. A workflow email will be sent to the requisitioner notifying a GRN needs completing. Failure to GRN in a timely manner will have an impact on the payment authorisation process. The workflow mailer will escalate after 7 days to the line manager and continue to escalate for 28 days before reaching Senior Management level.

f. Supplier Invoice

i. When goods have been delivered or services provided, the supplier will raise an invoice to the value of what has been supplied (inclusive of VAT) for the Trust to pay.

ii. All supplier invoices must state an in date purchase order number, sent directly to NHS SBS and addressed as follows:

iii. Croydon Health Services

iv. RVR Payables (Insert Payables number here)

v. Phoenix House Topcliffe Lane Wakefield West Yorkshire WF3 1WE

vi. Once the invoice is received, NHS SBS will scan the invoice so it will appear on the purchase ledger under the correct supplier account and purchase order.

vii. The Trust mandates the processing of Invoices via Tradeshift as part of the Lord Carter end to end electronic processing recommendation. This ensures faster payment for the supplier and a significant cost saving to the Trust. Tradeshift is promoted robustly and is a critical in tender specifications as well as attached to every Multiquote/supplier correspondence.

g. Payment Authorisation

Once a GRN has been completed and matched to the correct supplier invoice and purchase order number the invoice is included in the 'Ready to Pay file' awaiting authorisation and release for payment from Finance.

21.2.2 System of Payment and Payment Verification

The Joint 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.

The Joint 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:

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

ii. Certification that:

- goods have been duly received, examined and are in accordance with specification and the prices are correct;
- work done or services rendered have been satisfactorily carried out in accordance with the order, and, where applicable, the materials used are of the requisite standard and the charges are correct;
- in the case of contracts based on the measurement of time, materials or expenses, the time charged is in accordance with the time sheets, the rates of labour are in accordance with the appropriate rates, the materials have been checked as regards quantity, quality, and price and the charges for the use of vehicles, plant and machinery have been examined;
- where appropriate, the expenditure is in accordance with regulations and all necessary authorisations have been obtained;
- the account is arithmetically correct;
- the account is in order for payment.

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

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

e) be responsible for ensuring that payment for goods and services is only made once the goods and services are received. The only exceptions are set out in SFI No. 21.2.3 below.

21.2.3 Prepayments

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 Joint Chief Finance Officer will need to be satisfied with the proposed arrangements before contractual arrangements proceed (taking into account the UK Public Contract Regulations (2015) as amended 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.

21.2.4 Official Orders

Official Orders must:

a) be consecutively numbered;

b) be in a form approved by the Joint Chief Finance Officer;

c) state the Trusts terms and conditions of trade;

d) only be issued to, and used by, those duly authorised by the Chief Executive.

21.2.5 Duties of Managers and Officers

Managers and officers must ensure that they comply fully with the guidance and limits specified by the Joint 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 Joint Chief Finance Officer in advance of any commitment being made;

b) contracts above specified thresholds are advertised and awarded in accordance with the Public Contract Regulations 2015 (PCR 2015);

c) where consultancy advice is being obtained, the procurement of such advice must be in accordance with guidance issued by the Department of Health and Social Care;

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 Standing Order No. 6 and 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 Joint Chief Finance Officer on behalf of the Chief Executive;

f) all goods, services, or works are ordered on an official order;

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 Joint Chief Finance Officer;

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

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

21.2.6 The Chief Executive and Joint 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 and the framework arrangements listed at Appendix 1. The technical audit of these contracts shall be the responsibility of the relevant Director.

21.3 **Joint Finance Arrangements with Local Authorities and Voluntary Bodies (see overlap with Standing Order No. 9.1)**

Payments to local authorities and voluntary organisations made under the powers of section 28A of the NHS Act 1977 shall comply with procedures laid down by the Joint Chief Finance Officer which shall be in accordance with these Acts. (See overlap with Standing Order No. 9.1)

22. EXTERNAL BORROWING AND INVESTMENTS

22.1 **External Borrowing**

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

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

22.1.3 The Joint Chief Finance Officer must prepare detailed procedural instructions concerning applications for loans and overdrafts.

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

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

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

22.2 **Investments**

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

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

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

23. FINANCIAL FRAMEWORK

The Joint Chief Finance Officer should ensure that members of the Board are aware of the NHS Operating Framework. This document contains directions which the Trust must follow. It also contains directions to NHS Improvement regarding resource and capital allocation and funding to Trusts. The Joint Chief Finance Officer should also ensure that the direction and guidance in the framework is followed by the Trust.

24. CAPITAL INVESTMENT, PRIVATE FINANCING, NON-CURRENT ASSET REGISTERS AND SECURITY OF ASSETS

24.1 **Capital Investment**

24.1.1 Capital schemes with an investment value in excess of £25 million will require NHS Improvement and Department of Health and Social Care and Social Care (DHSC) approval before they can be taken forward by an NHS trust or a foundation trust in financial distress.

24.1.2 Capital schemes with an investment value in excess of £50 million will require NHS Improvement Resources Committee and DHSC approval before they can be taken forward by an NHS trust or a foundation trust in financial distress.

24.1.3 Capital schemes with an investment value in excess of £50 million will also require NHS Improvement Board approval. After being approved by the NHS Improvement Resources Committee and NHS Improvement Board, these schemes will require approval from DHSC and HMT.

24.1.4 All capital spends (amount greater than £5k) will have to be approved at the Capital Planning Group (CPG).

24.1.5 Any capital expenditure or business case exceeded the value of £500k - £1,000k and above £1,000k will have to be approved by the Finance Investment and Transformation Committee (Board Sub-Committee) and Trust Board respectively.

24.1.6 The Chair of CPG:

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

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

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

24.1.7 For every capital expenditure proposal, the Chair of CPG shall ensure:

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

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

ii. the involvement of appropriate Trust personnel and external agencies;

iii. appropriate project management and control arrangements;

iv. that the Joint Chief Finance Officer has certified professionally to the costs and revenue consequences detailed in the business case.

24.1.8 The business case will have to be approved by the Business Case Review Group (BCRG) before adding to the CPG agenda.

24.1.9 For capital schemes where the contracts stipulate stage payments, the Chair of CPG will issue procedures for their management, incorporating the recommendations of “Estatecode”.

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

24.1.11 The Joint Chief Finance Officer shall issue procedures for the regular reporting of expenditure and commitment against authorised expenditure. The approval of a capital programme shall not constitute approval for expenditure on any scheme.

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

a) specific authority to commit expenditure;

b) authority to proceed to tender (see overlap with SFI No. 17.6);

c) approval to accept a successful tender (see overlap with SFI No. 17.6).

The Chair of CPG will issue a scheme of delegation for capital investment management in accordance with "Estatecode" guidance and the Trust’s Standing Orders.

24.1.12 The Joint 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 as notified to the Trust by the Department of Health and Social Care and Social Care / NHS IMPROVEMENT.

24.2 Private Finance (see overlap with SFI No. 17.10)

24.2.1 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 Joint 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 and Social Care and Social Care or in line with any current guidelines.

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

24.3 Asset Registers

24.3.1 The Chief Executive is responsible for the maintenance of registers of assets, taking account of the advice of the Joint 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.

24.3.2 Each Trust shall maintain an asset register recording non-current assets. The minimum data set to be held within these registers shall be as specified in the capital guidance issued by the Department of Health and Social Care and Social Care, and in accordance with International Financial Reporting Standards (IFRS).

24.3.3 Additions to the non-current 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.

24.3.4 Where non-current 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).

24.3.5 The Joint Chief Finance Officer shall approve procedures for reconciling balances on non- current assets accounts in ledgers against balances on non-current asset registers.

24.3.6 The value of each asset shall be indexed or valued by an independent external valuer to current values in accordance with methods specified in the capital guidance issued by the Department of Health and Social Care and Social Care, and in accordance with International Financial Reporting Standards (IFRS).

24.3.7 The value of each asset shall be depreciated using methods and rates as specified in the capital guidance issued by the Department of Health and Social Care and Social Care, and in accordance with International Financial Reporting Standards (IFRS).

24.3.8 The Joint Chief Finance Officer of the Trust shall calculate and pay capital charges as specified in the capital guidance issued by the Department of Health and Social Care Department of Health and Social Care and Social Care, and in accordance with International Financial Reporting Standards (IFRS).

24.4 Security of Assets

24.4.1 The overall control of non-current assets is the responsibility of the Chief Executive.

24.4.2 Asset control procedures (including non-current assets, cash, cheques and negotiable instruments, and also including donated assets) must be approved by the Joint 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.

24.4.3 All discrepancies revealed by verification of physical assets to non-current asset register shall be notified to the Joint Chief Finance Officer.

24.4.4 Whilst each employee and officer has a responsibility for the security of property of the Trust, it is the responsibility of Board members and senior employees in all disciplines to apply such appropriate routine security practices in relation to NHS property as may be determined by the Board. Any breach of agreed security practices must be reported in accordance with agreed procedures.

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

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

24.5 Revenue Investment

24.5.1. Requests for revenue funding over £10k should be made at the Business Case Review Group (BCRG) and cases requiring approval over £25k are recommended for approval at BCRG to Change Management Group (CMG).

24.5.2. Change Management Group have delegated authority to approve business cases up to the value of £250k. Cases exceeding this value will need approval at the Health Management Board (HMB) and the Finance, Investment and Transformation Committee.

24.5.3 Where the business case has both revenue and capital funding streams, the case will need to be approved at both CMG and CPG.

25. STORES AND RECEIPT OF GOODS

25.1 General position

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

a) kept to a minimum;

b) subjected to annual stock take;

c) valued at the lower of cost and net realisable value;

d) obsolete or excess stock – valued at net realisable value.

25.2 Control of Stores, Stocktaking, condemnations and disposal

25.2.1 Subject to the responsibility of the Joint Chief Finance Officer for the systems of control, overall responsibility for the control of stores shall be delegated to the Procurement Officer 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 Joint Chief Finance Officer. The control of any Pharmaceutical stocks shall be the responsibility of a designated Pharmaceutical Officer; the responsibility for statutory compliance for water, gas, electricity, lifts and lifting, asbestos, ventilation, pressure systems, building regulations, waste management, food safety, fire safety, sustainability, decontamination services, electro-bio medical engineering, mortuary management and additionally for control of stocks of fuel, oil and coal with the designated estates manager. The latter includes authority for the Designated Estates Officer to make further appropriate appointments.

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

25.2.3 The Joint 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.

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

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

25.2.6 The designated manager/Pharmaceutical Officer shall be responsible for a system approved by the Joint 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 Joint Chief Finance Officer any evidence of significant overstocking and of any negligence or malpractice (see also overlap with SFI No. 25 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.

25.3 Goods supplied by Crown Commercial Service, NHS Supply Chain, London Procurement Programme, and other framework arrangements

For goods supplied via the Crown Commercial Service, NHS Supply Chain, London Procurement Programme, and other framework arrangements 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 Joint Chief Finance Officer who shall satisfy himself that the goods have been received before accepting the recharge.

26. DISPOSALS AND CONDEMNATIONS, LOSSES AND SPECIAL PAYMENTS

26.1 Disposals and Condemnations

26.1.1 Procedures

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

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

All unserviceable articles shall be:

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

b) recorded by the Condemning Officer in a form approved by the Joint 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 Joint Chief Finance Officer.

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 Joint Chief Finance Officer who will take the appropriate action. The procurement officer will track and authorise all disposals of expired or excess stock.

26.2 Losses and Special Payments

26.2.1 Procedures

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

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 Joint Chief Finance Officer or inform the procurement officer who is charged with responsibility for responding to concerns involving loss. This officer will then appropriately inform the Joint Chief Finance Officer and/or Chief Executive. Where a criminal offence is suspected, the Joint Chief Finance Officer must immediately inform the police if theft or arson is involved and also report to the Local Security Management Specialist in instances of theft. In cases of fraud, bribery and corruption or of anomalies which may indicate fraud, bribery or corruption, the Joint Chief Finance Officer must inform the relevant LCFS and NHS Counter Fraud Authority in accordance with the revised NHS Standard Contract.

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

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

a) the Board;

b) the External Auditor.

The Board will be informed of losses written off and special payments authorised by officers. Power to write off losses and make special payments will be exercised by two or more nominated senior officers, acting jointly and within the delegated limits set by the Board. If the loss or special payment is novel, contentious, or repercussive, a report to the Board report must be prepared for pre-approval, and then the approval of the Department of Health and Social Care Department of Health and Social Care and Social Care must be obtained prior to the payment or write off.

The Joint Chief Finance Officer shall be authorised to take any necessary steps to safeguard the Trusts interests in bankruptcies and company liquidations.

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

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

No special payments exceeding delegated limits shall be made without the prior approval of the Department of Health and Social Care Department of Health and Social Care and Social Care.

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

27. INFORMATION TECHNOLOGY

27.1 Responsibilities and duties of the Chief Digital Officer

27.1.1 The Chief Digital Officer, who is responsible for the oversight of computerised systems, and hardware of the Trust and for IT security, shall:

a) devise and implement any necessary procedures to ensure adequate (reasonable) protection of the Trusts data, software 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 Amended Data Protection Act 2018, GDPR 2018 and the EU's Network and Information Systems Regulations 2018

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.

27.1.2 The Chief Digital Officer shall need to ensure that new systems and amendments to current 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.

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

27.2.1 In the case of computer systems which are proposed General Applications (i.e. normally those applications which the majority of Trusts in the Region wish to sponsor jointly) all responsible directors and employees will send to the Director of IT:

a) details of the outline design of the system;

b) in the case of packages acquired either from a commercial organisation, from the NHS, or from another public sector organisation, the operational requirement.

c) to include Cyber Essentials and other Data Security and Protection Toolkit minimum standards.

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

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

Where another health organisation or any other agency provides a computer service for applications, the Director of IT shall periodically seek assurances that adequate controls are in operation.

27.4 Risk Assessment

The Director of IT will 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.

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

Where computer systems have an impact on corporate financial systems the Director of IT 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) Appropriate IT staff have access to such data;

d) such computer audit reviews as are considered necessary are being carried out and results of audits submitted periodically for review at appropriate governing meetings.

28. PATIENTS' PROPERTY

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

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

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

b) hospital admission documentation and property records;

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

d) 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.

28.3 The Joint 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.

28.4 Where Department of Health and Social Care instructions require the opening of separate accounts for patients' moneys, these shall be opened and operated under arrangements agreed by the Joint Chief Finance Officer.

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

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

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

29. FUNDS HELD ON TRUST

29.1 Corporate Trustee

29.1.1 Standing Order No 2.7 outlines the Trusts responsibilities as a corporate trustee for the management of funds it holds on trust, along with SFI 4.9.3 that defines the need for compliance with Charity Commission latest guidance and best practice.

29.1.2 The discharge of the Trusts 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.

29.1.3 The Joint 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.

29.2 **Accountability to Charity Commission and Secretary of State for Health**

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

29.2.2 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.

29.3 **Applicability of Standing Financial Instructions to funds held on Trust**

29.3.1 In so far as it is possible to do so, most of the sections of these Standing Financial Instructions will apply to the management of funds held on trust. (See overlap with SFI No 17.16).

29.3.2 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.

30. ACCEPTANCE OF GIFTS BY STAFF AND LINK TO STANDARDS OF BUSINESS CONDUCT (see overlap with SO No. 7 and SFI No. 21.2.5 (d))

The Joint 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 and Social Care 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. 7).

31. PAYMENTS TO INDEPENDENT CONTRACTORS

Not applicable to NHS Trusts.

32. RETENTION OF RECORDS

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

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

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

33. RISK MANAGEMENT AND INSURANCE

33.1 Programme of Risk Management

The Chief Executive shall ensure that the Trust has a programme of risk management, in accordance with current Department of Health and Social Care assurance framework requirements, which must be approved and monitored by the Board.

The programme of risk management shall include:

a) a process for identifying and quantifying risks and potential liabilities;

b) engendering among all levels of staff a positive attitude towards the control of risk;

c) management processes to ensure all significant risks and potential liabilities are addressed including effective systems of internal control, cost effective insurance cover, and decisions on the acceptable level of retained risk;

d) contingency plans to offset the impact of adverse events;

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

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

g) arrangements to review the Risk Management programme.

The existence, integration and evaluation of the above elements will assist in providing a basis to make an Annual Governance Statement within the Annual Report and Accounts as required by current Department of Health and Social Care guidance.

33.2 Insurance: Risk Pooling Schemes administered by NHSLA

The Board shall decide if the Trust will insure through the risk pooling schemes administered by the NHS Resolution or self-insure for some or all of the risks covered by the risk pooling schemes. 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.

33.3 Insurance arrangements with commercial insurers

33.3.1 There is a general prohibition on entering into insurance arrangements with commercial insurers. There are, however, three exceptions when Trusts may enter into insurance arrangements with commercial insurers. The exceptions are:

a) Trusts may enter commercial arrangements for insuring motor vehicles owned by the Trust including insuring third party liability arising from their use;

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

c) where income generation activities take place. Income generation activities should normally be insured against all risks using commercial insurance. If the income generation activity is also an activity normally carried out by the Trust for a NHS purpose the activity may be covered in the risk pool. Confirmation of coverage in the risk pool must be obtained from the Litigation Authority.

33.3.2 In any case of doubt concerning a Trusts powers to enter into commercial insurance arrangements the Joint Chief Finance Officer should consult the Department of Health and Social Care.

33.4 Arrangements to be followed by the Board in agreeing Insurance cover

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

33.4.2 Where the Board decides not to use the risk pooling schemes administered by the NHS Resolution for one or other of the risks covered by the schemes, the Joint 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 Joint 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.

33.4.3 All the risk pooling schemes require Scheme members to make some contribution to the settlement of claims (the „deductible"). The Joint Chief Finance Officer should ensure documented procedures also cover the management of claims and payments below the deductible in each case.

Appendix 1: Framework arrangements available to the Trust

Contained within each framework will be a range of “lots” which have been tendered and run for a specified period of time.

Framework	Website Link
Crown Commercial Service	*https://www.gov.uk/government/organisations/crown-commercial-service*
NHS Supply Chain	http://www.supplychain.nhs.uk/
London Procurement Programme	http://www.lpp.nhs.uk/
P22 Framework	https://procure22.nhs.uk/
Other NHS Procurement Hubs (by invitation)	N/a

Appendix 2: Finance Investment and Transformation Committee – Terms of Reference

Purpose

The Finance, Investment and Transformation Committee (FITC or the Committee) is an assurance committee of the Board of Croydon Health Services NHS Trust (the Trust), which ensures appropriate oversight and scrutiny of Trust finance, investment and transformation matters, as directed. In its thinking, the Committee is mindful of the importance of patient safety and supports the development of plans that will seek to transform the way in which the Trust delivers services, whilst ensuring value for money and long term financial sustainability.

Authority

The Committee is a formally constituted committee of the Trust Board. The Committee is a Non-Executive Committee and has no executive powers, other than those specifically delegated in these Terms of Reference. Any amendments to these Terms of Reference require the approval of the Trust Board.

The Committee is authorised by the Trust Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any member of staff and all members of staff are directed to co-operate with any request made by the Committee. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise it if considers this necessary. Any expenditure on such advice to be kept to a minimum and within the limits of the scheme of delegation.

Objectives

The objectives of the Committee are to specifically review:

- financial plans and performance of the Trust;
- development and delivery of the Trust's transformation objectives including digital, estates and procurement;
- any risk and/or issues relating to the above; and
- receive information relating to the financial performance of Croydon Place and the wider SWL system, and consider any specific implications for the Trust.

Accountability and Reporting Arrangements

The Committee shall be directly accountable to the Trust Board.
The minutes of the Committee meetings shall be formally recorded by the secretary and shared with the Committee for approval. The Committee through the Committee Chair shall refer to the Board any issues of concern it has with regard to the lack of assurance in respect of any aspect of finance and performance.
The Committee Chair will provide updates to the Trust Board on the Committee's work through a written report provided at the Trust Board meeting.

Duties and Responsibilities

Finance

- To ensure the design and operation of a comprehensive budgetary control framework that accords with NHSE guidance and legislation and meets the business requirements of the Trust, and SWL ICB.
- To review financial plans and strategies (Income and Expenditure, Capital, Cash and Cost Improvement Programmes) and ensure they are consistent with overall Trust objectives and plans and that they meet regulator, and other external body requirements

as appropriate (eg SWL ICB).
- To consider and approve budget-setting timetable processes and recommend budgets to the Trust Board for adoption.
- To ensure alignment of planned activity, workforce and finance, seeking assurance that the plan is produced and owned by the directorates / corporate divisions.
- To monitor the in-year delivery of the financial plan (Income and Expenditure, Capital, Cash and Cost Improvement Programmes), seeking assurance over the management of any specific associated risk.
- To scrutinise the development of the Trust's medium to long-term financial strategy (including both revenue and capital), including the underlying assumptions and methodology used, ahead of review and approval by the Trust Board.

Investment
- To evaluate, scrutinise and approve the financial validity of individual significant investment decisions, including the review of Outline and Full Business Cases, following their initial review by the Business Case Review Group and approval of the Health Management Board.
- The evaluation of the financial validity of, and where appropriate, approval of, individual business cases recommended for approval following consideration by the Health Management Board in line with the Trust's Scheme of Delegation, and taking into account the risks identified on the Board Assurance Framework.
- To review and consider the single tender waivers for each contract that is awarded on this basis (over £500k)
- To approve business cases and refer those requiring Trust Board approval accordingly.
- Whilst undertaking this role, the Committee will, where appropriate, ensure that investment decisions enable transformation of services for the benefit of patients and the people of Croydon, within the resources available and demonstrating value for money.
- To maintain the oversight of potential investment or disinvestment in services in relation to the Trust's strategy.
- To review and approve the Trust's Investment policy ensuring that it is maintained to fit best practice.

The following investment decisions shall be subject to review and approval by the Committee

- All schemes with a capital value in excess of £500k.
- Changes to models of care with an increase of cost or reduction in income of £500k or more, full year effect.
- All revenue (including leased assets) with a cost implication of in excess £500k over the life of the contract
- All proposed asset acquisitions and disposals, including land and buildings.

All business cases within the above stipulated amounts must be ratified by the Committee. Any items above a value of £1m will be subsequently referred to the Trust Board for approval by the Committee.

Transformation
- To endorse and recommend the annual transformation programme to the Trust Board
- To seek assurance over the delivery of the agreed Trust's transformation programme objectives, particularly those in relation to finance and service transformation.
- To review key strategies that support the Trust's transformation work, including digital, estates and procurement.
- To seek assurance that the interdependencies of individual cost improvement and service transformation projects and related Trust strategies and plans are monitored and that due consideration is made in project plans as to elements within the direct control of the Trust and those elements which require input from external stakeholders.

-

Other

- To ensure that any risks on the Board Assurance Framework allocated to the Committee are kept up to date and that those risks are managed and actions introduced to mitigate them, with appropriate assurance sourced.
- The Committee will examine any matter referred to it by the Trust Board or the Audit Committee.

Membership
The Finance, Investment and Transformation Committee shall comprise of the following:

- Non-Executive Director - Chair
- Three additional Non-Executive Directors
- Joint Chief Finance Officer or nominated deputy
- Chief Executive

All members are required to attend at least 75% of meetings in a calendar year. An attendance record will be held for each meeting.

Attendance
In addition to the members of the Committee, the following may regularly attend all meetings and contribute to discussions, but have no voting rights nor contribute to the quorum:

- Chief Nurse
- Chief People Officer
- Chief Operations Officer or equivalent / Managing Director for Acute Services
- Joint Director of Transformation and Commissioning / Managing Director for Community Services
- Director of Corporate Governance

Other directors or any other individual deemed appropriate by the Committee may be invited to attend by the Chair of the Committee for specific items. In addition, other finance and contracting officers and other Trust officers will attend as required by the Committee in an advisory capacity.

Representatives (clinical and managerial) from NHS England and SWL ICB may be invited to attend as appropriate.

The Trust Chair may be invited to attend meetings as required.

The Corporate Governance Team shall act as Secretary to the Committee and provide appropriate administrative support to the Chair and Committee members.

This will include agreement of the agenda with the Chair and attendees, collation of papers, taking the minutes and keeping a record of matters arising and issues to be carried forward and advising the Committee as appropriate.

Quorum
For the Committee meetings to be quorate, there must be three members in attendance, consisting of a Non-Executive Director as Committee Chair plus one other Non-Executive Director and one Executive Director from the membership.

In the event of the Non-Executive Chair being absent, the Chair in advance can nominate one of the other Non-Executive Director members to Chair the meeting or where this has not been possible, a Chair can be determined by those Non-Executives attending the meeting.

If one of the Executive Director members is unable to attend a meeting, they should nominate a deputy with delegated authority to attend in their absence. Deputies will be counted for the purpose of being quorate.

Non-quorate meetings may go ahead unless the chair decides not to proceed. Any decisions made by the non-quorate meeting must be reviewed at the next quorate meeting.

Meetings

Frequency

The Committee will usually meet monthly, but no less than 6 times per year. Meetings of the Committee will be set in advance as part of the planning of the Trust Board and Committee meetings annual calendar of business.

The Chair may at any time convene additional meetings of the Committee to consider business that requires urgent attention.

In the event that an urgent decision is required and it is not possible to convene an extra-ordinary meeting, the Chair can take Chair's action, having consulted with one other non-executive and the Chief Executive (or a nominated in their absence). The decision will be ratified at the next Committee meeting.

Agenda and papers

An agenda of items to be discussed and supporting papers will be forwarded to each member of the Committee and any other person required to attend, no later than five working days before the date of the meeting.

Minutes

A member of the Corporate Governance Team will take minutes of the meeting. Draft minutes will be circulated to the chair of the committee no later than three weeks after the meeting. Actions from the meeting will be circulated to relevant members within 15 working days from the day of the committee meeting taking place.

Monitoring Effectiveness

The Committee shall, at least annually, review its own effectiveness and take advice, as appropriate.

Review of Terms of Reference

The Committee's Terms of Reference shall be reviewed by the Committee and approved by the Trust Board at least annually.

Sub Committees

None

Ratification Date: 15 January 2025

By: CHS Trust Board

Review Due Date: January 2026

Appendix 3: Quality Committee – Terms of Reference

Purpose

The purpose of the Committee is an assurance committee responsible for providing the Trust Board with assurance on all aspects of quality including: safety; patient experience; clinical effectiveness; performance standards including a robust performance management framework to overview performance against national targets and corporate objectives; research & development; and regulatory standards of care.

In addition as part of the integration agenda the Committee seeks to provide assurance to the CHS Board and Place Committee in relation to the system clinical care performance, patient experience against nationally and locally agreed standards.

Authority

The Quality Committee (the Committee) is a place-based committee and a formally constituted committee of the Trust Board. The Committee is a Non-Executive Committee of the Board and has no executive powers, other than those specifically delegated in these terms of reference. Any amendments to these Terms of Reference require the approval of the Trust Board.

The Committee is authorised by the Trust Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any member of staff and all members of staff are directed to co-operate with any request made by the Committee. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of internal and externa personnel with relevant experience and expertise if considered necessary

Objectives

The primary objective of the Committee is to provide assurance to the CHS Board that the key critical clinical systems and processes are effective and robust. These systems will include, but are not limited to:

- Patient Safety
- Quality Improvement
- Quality Care which is safe, effective with positive patient experience
- Compliance with the CQC Essential standards of quality and safety
- Key Clinical Systems
- Patient Experience
- Research and Development
- Medical Revalidation
- Safeguarding
- Health Inequalities
- Mental Health

Accountability and Reporting Arrangements

The minutes of the Committee meetings shall be formally recorded by the secretary and shared with the committee for approval. 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 Chair of the Committee will provide a written report to the Public Board meetings summarising the work of the Committee.

Duties and responsibilities

The Committee will seek to define the assurance process within the Trust with regard to the Trust's quality agenda.

In particular the Committee will:

- Monitor progress of and assure the Trust Board in relation to the Trust's compliance with regulatory standards, national practice and mandatory guidance issued by but not restricted to:
    - The Care Quality Commission (CQC)
    - National Institute for Clinical Excellence (NICE)
    - National Audit Office (NAO)
    - Royal Colleges (e.g. Nursing, Surgeons, Physicians etc.)
    - NHS England and Improvement
    - General Medical Council
- Oversee and receive reports regarding the effectiveness of systems relating to:
    - Compliance with the CQC Fundamental Standards
    - The safety of patient care
    - The delivery of a high quality experience for all patients and service users
    - Monitoring clinical outcomes and effectiveness.
- Monitor the delivery and reporting of the Trust Quality Account and Trust Quality priorities (as defined within the Quality Strategy).
- Receive reports relating to mortality so that the Committee is assured that the Trust has a clear understanding of its mortality profile and is sufficiently appraised on any indicators where the Trust is an outlier and that action is taken where relevant.
- Receive reports relating to clinical audit and effectiveness so that adequate oversight is maintained over the clinical audit programme and that issues of concern are satisfactorily addressed.
- Receive reports on HCAI and any resultant actions.
- Oversee and assure the delivery to reflect the baseline measure for national, regional, local and specialist CQUIN targets.
- Receive and review reports on other quality matters which includes: incidents, VTE, safety thermometer, complaints and Family & Friends test, etc.
- Monitor the progress of the completion of actions plans as a result of CQC inspections and other eternal body assessments/accreditations.
- Ensure that the Trust is compliant with its duties in relation to the Equalities Act 2010.
- Ensure that workforce issues, where they impact or have a direct relationship with the quality and safety of care are discussed and monitored.
- Review quality components of the Corporate Risk Register and Board Assurance Framework, and make recommendations on areas requiring attention so that where relevant quality improvement is linked to the Trust's risk profile.
- Regularly review operational performance
- Ensure that management processes are in place which provides assurance that the Trust has taken appropriate action in response to relevant independent reports, and ad hoc reports from enquiries and independent reviews.
- Ensure there are clear lines of accountability for the overall quality and safety of clinical care.
- Provide the forum where clinical matters between the Trust and the Croydon Place can be addressed.
- Receive regular updates on Place Quality matters of relevance to the Trust and its

work.

- Receive reports relating to maternity services.

The committee will also:

- Ensure the design and operation of a comprehensive performance management framework that accords with guidance and legislation and meets the quality requirements of the Trust.
- Review operating plans and trajectories / forecasts and ensure they are consistent with overall Trust objectives and plans with regards to quality agenda.
- Ensure appropriate and timely corrective quality actions are planned and implemented as required.

Membership

The membership of the Committee shall consist of

- Minimum of three Non-Executive members, one of whom will be appointed Chair of the Committee by the Trust Chair.
- Chief Nurse
- Chief Medical Officer

All members are required to attend at least 75% of meetings in a calendar year. An attendance record will be held for each meeting.

Attendance

In addition to the members of the Quality Committee, the following shall normally attend all meetings and may contribute to discussions, but have no voting rights nor contribute to the quorum:

- Chief Operations Officer or equivalent / Managing Director for Acute Services
- Joint Director of Transformation and Commissioning / Managing Director for Community Services
- Chief Executive
- Chief People Officer
- Director of Performance, Planning and Information
- Director of Midwifery
- Director of Quality
- Director of Nursing
- Clinical Directors
- Director of Corporate Governance
- Partner representatives

Other directors or any other individual deemed appropriate by the Committee may be invited to attend by the Chair of the Committee for specific items.

The Trust Chair may be invited to attend meetings as required.

The Corporate Governance Team shall act as Secretary to the Committee and provide appropriate administrative support to the Chair and Committee members.

This will include agreement of the agenda with the Chair and attendees, collation of papers, taking the minutes and keeping a record of matters arising and issues to be carried forward and advising the Committee as appropriate.

Quorum

The meeting will be quorate if three committee members (two of which must be a Non-Executive Director).

For the purpose of quoracy, one deputy for either the Medical Director or the Chief Nurse will count.

In the event of the Chair being absent, one of the other Non-Executive Director members Chair the meeting. Where this has not been possible, a Chair can be nominated by the permanent Chair or determined by those members attending the meeting.

Non-quorate meetings may go ahead unless the chair decides not to proceed. Any decisions made by the non-quorate meeting must be reviewed at the next quorate meeting.

Meetings

Frequency

Meetings of the Quality Committee shall be held monthly and no less than 8 times per year. Meetings of the Committee will be set in advance as part of the planning of the Trust Board and Committee meetings annual calendar of business.
The Chair may call additional meetings where these are deemed necessary.

Agenda and papers

An agenda of items to be discussed and supporting papers will be forwarded to each member of the Committee and any other person required to attend, no later than five working days before the date of the meeting.

Minutes

A member of the Corporate Governance Team will take minutes of the meeting. Draft minutes will be circulated to the chair of the committee no later than three weeks after the meeting. Actions from the meeting will be circulated to relevant members within 15 working days from the day of the committee meeting taking place.

Monitoring Effectiveness

The Committee shall, at least annually, review its own effectiveness and take advice, as appropriate.

Review of Terms of Reference

The Committee's Terms of Reference shall be reviewed by the Committee and approved by the Trust Board at least annually.

Sub Committee

None

Ratification Date: 16 July 2025

By: CHS Trust Board

Review Due Date: April 2025

Appendix 4: Audit Committee – Terms of Reference

Purpose

The purpose of the Audit Committee (the committee) is to assist the Board to deliver its responsibilities for the conduct of public business and the stewardship of funds under its control.

The Committee shall review the establishment and maintenance of an effective system of internal control and probity across the whole of the organisation's activities that supports the achievement of the organisation's objectives.

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.

Authority

The Committee is a formally constituted committee of the Trust Board. The Committee is a non-executive committee of the Board and has no executive powers other than those specifically delegated in these Terms of Reference. Any amendments to these Terms of Reference require the approval of the Trust Board.

The Committee is authorised by the Trust Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any member of staff and all members of staff are directed to cooperate with any request made by the Committee. The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise it if considers this necessary.

The Committee also has the right to commission additional work at its discretion.

Objectives

The Committee will provide assurance to the Board that an appropriate system of internal control is in place to ensure that:

- Business is conducted in accordance with the law and proper standards of public business;
- Public money is safeguarded and properly accounted for;
- Financial Statements are prepared timeously and give a true and fair view of the financial position of the Board for the period in question;
- Affairs are managed to secure economic, efficient and effective use of resources; and
- Reasonable steps are taken to prevent and detect fraud and other irregularities.

Accountability and Reporting Arrangements

The minutes of the Committee meetings shall be formally recorded by the secretary and shared with the committee for approval. 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 Chair of the Committee will provide a written report to the Public Board meetings summarising the work of the Committee.

The Committee will report to the Board annually on its work in support of the Annual Governance Statement, specifically commenting on the fitness for purpose of the Board Assurance Framework, the completeness and effectiveness of risk management within the Trust, the integration of governance arrangements and the appropriateness of assessments against the Care Quality Commission's Quality and Safety Outcomes.

Duties and responsibilities

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 Trust's activities (both clinical and non-clinical), that supports the achievement of the Trust'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 CQC standards of quality and safety), together with any accompanying Head of Internal Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the Board;
- the Board Assurance Framework and the underlying assurance processes that indicate the degree of the 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;
- the policies and procedures for all work related to fraud, bribery and corruption as set out in the revised Standard Contract and Government Functional Standard 013 Counter Fraud and as required by the NHS Counter Fraud Authority;
- the operational effectiveness of policies and procedures;
- Standing Financial Instructions (SFIs) and Standing Orders (SOs) on an annual basis; and Management's corrective actions where significant weaknesses are identified. Material or continued failure to take effective corrective action should be brought to the Board's attention.

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

Internal Audit

The Committee shall ensure that there is an effective internal audit function established by management that meets mandatory Public Sector Internal Audit Standards 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 cost of the audit and any questions of resignation and dismissal;
- review and approval of the Internal Audit strategy, operational 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 audit resources;
- ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation; and
- annual review of the effectiveness of Internal Audit.

External Audit

The Committee is the nominated Panel on behalf of the Trust responsible for the appointment of the Trust's external auditors.

The Committee shall review the work and findings of the External Auditor 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 Public Sector Audit Appointments Limited's rules permit, and review the implications for the Trust following the abolition of the Audit Commission;
- 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, and ensure coordination, as appropriate, with other External Auditors in the local health economy;
- discussion with the External Auditors of their local evaluation of audit risks and assessment of the Trust and associated impact on the audit fee; and
- review of all External Audit reports, including agreement of the annual audit letter before submission to the Board and any work carried outside the annual audit plan, together with the appropriateness of management responses.

Other Assurance Functions

The Committee shall review the findings of other significant assurance functions, both internal and external to the organisation, and consider the implications to the governance of the organisation.

These will include, but will not be limited to, any reviews by Department of Health Arm's Length Bodies or Regulators/Inspectors (e.g. Care Quality Commission and NHS Resolution), professional bodies with responsibility for the performance of staff or functions (e.g. Royal Colleges and accreditation bodies).

In addition, the Committee will review the work of other committees within the organisation, whose work can provide relevant assurance to the Committee's own scope of work. This will include the Quality and Clinical Governance Committee, Finance and Performance Committee, and any other committees that are considered relevant by the Committee.

In reviewing clinical governance and issues around clinical risk management, the Committee will wish to satisfy itself on the assurance that is gained from the clinical audit function.

In considering the effectiveness of these wider assurance functions, the Committee may undertake a more detailed review including asking for reports from management and discussing these "deep dives" with relevant members of the Trust.

Management

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

They may also request specific reports from individual functions within the organisation (e.g. clinical audit) as they may be appropriate to the overall arrangements.

Financial Reporting

The Committee shall review the Financial Statements (including those of the Trust's Charitable Funds), including any necessary adjustments to the Accounts, and the Auditor's

Report and recommends them to the Board for approval, 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 and practices;
- unadjusted misstatements in the financial statements;
- major judgemental areas;
- significant adjustments resulting from the audit; and
- receive, for noting, write-offs and single tender waivers.

The Committee should 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.

Quality Account

The Committee shall review and report to the Board on the Trust's draft Quality Account. The Committee shall consider the rigour of the processes for producing the quality accounts, in particular whether the information included in the quality accounts is reported accurately and whether the quality account is representative in its reporting of the services provided and the issues of concern to its stakeholders.

Membership

The Committee shall be appointed by the Board from amongst the Non-Executive Directors of the Trust and shall consist of not less than three Non-Executive members. One of the members will be appointed Chair of the Committee by the Trust Chairman. The Chair of the Committee should not be the vice chair or senior independent director. The Chairman of the Trust shall not be a member of the Committee.
All members are required to attend at least 75% of meetings in a calendar year. An attendance record will be held for each meeting.

Attendance

The Joint Chief Finance Officer and appropriate Internal and External Audit representatives shall normally attend the meetings.

The Chief Executive should be invited to attend, in particular, to discuss with the Committee the process for assurance that supports the Annual Governance Statement.
The Director of Corporate Governance should be invited to attend, particularly when the Committee is discussing the Board Assurance Framework and Corporate Risk Register.
The Local Counter-Fraud Specialist will attend a minimum of two Committee meetings a year.

The Trust Chair may be invited to attend meetings of the Audit Committee as required.

Executive directors/senior managers should be invited to attend, particularly when the Committee is discussing areas of risk or operation that are the responsibility of that director.

The Corporate Governance Team shall act as Secretary to the Committee and provide appropriate administrative support to the Chair and Committee members.

This will include agreement of the agenda with the Chair and attendees, collation of papers, taking the minutes and keeping a record of matters arising and issues to be carried forward and advising the Committee as appropriate.

Quorum

The meetings will be quorate when two members are present.

Non-quorate meetings may go ahead unless the chair decides not to proceed. Any decisions made by the non-quorate meeting must be reviewed at the next quorate meeting.

Meetings

Frequency

Meetings shall be held not less than four times a year. The External Auditor or Head of Internal Audit may request a meeting if they, in consultation with the Chair~~man~~, consider that one is necessary.
At least once a year, the Committee should meet privately with the External and Internal Auditors.
Meetings of the Committee will be set in advance as part of the planning of the Trust Board and Committee meetings annual calendar of business.
The Chair may call additional meetings where these are deemed necessary.

Agenda and papers

An agenda of items to be discussed and supporting papers will be forwarded to each member of the Committee and any other person required to attend, no later than five working days before the date of the meeting.

Minutes

A member of the Corporate Governance Team will take minutes of the meeting. Draft minutes will be circulated to the chair of the committee no later than three weeks after the meeting. Actions from the meeting will be circulated to relevant members within 15 working days from the day of the committee meeting taking place.

Monitoring Effectiveness

The Committee shall, at least annually, review its own effectiveness and take advice, as appropriate.

Review of Terms of Reference

The Committee's Terms of Reference shall be reviewed by the Committee and approved by the Trust Board at least annually.

Sub Committee

None

Ratification Date: 12 March 2025

By: CHS Trust Board

Review Due Date: March 2026

Appendix 5: Remuneration Committee – Terms of Reference

Purpose

The Remuneration Committee shall have delegated authority from the Trust Board to determine the broad remuneration policy and performance management framework and to decide the remuneration, allowances and other terms and conditions of office for the Trust's senior managers.

For the purposes of these Terms of Reference, the Trust's senior managers are defined as the Chief Executive, Executive Directors and other posts where salaries and managerial allowances are subject to locally-determined pay (other than for Medical posts).

Authority

- The Remuneration Committee is constituted as a standing committee of the Trust Board and has no executive powers, other than those specifically delegated in these terms of reference. Its constitution and terms of reference are set out below and can only be amended with the approval of the Trust Board.
- The Committee is authorised by the Trust Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee of the Trust and all employees are directed to cooperate with any request made by the Committee.
- The Committee is authorised by the Trust Board to obtain outside legal, remuneration or other independent professional advice and to secure the attendance of individuals and authorities from outside the Trust with relevant, experience and expertise if it considers this necessary for or expedient to the exercise of its functions.

Objectives

The objectives of the Committee are to specifically advise the Board and make recommendations on the remuneration and terms of service of the Chief Executive, other officer members and senior employees to ensure they are fairly rewarded having proper regard to the Trusts circumstances and any national agreements; monitor and evaluate the performance of individual senior employees; advise on and oversee appropriate contractual arrangements for such staff, including proper calculation and scrutiny of termination payments.

Accountability and Reporting Arrangements

The approved minutes of the Remuneration Committee meetings will generally be circulated to the Trust Chairman, all Non-Executive Directors, the Chief Executive and the Chief People Officer. The minutes will not be shared with executive directors unless agreed on a case-by-case basis by the Chair of the Committee.

The Chair of the Committee will provide a written report to the next Trust Board after each Committee meeting, having due regard for the sensitive nature of some of the Committees discussions. The Chair of the Committee shall draw to the attention of the Board any issues that require disclosure to the full Board or require Board approval or ratification.

The Trust's Annual Report, which is approved by the Trust Board, shall include a statement of the Trust's broad remuneration policy.

Duties and responsibilities

- To agree the broad remuneration policy and performance management framework for the Trust's senior managers.
- To approve the service contracts of the Trust's senior managers, including starting salaries, provisions for other benefits, allowances and termination arrangements.
- To monitor and evaluate the performance of the Trust's Chief Executive and Executive Directors against objectives for the previous year and note forward objectives.
- Performance of other senior managers will be monitored and evaluated by their line managers.
- To agree individual remuneration arrangements for senior managers (including salaries, provision for other benefits and allowances).
- In determining remuneration policy and packages, to have due regard to the policies and recommendations of the Department of Health and Social Care and the NHS England, and other relevant bodies and to adhere to all relevant laws, codes and regulations.
- To keep abreast of executive level remuneration policy and practice and market development elsewhere in the NHS and in other relevant organisations, drawing on external advice as required.
- To agree those Compromise Agreements, Settlements and Redundancy Payments which require final approval by NHS Improvement, HM Treasury as well as any proposed termination payment to the Chief Executive or an Executive Director.
- To receive regular reports on other Compromise Agreements, Settlements and Redundancies approved in accordance with Trust policies.
- To receive an annual report on the outcome of the employer-based (local) Clinical Excellence Awards round.
- To undertake any other duties as directed by the Trust Board.

Membership

The Committee shall be appointed by the Trust Board and comprise the Chairman and all Non-Executive Directors of the Trust. One member will be appointed as the Chair of the Remuneration Committee.

All members are required to attend at least 75% of meetings in a calendar year. An attendance record will be held for each meeting.

Attendance

The Chief Executive and the Chief People Officer shall normally be in attendance except when issues regarding their own positions are discussed.

Other directors or any other individual deemed appropriate by the Committee may be invited to attend by the Chair of the Committee for specific terms.

The Corporate Governance Team shall act as Secretary to the Committee and provide appropriate administrative support to the Chair and Committee members.

This will include agreement of the agenda with the Chair and attendees, collation of papers, taking the minutes and keeping a record of matters arising and issues to be carried forward and advising the Committee as appropriate.

Quorum

The meetings will be quorate when three Non-Executive Directors are present.

Because this is a committee made up of Non-Executive Directors, the appointing of deputies to attend in members' absence (with the exception of the Deputy Chair of the Trust) is not applicable in relation to members not being able to attend.

Non-quorate meetings may go ahead unless the chair decides not to proceed. Any decisions made by the non-quorate meeting must be reviewed at the next quorate meeting.

Meetings

Frequency

Meetings of the Remuneration Committee shall be held as deemed necessary by the Chair but not less than twice a year. Meetings of the Committee will be set in advance as part of the planning of the Trust Board and Committee meetings annual calendar of business. However, it is acknowledged that it may be necessary to convene a meeting (or virtual meeting) at short notice and members will be informed accordingly.
Where it is necessary for decisions to be taken between meetings of the Remuneration Committee, with the agreement of the committee members, these decisions shall be taken by the Chair of the Committee and ratified and minuted at the next meeting of the Committee to ensure an effective audit trail.

Agenda and papers

An agenda of items to be discussed and supporting papers will be forwarded to each member of the Committee and any other person required to attend, no later than five working days before the date of the meeting.

Minutes

A member of the Corporate Governance Team will take minutes of the meeting. Draft minutes will be circulated to the chair of the committee no later than three weeks after the meeting. Actions from the meeting will be circulated to relevant members within 15 working days from the day of the committee meeting taking place.

Monitoring Effectiveness

The Committee shall, at least annually, review its own effectiveness and take advice, as appropriate.

Review of Terms of Reference

The Committee's Terms of Reference shall be reviewed by the Committee and approved by the Trust Board at least annually.

Sub Committee

None

Ratification Date: 16 July 2025
By: CHS Trust Board
Review Due Date: July 2026

Appendix 6: People and Place Committee – Terms of Reference

Purpose

People and Place Committee is the CHS Trust Board assurance committee for People/workforce with the purpose of providing assurance around:

- the CHS workforce strategy and development/training of an integrated CHS workforce in collaboration with system partners for the health and well-being of our staff
- Ensuring the Trust is a good employer and contributes appropriately as an Anchor Institution
- the overall welfare of CHS's workforce, workplace health and safety
- the Trust's commitment to a sustainability workplace
- Receiving updates on joint work across Croydon Place and considering specific implications for CHS

Authority

- The people and Place Committee is constituted as a standing committee of the Trust Board and has no executive powers, other than those specifically delegated in these terms of reference. Its constitution and terms of reference are set out below and can only be amended with the approval of the Trust Board.
- The Committee is authorised by the Trust Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee of the Trust and all employees are directed to cooperate with any request made by the Committee.
- The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if considered necessary.
- The Committee has the authority to set up and oversee sub-groups to oversee specific workforce programmes. These will report directly to the Committee.

Objectives

The Committee will provide assurance to the Board in relation to

- the CHS workforce strategy which aims to improve the recruitment, retention and well-being of the current Health & Care workforce in Croydon and build Croydon's health and care workforce for the future;
- being cognisant of the health and well-being of the population in Croydon with particular focus on tackling health inequalities and opportunities for reshaping CHS services to promote early intervention and prevention of illness;
- Sharing insights and examples of good practice with wider system;
- Contributing to system development; and
- Ensuring the Trust acts a socially responsible corporation playing its full role in the economic development of Croydon and contributing to environmental sustainability.

Accountability and Reporting Arrangements

The Committee shall be directly accountable to the Trust Board.
The Committee through the Committee Chair shall refer to the Board any issues of concern it has with regard to the lack of assurance in respect of any aspect of finance and performance.
The Committee Chair will provide updates to the Trust Board on the Committee's work through a written report provided at Trust Board meetings.

Duties and responsibilities

- To strategically provide assurance to the development, implementation and evaluation of the Workforce Strategy
- To acknowledge and receive an annual assurance on the programmes of work, delivering against the key strands of the CHS Workforce strategy, the delivery and actions being led and through the relevant sub-groups. Additionally provide updates as appropriate.
- To provide assurance to outcomes at a strategic and organisational level for CHS Workforce activities and actions, monitor progress on achievement through the Workforce dashboards
- To receive regular updates on policies and processes relating to workforce, including expenditure and commissioning of services in line with the budget limit of Human Resources and Organisational Development Directorate
- To receive updates and assurance on progress on the Workforce Race Equality Standard (WRES), Disability Equality Standard (DES), training and continuing professional development and also use of the apprenticeship levy.
- To note the annual Gender Pay Gap report
- To seek assurance that CHS is actively contributing to the development of Croydon's Health & Well-being strategy
- To be sighted on work undertaken by internal and external auditors regarding workforce matters
- To receive the Director of Public Health's Annual Report
- To receive assurance on health and safety matters, in line with statutory requirements;
- To receive the Croydon Public Health Strategy and consider implications for CHS Services
- To receive an annual report on the Trust's public engagement strategy
- To seek assurance on robust comms and engagement strategy
- To oversee the Trust's Environmental Sustainability Strategy
- To provide assurance to the Trust's Estates strategy
- To receive updates on the CHS Volunteering programme annually
- To escalate by exception or for the purpose of assurance any appropriate items to Executive Directors or to the Board as required
- To undertake any other duties as directed by the Trust Board.

Membership

As a committee of the Board the People and Place Committee will be chaired by a Trust Non-Executive Director. Membership will be drawn from:

- 3 Non-Executive Directors

All members are required to attend at least 75% of meetings in a calendar year. An attendance record will be held for each meeting.

Attendance

In addition to members of the People and Place Committee, the following shall normally attend all meetings and may contribute to discussions, but have no voting rights nor

contribute to the quorum:

- Chief People Officer
- Managing Director of Community Services and Integration
- CHS Medical Director
- CHS Chief Nurse
- CHS Head of Diversity and Inclusion
- Director Estates & Facilities
- Director of Corporate Governance

The Trust Chair may be invited to attend meetings of the People and Place Committee as required.

Other Executive directors/senior managers should be invited to attend, particularly when the Committee is discussing specific agenda items relevant to their expertise or portfolio of responsibility, such as

- Representative from The Guardian Service
- Chairs of the Staff Networks
- Chief Operating Officer
- Croydon Director of Public Health
- Representatives from partner organisations

The Corporate Governance Team shall act as Secretary to the Committee and provide appropriate administrative support to the Chair and Committee members.

This will include agreement of the agenda with the Chair and attendees, collation of papers, taking the minutes and keeping a record of matters arising and issues to be carried forward and advising the Committee as appropriate.

Quorum
The meeting will be quorate if two of the three Non-Executive Directors are present.-
In the event of the Non-Executive Chair being absent, the Chair in advance can nominate another Non-Executive Director to Chair the meeting or where this has not been possible, a Chair can be determined by those Non-Executives attending the meeting.
Non-quorate meetings may go ahead unless the chair decides not to proceed. Any decisions made by the non-quorate meeting must be reviewed at the next quorate meeting.

Meetings

Frequency
The Committee will usually meet bi-monthly, but no less than 6 times per year. Meetings of the Committee will be set in advance as part of the planning of the Trust Board and Committee meetings annual calendar of business.

The Chair may at any time convene additional meetings of the Committee to consider business that requires urgent attention.
In the event that an urgent decision is required and it is not possible to convene an extra-ordinary meeting, the Chair can take Chair's action, having consulted with one other non-executive and an executive. The decision will be ratified at the next Committee meeting.

Agenda and papers
An agenda of items to be discussed and supporting papers will be forwarded to each member

of the Committee and any other person required to attend, no later than five working days before the date of the meeting.

Minutes

A member of the Corporate Governance Team will take minutes of the meeting. Draft minutes will be circulated to the chair of the committee no later than three weeks after the meeting. Actions from the meeting will be circulated to relevant members within 15 working days from the day of the committee meeting taking place.

Monitoring Effectiveness and Compliance with Terms of Reference

The Committee shall, at least annually, review its own effectiveness and take advice, as appropriate.

Review of Terms of Reference

The Committee's Terms of Reference shall be reviewed by the Committee and approved by the Trust Board at least annually.

Sub Committee

None

Ratification Date: 12 March 2025

By: CHS Trust Board

Review Due Date: January 2026

Appendix 7: Charitable Funds Committee – Terms of Reference

Purpose

The role of the Charitable Funds Committee (CFC) is to oversee the management, investment and disbursement of the Croydon Health Services Charitable Funds (Registered Charity No. 1054824), trading under the name of Croydon Health Charity, and to ensure compliance with statutory or other legal requirements or best practice required by the Charity Commission.

The charity will operate as Croydon Health Charity.

This is a delegated duty carried out on behalf of Croydon Health Services NHS Trust Board (the Trust), which is the sole Corporate Trustee of the Charity.

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 purposes of the Fund itself are set out in Appendix 1.

Authority

The CFC has delegated authority from the Trust Board to oversee all activities relating to the Charitable Funds, to ensure compliance with good corporate governance. This includes calling fund holders to account for the proper use and expenditure of the funds for which they are responsible.

It may seek and secure the information it requires from any employee of the Charity and/or Trust and all employees are directed to co-operate with any request made by the committee.

The CFC can seek external advice from any source if necessary, taking into consideration issues of confidentiality and Standing Financial Instructions.

Objectives

As set out in the Trust's Standing Orders, the objectives of the CFC are to:

- Have ultimate responsibility for directing the affairs of the charity, ensuring that it is solvent, well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up;
- Develop the strategy and objectives for the Charity for consideration by the Board and oversee the development and delivery of the Fundraising Strategy;
- Oversee the implementation of an infrastructure appropriate to the efficient and effective running of the Charity.
- Ensure that policies are in place in respect of Charitable Funds, their use, investment and disbursement;
- Oversee the investment of the Charitable Funds in accordance with the requirements of the Trustee Act 2000, or other appropriate guidelines;
- Approve any major Fundraising appeals to be undertaken;
- Seek assurance that funds have been disbursed in accordance with the wishes of the donor or the relevant legislation; and
- Review the Charitable Funds Accounts and Annual Report and recommend them for approval by the Audit Committee before being submitted to the Trust Board.

Accountability and Reporting Arrangements

Corporate Trustee

Croydon Health Services NHS Trust is the Corporate Trustee of the Croydon Health Services Charitable Funds.

There is only a single Trustee, namely the NHS body that has been appointed as Corporate Trustee. If an NHS body holds charitable funds as sole corporate trustee, the board members of that body are jointly responsible for the management of those charitable funds.

The Corporate Trustee has appointed this Charitable Funds Committee (CFC forthwith) to administer its Charitable Funds. Those serving on the CFC are acting as "agents" of the NHS body. In the case of NHS Trusts the use of such an agency arrangement is permitted under regulation 16 of the NHS Trusts (Membership and Procedures) Regulations 1990 and the CFC reports back to the Board.

The CFC is a committee of the Trust Board and accountable to the Board.

The Chair of the Committee will provide a written report to the Public Board meetings summarising the work of the Committee.

The Committee will

- review the Charitable Funds Accounts and Annual Report and recommend these for approval by the Audit Committee before being submitted to the Trust Board, as corporate trustee.

The minutes of the Committee meetings shall be formally recorded by the secretary and shared with the committee for approval. 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 Standing Orders and Standing Financial Instructions of the Trust shall apply to the conduct of the working of the CFC.

A fund balances report will be sent on a regular basis to fund holders, and to all directorates, to encourage broader directorate involvement and awareness.

Duties and Responsibilities

Members of the CFC share responsibility to ensure that Croydon Health Services NHS Trust fulfils its duties as a Corporate Trustee when it manages the Charitable Funds.

Guidance from the Charity Commission on the roles and responsibilities of trustees is reproduced below, and should be taken to apply to the members of the CFC, acting as "agents" of Croydon Health Services NHS Trust:

Trustees have and must accept ultimate responsibility for directing the affairs of a charity, and ensuring that it is solvent, well-run, and delivering the charitable outcomes for the benefit of the public for which it has been set up.

Governance

- To ensure that policies and procedures are in place to meet the requirements of the Charities Commission and the laws governing charitable funds;
- Ensure that 'best practice' is followed in the conduct of all its affairs fulfilling all of its legal responsibilities;
- To ensure that the CFC's membership is refreshed and that undue reliance is not placed on particular individuals when undertaking the responsibilities of the CFC;
- Review and update annually these Terms of Reference, recommending any changes to the Trust Board;
- To act on behalf of the Trust in satisfying the duties and responsibilities of Trustees in managing the funds by explicitly applying their strategies, setting future targets and managing these through the relevant processes in the most appropriate manner over the period;
- Advise the Corporate Trustee of essential education and training needs; and
- To seek assurance that legacy received comply with the terms of the legacy.

Controls

- To agree and monitor the delivery of a fundraising strategy to support income generation for Croydon Health Charity;

- To review and monitor the activities of the Charity, including appeals, and receive regular reports on the performance of all charitable fundraising activities and income;
- To seek assurance that procedures and policies are in place and operating correctly to ensure that accounting systems are robust, donations received are coded as instructed and that all expenditure is reasonable, clinically and ethically appropriate;
- To review the expenditure of all funds, ensuring that monies are spent in accordance with the Charity's agreed Grants Policy;
- To authorise/agree the establishment of new funds; and
- Provide support, guidance and encouragement for all its income raising activities.

Investment of Funds

- To manage the investment of funds in accordance with the Charity Act 2011, and if necessary to appoint fund managers to act on its behalf;
- To monitor the performance of appointed Investment Managers;
- To ensure funding decisions are appropriate and are consistent with the Trust's objectives;
- Seek assurance that the Investment Policy ratified by the Trust's Policy Assurance Group is adhered to and that performance is continually reviewed whilst being aware of ethical considerations; and
- Review the application of the appropriate policies, including Reserves Policy, ratified by the Trust's Policy Assurance Group.

The following are the Trustees' main responsibilities:

1. *Compliance*

- Ensure that the Charity complies with Charity Law, and with the requirements of the Charity Commission as regulator; in particular ensure that the charity prepares reports on what it has achieved and Annual Returns and accounts as required by law;
- Ensure that the Charity does not breach any of the requirements or rules set out in its governing document and that it remains true to the charitable purpose and objects set out there;
- Comply with the requirements of other legislation and other regulators (if any) which govern the activities of the Charity; and
- Act with integrity, and avoid any personal conflicts of interest or misuse of Charity funds or assets.

2. *Duty of Prudence*

- Ensure that the Charity is and will remain solvent;
- Use Charitable Funds and assets reasonably, and only in furtherance of the charity's objectives;
- Avoid undertaking activities that might place the Charity's endowment, funds, assets or reputation at undue risk;
- Ensure the administration of the CFC is managed efficiently and effectively;
- Ensure the CFC undertakes the duties assigned to it; and
- Take special care when investing the funds of the Charity, or borrowing funds for the Charity to use.

3. *Duty of Care*

- Use reasonable care and skill in their work as Trustees, using their personal skills and experience as needed to ensure that the Charity is well-run and efficient;
- Consider getting external professional advice on all matters where there may be material risk to the Charity, or where the Trustees may be in breach of their duties; and
- Further information about Trustee roles can be found in the Trustees & Governance handbook published by the Charity Commission.

Membership
The Committee is appointed by the Corporate Trustee and comprises:

- 3 Non-Executive Members of the Board of Directors (of which one member to be Chair of Charitable Fund Committee)
- Joint Chief Financial Officer;
- Managing Director of Community Services and Integration

The Chair shall be appointed by the Corporate Trustee.

In the absence of the Chair the committee will nominate another one of the other Non-Executive Directors to chair the meeting

All members are required to attend at least 75% of meetings in a calendar year. An attendance record will be held for each meeting.

Attendance
Regular attendees to the committee shall include

- Head of Fundraising
- Director of Communications and Fundraising
- Charitable Funds Accountant
- Assistant Director of Finance
- Director of Corporate Governance / Corporate Governance Manager

All members of the Trust Board and other executive directors are invited to CFC meetings.

A directorate representative can be invited to attend to present a paper for a specific request. The Committee may ask any other officials of the organisation to attend to assist it with its discussions on any particular matter.
The Corporate Governance Team shall act as Secretary to the Committee and provide appropriate administrative support to the Chair and Committee members.

This will include agreement of the agenda with the Chair and attendees, collation of papers, taking the minutes and keeping a record of matters arising and issues to be carried forward and advising the Committee as appropriate.

Quorum
A quorum shall consist of at least two members, including:

- The Chair or their deputy (also a Non-Executive Director);
- The Joint Chief Financial Officer or their nominated representative;

Non-quorate meetings may go ahead unless the chair decides not to proceed. Any decisions made by the non-quorate meeting must be reviewed at the next quorate meeting.

Meetings
Frequency
The CFC shall at a minimum meet four times a year at regular intervals or at other times at the request of the Chair.
Meetings of the Committee will be set in advance as part of the planning of the Trust Board and Committee meetings annual calendar of business.
The Chair may call additional meetings where these are deemed necessary.

Agenda and papers
An agenda of items to be discussed and supporting papers will be forwarded to each member of the Committee and any other person required to attend, no later than five working days before the date of the meeting.

Minutes

A member of the Corporate Governance Team will take minutes of the meeting. Draft minutes will be circulated to the chair of the committee no later than three weeks after the meeting. Actions from the meeting will be circulated to relevant members within 15 working days from the day of the committee meeting taking place.

Monitoring Effectiveness

The Committee shall, at least annually, review its own effectiveness and take advice, as appropriate.

Review of Terms of Reference

The Terms of Reference will be reviewed annually by the CFC, and the Trust Board, as Corporate Trustee, will ratify them.

Sub Committee(s)

None.

Ratified Date: brought on 16 July 2025 for approval
By: CHS Trust Board
Review Date: April 2026

Appendix 1 – Purposes of the Charitable Fund

Croydon Health Services Charitable Fund ("the Fund") was created by declaration of the trust dated 19 February 1996, and is an NHS Umbrella Charity. This charity was created as part of the process of the rationalisation of NHS Charities initiated by the Charity Commission in 1995. The fund was previously known as the Mayday Healthcare Charitable Fund.

There are four special purpose charities associated with the umbrella charity, which are:

- Croydon Health Services NHS Trust –General Fund Charity;
- Croydon Health Services NHS Trust - Research and Education Charity;
- Croydon Health Services NHS Trust - Staff and Patients Amenities Charity;
- Croydon Health Services NHS Trust – NHS South West London (SWL). ICB

The aim of the Fund is to use the income and capital for charitable purposes relating to the National Health Service. Each of the special purpose charities represents a specific way of achieving this aim. These are as follows:

1. Croydon University Hospital General Fund Charity - contributes to projects mainly for the benefit of Croydon Health Services NHS Trust;
2. Research and Education Charity - supports training and education initiatives in the Trust. It also supports clinical research projects carried out within the Trust and the dissemination of the useful results of those projects. All such research projects are subject to prior approval and monitoring by the Trust's Ethics Committee;
3. Staff and Patient Amenities Charity – contributes to the provision of extra amenities for patients at Croydon Health Services NHS Trust and to improve the working environment for staff at the Trust;
4. NHS South West London ICB - contributes to the provision of staff amenities and to improve the working environment for staff at the NHS South West London ICB.

Appendix 8 – References

- Agency Rule NHSI 2016
- NHSI – Consultancy Controls Guidance

Appendix 9 – Consultation Template

1.	Procedural Document's Name:	Standing Orders, Reservation and Delegation of Powers and Standing Financial Instructions, Version 17
2.	Procedural Document Author:	Kuda Mukumba
3.	Group/Committee Consulted:	Finance, Investment and Transformation Committee, LCFS, Estates, IT, ADOs and Directors
4.	Date of Consultation:	
5.	Comments Received: none.	
6.		

Appendix 10 – Version History

VERSION HISTORY

Version	Date	Author	Ratified by	Comment/Reason for change
10	July 2018	Moya Berry Kacey Lee	Audit Committee	Due for review
11	July 2019	Helen Potton Kacey Lee	Audit Committee	Due for review
12	July 2020	Helen Potton Kacey Lee	Audit Committee	Due for review
13	July 2021	Helen Potton Kacey Lee	Audit Committee	Due for review
14	July 2022	Mel Brown Kacey Lee	Audit Committee	Due for review
15	July 2023	Kacey Lee	Audit Committee	Due for review
16	September 2024	Astrid Wargenau Kuda Mukumba	Audit Committee	Due for review
17	May 2025	Astrid Wargenau	CHS Trust Board	Extension of delegated responsibility to the Director of Estates to reflect the full range of statutory responsibilities.
18	July 2025	Astrid Wargenau	Audit Committee	Due for review, with TOR updated