

Board of Directors

30th October 2014

Standing Financial Instructions and Scheme of Delegation Review

Introduction

Major overhauls of the Standing Financial Instructions (SFIs) and the Scheme of Delegation (SoD) were carried out as part of the FT application in February 2007, to reflect the national templates.

Both documents have since been updated periodically to reflect committee and job title changes, and specifically in the SoD, the Official Journal of the European Union (OJEU) limits. However, to reflect current practices and references to statutory and/or NHS directives, a full review has been undertaken.

Review methodology

A working group, consisting of key officers from Finance, Procurement and Commercial Development, was established to review all aspects of both documents.

Trust directors/officers have been consulted with regard to their respective areas of responsibility.

The updates focussed on current legislation, Monitor directives/guidance and Trust practices, considering risk mitigation throughout.

Key updates

To ensure that the SFIs/SoD remain current as far as possible where legislation, directives or guidance change over time, where appropriate the document references within the SFIs/SoD have been removed or the titles made more generic (e.g. date of an Act removed).

Contracts Procedure Rules have been inserted into the SFIs. These replace the 'Tendering and Contract Procedure' section that, due to its operational/procedural nature, has recently been removed from the Standing Orders for the Board of Directors.

The Contracts Procedure Rules set out the proposed new requirement for all contracts over £25,000 (except for under certain framework agreements) to be advertised on the website www.gov.uk/contracts-finder. The e-tendering process, due to be implemented by the end of October 2014, is also set out within these rules.

The issue of controlling agency staff costs (SoD, Table A, Section 33 t - 'Management of use and booking of agency staff') has not been amended as part of this review as the difficulties lie with application of the processes, and not the rules within the SFIs and SoD.

Similarly, initial feedback from the Baker Tilly Cost Control and Financial Governance review is that it is the application of the rules that needs to be addressed. It is therefore unlikely that the SFIs and/or SoD will need to be amended to address any issues arising from the final report.

Approval and issue process

The attached documents were presented to the Executive Team on 8th September, and Audit and Assurance Committee on 18th September, where the proposed changes were agreed subject to the potential changes to agency staff booking and/or recommendations from the Baker Tilly review.

Following ratification, the revised documents will be issued. This will coincide with the Procurement team proactively supporting staff across the Trust during the roll-out of the new process of advertising contracts over £25,000.

Recommendation

Members are requested approve the proposed changes and issue of the revised documents.

Neil Wilkinson
Head of Compliance & Systems
October 2014