

Meeting Title	Board of Directors Meeting in Public		
Date	Thursday, 09 March 2023	Agenda item	Bo.3.23.24

Amendments to Standing Financial Instructions and Scheme of Delegation

Presented by	Matthew Horner, Director of Finance		
Author	Michael Quinlan (Deputy Director of Finance)		
Lead Director	Matthew Horner (Director of Finance)		
Purpose of the paper	To approve updated versions of the Standing Financial Instructions and Scheme of Delegation		
Key control	Yes		
Action required	For approval		
Previously discussed at/ informed by	Executive Team Meeting Audit Committee		
Previously approved at:	Academy/Group	Date	
	Executive Team Meeting	06 February 2023	
	Audit Committee	07 February 2023	

Key Options, Issues and Risks

The Standing Financial Instructions and Scheme of Delegation are key parts of the Trusts governance and financial control. To ensure they are current and fit for purpose they are subject to an annual review.

Following a review by both the Executive Team and Audit Committee this paper seeks approval for the updated Standing Financial Instructions and Scheme of Delegation.

Analysis

Material changes made to the Standing Financial Instructions include:

- **Internal Audit** – updated the role of the Internal Audit in line with the Audit Charter
- **External Borrowing** – removed compliance with prudential borrowing code as the prudential borrowing code requirements in section 41 of the NHS Act 2006 were repealed with effect from 1 April 2013 by the Health and Social Care Act 2012.
- **Patients Property** – the Chief Nurse will provide detailed procedures to promote a consistent and cohesive way of working within the Foundation Trust for the safekeeping of patients' property, money and valuables.
- **Research and Development** – clarified the Director of Finance role to ensure procedures are in place for the governance and approvals for Research and Development bid submissions and contract acceptance.
- **Competitive Tendering** – updated the procurement thresholds.
- **Contract Management** – clarified the Director of Finance and budget holders role in relation to contract management

Appendix 1 is a copy of the updated Standing Financial Instructions.

Appendix 2 shows the updated Standing Financial Instructions including track changes from the previous version.

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Material changes made to the Reservation of Powers to the Board and Scheme of Delegation include:

- Approval of business cases seeking additional revenue internal funding
- Updated Authorisation of requisitions / invoices for non-pay expenditure
- Replacement of existing capital assets approval
- Tendering and Contracting updated
- Research and Development Applications updated
- Research Grants and Commercial Research Contracts updated

Appendix 3 is a copy of the updated Scheme of Delegation.

Appendix 4 shows the updated Scheme of Delegation including track changes from the previous version.

Both the Standing Financial Instructions and Scheme of Delegation are scheduled to be reviewed again in April 2023.

Recommendation

The Board of Directors is asked to approve the updated Standing Financial Instructions and Scheme of Delegation.

Risk assessment

Strategic Objective	Appetite (G)					
	Avoid	Minimal	Cautious	Open	Seek	Mature
To provide outstanding care for patients			g			
To deliver our financial plan and key performance targets			g			
To be in the top 20% of NHS employers					g	
To be a continually learning organisation				g		
To collaborate effectively with local and regional partners					g	
The level of risk against each objective should be indicated. Where more than one option is available the level of risk of each option against each element should be indicated by numbering each option and showing numbers in the boxes.	Low		Moderate	High	Significant	
	Risk (*)					
Explanation of variance from Board of Directors Agreed General risk appetite (G)						

Benchmarking implications (see section 4 for details)	Yes	No	N/A
Is there Model Hospital data relevant to the content of this paper?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is there any other national benchmarking data relevant to the content of this paper?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the Trust an outlier (positive or negative) for any benchmarking data relevant to the content of this paper?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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Risk Implications (see section 5 for details)	Yes	No
Corporate Risk register and/or Board Assurance Framework Amendments	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Quality implications	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Resource implications	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Legal/regulatory implications	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Diversity and Inclusion implications	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Performance Implications	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Regulation, Legislation and Compliance relevance
NHS Improvement: (please tick those that are relevant) <input checked="" type="checkbox"/> Risk Assessment Framework <input type="checkbox"/> Quality Governance Framework <input checked="" type="checkbox"/> Code of Governance <input checked="" type="checkbox"/> Annual Reporting Manual
Care Quality Commission Domain: Choose an item.
Care Quality Commission Fundamental Standard: Good Governance
NHS Improvement Effective Use of Resources: Finance
Other (please state):

Relevance to other Board of Director's academies: (please select all that apply)			
People	Quality	Finance & Performance	Other (please state)
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>