

NHS SOUTH WORCESTERSHIRE CLINICAL COMMISSIONING GROUP (CCG)

DETAILED SCHEME OF DELEGATION

Delegated matters in respect of decisions that may have a far-reaching effect must be reported to the Chief Officer or Chief Finance Officer. The delegation shown below is the lowest level to which authority can be delegated. Delegation to lower levels is only permitted with written approval of the Chief Officer who will, before authorising such delegation, consult with other senior officers as appropriate.

	AUTHORITY DELEGATED TO	REFERENCE DOCUMENTS
<p>1. Management of Budgets Responsibility of keeping expenditure within budgets. a) At individual budget level (Pay and Non Pay) b) For the totality of services covered by the CCG. c) Approving expenditure >tender price by up to 10% >or £25k whichever is the higher. d) Approving expenditure >tender price>10% >or £25K. Up to a maximum of £50k.</p>	<p>Budget Holder Accountable Officer or Chief Operating Officer or Chief Finance Officer Accountable Officer or Chief Operating Officer or Chief Finance Officer</p>	
<p>2. Maintenance/Operation of Bank Accounts</p>	<p>Chief Finance Officer</p>	
<p>3. Non Pay Revenue and Capital Expenditure/Requisitioning/Ordering/Payment for Goods and Services outside the NHS Limits quoted are per annum when ordering services to be provided over a period of time. Fragmentation of orders in order to remain within delegated limits is not acceptable.</p> <p>a) Approval of expenditure/requisitioning/ordering</p> <p>Up to and including £1,000</p> <p>Above £1,000 and up to £25,000</p> <p>Above £25,000</p> <p>In relation to Continuing Healthcare Packages:</p>	<p>Staff at Band 8 and above</p> <p>Senior Management Team</p> <p>Accountable Officer or Chief Operating Officer or Chief Finance Officer</p>	

<p>Up to £1,000 per week for normal packages</p> <p>Up to £1,500 per week for end of life packages</p> <p>Anything over these values to be formally reviewed and agreed through the CCG Quality, Resources and Performance Committee</p>	<p>Delegated authority to the Commissioning Support Unit CHC Team</p> <p>QPR Committee</p>	
<p>b) Order exceeding 12 month period.</p> <p>c) Contracts and other approvals of expenditure with other NHS organisations and contractors such as General Practitioners.</p> <p>Up to £10,000 (per annum)</p> <p>Up to £100,000 (per annum)</p> <p>Above £100,000</p>	<p>Accountable Officer or Chief Operating Officer or Chief Finance Officer</p> <p>Senior Management Team</p> <p>Accountable Officer or Chief Operating Officer or Chief Finance Officer</p> <p>Accountable Officer or Chief Operating Officer or Chief Finance Officer and reported to the Governing Body</p>	
<p>Capital Schemes</p> <p>a) Selection of architects, quantity surveyors, consultant engineer and other professional advisors within EU regulations.</p> <p>b) Financial monitoring and reporting on all capital scheme expenditure.</p> <p>c) Granting and termination of leases with annual rent <£100k per annum and term of <5 years.</p> <p>d) Granting and termination of leases of >£100k per annum and term of >5 years.</p>	<p>Accountable Officer or Chief Operating Officer or Chief Finance Officer</p> <p>Chief Finance Officer</p> <p>Accountable Officer or Chief Operating Officer or Chief Finance Officer</p> <p>Accountable Officer or Chief Operating Officer or Chief Finance Officer</p>	
<p>5. Quotation, Tendering and Contract Procedures</p> <p>a) Inviting a minimum of two written quotations for goods/services from £10,001 to £25,000.</p>	<p>Staff at Bands 8a and 8b</p>	

	<p>b) Inviting a minimum of three written quotations for goods/services from £25,001 to £100,000.</p> <p>c) Inviting a minimum of three written competitive tenders for goods/services £100,001 and above.</p>	<p>Staff at Bands 8c and 8d</p> <p>Accountable Officer or Chief Operating Officer or Chief Finance Officer or nominated deputies</p>	
	<p>d) Waiving of quotations and tenders.</p> <p>e) Opening quotations for goods/services above £60,001.</p> <p>g) Opening all tenders.</p>	<p>Accountable Officer or Chief Operating Officer or Chief Finance Officer to be reported to the Audit Committee.</p> <p>One Governing Body member and witness.</p> <p>One Governing Body member and Head of Corporate Development or nominated deputy and witness.</p>	
<p>6. Setting of Fees and Charges</p>	<p>a) Price of NHS contracts. Charges for all NHS contracts, be they block, cost per case, cost and volume, spare capacity.</p> <p>b) Professional fees for architects, engineers, surveyors and related professions.</p> <p>c) All other fees and charges. Private patients, overseas visitors, income generation and all other patient related services.</p>	<p>Chief Finance Officer or nominated Deputy.</p> <p>Head of Corporate Development.</p> <p>Chief Finance Officer or nominated Deputy.</p>	
<p>7. Management of Staff not on the Establishment</p>	<p>a) Non medical staff and medical staff: Where aggregate commitment in any one year (or total commitment) is more than £10,000.</p> <p>b) Engagement of CCG's solicitors.</p>	<p>Accountable Officer or Chief Operating Officer or Chief Finance Officer</p> <p>Accountable Officer, Chief Operating Officer, Chief Finance Officer or Head of</p>	

<p>c) Booking of bank or agency staff subject to aggregate commitment above:</p> <ul style="list-style-type: none"> • Medical Locums • Nursing • Clerical 	<p>Corporate Development</p> <p>Member of Senior Management Team</p>	
<p>8. Agreements/Licences</p> <p>a) Extensions to existing leases.</p> <p>b) Letting of premises to outside organisations.</p> <p>c) Approval of rent based on professional assessment.</p>	<p>Accountable Officer or Chief Operating Officer</p> <p>Accountable Officer or Chief Operating Officer</p> <p>Accountable Officer or Chief Operating Officer</p>	
<p>9. Condemning and Disposal</p> <p>a) Items obsolete, obsolescent, redundant, irreparable or cannot be repaired cost effectively:</p> <p>i) With current estimated purchase price <£250.</p> <p>ii) With current purchase new price £250.</p> <p>iii) Disposal of mechanical and engineering plant (subject to estimated income of less than £1,000 per sale).</p> <p>iv) Disposal of mechanical and engineering plant (subject to estimated income exceeding £1,000 per sale).</p>	<p>Member of Senior Management Team</p> <p>Member of Senior Management Team</p> <p>Member of Senior Management Team and Chief Finance Officer</p> <p>Chief Finance Officer</p> <p>Chief Finance Officer</p>	

<p>10. Losses, Write-off and Compensation</p> <p>a) Losses and cash due to theft, fraud, overpayment and others – up to £5,000 per incident or connected group of incidents.</p> <p>b) Fruitless payments (including abandoned Capital Schemes) – up to £25,000 each.</p> <p>c) Bad debts and claims abandoned, private patients, overseas visitors and other – up to £5,000 each.</p> <p>d) Damage to buildings, fittings, furniture and equipment and loss of equipment and property in stores and in use due to culpable causes (e.g. fraud, theft, arson) or other – up to £5,000 per claim.</p> <p>e) Compensation payments made under legal obligation.</p> <p>f) Extra contractual payments to contractors – up to £5,000 each.</p>	<p>Chief Finance Officer and reported to Audit Committee.</p> <p>Chief Finance Officer and reported to Audit Committee.</p> <p>Chief Finance Officer and reported to Audit Committee.</p> <p>Chief Finance Officer and reported to Audit Committee.</p> <p>Accountable Officer, Chief Operating Officer or Chief Finance Officer and reported to Audit Committee.</p> <p>Accountable Officer, Chief Operating Officer or Chief Finance Officer and reported to Audit Committee.</p>	
<p>11. Reporting of Incidents to the Police</p> <p>a) Where a criminal offence is suspected:</p> <p style="padding-left: 20px;">i) Criminal offence of a violent nature.</p> <p style="padding-left: 20px;">ii) Other.</p> <p>b) Where a fraud is involved.</p>	<p>Member of Senior Management Team.</p> <p>Advice to be sought from a member of Senior Management Team.</p> <p>Chief Finance Officer and Counter Fraud Specialist.</p>	
<p>12. Petty Cash Disbursements (not applicable to central Cashier's Office)</p> <p>a) Expenditure up to £50 per item.</p>	<p>Petty Cash Holder on receipt of authorisation from member of Senior Management Team.</p>	

<p>13. Receiving Hospitality</p> <p>Applies to both individual and collective hospitality receipt items in excess of £5.00 per item received.</p>	<p>Declaration required in CCG Hospitality Register.</p>	
<p>14. Implementation of Internal and External Audit Recommendations</p>	<p>Governing Body Lead</p>	

<p>15. Personnel and Pay</p> <p>a) Authority to fill funded post on the establishment with permanent staff in accordance with Human Resources recruitment/selection procedure.</p> <p>b) Authority to appoint staff to post not on the formal establishment.</p> <p>c) Additional increments: The granting of additional increments to staff within budget.</p> <p>d) Upgrading and re-grading: All requests for upgrading/re-grading shall be dealt with in accordance with Human Resources procedures.</p> <p>e) Establishments</p> <p>i) Additional staff to the agreed establishment with specifically allocated finance.</p> <p>ii) Additional staff to the agreed establishment without specifically allocated finance.</p> <p>f) Pay</p> <p>i) Authority to complete standing data forms effecting pay, new starters, variations and leavers.</p> <p>ii) Authority to complete and authorise turnaround document.</p> <p>iii) Authority to authorise overtime.</p> <p>iv) Authority to authorise travel and subsistence expenses.</p> <p>v) Approval of Agenda for Change incremental progression.</p> <p>g) Leave</p>	<p>Member of Senior Management Team</p> <p>Chief Operating Officer and Chief Finance Officer</p> <p>Upon the advice of Human Resources.</p> <p>Member of Senior Management Team</p> <p>Updated as part of the Finance Report to QPR. Chief Finance Officer</p> <p>Accountable Officer, Chief Operating Officer or Chief Finance Officer</p> <p>Member of Senior Management Team</p> <p>Member of Senior Management Team</p> <p>Chief Operating Officer</p> <p>Member of Senior Management Team</p> <p>Member of Senior Management Team</p>	
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<p>i) Approval of annual leave.</p> <p>ii) Annual leave – approval of carry forward (up to maximum of five days).</p> <p>iii) Compassionate leave up to three days.</p> <p>iv) Compassionate leave up to six days.</p> <p>v) Special leave arrangements.</p> <ul style="list-style-type: none"> • Paternity leave • Carers leave <ul style="list-style-type: none"> - up to three days - up to five days <p>vi) Leave without pay.</p> <p>vii) Time off in lieu.</p> <p>viii) Maternity Leave – paid and unpaid.</p> <p>h) Sick Leave</p> <p>i) Study Leave</p> <p>i) Study leave outside the UK.</p> <p>ii) Medical staff study leave (UK).</p> <p>iii) All other study leave (UK).</p> <p>j) Removal Expenses, Excess Rent and House Purchases</p> <p>Authorisation of payment of removal expenses incurred by officers taking up new appointments (providing consideration was promised at interview).</p> <p>i) Up to £7,500.</p> <p>ii) Over £7,500 to £15,000.</p> <p>iii) £15,000 and above.</p>	<p>Line Manager</p> <p>Line Manager</p> <p>Line Manager</p> <p>Member of Senior Management Team</p> <p>Line Manager</p> <p>Member of Senior Management Team</p> <p>Member of Senior Management Team</p> <p>As per policy.</p> <p>As per policy.</p> <p>As per policy</p> <p>Chief Operating Officer</p> <p>Chief Operating Officer</p> <p>Chief Operating Officer</p> <p>Chief Finance Officer</p> <p>Accountable Officer or Chief Operating Officer</p>	
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<p>k) Grievance Procedure</p> <p>All grievance cases must be dealt with strictly in accordance with the Grievance Procedure and the advice of a Human Resources Officer must be sought as appropriate.</p> <p>l) Authorised Car and Mobile Phone Users</p> <p>i) Requests for new posts to be authorised as car users.</p> <p>ii) Requests for new posts to be authorised as mobile telephone users.</p> <p>m) Renewal of Fixed Term Contract.</p> <p>n) Staff Retirement Policy.</p> <p>Authorisation of extensions of contract beyond normal retirement age in exceptional circumstances.</p> <p>o) Redundancy.</p> <p>p) Ill Health Retirement</p> <p>Decision to pursue retirement on the grounds of ill-health.</p> <p>q) Dismissal.</p>	<p>Remuneration Committee</p> <p>Member of Senior Management Team and other officers trained in handling grievance issues.</p> <p>Member of Senior Management Team</p> <p>Member of Senior Management Team</p> <p>Member of Senior Management Team</p> <p>Member of Senior Management Team</p> <p>Chief Operating Officer and Remuneration Committee</p> <p>Member of Senior Management Team upon the advice of the Human Resources Director.</p> <p>Dismissing officers in line with policy.</p>	
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<p>16. Authorisation of New Drugs</p> <p>Procedure for the Adoption of New Medicinal Products applies.</p>	<p>Area Prescribing Committee and Senior Management Team.</p>	
<p>17. Authorisation of Sponsorship Deals</p>	<p>Chief Operating Officer or Chief Finance Officer</p>	
<p>18. Authorisation of Research Projects</p>	<p>Chief Operating Officer and voting Governing Body member</p>	
<p>19. Authorisation of Clinical Trials</p>	<p>Chief Operating Officer and voting Governing Body member</p>	
<p>20. Insurance Policies and Risk Management</p>	<p>Accountable Officer, Chief Operating Officer, Chief Finance Officer or Head of Corporate Development</p>	
<p>21. Patients' and Relatives' Complaints</p> <p>a) Overall responsibility for ensuring that all complaints are dealt with effectively.</p> <p>b) Responsibility for ensuring complaints relating to a directorate are investigated thoroughly.</p> <p>c) Medico-legal complaints Co-ordination of their management.</p>	<p>Director of Corporate & Organisational Development</p> <p>Member of Senior Management Team or Complaints Manager</p> <p>Accountable Officer</p>	

<p>22. Relationships with Press</p> <p>a) Non-Emergency General Enquiries</p> <ul style="list-style-type: none"> • Within hours • Outside hours <p>b) Emergency</p> <ul style="list-style-type: none"> • Within hours • Outside hours 	<p>In accordance with the CCG's policy on media relations</p>	
<p>23. Infectious Diseases and Notifiable Outbreaks</p>	<p>Executive Nurse - Quality & Patient Safety</p>	
<p>24. Facilities for staff not employed by the CCG to gain practical experience</p> <p>Work experience students.</p>	<p>Upon the advice of Human Resources.</p>	
<p>25. Review of fire precautions</p>	<p>Accountable Officer/Chief Operating Officer or Head of Corporate Development.</p>	
<p>26. Review of all statutory compliance legislation and Health and Safety requirements including control of Substances Hazardous to Health Regulations.</p>	<p>Head of Corporate Development.</p>	
<p>27. Review of Medicines Inspectorate Regulations.</p>	<p>Head of Medicines Management.</p>	
<p>28. Review of compliance with environmental regulations, for example those relating to clean air and waste disposal.</p>	<p>Head of Corporate Development</p>	
<p>29. Review of CCG's compliance with the Data Protection Act.</p>	<p>Head of Corporate Development</p>	
<p>30. Monitor proposals for contractual arrangements between the CCG and outside bodies.</p>	<p>Chief Finance Officer/ Head of Corporate Development</p>	

31. Review the CCG's compliance with the Access to Records Act.	Head of Development	Corporate	
32. Review of the CCG's compliance code of practice for handling confidential information in the contracting environment and the compliance with "safe haven" per EL 92/60.	Head of Development	Corporate	
33. The keeping of a Declaration of Interests Register.	Head of Development	Corporate	
34. Attestation of sealings in accordance with Standing Orders.	As per policies		
35. The keeping of a register of sealings.	Head of Development	Corporate	
36. The keeping of the Hospitality Register.	Head of Development	Corporate	
37. Retention of Records (in accordance with HSC)	Head of Development	Corporate	
38. Clinical Audit of commissioned services.	Executive Nurse - Quality & Patient Safety.		

PRIME FINANCIAL POLICIES

1. INTRODUCTION

The Group:

- will, consistently with its obligations under, inter alia, the Public Contracts Regulations 2006 and applicable Community law, ascertain whether it is necessary, desirable or appropriate to invite competition when purchasing in order to ensure it will incur only budgeted, approved and necessary spending
- will seek value for money for all goods and services by reference to the optimum combination of improving the quality of patient outcomes and quality of care within existing resources;
- shall ensure that, subject to the threshold provisions of the Public Contracts Regulations

2006 and the financial limits and requirements within standing orders, competitive tenders are invited for

- the supply of goods, materials and manufactured articles;
 - the rendering of services including all forms of management consultancy services (other than specialised services sought from or provided by the Department of Health); and
 - for the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens) for disposals
- will, in relation to each commissioning decision concerning health care and social services
 - consider the extent to which the Public Contract Regulations 2006 require any form of competition and consider the most appropriate process and procedure for awarding the relevant contract or contracts; and
 - in that regard give consideration to whether the use of a framework agreement, including the use of approved lists, is the most appropriate means of appointing providers;
 - shall, wherever possible and where it is consistent with legal requirements, ensure that contractual provisions, procurement procedures and selection and award criteria are designed to ensure that contractors and providers are:
 - good employers who comply with all relevant employment legislation, including the Public Interest Disclosure Act 1998;
 - maintain acceptable standards of health and safety and comply fully with all legal obligations;
 - meet all tax and National Insurance obligations;
 - meet all equal opportunities legislation;
 - are reputable in their standards of business conduct;

- respect the environment and take appropriate steps to ensure that they minimise their environmental impact.
- will, in each procurement and consistently with the relevant law, exclude companies which have been convicted of offences, or whose director(s) or any other person or company who has powers of representation, decision or control of the company has or have been convicted of offences in the conduct of their business or committed an act of grave professional misconduct in the conduct of their business, such as breaches of employment, equal opportunities or environmental legislation. However, any corrective/remedial action taken by the company in response to such an offence should also be taken into account in determining its suitability as a bidder.
- will, in each procurement and consistently with relevant EU and international law, ensure that contractual provisions, procurement procedures and selection and award criteria prohibit or restrict contractors' use of offshore jurisdictions and/or improper tax avoidance schemes or arrangements and/or exclude companies which use such jurisdictions and/or such schemes or arrangements.
- may only negotiate contracts on behalf Governing Body and Committees with delegated authority specified within the scheme of delegation of the group, and the group may only enter into contracts, within the statutory framework set up by the 2006 Act, as amended by the 2012 Act. Such contracts shall comply with:
 - (a) the group's standing orders;
 - (b) the Public Contracts Regulation 2006, any successor legislation and any other applicable law; and
 - (c) take into account as appropriate any applicable NHS Commissioning Board or the Independent Regulator of NHS Foundation Trusts (Monitor) guidance that does not conflict with (b) above.

In all contracts entered into, the group shall endeavour to obtain best value for money. Contracts will be monitored by committees and individuals identified within the scheme of delegation.

1.2 Overriding Prime Financial Policies

- 1.2.1 If for any reason these prime financial policies 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 Clinical Commissioning Group Governing Body's Audit Committee for referring action or ratification. All of the group's members, employees have a duty to disclose any non-compliance with these prime financial policies to the Chief Financial Officer as soon as possible.

1.3 Responsibilities and delegation

- 1.3.1 The roles and responsibilities of the group's members, employees, members of the Clinical Commissioning Group Governing Body, members of the Clinical Commissioning Group

Governing Body's committees and sub-committees and members of the group's committees and sub-committees and persons working on behalf of the group are set out in chapters 6 and 7 of this constitution.

- 1.3.2 The financial decisions delegated by members of the group are set out in the group's scheme of reservation and delegation.

1.4 Contractors and their employees

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

1.5 Amendment of Prime Financial Policies

- 1.5.1 To ensure that these policies remain up-to-date and relevant, the Chief Financial Officer will review them at least annually. Following consultation with the Accountable Officer and scrutiny by the Audit Committee, the Chief Financial Officer will recommend amendments, as fitting, to the Clinical Commissioning Group Governing Body for approval. As these prime financial policies are an integral part of the group's constitution, any amendment will not come into force until the group applies to the NHS Commissioning Board and that application is granted.

2. INTERNAL CONTROL

Policy - The group will put in place a suitable control environment and effective internal controls that provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and policies.

- 2.1. The Clinical Commissioning Group Governing Body will set up an Audit Committee with terms of reference agreed by the Clinical Commissioning Group Governing Body.
- 2.2. The Accountable Officer has overall responsibility for the group's systems of internal control.
- 2.3. The Chief Financial Officer will ensure that:
- financial policies are considered for review and update annually;
 - a system is in place for proper checking and reporting of all breaches of financial policies; and
 - a proper procedure is in place for regular checking of the adequacy and effectiveness of the control environment.

3. AUDIT

Policy - The group will keep an effective and independent internal audit function and fully comply with the requirements of external audit and other statutory reviews.

- 3.1. In line with the terms of reference of the Clinical Commissioning Group Governing Body's Audit Committee, the person appointed by the group to be responsible for internal audit and the Audit Commission appointed external auditor, will have direct and unrestricted access to Audit Committee members and the Chair of the Clinical Commissioning Group Governing Body, Accountable Officer and Chief Finance Officer for any significant issues arising from audit work that management cannot resolve, and for all cases of fraud or serious irregularity.
- 3.2. The person appointed by the group to be responsible for internal audit and the external auditor, will have access to the Audit Committee and the Accountable Officer to review audit

issues as appropriate. All Audit Committee members, the Chair of the Clinical Commissioning Group Governing Body and the Accountable Officer will have direct and unrestricted access to the Head of Internal Audit and external auditors.

- 3.3. The Chief Financial Officer will ensure that:
- a) the group has a professional and technically competent internal audit function; and
 - b) the Clinical Commissioning Group Governing Body's Audit Committee approves any changes to the provision or delivery of assurance services to the group.

4. FRAUD AND CORRUPTION

Policy - The group requires all staff to always act honestly and with integrity to safeguard the public resources they are responsible for. The group will not tolerate any fraud perpetrated against it and will actively chase any loss suffered.

- 4.1. The Clinical Commissioning Group Governing Body's Audit Committee will satisfy itself that the Group has adequate arrangements in place for countering fraud and shall review the outcomes of counter fraud work. It shall also approve the counter fraud work programme.
- 4.2. The Clinical Commissioning Group Governing Body's Audit Committee will ensure that the group has arrangements in place to work effectively with NHS Protect.

5. EXPENDITURE CONTROL

- 5.1. The group is required by statutory provisions to ensure that its expenditure does not exceed the aggregate of allotments from the NHS Commissioning Board and any other sums it has received and is legally allowed to spend.
- 5.2. The Accountable Officer has overall executive responsibility for ensuring that the group complies with certain of its statutory obligations, including its financial and accounting obligations, and that it exercises its functions effectively, efficiently and economically and in a way which provides good value for money.
- 5.3. The Chief Finance Officer will:
- a) provide reports in the form required by the NHS Commissioning Board;
 - b) ensure money drawn from the NHS Commissioning Board is required for approved expenditure only is drawn down only at the time of need and follows best practice;
 - c) be responsible for ensuring that an adequate system of monitoring financial performance is in place to enable the group to fulfil its statutory responsibility not to exceed its expenditure limits, as set by direction of the NHS Commissioning Board.

6. ALLOTMENTS

- 6.1. The Chief Financial Officer of the group will:
- (a) periodically review the basis and assumptions used by the NHS Commissioning Board for distributing allotments and ensure that these are reasonable and realistic and secure the group's entitlement to funds;
 - (b) prior to the start of each financial year submit to the group's Clinical Commissioning Group Governing Body for approval a report showing the total allocations received and their proposed distribution including any sums to be held in reserve; and
 - c) regularly update the group's Clinical Commissioning Group Governing Body on significant changes to the initial allocation and the uses of such funds.

7. COMMISSIONING STRATEGY, BUDGETS, BUDGETARY CONTROL AND MONITORING
Policy - The group will produce and publish an annual commissioning plan that explains how it proposes to discharge its financial duties. The group will support this with comprehensive medium term financial plans and annual budgets.

- 7.1. The Accountable Officer will compile and submit to the Clinical Commissioning Group Governing Body a commissioning strategy which takes into account financial targets and forecast limits of available resources.
- 7.2. Prior to the start of the financial year the Chief Financial Officer will, on behalf of the Accountable Officer, prepare and submit budgets for approval by the Clinical Commissioning Group Governing Body
- 7.3. The Chief Financial Officer shall monitor financial performance against budget and plan, periodically review them, and report to the Clinical Commissioning Group Governing Body. This report shall include explanations for variances. These variances must be based on any significant departures from agreed financial plans or budgets.
- 7.4. The Accountable Officer is responsible for ensuring that information relating to the group's accounts or to its income or expenditure, or its use of resources is provided to the NHS Commissioning Board as requested.
- 7.5. The NHS South Worcestershire Clinical Commissioning Group Governing Body will approve consultation arrangements for the commissioning plan (see section 5.1.2 c in the constitution)

8. ANNUAL ACCOUNTS AND REPORTS

Policy - The group will produce and submit to the NHS Commissioning Board accounts and reports in accordance with all statutory obligations, relevant accounting standards and accounting best practice in the form and content and at the time required by the NHS Commissioning Board.

- 8.1. The Chief Financial Officer will ensure the group:
 - a) prepares a timetable for producing the annual report and accounts and agrees it with external auditors and the Audit Committee on behalf of the Board;
 - b) prepares the accounts according to the timetable approved by the Audit Committee on behalf of the Board;
 - c) complies with statutory requirements and relevant directions for the publication of annual report;
 - d) considers the external auditor's management letter and fully address all issues within agreed timescales; and
 - e) publishes the external auditor's management letter on the group's website at www.southworcscg.nhs.uk

9. INFORMATION TECHNOLOGY

Policy - The group will ensure the accuracy and security of the group's computerised financial data

- 9.1. The Chief Finance Officer is responsible for the accuracy and security of the group's computerised financial data and shall
 - a) devise and implement any necessary procedures to ensure adequate (reasonable) protection of the group's data, programs and computer hardware from accidental or

intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Data Protection Act 1998;

- b) ensure that adequate (reasonable) controls exist over data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;
 - c) ensure that adequate controls exist such that the computer operation is separated from development, maintenance and amendment;
 - d) ensure that an adequate management (audit) trail exists through the computerised system and that such computer audit reviews as the Chief Finance Officer may consider necessary are being carried out.
- 9.2. In addition the Chief Finance Officer shall ensure that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by another organisation, assurances of adequacy must be obtained from them prior to implementation.

10 ACCOUNTING SYSTEMS

Policy - The group will run an accounting system that creates management and financial accounts

- 10.1 The Chief Finance Officer will ensure:
- a) the group has suitable financial and other software to enable it to comply with these policies and any consolidation requirements of the NHS Commissioning Board;
 - b) that contracts for computer services for financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes.
- 10.2 Where another health organisation or any other agency provides a computer service for financial applications, the Chief Finance Officer shall periodically seek assurances that adequate controls are in operation.

11 BANK ACCOUNTS

Policy - The group will keep enough liquidity to meet its current commitments.

- 11.1. The Chief Financial Officer will
- a) review the banking arrangements of the group at regular intervals to ensure they reflect any Secretary of State directions, best practice and represent best value for money.
 - b) manage the group's banking arrangements and advise the Clinical Commissioning Group Governing Body on the provision of banking services and operation of accounts.
 - c) prepare detailed instructions on the operation of bank accounts.
- 11.2 The Clinical Commissioning Group Governing Body shall approve the banking arrangements.

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

Policy - The group will operate a sound system for prompt recording, invoicing and collection of all monies due.

The group will seek to maximise its potential to raise additional income only to the extent that it does not interfere with the performance of the group or its functions.

The group will ensure its power to make grants and loans is used to discharge its functions effectively.

12.1 The Chief Financial Officer is responsible for:

- a) designing, maintaining and ensuring compliance with systems for the proper recording, invoicing, and collection and coding of all monies due;
- b) establishing and maintaining systems and procedures for the secure handling of cash and other negotiable instruments;
- c) approving and regularly reviewing the level of all fees and charges other than those determined by the NHS Commissioning Board or by statute. Independent professional advice on matters of valuation shall be taken as necessary;
- d) for developing effective arrangements for making grants or loans.

13. TENDERING AND CONTRACTING PROCEDURE

Policy - The group:

- **will ensure proper competition that is legally compliant within all purchasing to ensure we incur only budgeted, approved and necessary spending;**
- **will seek value for money for all goods and services;**
- **shall ensure that competitive tenders are invited for;**
 - **the supply of goods, materials and manufactured articles;**
 - **the rendering of services including all forms of management consultancy services (other than specialised services sought from or provided by the Department of Health); and**
 - **for the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens) for disposals.**

13.1. The group shall ensure that the firms / individuals invited to tender (and where appropriate, quote) are among those on approved lists or where necessary a framework agreement. Where in the opinion of the Chief Finance Officer it is desirable to seek tenders from firms not on the approved lists, the reason shall be recorded in writing to the Accountable Officer or the group's Clinical Commissioning Group Governing Body.

13.2. The Clinical Commissioning Group Governing Body may only negotiate contracts on behalf of the group, and the group may only enter into contracts, within the statutory framework set up by the 2006 Act, as amended by the 2012 Act. Such contracts shall comply with:

- a) the group's standing orders;
- b) the Public Contracts Regulation 2006, any successor legislation and any other applicable law; and
- c) take into account as appropriate any applicable NHS Commissioning Board or the Independent Regulator of NHS Foundation Trusts (Monitor) guidance that does not conflict with (b) above.

- 13.3. In all contracts entered into, the group shall endeavour to obtain best value for money. The Accountable Officer shall nominate an individual who shall oversee and manage each contract on behalf of the group.

14. COMMISSIONING

Policy - Working in partnership with relevant national and local stakeholders, the group will commission certain health services to meet the reasonable requirements of the persons for whom it has responsibility.

- 14.1. The group will coordinate its work with the NHS Commissioning Board, local NHS Trusts, other clinical commissioning groups, local providers of services, local authority, including through Health & Wellbeing Boards, patients and their carers and the voluntary sector and others as appropriate to develop robust commissioning plans.
- 14.2. The Accountable Officer will establish arrangements to ensure that regular reports are provided to the Clinical Commissioning Group Governing Body detailing actual and forecast expenditure and activity for each contract.
- 14.3. Where the group makes arrangements for the provision of services by non-NHS providers it is the Accountable Officer who is responsible for ensuring that the agreements put in place have due regard to the quality and cost-effectiveness of services provided. Before making any agreement with non-NHS providers, the group should explore fully the scope to make maximum cost-effective use of NHS facilities.
- 14.4. The Chief Financial Officer will maintain a system of financial monitoring to ensure the effective accounting of expenditure under agreements. This should provide a suitable audit trail for all payments made under the contracts whilst maintaining patient confidentiality.

15. RISK MANAGEMENT AND INSURANCE

Policy - The group will put arrangements in place for evaluation and management of its risks.

- 15.1 The Accountable Officer shall ensure that the group has a programme of risk management, in accordance with current Department of Health controls assurance framework requirements, which must be approved and monitored by the Clinical Commissioning Group Governing Body. The Clinical Commissioning Group Governing Body will delegate this function to the Clinical Commissioning Group Governing Body's Audit Committee, which will ensure the group's statutory obligations are met.
- 15.2 The programme of risk 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

16. PAYROLL

Policy - The group will put arrangements in place for an effective payroll service

- 16.1 The Chief Finance Officer will ensure that the payroll service selected:
- a) is supported by appropriate (i.e. contracted) terms and conditions;
 - b) has adequate internal controls and audit review processes;

- c) has suitable arrangements for the collection of payroll deductions and payment of these to appropriate bodies.

In addition the Chief Finance Office shall set out comprehensive procedures for the effective processing of payroll

17. NON PAY EXPENDITURE

Policy

The group will seek to obtain the best value for money goods and services received.

- 17.1. The Clinical Commissioning Group Governing Body will approve the level of non-pay expenditure on an annual basis and the Accountable Officer will determine the level of delegation to budget managers
- 17.2. The Accountable Officer shall set out procedures on the seeking of professional advice regarding the supply of goods and services.
- 17.3. The Chief Financial Officer will:
 - a) advise the Clinical Commissioning Group Governing Body on 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 the group's scheme of reservation and delegation;
 - b) be responsible for the prompt payment of all properly authorised accounts and claims;
 - c) be responsible for designing and maintaining a system of verification, recording and payment of all amounts payable.

18. CAPITAL INVESTMENT, FIXED ASSET REGISTERS AND SECURITY OF ASSETS

Policy - The group will put arrangements in place to manage capital investment, maintain an asset register recording fixed assets and put in place policies to secure the safe storage of the group's fixed assets.

- 18.1 The Accountable Officer will:
 - a) ensure that there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon plans;
 - b) be 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.
 - d) be responsible for the maintenance of registers of assets, taking account of the advice of the Chief Finance Officer concerning the form of any register and the method of updating, and arranging for a physical check of assets against the asset register to be conducted once a year.
- 18.2 The Chief Finance Officer will prepare detailed procedures for the disposals of assets.

19 RETENTION OF RECORDS

Policy – the group will put arrangements in place to retain all records in accordance with NHS Code of Practice Records Management 2006 and other relevant notified guidance

19.1 The Accountable Officer shall:

- a) be responsible for maintaining all records required to be retained in accordance with NHS Code of Practice Records Management 2006 and other relevant notified guidance;
- b) ensure that arrangements are in place for effective responses to Freedom of Information requests;
- c) publish and maintain a Freedom of Information Publication Scheme.

20 TRUST FUNDS AND TRUSTEES

Policy – the group will put arrangements in place to provide for the appointment of trustees if the group holds property on trust

20.1 The Chief Finance Officer shall ensure that each trust fund which the group is responsible for managing is managed appropriately with regard to its purpose and to its requirements.

