



Policy:

FIN 018 - Delegation of Budgetary Authority

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|--------------------------------|-------------------------------|
| Executive Director Lead | Executive Director of Finance |
| Policy Owner | Deputy Director of Finance |
| Policy Author | Head of Financial Accounts |

| | |
|--------------------------------|---------------------------------------|
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Summary of policy

This is a guide for Trust-wide staff on how to execute delegated budgetary responsibilities and the related Trust's governance procedures and routes.

| | |
|------------------------|--|
| Target audience | This is a Trust-wide staff policy; particularly relevant to those with delegated budgetary responsibilities. |
|------------------------|--|

| | |
|-----------------|--|
| Keywords | Budgets, Budgetary control, Financial Performance, Capital/ Revenue, Budget Holders/Managers |
|-----------------|--|

Storage & Version Control

Version 7 of this policy is stored and available through the SHSC intranet/internet. This version of the policy supersedes the previous version (V6 October 2022). Any copies of the previous policy held separately should be destroyed and replaced with this version.

Version Control and Amendment Log

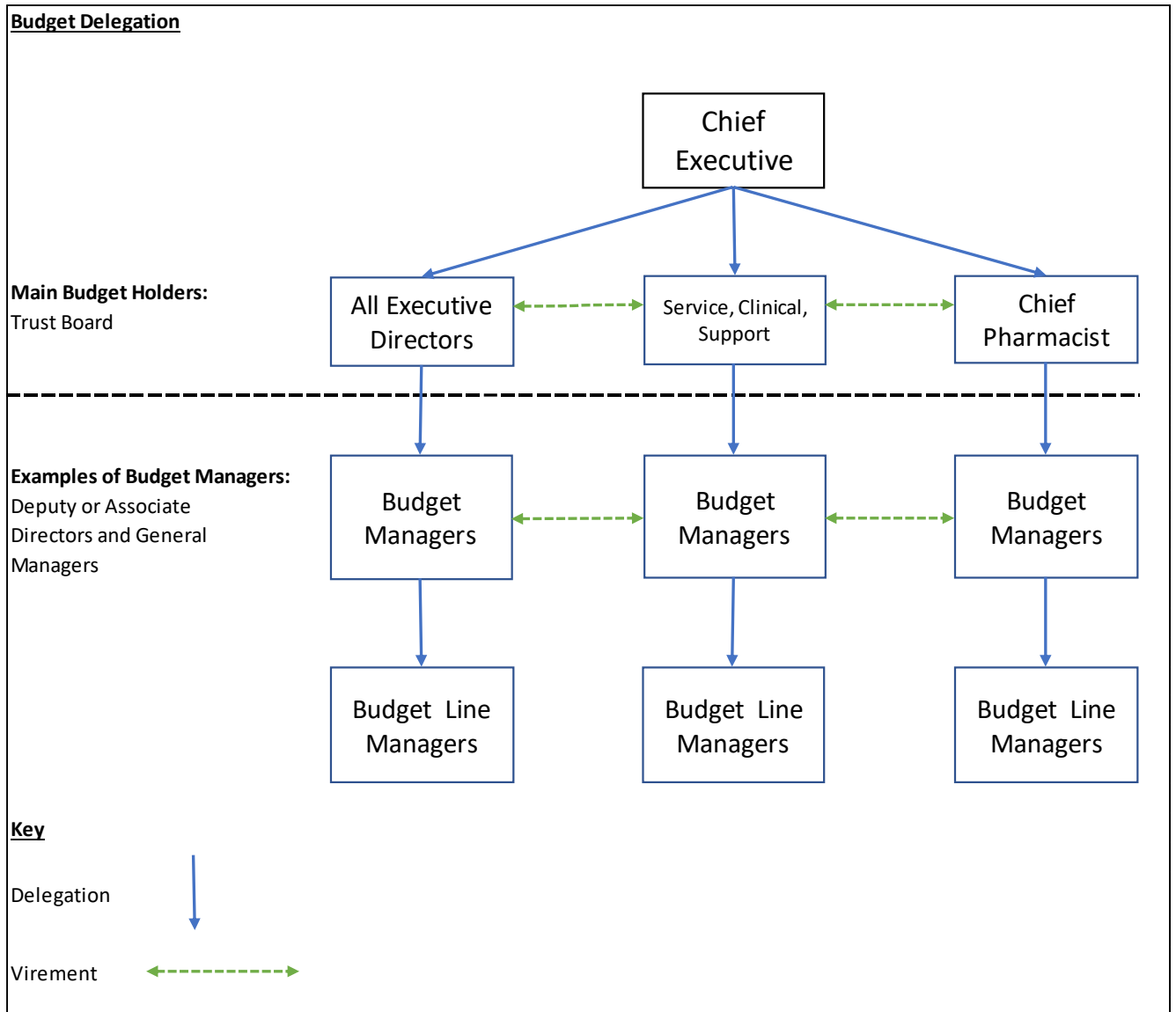
| Version No. | Type of Change | Date | Description of change(s) |
|-------------|---|---------|--|
| 3.0 | Re-draft/re-write of Version 2 | 03/2020 | Context realigned and expanded to remove ambiguity. |
| 3.0 | To Deputy Director of Finance for approval | 04/2020 | Approved |
| 4.0 | Change in values | 03/2020 | Change of delegated amounts in section 7.8 to align with governance structures |
| 5.0 | Update authorisation values and include flowchart | 09/2022 | Change of delegated amounts in section 7.8 to align with governance structures Added in flowchart for Budgetary Responsibility Removed App C as table 7.7.1 covers the approval limits |
| 6.0 | Update authorisation values | 11/2022 | Reflects changes in SFI's, SO and Scheme of Delegation – November 2022 |
| 7.0 | Update authorisation values | 09/2023 | Reflect latest SFI's, SO and Scheme of Delegation for authorisation limits |
| 7.0 | Update authorisation values Update of job titles | 11/2023 | Added an appendix to allow temporary changes to authorisation limits in times of financial challenge. |
| 7.0 | To Deputy Director of Finance for approval | 11/2023 | Approved |

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Flowchart



1 Introduction

- 1.1 The Trust is required by statutory provisions to perform its function within total income received and, therefore, all plans, financial approvals and control systems shall be designed to meet that obligation.
- 1.2 The following rules and procedures have been prepared in compliance with the Trust's Standing Orders and Standing Financial Instructions. The attention of all Executives; Service, Clinical and Support Directors; and Managers (collectively referred to in the remainder of this paper as either Budget Holders/Managers) is drawn to the following instructions, which govern the financial management of all resources, staff, activities within the Trust. They are to be applied and complied with by all parties.
- 1.3 The Director of Finance shall, on behalf of the Chief Executive, prepare and submit annual budgets within the limits of available income, firstly to the Finance and Performance Committee and then the Trust Board for final approval. The budget shall relate to the Service Plans submitted by the Executives and Service, Clinical and Support Directors and Managers. During the year, the Trust Board shall be informed at monthly intervals of the cumulative net in year expenditure/income position compared with budget for each Executive portfolio, with supporting information showing the position of each clinical directorate etc. Directorates' income and expenditure positions will be supported by relevant activity and workforce data to provide a package of information for monitoring and control purposes.
- 1.4 The underlying principle being followed is the encouragement of maximum delegation of responsibility to, and exercise of accountability by Budget Holders/Managers. In fulfilling this role, Budget Managers will be supported by the Directorate Finance Business Partner Team (Management Accounts) who will provide financial consultancy and advice across all financial issues.
- 1.5 Budgets shall take cognisance of the aims and objectives set out in the Trust's Annual Operational Plan.
- 1.6 The delegation of authority contained within this policy may be temporarily overridden in times of financial challenge and hardship by the Executive Management Team. Any such change will be documented and set out in appendix D of this policy.

2 Scope

This is a Trust-wide policy and applies to all staff within Sheffield Health and Social Care NHS Foundation Trust.

3 Purpose

This is to serve as a guide on the expectation of those with delegated budget responsibilities, to advise on approval parameters and appropriate Trust governance routes. This policy should be read in conjunction with those policies listed in the Associated Documentation section.

4 Definitions

Definitions are included within the body of the document.

5 Detail of the policy

This is detailed through section 7.

6 Duties

| Roles | Responsibilities |
|---|---|
| Chief Executive & Director of Finance | Accountable for financial control but will, as far possible, delegate their detailed responsibilities to Budget Holders/Managers |
| Director of Finance | Ensure adequate training is delivered on an on-going basis to Budget Holders/Managers |
| Budget Holders/Managers | Must not exceed the budgetary total or virement limits set by the Board. |
| Directorate Finance Business Partner Team (Management Accounts) | The team will provide financial advice and consultancy to Budget Holders/Managers on budgetary control, monitoring and Performance, and the development of Business Cases. The team provides the Management Accountancy function to the Finance department. |

7 Procedure

7.1 BUDGETS

7.1.1 Definition

A budget within the Trust may be defined as follows:

"A financial plan, prepared in conjunction with the Budget Holder/Manager prior to a time period of the budget; to be reflective of the activity to be pursued by the Budget Holder/Manager for the purpose of achieving given objectives which shall be in accordance with those set corporately." The plan shall cover one or more of the following:

- Income
- Activity
- Revenue Expenditure
- Capital Charges
- Capital Expenditure
- Workforce
- Quality

- Performance Targets

7.1.2 Time Period of a Budget

Budgets will normally be determined and managed over a period of 12 months covering one financial year i.e. from 1 April in one year to 31 March in next. In certain circumstances it will be necessary to vary the budget agreement within a budget period either by the inclusion of developments, adjustments for pay and/or price increases or in response to financial or workforce constraints or other changes.

7.1.3 Budget Reporting

Budget reports covering all elements of a budget will be produced monthly normally within 11 working days after the end of the month to which the information relates. The Finance Business Partner/ Assistant Finance Business Partner working with the Budget

Manager/Holder will prepare a detailed analysis of all significant budget variances. It is the responsibility of the Budget Holder/Manager to prepare a recovery plan aimed at bringing budget variances back into line.

7.1.4 Responsibilities of Budget Holders

The requirement of all Budget Holders/Managers is to ensure that at the end of the budgetary period i.e. at 31 March, their overall budget covering income and expenditure items is not overspent. It is the responsibility of each Budget Holder/Manager to ensure that their income and expenditure budget remains in recurrent balance*. Depending on the corporate position of the Trust, at the discretion of the Chief Executive, a budget holder may be required to under-spend by a pre-determined figure at the financial year-end.

*Recurrent is defined as the previous years "roll-over" budgets, adjusted for any agreed changes (including the removal of one-off or fixed term budgets), be these positive or negative. This includes the identification of designated Cost Improvement adjustments identified by the Director of Finance to bring overall expenditure budgets in-line with income.

7.1.5 Budget Holder and Power to Delegate

Below is a list of the main budget holders who will each be responsible for specific elements of the total Trust budget as delegated by the Chief Executive:

- All Executive Directors
- Service, Clinical & Support Directors
- Chief Pharmacist

A Budget Holder can delegate budgets under their control to other officers. (In the remainder of this paper the person to whom a budget has been delegated to is referred to as Budget Manager).

7.1.6 Budget Manager and Power to Delegate

The Budget Manager has delegated power from a Budget Holder to control a particular budget(s). Such delegation powers shall be within defined parameters and shall be recorded in writing.

Examples of Budget Managers are:

- Deputy or Associate Directors
- General Managers and service managers

A Budget Manager may delegate responsibility for in-year control of a budget to a Line Manager. The delegation must be within defined parameters as above and shall be recorded in writing.

A Budget Manager may, in accordance with the Budget Delegator arrangements, initiate virement between the budget lines within a main budget.

7.1.7 Budget Line Manager and Power to Delegate

A Budget Line Manager has delegated power from a Budget Manager to control a particular budget(s). Such delegation powers shall be within defined parameters and shall be recorded in writing.

Examples of Budget Line Managers are sub-managers in, for instance, Finance, Estates, and Human Resources etc.

A Budget Line Manager shall not have the power to delegate budgetary responsibility, except with the written approval of the Budget Manager. Such delegation that may be agreed must be within pre-determined parameters and shall be recorded in writing.

7.1.8 Differences in Budget Responsibility of the Three Different Levels

- Level of power to commit resources will reduce between the different levels, e.g. Budget Holder will have significantly more power than a Budget Line Manager.
- Only the Budget Holder has power to propose virement between main budgets.
- A Budget Line Manager may only delegate budgetary responsibility further with the expressed approval of the Budget Manager.

7.2 INCOME

7.2.1 Accounting for Income Budget

All service proposals requiring commissioner income funding shall be reviewed and approved in advance by the Finance Department AND Contract & Tender Management Team.

a) Clinical Activity Income

Primary NHS income was moved centrally during 2022/23 for simplicity and the move to a more fixed income financial regime. Most individual services are no longer receiving extra income for delivering extra activity in year.

All non-NHS contract income remains distributed out to service line level, where they are managed as discrete services with income growth and efficiency offsetting cost inflation and pressure.

The Trust's Contract & Tender Management and Management Accounts teams will manage the accounting arrangements corporately. Monthly performance management will be integrated with financial performance reporting and shared with Delegation of

Directorates to mitigate the risks of underperformance and identify over performance areas to discuss with the Trusts commissioners.

b) Other Income

Other income shall be credited to the appropriate budget and, therefore, the responsibility of the associated Budget Holder/Manager.

7.2.2 Income Schemes - Test of Financial Viability

Each income initiative will be required to be separately documented and, amongst other things, include figures showing total income and total costs. The appropriate Finance Business Partner/ Assistant Finance Business Partner will be required to be party to the calculation of total income and costs, and have his/her agreement to all proposals.

The Management Accounts and Contract & Tender Management Teams will be responsible for monitoring that the proposed income is consistent with the strategy of the Trust and demonstrate that economic viability of service developments under national tariff and/or local prices.

All External funding proposals will require ratification by the Finance department and the approval of the Director of Finance prior to submission.

7.3 STAFFING ESTABLISHMENT/PAY BUDGETS

An agreed detailed staffing establishment showing whole-time equivalents, and grades, will exist in respect of each budget. Staff budgets will be calculated based on the agreed staff establishment suitably adjusted for inflation, incremental drift, anticipated staff turnover and proposed cost improvement programmes where appropriate.

Budget Holders/Budget Managers will be accountable for ensuring that all staff appointments are made within the agreed staffing control and budgets.

Increases/decreases in the whole time equivalent of the funded establishment or changes in the grades can occur in one of five ways:

- a) from changes in income due to the Directorate
- b) from specifically earmarked reserve set up by Trust
- c) from general reserves within the Trust **Approval of Director of Finance is required.**
- d) from implementing Cost Improvement Savings **Approval of relevant Executive Director as required.**
- e) from Virement of Budget

See Section 7.5 below for details.

The re-grading of staff is subject to Agenda for Change terms and conditions and would require ratification by Human Resources and formal approval by the Executive Director of People.

7.3.1 Local Pay

It is necessary to distinguish between staff subject to national terms and conditions and those on Trust Contracts:

a) Staff on National Terms and Conditions

The national elements of pay scales are determined by the Agenda for Change (AfC) conditions of pay, approved by the Secretary of State. Any variation by way of local addition to these rates shall be determined by the Trust Board.

b) Staff on Trust Terms and Conditions

Pay Scales shall be determined by Trust Board.

Any variations to additional payments to staff require the approval of the Director of Human Resources

Other Terms and Conditions will be in accordance with AfC agreements, unless contained in a variation approved by the Director of Human Resources.

7.4 NON-PAY BUDGETS

It will be a requirement of the Budget Holders/Managers to ensure that expenditure is kept within the total budget for which they are responsible.

7.5 BUDGET TRANSFER - VIREMENT

The facility of virement is available to Budget Holders/Managers of budgets. The details of the specific virement rules can be reviewed in Appendix B. Virement can involve the following different types of transfers:

- i Transfers between non-pay budgets.
- ii Transfers between staff budgets.
- iii Transfers from staff to non-pay budgets.
- iv Transfers from non-pay to staff budgets.

In all cases, the appropriate Finance Business Partner/Assistant Finance Business Partner shall be consulted. It is paramount that virement changes do not undermine the integrity of the budgets.

7.6 DEFINITION OF EXPENDITURE

7.6.1 Revenue Non-Pay Expenditure

Revenue Expenditure is defined as:

“Expenditure incurred in the day to day running of the Trust on Pay and non-Pay items and those that do not fall within the definition of capital expenditure.”

7.6.2 Capital Expenditure

The definition of a capital asset, for capital charges purposes is:

"A tangible / intangible asset which is capable of being used in the Trust's activities for a period of time which could exceed one year and which has a replacement cost of at least £5,000 for each individual item or group of related items."

Costs that are not permitted to be capitalised:

General overhead costs or costs that would have been incurred regardless of whether the project would have been instigated generally cannot be capitalised. However, as per costs which can be capitalised this needs to be viewed with respect to the actual item being capitalised.

In determining the classification of Capital Expenditure, the proposer should consult the Capital and Technical Accountant for further advice.

7.6.3 Capital Scheme monitoring

Capital Schemes will be monitored and tracked by the Capital Project Group, whose actions and notes will then be reported via BPG and into Finance and Performance Committee (FPC) as part of a wider BPG progress update.

7.7 AUTHORISATION LEVELS FOR APPROVAL TO INCUR EXPENDITURE

7.7.1 Internal Approval

The assignment of approval levels to staff is maintained by the Financial Accountancy Team via the Authorised Signatory Database. This is detailed under the Treasury Management Policy.

The table below details the internal approval levels and limits applicable for the procurement of goods and services through the Trust's procurement order processing system (Integra). These are from the Trust's Scheme of Delegation:

| Approval Level | Approval Level Titles | Approval Limits |
|----------------|---|------------------|
| 1 | 2 from 3 - Chief Executive/ Deputy Chief Executive/ Director of Finance (with Trust Board approval)* | Over £2,000,000 |
| 2 | 2 from 3 - Chief Executive/ Deputy Chief Executive/ Director of Finance (With Finance and Performance Committee approval)* | Up to £2,000,000 |
| 3 | 2 from 3 - Chief Executive/ Deputy Chief Executive/ Director of Finance (with Business Planning Group and Executive Management Team approval)* | Up to £499,999 |
| 4 | Chief Pharmacist and Director of Finance (For drugs orders between £100,000 and £249,999) Chief Digital Information Officer and Director of Finance (For IMST orders between £100,000 to £249,999) | Up to £249,999 # |
| 5 | Director of Operations & Transformation & Director of Finance / Deputy Director of Finance (For Estates works only) Chief Pharmacist (For Pharmacy drugs only) Chief Digital Information Officer (For IMST orders only) / | Up to £99,999 # |

| | | |
|---|---|-----------------|
| | Deputy Director of Finance All other requisitions – Director of Finance/ Deputy Director of Finance/ Head of Finance | |
| 6 | Authorised Budget Holder/ Head of Contracting and Tender Management/ Head of Procurement | Up to £19,999 # |
| 7 | Designated Budget Manager (Approval limit depends on delegation) | Up to £,999 |
| 8 | Budget Line Manager | £999 |

In periods of financial challenge, the Executive Management Team (EMT) may exercise stricter financial controls. Details of these controls will be added to Appendix D as and when they are implemented.

NB* Signed authorisation of the appropriate requisitions assumes that approvers have executed their delegated duties through the appropriate governance routes i.e. Level 3 final approval at BPG and EMT, Level 2 final approval at FPC and Level 1 final approval at Trust Board.

7.7.2 External Procurement of Goods or Services

In all occurrences, the Trust's Procurement Team must be engaged in the tender process prior to an official order being raised (except for those delegated to Estates/Pharmacy for works/drugs orders). The Procurement Policy should be referenced for details on the Procurement process and exceptions.

The following delegated matters on the Quotation, Tendering and Contract procedures are in place. The limits within the table below refer to whole life cost of the contract (excl. VAT)

| Quotation, Tendering and Contract procedure (values excl VAT) | Authority Delegated to |
|---|---|
| £0-£9,999 Obtain 2 minimum verbal quotations – obtain best value | Service, Clinical & Support Directors |
| >£10,000-£29,999 obtain 3 informal/written quotes | Director of Finance or Nominated Deputy /Director of Facilities and Service, Clinical & Support Directors |
| >£30,000 to the current EU Threshold Obtaining 4 written competitive tenders for goods/services | Chief Executive and/or Director of Finance and Service, Clinical & Support Directors |
| Above threshold – obtain 6 written competitive tenders | Chief Executive and Non-Executive Director under Seal |

7.8 BUSINESS CASE APPROVAL

All service changes / developments which have either revenue or capital financial implications must be supported by a robust Business Case and will need to be cross referenced to Directorate Service Plans and other Strategic Direction documents. The table below identifies the Trust Governance process that is required for approval of the Business Case.

The Business Case proposer is responsible for engaging the full involvement from any party within the organisation that could be affected by the intended direction of travel, this includes but is not limited to; Strategy & Planning, Finance, Contract & Tender Management, Estates, Digital, HR, related Clinical Services.

Auditability, governance and financial principles are critical to ensure there are no unforeseen service, quality or financial consequences from our investment decisions. Proposers should initially seek advice from the PMO to establish the appropriate Business Case template to use and to ensure that the case can be added to the PMO tracker. It's important that the Finance department is contacted as soon as the requirement for a Business Case is known so that an appropriate timetable for completion and ratification can be agreed.

| Governance Group | £0 to £499,999 | £500,000 to £2,000,000 | Above £2m |
|--------------------------------------|-----------------------|-------------------------------|------------------|
| Business Planning Group (BPG) | ✓ | ✓ | ✓ |
| Executive Management Team (EMT) | ✓ | ✓ | ✓ |
| Finance, Performance Committee (FPC) | | ✓ | ✓ |
| Trust Board | | | ✓ |

During times of financial challenge or hardship, delegated authority may be removed from a governance group. This would be formally agreed and minuted by a higher level group. Details will be added to appendix D.

7.9 CHARITABLE (NON-EXCHEQUER) FUNDS

The Trust has access to a number of General Charitable Funds related to the services it provides.

These funds are managed by the Sheffield Hospitals Charity in accordance with Charity Commission legislation.

All requests to purchase items from these funds must be submitted in writing to the Director of Finance in accordance with specified procedures.

The Trust has delegated authority to approve expenditure up to £9,999 per scheme/transaction, above this amount schemes must be referred to the Board of the Sheffield Hospitals Charitable Trust. The delegated authority within the Trust for schemes above £9,999 currently resides with the Finance and Performance Committee.

7.10 CONDEMNATIONS, LOSSES AND SPECIAL PAYMENTS

This is covered by Trust's Losses and Special Payments Policy.

7.11 INTERPRETATION

The Chief Executive shall have final authority in the interpretation of these delegation arrangements on which he / she shall be advised by the Director of Finance.

8 Development, Consultation and Approval

The policy was subject to an internal review by the Finance department; the content has been reorganised to remove any ambiguity.

9 Audit, Monitoring and Review

| Monitoring Compliance Template | | | | | | |
|--|--|--|-------------------------|---|--|--|
| Minimum Requirement | Process for Monitoring | Responsible Individual/group/committee | Frequency of Monitoring | Review of Results process (e.g. who does this?) | Responsible Individual/group/committee for action plan development | Responsible Individual/group/committee for action plan monitoring and implementation |
| Policy to be monitored as a result of any changes to legislation and through audit recommendations | Through internal Finance review and audit reporting. | Finance/ Internal Audit | Annual | Head of Directorate Finance | Finance | Directorate Financial Management Team (Directorate Finance) |

The policy review date is 30 September 2024 or earlier to align with the Trust's updated Standing Financial Instructions, Standing Orders and Scheme of Delegation.

10 Implementation Plan

| Action / Task | Responsible Person | Deadline | Progress update |
|---|----------------------------------|---------------|-----------------|
| Once ratified through appropriate governance, upload the Policy onto the intranet and remove the old version. | Communications Manager | December 2023 | N/A |
| Distribute communication of policy via appropriate distribution list. | Finance Department Administrator | December 2023 | N/A |

11 Dissemination, Storage and Archiving (Control)

The policy will be made available on the Trust's intranet and will be available to all staff.

The Finance department are responsible for the archive and version control of this policy.

| Version | Date added to intranet | Date added to internet | Date of inclusion in Connect | Any other promotion/ dissemination (include dates) |
|----------------|-------------------------------|-------------------------------|-------------------------------------|---|
| 1.0 | May 2013 | Dec 2013 | N/A | N/A |
| 2.0 | Jul 2016 | Jul 13 | N/A | N/A |
| 3.0 | May 2020 | May 2020 | May 2020 | N/A |
| 4.0 | April 2021 | April 2021 | May 2021 | N/A |
| 5.0 | October 2022 | October 2022 | N/A | N/A |
| 6.0 | October 2023 | N/A | N/A | N/A |
| 7.0 | December 2023 | N/A | December 2023 | N/A |

12 Training and Other Resource Implications

The Finance department provide ad-hoc training to Budget Holders/ Managers upon request and for new staff identified to the Finance department.

Staff that wish to undertake such training should contact the Directorate Finance Business Partner (Management Accounts). Contact details can be found on the Trust's intranet through the Finance department widget.

The Trust also has an annual subscription to HFMA Bitesize that is available to all Trust staff wishing to expand or refresh their knowledge on how money flows through the NHS.

Staff that wish to undertake such training should contact the Finance Department Administrator.

13 Links to Other Policies, Standards (Associated Documents)

- Standing Orders, Reservation & Delegation of Powers and Standing Financial Instructions Corporate Document.
- Losses and Special Payments
- Procurement Policy
- Treasury Management

14 Contact Details

| <i>Title</i> | <i>Name</i> | <i>Phone</i> | <i>Email</i> |
|----------------------------|--------------------|---------------------|--|
| Deputy Director of Finance | James Sabin | 0114 226 3384 | James.Sabin@shsc.nhs.uk |
| Head of Finance | Jill Savoury | 0114 305 0620 | Jill.Savoury@shsc.nhs.uk |
| Head of Financial Accounts | Carl Twibey | 0114 271 8008 | Carl.Twibey@shsc.nhs.uk |

Appendix A

Equality Impact Assessment Process and Record for Written Policies

Stage 1 – Relevance - Is the policy potentially relevant to equality i.e. will this policy potentially impact on staff, patients or the public? This should be considered as part of the Case of Need for new policies.

NO – No further action is required – please sign and date the following statement.
I confirm that this policy does not impact on staff, patients or the public.

I confirm that this policy does not impact on staff, patients or the public.
 C.Twibey 19/09/2023

YES, Go to Stage 2

Stage 2 Policy Screening and Drafting Policy - Public authorities are legally required to have ‘due regard’ to eliminating discrimination, advancing equal opportunity and fostering good relations in relation to people who share certain ‘protected characteristics’ and those that do not. The following table should be used to consider this and inform changes to the policy (indicate yes/no/ don’t know and note reasons). Please see the SHSC Guidance and Flow Chart.

Stage 3 – Policy Revision - Make amendments to the policy or identify any remedial action required and record any action planned in the policy implementation plan section

| SCREENING RECORD | Does any aspect of this policy or potentially discriminate against this group? | Can equality of opportunity for this group be improved through this policy or changes to this policy? | Can this policy be amended so that it works to enhance relations between people in this group and people not in this group? |
|-------------------------|--|---|---|
| Age | No | N/A | N/A |
| Disability | No | N/A | N/A |
| Gender Reassignment | No | N/A | N/A |
| Pregnancy and Maternity | No | N/A | N/A |

| | | | |
|--------------------------------------|-----------|------------|------------|
| Race | No | N/A | N/A |
| Religion or Belief | No | N/A | N/A |
| Sex | No | N/A | N/A |
| Sexual Orientation | No | N/A | N/A |
| Marriage or Civil Partnership | No | | |

Please delete as appropriate: - no changes made.

Impact Assessment Completed by:
C.Twibey 19/09/2023

Appendix B

Review/New Policy Checklist

This checklist to be used as part of the development or review of a policy and presented to the Policy Governance Group (PGG) with the revised policy.

| | | Tick to confirm |
|---|---|-----------------|
| Engagement | | |
| 1. | Is the Executive Lead sighted on the development/review of the policy? | ✓ |
| 2. | Is the local Policy Champion member sighted on the development/review of the policy? | ✓ |
| Development and Consultation | | |
| 3. | If the policy is a new policy, has the development of the policy been approved through the Case for Need approval process? | n/a |
| 4. | Is there evidence of consultation with all relevant services, partners and other relevant bodies? | ✓ |
| 5. | Has the policy been discussed and agreed by the local governance groups? | ✓ |
| 6. | Have any relevant recommendations from Internal Audit or other relevant bodies been taken into account in preparing the policy? | ✓ |
| Template Compliance | | |
| 7. | Has the version control/storage section been updated? | ✓ |
| 8. | Is the policy title clear and unambiguous? | ✓ |
| 9. | Is the policy in Arial font 12? | ✓ |
| 10. | Have page numbers been inserted? | ✓ |
| 11. | Has the policy been quality checked for spelling errors, links, accuracy? | ✓ |
| Policy Content | | |
| 12. | Is the purpose of the policy clear? | ✓ |
| 13. | Does the policy comply with requirements of the CQC or other relevant bodies? (where appropriate) | ✓ |
| 14. | Does the policy reflect changes as a result of lessons identified from incidents, complaints, near misses, etc.? | ✓ |
| 15. | Where appropriate, does the policy contain a list of definitions of terms used? | n/a |
| 16. | Does the policy include any references to other associated policies and key documents? | ✓ |
| 17. | Has the EIA Form been completed (Appendix 1)? | ✓ |
| Dissemination, Implementation, Review and Audit Compliance | | |
| 18. | Does the dissemination plan identify how the policy will be implemented? | ✓ |
| 19. | Does the dissemination plan include the necessary training/support to ensure compliance? | ✓ |
| 20. | Is there a plan to i. review ii. audit compliance with the document? | ✓ |
| 21. | Is the review date identified, and is it appropriate and justifiable? | ✓ |

Appendix C Budgetary and Virement Rules

1. These budgetary and virement rules are applicable to all delegated budgets.
2. Executive Directors, Service and Clinical Directors and Support Directors have a responsibility to contain expenditure within the available budget(s) contract sum(s) and have the following delegated authority to: -
 - a. Utilise savings in the current year only with the prior approval of the Director of Finance and subject to the withdrawal of any fortuitous savings as defined in Section 5.
 - b. Will be in accordance with any existing partnership arrangements.
3. Savings are defined as the net savings achieved after meeting all the commitments of the Department which will include: -
 - a. The requirement of contracts for the provision of services.
 - b. Pay cost increases in excess of the inflation provision.
 - c. Non-pay costs in excess of the inflation provision.
 - d. Cost improvement programme and cash releasing efficiency commitments fulfilled.
4. Savings can be utilised by exercising virement between pay and non-pay budgets but must comply with the following requirements: -
 - a. They must have the express approval of the Executive Director and the Director of Finance.
 - b. Requests for virement in excess of £250,000 must be referred to the Director of Finance or Deputy Director of Finance.
 - c. Virements in excess of £500,000 will be referred to the CE who will have the authority to approve/deny the request.
 - d. Virement only from directly managed and budgeted services.
 - e. Proposals must be contained within the present budget.
 - f. Any virement which results in a change to the mix of a funded establishment must be allowable within the NHS Terms and Conditions of Employment and Trust Regulations. These will be agreed by the Director of People and actioned via the ESR and Finance Centros General Ledger.

g. Virement must be approved by the Executive Director or delegated budget manager. The delegation must be received by the Finance Business Partner in writing from the Executive Director and specify the value of delegated authority. A record of all virement and delegations will be maintained by the Finance Department.

h. Any virement which results in a change to the medical and/or nursing establishment must have the expressed approval of the Medical Director and Executive Director of Nursing, Professions and Quality respectively.

5. Proposed expenditure (other than on consumables) of: -

- More than £4,999 shall be referred to the Director of Service.
- More than £9,999 shall be referred to the Director of Finance/Deputy Director of Finance.
- And so on, per the Authorisation limits within the Trust's Scheme of Delegation.

Authorisation does not over-ride/preclude the tendering and contracting procedure as detailed in Section 9 of the Trusts Standing Orders.

A decision will be made on whether this expenditure should be charged to revenue or capital once source of funding is confirmed. In line with Section 9 of the Trust's Standing Orders "Capital Budgets" advice should be sought if there is any doubt as to whether expenditure falls within the revenue or capital funding category. This will ensure there are no delays in the procurement process.

6. Purchases for stock shall be limited to within the stock holding level notified to the Head of Department.

7. Underspends in one year can only be deferred into the following year with the prior approval of the Director of Finance and the income provider.

Appendix D – Financial Controls in times of financial challenge and hardship

Details of temporary financial controls to be implemented during times of financial challenge and hardship will be added as implemented.

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