

**Standing Orders**

**for**

**NHS Barnsley**  
**Clinical Commissioning Group**

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Not yet progressed through the formal process of the Constitution

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## **STANDING ORDERS**

### **1. INTRODUCTION**

1.1 These Standing Orders (SO's) have been drawn up to regulate the proceedings of the NHS Barnsley Clinical Commissioning Group (CCG) so that the CCG can fulfil its obligations, as set out largely in the 2006 Act, as amended by the 2012 Act and related regulations. They are effective from the date the CCG is established.

1.2 The Standing Orders, together with the CCG's Scheme of Reservation and Delegation and the CCG's Prime Financial Policies, provide a procedural framework within which the CCG discharges its business. They set out:

- (a) The arrangements for conducting the business of the CCG;
- (b) The procedure to be followed at formal meetings of the CCG, the Governing Body and any Committees or sub-committees of the Governing Body;
- (c) The process to delegate powers;
- (d) The declaration of interests and standards of conduct.

1.3 These arrangements are compliant and are consistent, with requirements set out in the 2006 Act (as amended by the 2012 Act) and related regulations and take account as appropriate of any relevant guidance.

1.4 The Standing Orders, Scheme of Reservation and Delegation and Prime Financial Policies (PFP's) have effect as if incorporated into the CCG's Constitution. CCG Members, employees, Members of the Governing Body, members of the Governing Body's Committees and sub-committees and persons working on behalf of the CCG should be aware of the existence of these documents and, where necessary, be familiar with their detailed provisions. Failure to comply with the Standing Orders, Scheme of Reservation and Delegation and Prime Financial Policies may be regarded as a disciplinary matter that could result in dismissal.

#### **Delegation of Powers**

1.5 The 2006 NHS Act (as amended by the 2012 Act) provides the CCG with powers to delegate CCG functions and those of the Governing Body to certain bodies such as Committees and certain persons and make arrangements for delegation.

- 1.6 The Governing Body has resolved that certain powers and decisions may only be exercised by the Governing Body in formal session. These powers and decisions are set out in the Scheme of Reservation and Delegation and shall have effect as if incorporated into the Standing Orders. Those powers, which it has delegated to Committees, sub committees and Officers, are contained in the Scheme of Delegation.

## 2. CCG: COMPOSITION OF MEMBERSHIP, TENURE AND ROLE OF MEMBERS

### Composition of Membership

- 2.1 The CCG's Constitution provides details of the membership of the CCG.
- 2.2 The CCG's Constitution provides details of the governing structure used in the CCG's decision-making processes and outlines certain key roles and responsibilities within the CCG and its Governing Body, including the role of Practice Representatives.

### Key Roles

- 2.3 The CCG's Constitution sets out the composition of the CCG's Governing Body and identifies certain key roles and responsibilities within the CCG and its Governing Body. These Standing Orders set out how the CCG appoints individuals to these key roles.

#### (a) Chair

- i. Nomination – N/A;
- ii. Eligibility – The individual must be a GP from a Member practice, a member representative of the Membership Council and must meet the required competencies for the role as set out in paragraph 7.4 of the Constitution and in terms of the initial appointment have passed the national assessment centre for CCG Clinical Leaders;
- iii. Appointment Process – The Membership Council will oversee the process;
- iv. Term of Office – The Chair will be nominated for a term of office up to four years initially and three years following subsequent re-election up to a maximum of seven years in accordance with paragraphs 3.18-3.20 of the Constitution;

- v. Eligibility for Reappointment – the Chair may be reappointed by the Governing Body.
- vi. Grounds for Removal from Office –
  - If a receiving order is made against them or they make any arrangement with their creditors;
  - If in the opinion of the Governing Body (having taken appropriate professional advice in cases where it is deemed necessary) they become or are deemed to have developed mental or physical illness, which prohibits or inhibits their ability to undertake their role;
  - If they cease to be a provider of primary medical services, or be engaged in or employed to deliver primary medical services with a Member practice;
  - Where the level of competence is questioned and vote indicating 67% of the Governing Body lacks confidence;
  - Notice period – Chair must give at least 3 months' notice of resignation to the Governing Body.

**(b) Elected Practice Representatives to the Governing Body**

- i. Nomination – N/A;
- ii. Eligibility – The individual must be a Member Representative of the Membership Council;
- iii. Appointment process – An election process involving representatives of Member practices
- iv. Term of office – Will be elected for a term of office of 2 or 4 years initially, and for 3 years following subsequent elections, up to a maximum of seven years in accordance with paragraphs 3.18-3.20 of the Constitution.
- v. Eligibility for reappointment – members can put themselves forward for re-election
- vi. Grounds for removal from office –
  - If a receiving order is made against them or they make any arrangement with their creditors;

- If in the opinion of the Governing Body (having taken appropriate professional advice in cases where it is deemed necessary) they become or are deemed to have developed mental or physical illness, which prohibits or inhibits their ability to undertake their role;
  - If they cease to be a provider of primary medical services, or be engaged in or employed to deliver primary medical services with a Member practice;
  - Where level of competence and performance is below agreed levels (Governing Body to agree a performance framework for Members).
- v. Notice Period – The member must give at least 3 months’ notice to the Chair.

**(c) Lay Members**

- i. Nomination – N/A;
- ii. Eligibility - The Lay Members must have specific expertise, experience and knowledge to express informed views about the discharge of the CCG’s functions. Individuals will not be eligible if they are a serving civil servant within the Department of Health or member/employee of the Care Quality Commission or serving as a Chair or Non-Executive of another NHS body if successfully appointed to the CCG:
- One Lay Member will have the qualifications, expertise and experience in financial matters and audit to Chair the Governing Body Audit Committee;
  - Another will have sufficient qualifications, expertise and experience to lead on patient and public engagement, and Chair the Equality & Engagement Committee and the Primary Care Commissioning Committee;
  - The third Lay Member will have sufficient qualifications, expertise and experience to provide independent and objective scrutiny over the CCG’s strategy to integrate the delivery of health and care, and to support the discharge of the CCG’s delegated responsibility to commission Primary Medical Services as Vice Chair of the Primary Care Commissioning Committee.

- iii. Appointment Process - The appointment process will operate under best guidance. The Remuneration Committee will determine the detail of the process.
- iv. Term of Office – 2 or 4 years initially, then 3 years following subsequent appointments up to a maximum of 7 years in accordance with paragraphs 3.18 to 3.20 of the Constitution.
- v. Eligibility for Reappointment – Lay Members can put themselves forward for re-appointment. Process to be overseen by Remuneration Committee.
- vi. Grounds for Removal from Office –
  - Gross misconduct in breach of the Nolan principles;
  - Non-attendance at meetings (6 in any 12 month period);
  - Where level of competence and performance is below agreed levels (Governing Body to agree a performance framework for Members);
  - Notice period – Member must give at least 3 months' notice to the Chair.

**(d) Practice Manager**

- i. Nomination – N/A.
- ii. Eligibility – Must be a Practice Manager from a member practice of the CCG.
- iii. Appointment process - The appointment process will operate under best guidance. The Remuneration Committee will determine the detail of the process.
- iv. Term of office – 2 or 4 years initially, then 3 years following subsequent appointments up to a maximum of 7 years in accordance with paragraph 3.18 to 3.20 of the Constitution.
- v. Eligibility for reappointment –The Practice Manager can put themselves forward for re-appointment. Process to be overseen by Remuneration Committee.
- vi. Grounds for removal from office –
  - Gross misconduct in breach of the Nolan principles;

- Non-attendance at meetings (6 in any 12 month period);
  - Where level of competence and performance is below agreed levels (Governing Body to agree a performance framework for Members).
- v. Notice period – Member must give at least 3 months’ notice to the Chair.

**(e) Secondary Care Clinician/Hospital Doctor**

- i. Nomination – N/A.
- ii. Eligibility - Must be a secondary care clinician not employed by providers from which the CCG commission services.
- iii. Appointment process - The appointment process will operate under best guidance. The Remuneration Committee will determine the detail of the process.
- iv. Term of office – 2 or 4 years initially, then 3 years following subsequent appointments up to a maximum of 7 years in accordance with paragraph 3.18 to 3.20 of the Constitution.
- v. Eligibility for reappointment –The Secondary Care Clinician can put themselves forward for re-appointment. Process to be overseen by the Remuneration Committee.
- vi. Grounds for removal from office –
- Gross misconduct in breach of the Nolan principles;
  - Non-attendance at meetings (6 in any 12 month period);
  - Where level of competence and performance is below agreed levels (Governing Body to agree a performance framework for Members).
- vii. Notice period – Member must give at least 3 months’ notice to the Chair

**(f) Chief Officer**

- i. Nomination – N/A.

- ii. Eligibility – The individual must meet the required competencies of the role as set out in paragraph 7.6 of the Constitution and in terms of the initial appointment have successfully completed the national assessment process.
- iii. Appointment process – The appointment process will operate under best guidance. The Remuneration Committee will determine the detail of the process.
- iv. Term of Office – N/A. This is a substantive appointment.
- v. Notice Period & Grounds for Removal from Office - As per Terms and Conditions of Employment.

**(g) Chief Finance Officer**

- i. Nomination – N/A.
- ii. Eligibility – The individual must meet the required competencies of the role as set out in paragraph 7.6 of the Constitution and in terms of the initial appointment have successfully completed the national assessment process.
- iii. Appointment process – The appointment process will operate under best guidance. The Remuneration Committee will determine the detail of the process.
- iv. Term of Office – N/A. This is a substantive appointment.
- v. Notice Period & Grounds for Removal from Office - As per Terms and Conditions of Employment.

**(h) Chief Nurse**

- i. Nomination – N/A.
- ii. Eligibility – the individual must be a suitably qualified registered nurse and have the other relevant competencies as set out in the job description.
- iii. Appointment process – The appointment process will operate under best guidance. The Remuneration Committee will determine the detail of the process.
- iv. Term of Office – N/A. This is a substantive appointment.

- v. Notice Period & Grounds for Removal from Office - As per Terms and Conditions of Employment.

**(i) Medical Director**

- i. Nomination – N/A.
- ii. Eligibility – The individual must be a GP and an elected Governing Body member and have the other relevant competencies as set out in the job description.
- iii. Appointment process – The appointment process will operate under best guidance. The Remuneration Committee will determine the detail of the process.
- iv. Term of Office – Up to 4 years initially and 3 years following subsequent re-election in accordance with paragraph 3.18-3.20 of the Constitution.
- v. Eligibility for Reappointment – The Member can put themselves forward for re-appointment. Process to be overseen by the Remuneration Committee.
- vi. Grounds for Removal from Office – If a receiving order is made against them or they make any arrangement with their creditors.
- If in the opinion of the Governing Body (having taken appropriate professional advice in cases where it is deemed necessary) they become or are deemed to have developed mental or physical illness, which prohibits or inhibits their ability to undertake their role;
  - If they cease to be a provider of primary medical services, or be engaged in or employed to deliver primary medical services with a Member practice in the Locality, which they represent;
  - Where level of competence and performance is below agreed levels (Governing Body to agree a performance framework for Members).
- vii. Notice period – Member must give at least 3 months' notice to the Chair.

**(j) Vice Chair**

Paragraph 3.25 of the Constitution sets out arrangements for appointment of the Vice Chair who will be a Lay Member if the Chair is a clinician. Where the Chair of the CCG 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.

2.4 The roles and responsibilities of each of these key roles are set out in Chapter 7 of the Group's Constitution.

**3. MEETINGS OF THE CCG MEMBERSHIP COUNCIL**

**3.1 Calling Meetings**

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

**3.2 Notice of Meetings, Agendas, Supporting Papers and Business to be Transacted**

3.2.1 Items of business to be transacted for inclusion on the agenda of a meeting need to be notified to the Chair of the meeting at least 15 working days (i.e. excluding weekends and bank holidays) before the meeting takes place. Supporting papers for such items need to be submitted at least 10 working days before the meeting takes place. The agenda and supporting working papers will be circulated to all members of a meeting at least 5 working days before the date the meeting will take place.

**3.3 Petitions**

3.3.1 Where a Petition has been received by the Membership Council the Chair shall include the Petition as an item for the agenda of the next meeting of the Governing Body.

**3.4 Chair of Meeting**

3.4.1 At any meeting of the Membership Council or of a committee or sub-committee of the Membership Council, the Chair of the Membership Council who is also the Chair of the Governing Body shall preside.

If the Chair is absent from the meeting, the Governing Body Vice-Chair, if present, shall preside, if this is acceptable to the Membership Council. (If not the Chair of the meeting shall be chosen by the members present or by a majority of them, and shall preside).

- 3.4.2 If the Chair is absent temporarily on the grounds of a declared conflict of interest the Vice-Chair, if present, shall preside. If the Chair and Vice-Chair are absent, or are disqualified from participating, or there is neither a Chair nor Vice-Chair present, a member of the Group, Governing Body, committee or sub-committee respectively shall be chosen by the members present, or by a majority of them, and shall preside.

### **3.5 Chair's Ruling**

- 3.5.1 The decision of the Chair of the Membership Council on questions of order, relevancy and regularity (including procedure on handling motions) and their interpretation of the Constitution, Standing Orders, Scheme of Reservation and Delegation and Prime Financial Policies at the meeting shall be final.

### **3.6 Quorum of the Membership Council**

- 3.6.1 A quorum will be members representing at least 55% of total Barnsley practice actual list sizes.
- 3.6.2 For all committees and sub-committees of the Membership Council, the details of the quorum for these meetings and status of representatives are set out in the appropriate Terms of Reference.

### **3.7 Decision-Making including Voting of the Membership Council**

- 3.7.1 Chapter 6 of the Group's Constitution, together with the Scheme of Reservation and Delegation, sets out the governing structure for the exercise of the Group's statutory functions. Generally it is expected that at meetings of the Membership Council decisions will be reached by consensus. Should this not be possible then a vote of members will be required, the process for which is set out below:

(a) **Eligibility**

Voting members of the Membership Council are the practice representatives elected by their practice to the Membership Council;

(b) **Majority necessary to confirm a decision**

A majority of 55% of actual list size represented at the meeting is required to confirm a decision;

- (c) **Vote**  
Each voting member of the Membership Council will have a vote pro rata to their practice list size (un-weighted)
- (d) **Casting Vote**  
Should it be required the Chair will have the casting vote;
- (e) **Dissenting Views**  
Members taking a dissenting view but losing a vote will have their dissent recorded in the minutes;

3.7.2 Should a vote be taken the outcome of the vote, and any dissenting views, must be recorded in the minutes of the meeting.

### **3.8 Extraordinary General Meeting**

3.8.1 An Extraordinary General Meeting may be called for, in writing:

- (a) By the Membership Council, or
- (b) By 10 Members to discuss an urgent matter.

3.8.2 The Chair will give Members and any other interested parties at least 14 days' notice of any Extraordinary General meeting with notice of the business to be discussed.

### **3.9 Emergency Powers and Urgent Decisions**

3.9.1 In extreme circumstances e.g. a major incident or emergency rendering the Governing Body membership unable to fulfil their statutory requirements, the Chair may make urgent decisions in order to ensure continuity of the CCG's business, in conjunction with the Membership Council.

3.9.2 For urgent decisions that are required to be made outside Membership Council meetings these can be made by the Chair of the Membership Council and any two members. Wherever possible these members should consult with other voting members of the Membership Council before making decisions.

3.9.3 Where urgent decisions are taken outside the formal meeting structure they would be reported to the next formal meeting of the Membership Council for ratification.

### **3.10 Suspension of Standing Orders**

- 3.10.1 Except where it would contravene any statutory provision or any direction made by the Secretary of State for Health or NHS England, any part of these Standing Orders may be suspended at any meeting, provided 9 voting Membership Council members are in agreement.
- 3.10.2 A decision to suspend Standing Orders together with the reasons for doing so shall be recorded in the minutes of the meeting.
- 3.10.3 A separate record of matters discussed during the suspension shall be kept. These records shall be made available to the Governing Body's Audit Committee for review of the reasonableness of the decision to suspend Standing Orders.

### **3.11 Record of Attendance**

The names and designation of all members present at meetings of the Membership Council and its Committees or Sub-Committees will be recorded in the minutes of the relevant meetings.

### **3.12 Minutes**

- 3.12.1 The Membership Council may appoint a secretary to the Membership Council.
- 3.12.2 The Secretary of the Membership Council will be responsible for:
- (a) Attending the meeting, ensuring correct minutes are taken, and once agreed by the Chair distributing minutes to members;
  - (b) Keeping a record of matters arising and issues to be carried forward;
  - (c) Producing an action list following each meeting and ensuring any outstanding action is carried forward on the action list until complete;
  - (d) Providing appropriate support to the Chair and Membership Council members;
  - (e) Agreeing the agenda with the Chair prior to sending the papers to members no later than 5 working days before the meeting;
  - (f) Ensuring the papers of the Membership Council are filed in accordance with the Group's policies and procedures.

### **3.13 Appointment of Committees and Sub-Committees**

- 3.13.1 The provisions of these Standing Orders shall apply where relevant to the operation of the Membership Council and the Membership Council's committees and sub-committees unless stated otherwise in the committee or sub-committee's terms of reference.

## **4. MEETINGS OF THE CCG GOVERNING BODY**

### **4.1 Calling Meetings**

- 4.1.1 Ordinary meetings of the Governing Body shall be held at regular intervals at such times and places as the Governing Body may determine. The Chair of the CCG may call a meeting of the Governing Body at any time. One-third or more members of the Governing body may requisition a meeting in writing. If the Chair refuses, or fails to call a meeting within 7 days of a requisition being presented, the members signing the requisition may forthwith call a meeting.

### **4.2 Notice of Meetings, Agendas, Supporting Papers and Business to be Transacted**

- 4.2.1 Before each meeting of the CCG's Governing Body a written notice specifying the business proposed to be transacted shall be delivered to every member so as to be available to members at least 5 days before the meeting.

Supporting papers, whenever possible, shall accompany the agenda, but will certainly be despatched no later than 3 days before the meeting, save in emergency.

- 4.2.2 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.
- 4.2.3 No business shall be transacted at the meeting other than that specified on the agenda, or emergency motions allowed under Standing Order 3.8.
- 4.2.4 A member desiring a matter to be included on an agenda shall make his/her request in writing to the Chair at least 15 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.

4.2.5 Agendas and certain papers for the CCG's Governing Body – including details about meeting dates, times and venues will be published on the CCG's website.

### **4.3 Petitions**

4.3.1 Where a petition has been received by the CCG, the Chair shall include the petition as an item for the agenda of the next meeting of the Governing Body.

### **4.4 Chair of Meeting**

4.4.1 At any meeting of the CCG or its Governing Body the Chair if present, shall preside. If the Chair is absent from the meeting, the Vice-Chair, if present, shall preside.

4.4.2 If the Chair is absent temporarily on the grounds of a declared conflict of interest the Vice-Chair, if present, shall preside. If the Chair and Vice-Chair are absent, or are disqualified from participating, members present shall choose who shall preside.

### **4.5 Chair's Ruling**

The decision of the Chair of the Governing Body on questions of order, relevancy and regularity (including procedure on handling motions) and their interpretation of the Constitution, Standing Orders, Scheme of Reservation and Delegation and Prime Financial Policies at the meeting shall be final.

### **4.6 Quorum of the Governing Body**

4.6.1 No meeting of the Governing Body shall be held without as a minimum of 9 members present and these must include:

- either the Chair or Vice Chair
- at least one of the officers (Chief Officer, Chief Finance Officer or Chief Nurse)
- at least one of the appointed members (the Lay Members, Secondary Care Clinician or Practice Manager) and
- at least one of the Elected Members.

If neither the Chair nor Vice Chair is present, the meeting can proceed if a temporary Chair is elected from the remaining Governing Body Members.

4.6.2 An Officer in attendance but without formal acting up status may not count towards the quorum.

4.6.3 If the Chair or other Governing Body Members have 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 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. The position can be resolved by following the arrangements set out in section 8.6 of the *Standards of Business Conduct, Managing Conflicts of Interest, and the Acceptance of Gifts and Hospitality Policy* available on the CCG's website (<http://www.barnsleyccg.nhs.uk/strategies-policies-and-plans.htm> ).

4.6.4 For all other of the CCG's Committees and sub-committees, including the Governing Body's Committees and sub-committees, the details of the quorum for these meetings and status of representatives are set out in the appropriate Terms of Reference.

#### **4.7 Decision-Making including Voting of the Governing Body**

4.7.1 The Constitution, together with the Scheme of Reservation and Delegation, sets out the governing structure for the exercise of the CCG's statutory functions. Generally it is expected that at the CCG's and Governing Body's meetings decisions will be reached by consensus. Should this not be possible then a vote of members will be required, the process for which is set out below:

- (a) Eligibility - Members who are eligible to vote are set out in Appendix E paragraph 1.7.2(a) (i) of the Constitution. A manager who has been formally appointed to act up for an Officer Member shall be entitled to exercise the voting rights of the Officer Member;
- (b) Majority necessary to confirm a decision - Save as provided in Standing Orders 4.9 - Suspension 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. Each voting member of the Governing Body will have 1 vote. Members excluded due to a declared conflict of interest may not vote;
- (c) Casting vote - In the case of an equal vote, the person presiding (i.e. the Chair of the meeting) shall have a second, and casting vote;

- (d) Dissenting views – Should a vote be taken the outcome of the vote, and any dissenting views, must be recorded in the minutes of the meeting;
- (e) 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;
- (f) 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);
- (g) In no circumstances may an absent member vote by proxy. Absence is defined as being absent at the time of the vote;
- (h) For all Governing Body's Committees and sub-committees, the details of the process for holding a vote are set out in the relevant terms of reference if appropriate and for the CCG's Membership Council in paragraph 3.7.1 of these Standing Orders.

4.7.2 Should a vote be taken the outcome of the vote, and any dissenting views, must be recorded in the minutes of the meeting.

4.7.3 For all other of the Group's Committees and sub-committees, including the Governing Body's Committees and sub-committees, the details of the process for holding a vote are set out in the appropriate Terms of Reference.

#### **4.8 Emergency Powers and Urgent Decisions**

For urgent decisions that are required to be made outside Governing Body or Committee meetings these can be made by 2 of the Chair, Medical Director, Chief Officer and Chief Finance Officer 1 of whom should be a clinician. Wherever possible these members should consult with other voting members of the Governing Body before making decisions. Decisions taken under these provisions should be reported back to the relevant decision making body for ratification.

#### **4.9 Suspension of Standing Orders**

4.9.1 Except where it would contravene any statutory provision or any direction made by the Secretary of State for Health or NHS England, any part of these Standing Orders may be suspended at any meeting, provided a majority of voting group members are in agreement.

4.9.2 A decision to suspend Standing Orders together with the reasons for doing so shall be recorded in the minutes of the meeting.

4.9.3 A separate record of matters discussed during the suspension shall be kept. These records shall be made available to the Governing Body's Audit Committee for review of the reasonableness of the decision to suspend Standing Orders.

#### **4.10 Record of Attendance**

The names and designation of all members present at meetings of the Governing Body and its Committees or Sub-committees will be recorded in the minutes of the relevant meetings.

#### **4.11 Minutes**

The minutes of the proceedings of a meeting shall be drawn up and submitted for agreement at the next meeting where they shall be signed by the person presiding at it. Minutes shall be circulated in accordance with members' wishes. Where providing a record of a public meeting the minutes shall be made available to the public as required by the Code of Practice on Openness in the NHS.

#### **4.12 Admission of Public and The Press**

4.12.1 The public and representatives of the press may attend meetings of the CCG's Governing Body, except where the Governing Body passes the following resolution to exclude the public on the grounds of confidentiality:

'That representatives of the press, and other members of the public, be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest' Paragraph 8 Schedule 1A of the NHS ACT 2006 as amended.

4.12.2 Members of the public or representatives of the press who attend public meetings of the Governing Body have no right to speak other than by invitation from the Chair.

#### **General Disturbances**

4.12.3 The Chair or the person presiding over the meeting shall give such directions as he/she 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 CCG'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 Governing Body resolving as follows:

`That in the interests of public order the meeting adjourn for (the period to be specified) to enable the CCG Governing Body to complete its business without the presence of the public'. Paragraph 8 Schedule 1A to the NHS ACT 2006 as amended

### **Business Proposed to be Transacted when the Press and Public have been Excluded from a Meeting**

- 4.12.4 Matters to be dealt with by the Governing Body following the exclusion of representatives of the press, and other members of the public, as provided in (1) and (2) above, shall be confidential to Governing Body members.
- 4.12.5 Members and any other persons in attendance shall not reveal or disclose the contents of papers marked 'In Confidence' or minutes headed 'Items Taken in Private' outside of the CCG, without the express permission of the CCG. This prohibition shall apply equally to the content of any discussion during the Governing Body meeting, which may take place on such reports or papers.

### **Use of Mechanical or Electrical Equipment for Recording or Transmission of Meetings**

- 4.12.6 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 CCG, its Governing Body and its Committees. Such permission shall be granted only by the Chair of the meeting.

### **Observers at CCG and Governing Body Meetings**

- 4.12.7 The CCG 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 CCG's meetings and may change, alter or vary these terms and conditions as it deems fit.

## **5. APPOINTMENT OF COMMITTEES AND SUB-COMMITTEES**

### **5.1 Appointment of Committees and Sub-Committees**

- 5.1.1 The CCG may appoint Committees and Sub-committees of the CCG subject to any regulations made by the Secretary of State and make

provision for the appointment of committees and sub-committees of its Governing Body. Where appointed details of these are included in Chapter 6 of the Constitution.

5.1.2 Other than where there are statutory requirements, the CCG or its Governing Body shall determine the membership and Terms of Reference of the committees and sub-committees and shall, if it requires receive and consider minutes and reports from such Committees at the next appropriate meeting.

5.1.3 The provisions of these Standing Orders shall apply where relevant to the operation of the Governing Body, the Governing Body's committees and sub-committee and all committees and sub-committees unless stated otherwise in the committee or sub-committee's terms of reference.

## **5.2 Terms of Reference**

5.2.1 Terms of reference shall have effect as if incorporated into the Constitution. These are included on the website <http://www.barnsleyccg.nhs.uk/about-us/governing-body.htm>.

## **5.3 Delegation of Powers by Committees to Sub-Committees**

5.3.1 Where Committees are authorised to establish sub-committees they may not delegate executive powers to the sub-committee unless expressly authorised by the CCG or Governing Body as relevant.

## **5.4 Approval of Appointments to Committees and Sub-Committees**

5.4.1 The CCG shall approve the appointments to each of the Committees and Sub-committees, which it has formally constituted and will decide on such travelling or other allowances as is considered appropriate. The Governing Body shall approve the appointments to each of its Committees and Sub-committees and will decide on any travelling or other allowances as considered appropriate.

## **6. DUTY TO REPORT NON-COMPLIANCE WITH STANDING ORDERS AND PRIME FINANCIAL POLICIES**

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 Governing Body for action or ratification. All Members of the CCG and employees have a duty to disclose any non-compliance with these Standing Orders to the Chief Officer as soon as possible.

## **7. CUSTODY OF SEAL AND AUTHORISATION OF DOCUMENTS**

### **7.1 CCG's Seal**

7.1.1 The CCG may have a seal for executing documents where necessary which must be kept in a secure place. The following individuals are authorised to authenticate its use by their signature: the Chief Officer, the Chief Finance Officer and the Chair of the Governing Body. They will enter a record of the sealing of every document in a register to be kept by the Chief Officer or nominated officer.

### **7.2 Execution of a Document by Signature**

7.2.1 The following individuals are authorised to execute a document on behalf of the Group by their signature. Where any document will be a necessary step in legal proceedings on behalf of the CCG it shall, unless any enactment otherwise requires, be signed by the Chair of the Governing Body, the Chief Officer or the Chief Finance Officer.

## **8. OVERLAP WITH OTHER CCG POLICY STATEMENTS, PROCEDURES, REGULATIONS**

### **8.1 Policy Statements: General Principles**

8.1.1 The Governing Body will from time to time agree and approve policy statements/procedures, which will apply to all, or specific groups of staff employed by the CCG. The decisions to approve such policies and procedures will be recorded in an appropriate Governing Body minute and will be deemed where appropriate to be an integral part of the CCG's Standing Orders and Prime Financial Policies.

## **9. DUTIES AND OBLIGATIONS OF GOVERNING BODY MEMBERS AND CCG SENIOR MANAGERS**

### **9.1 Requirements for Declaring Interests and Applicability to CCG and Governing Body Members**

The NHS Code of Conduct and Accountability requires CCG Members and Members of the Governing Body to declare any personal or business interest, which may influence or may be perceived to influence their judgement including without limitation interests, which are "relevant and material". The Clinical Commissioning Group has a *Standards of Business Conduct, Managing Conflicts of Interest, and the Acceptance of Gifts and Hospitality Policy* available on its website (<http://www.barnsleyccg.nhs.uk/strategies-policies-and-plans.htm>).

## 9.2 **Register of Interests**

The Chief Officer will ensure that a Register of Interests is established to record formally declarations of interests of Members of the CCG, Governing Body Members, Practice Representatives and employees of the CCG.

## 10. **INDEMNITY FOR GOVERNING BODY MEMBERS**

Governing Body Members who act honestly and in good faith will not have to meet out of their personal resources any personal civil liability, which is incurred in the execution, or purported execution of their Governing Body functions, save where they have acted recklessly.

# **Scheme of Reservation and Delegation**



## **SCHEME OF RESERVATION AND DELEGATION**

As set out in the Constitution, the Scheme of Reservation and Delegation summarises, based on information contained in the Constitution and in particular the Standing Orders and Prime Financial Policies, which decisions are reserved to CCG membership via the Membership Council and which are delegated to the Governing Body, its committees and sub-committees and key Officers of the CCG.

Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
<b>Regulation and Control</b>														
Constitution	Determine the arrangements by which the Members of the CCG approve those decisions that are reserved for the membership	✓												
Constitution	Consideration and approval of applications to NHS England on changes to the CCG's Constitution	✓												
Constitution	Approve the arrangements for <ul style="list-style-type: none"> <li>• Identifying practice members to represent practices in matters concerning the work of the group; and</li> <li>• Appointing clinical leaders to represent the Group's membership on the Group's Board, for example through election</li> </ul>	✓												
Constitution	Establish and approve Terms of Reference for subcommittees in line with Constitution where applicable	✓	✓											

Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
Constitution	Approve the appointment of Governing Body members, the process for recruiting and removing non-elected members to the Board (subject to any regulatory requirements) and succession planning	✓				✓								
Constitution	Recommendations to CCG Members on changes to the Constitution covering the overall operating arrangements, the Standing Orders, Scheme of Reservation and delegation and Prime Financial Policies		✓											
PFP 1.4	Annual Review of the Standing Orders, Scheme of Reservation and Delegation and Prime Financial Policies making recommendations to the Governing Body on required changes			✓										
PFP 5.1 and PFP 7.5	Overall responsibility for ensuring the CCG complies with certain of its statutory obligations including its financial and accounting obligations										✓			

Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
Constitution	Exercise or delegation of those functions of the CCG, which have not been retained as reserved by the CCG or delegated to the Governing Body and its Committees and sub-committees or delegated to named other individuals as set out in this document.											✓		
PFP 7.6	Prepare the CCG's operational Scheme of Delegation, which sets out those key operational decisions delegated to individual employees of the CCG not for inclusion in the CCG's Constitution.											✓		
PFP 7.6	Prepare detailed financial policies that underpin the CCG's Prime Financial Policies not for inclusion in the CCG's Constitution.												✓	
PFP 3	Approve the CCG's detailed financial policies.			✓										
Constitution	Approve the CCG's Annual Report and Annual Accounts, these first having been reviewed by the Audit Committee		✓											
PFP 3	Approval of the internal and external audit arrangements			✓										

Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
Constitution	Approve and notify to CCG Members any changes to the Conflicts of Interest Protocol contained within the Constitution		✓											
SO	Require and receive declarations of interest		✓											
SO 4.4	Approval of appointments to Governing Body Committees and sub-committees		✓											
SO 3.1(3)	May call a meeting of the Governing Body at any time										✓			
SO 3.3	Management of Petitions to the Governing Body										✓			
SO 3.5	Chair's Ruling – i.e. interpretation of the Constitution including SOs, scheme of reservation and PFPs										✓			
SO 3.8	Application of emergency powers and urgent meetings of Governing Body, including suspension of SOs.										✓			
SO 3.12	Admission of public and press to Governing Body meetings										✓			

Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
<b>Strategy and Planning</b>														
Constitution 6.6.1	Agree the vision, values and overall strategic direction of the CCG	✓												
Constitution PFP 7.1	Approval of the CCG's Annual Commissioning Plan and supporting Financial Plan, including any consultation arrangements.	✓												
Constitution PFP 7.2	Approval of the CCG's commissioning and corporate (running cost) budgets to meet the CCGs financial duties.		✓											
PFP 7.4	Approval of changes to budgets where variation would have a significant impact on the overall approved levels of income and expenditure or the CCG's ability to achieve its agreed strategic aims.		✓											
PFP 7.6	Delegated authority to commit expenditure up to £100,000, subject to decisions being reported back to Governing Body for ratification.									✓				

Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
Constitution	Approval of the arrangements for discharging the CCG's statutory duties associated with its commissioning functions, including but not limited to promoting the involvement of each patient; patient choice; reducing inequalities; improvement in the quality of services; obtaining appropriate advice and public engagement and consultation; obtain advice from persons who taken together have a broad range of professional expertise and acting effectively, efficiently and economically.		✓											
Constitution	Approval of arrangements for discharging the CCG's statutory duties in relation to promoting innovation, promoting research and the use of research and promoting education and training		✓											
Constitution	Approve arrangements for supporting NHS England in discharging its responsibilities in relation to securing continuous improvement in the quality of general medical services.		✓											

Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
Constitution	Exercise the primary care commissioning functions in accordance with the delegation by NHS England.							✓						
<b>Partnership Working</b>														
Constitution	Nominate representatives from the CCG to be the CCG's representatives on the Barnsley Health and Wellbeing Board		✓											
Constitution	Promote integration across health and social care services where the CCG considers that this would improve quality of services and reduce inequalities.		✓											
Constitution PFP 22.1	Approve the Memorandum of Understanding and annual plan for the Public Health Core Offer from Barnsley Metropolitan Borough Council.		✓											
Constitution	Approve arrangements for coordinating the commissioning of services with other CCGs, NHS England, and or with the local authority, where appropriate.		✓											

Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
Constitution	Approve arrangements for risk sharing and /or risk pooling with other organisations (for example arrangements for pooled funds with other clinical commissioning groups or pooled budget arrangements under section 75 of the NHS Act 2006).		✓											
Constitution	Carry out commissioning functions delegated to the Joint Committee of CCGs as documented in the JC CCG Delegation and Terms of Reference.							✓						
<b>CCG as an employer and remuneration issues</b>														
Constitution	Have oversight of the CCG's responsibilities as an employer including adopting a Code of Conduct for staff.		✓											
Remuneration Committee Terms of reference	Approve the Terms and Conditions, remuneration and travelling or other allowances for Governing Body Members, including pensions and gratuities.					✓								

Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
Employee remuneration	Make recommendations to the Governing Body regarding the Terms and Conditions, remuneration and travelling or other allowances, including pensions and gratuities, for employees covered by National Agenda for Change arrangements, and employees outside of or in place of National Agenda for Change arrangements.					✓								
Constitution	Approve Terms and Conditions of employment for all employees of CCG and to other persons providing services to the CCG.		✓											
SOs	Approve human resources policies for employees and for other persons working on behalf of the group.		✓											
PFP 16.1;16.2	Ensure an effective payroll service and that there are comprehensive procedures for effective processing of payroll.												✓	
PFP 16.3	Approval of the CCG's detailed operational Scheme of Delegation.		✓											
PFP 16.5	Approve arrangements for staff appointments.										✓			

Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
PFP 16.6	Ensure all employees are issued with a contract of employment and that there are arrangements for dealing with variations/ terminations of contract.										✓			
<b>Operational Business and Risk Management</b>														
SOs	Approve CCG operational policies (i.e. excluding those defined as clinical or financial).			✓										
Quality & Patient Safety Committee Terms of Reference	Approve CCG clinical policies and clinical pathways.						✓	✓						
PFP 4	Approve the CCG's counter fraud arrangements.			✓										
PFP 15.1	Approve the CCG's risk management arrangements.			✓										

Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
PFP 15.2	Preparation and review of Assurance Framework and Risk Register with recommendations for action.		✓											
Constitution	Approve the group's arrangements for business continuity and emergency planning.		✓											
SO 6.1	Execution of a document by use of the seal.		✓								✓	✓	✓	
SO 6.2	Signature of document which is part of legal proceedings on behalf of CCG.									✓	✓	✓		
Constitution	Duty to comply with the Constitution and be aware of the responsibilities in it.													✓
SO 5.1	Duty to disclose non-compliance with SOs to Chief Officer.													✓
Constitution SO 8.1	Duty to declare interests.													✓

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Constitution SO 8.2	Ensure the CCG maintains up to date Register(s) of Interests, delegating responsibility to Head of Governance and Assurance to ensure Register(s) is(are) regularly reviewed.										✓			
PFP 1.3	Any person (contractor or their employees) empowered by the CCG to commit expenditure or authorised to obtain income is covered by the PFPs and the Chief Officer should ensure such persons are made aware of this.										✓			
PFP 2.2	Overall responsibility of CCG's systems of internal control and preparation of Annual Governance Statement.										✓			
PFP 2.3b) and c)	Ensuring that the CCG has in place a system for proper checking and reporting of all breaches of financial policies; and a proper procedure for regular checking of the adequacy and effectiveness of the control environment.											✓		
PFP 3.3	Ensuring professional and technically competent internal audit service; that the audit committee approves changes to the provision of internal audit and											✓		

Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
	that minutes of audit committee are formally recorded and submitted to the Governing Body.													
PFP 4.3;4.5	Ensure appropriate security management arrangements.										✓			
PFP 5.3	Provide financial reports in the form required by the Governing body, ensure money drawn down from NHS England is only as required and that an adequate system of monitoring financial performance is in place.											✓		
PFP 6.1	Periodically review the basis and assumptions for allocations ensuring these are reasonable and realistic; prior to the start of the financial year submit a report to the Governing Body showing allocations received and their proposed distribution; and regularly update the Governing Body on significant changes in year.											✓		
PFP 7.7	Ensure adequate training is delivered to budget holders and managers.											✓		

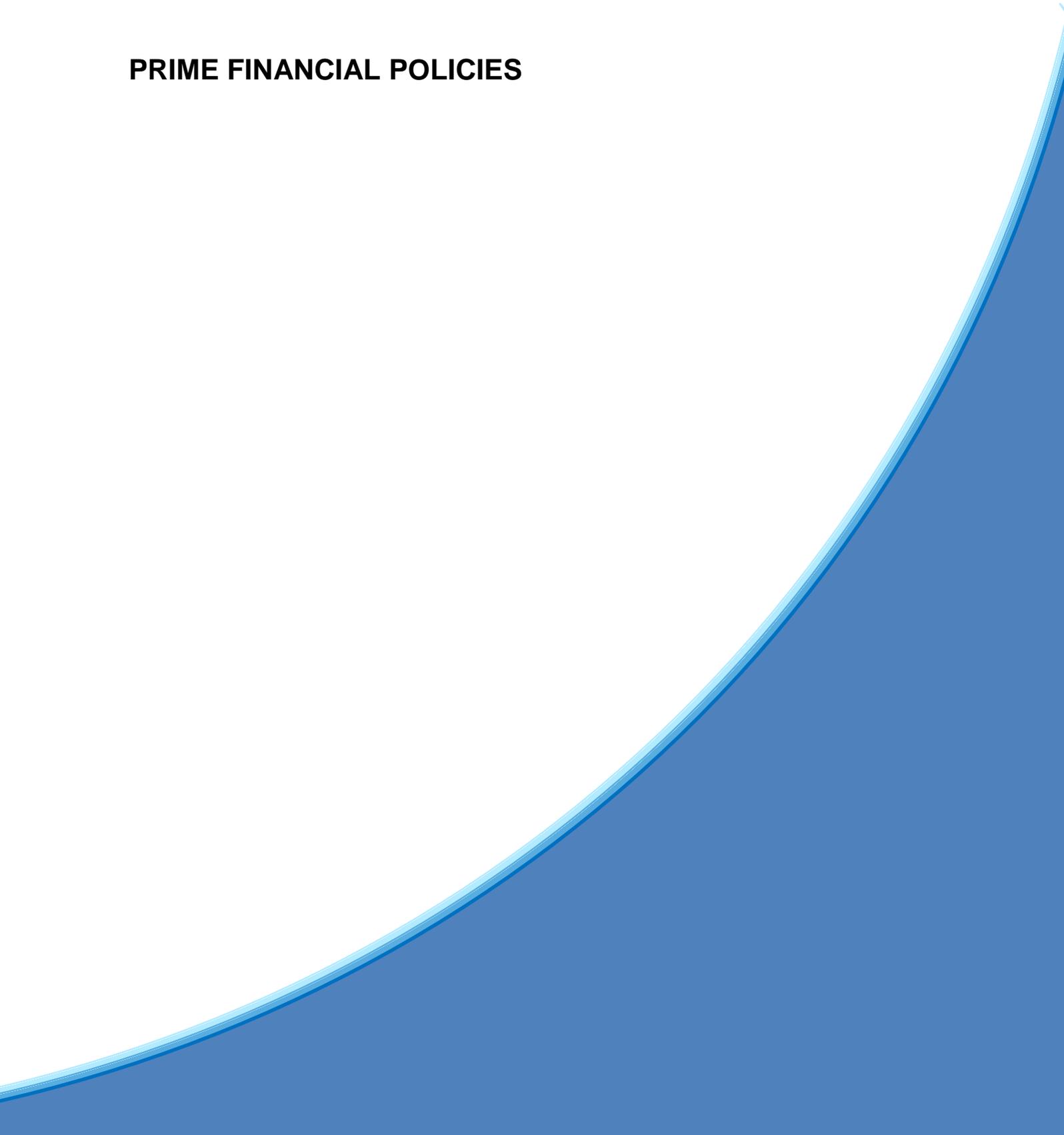
Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
PFP 8.1	Ensure the CCG prepares annual accounts and an annual report which are audited and published.										✓	✓		
PFP 9.1;9.2	Ensure the accuracy and security of CCG computerised financial data.											✓		
PFP 10.1	Ensure the CCG has an accounting system that creates management and financial accounts.											✓		
PFP 11.1	Manage the CCG's banking arrangements.											✓		
PFP 11.2	Approve the CCG's banking arrangements.			✓										
PFP 12.1	Ensure a sound system of recording, collection and management of income and cash.											✓		
PFP 13.2	Prepare a detailed financial policy on tendering including authorisation limits for quotations and tendering.											✓		

Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
PFP 13.3	Approve detailed financial policy on tendering including authorisation limits for quotations and tendering.			✓										
PFP 13.5	Nominate an individual who shall oversee and manage each contract on behalf of the CCG.										✓			
PFP 14.2	Ensure arrangements for regular reports to Governing Body on contract expenditure.										✓			
PFP 14.3	Maintain a system of financial monitoring to ensure effective accounting of expenditure under contracts.											✓		
PFP 15.3	Nomination of a senior officer to be the SIRO.										✓			
PFP 15.4	Decide if the CCG will insure through risk pooling arrangements administered via NHS LA.		✓											
PFP 15.5; 15.6	If the decision is to use the NHS LA ensure arrangements are appropriate and complementary to the risk management programme; or if the Governing Body decides not to use these arrangements, ensure											✓		

Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
	that it is informed of the nature and extent of the risks that are self- insured.													
PFP 17.1	Approve the level of non-pay expenditure on an annual basis		✓											
PFP 17.2	Set out procedures for seeking professional advice regarding the supply of goods and services.										✓			
PFP 17.3	Advise on the setting of thresholds for quotations and tenders; be responsible for prompt payment of all properly authorized accounts and for designing and maintaining a system of verification, recording and payment.											✓		
PFP 18.1	Put in place arrangements to manage capital investment, maintain an asset register and policies to ensure safe storage of fixed assets.									✓				
PFP 18.2	Prepare detailed procedures for the disposal of assets											✓		

Constitution, Standing Orders (SO) or Prime Financial Policies (PFP)	Decision / Responsibilities	Reserved to the Membership Council	Reserved or delegated to Governing Body	Delegated to Audit Committee	Delegated to the Finance and Performance Committee	Delegated to Remuneration Committee	Delegated to Quality and Patient Safety Committee	Delegated to Primary Care Commissioning Committee	Delegated to the Commissioners Working Together Joint Committee	Delegated to Management Team	Delegated to Chair	Delegated to Chief Officer	Delegated to Chief Finance Officer	All Members and Employees
PFP 19.1	Information Governance: Ensure appropriate arrangements for the retention of records; and arrangements for effective responses to Freedom of Information requests										✓			
PFP 20	Re. any property held on trust and any Charitable Funds ensure appropriate management arrangements in place											✓		
PFP 21	Ensure all staff are made aware of the CCG's policy on acceptance of gifts and other benefits in kind										✓			
PFP 22.1	Approval of the CCG's contracts for any commissioning support and the Public Health Core Offer		✓											
PFP 22.2	Nominating senior officers to manage both the contract for commissioning support and the Public Health Core Offer										✓			

# PRIME FINANCIAL POLICIES



## **PRIME FINANCIAL POLICIES**

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## **1. INTRODUCTION**

### **1.1 General**

- 1.1.1 The Statutory Framework for a Clinical Commissioning Group's Constitution does not prescribe the inclusion of prime financial policies (PFP), but they are referred to in NHS England Authority's Towards Establishment (as 'standing financial instructions'). The PFPs are not intended as part of the constitution and all of the information required by statute in a Clinical Commissioning Group's Constitution (see Schedule 1A of the 2006 Act, as inserted by Schedule 2 of the 2012 Act) has been appropriately included (note 1).
- 1.1.2 The PFPs are part of the CCG's control environment for managing the organisation's financial affairs. They contribute to good corporate governance, internal control and managing risks. They enable sound administration; lessen the risk of irregularities and support commissioning and delivery of effective, efficient and economical services. They also help the Chief Officer and Chief Finance Officer to effectively perform their responsibilities. They should be used in conjunction with the Scheme of Reservation and Delegation.
- 1.1.3 These PFPs identify the financial responsibilities that apply to everyone working for the CCG. PFPs do not provide detailed procedural advice and hence should be read in conjunction with the more detailed policies.
- 1.1.4 Advice is separately provided to those undertaking specific finance functions; these are found in and known as, Local Work Instructions, which the Chief Finance Officer approves.
- 1.1.5 The Detailed Financial Policies which include, but are not limited to, budget management; tendering and procurement, counter fraud and treatment of losses and special payments will be published and maintained on the CCG's website.
- 1.1.6 Should any difficulties arise regarding the interpretation or application of any of the PFPs or Detailed Financial Policies then the advice of the Chief Finance Officer must be sought before acting. The user of these PFPs should also be familiar with and comply with the provisions of the CCG's Constitution, Standing Orders and Scheme of Reservation and Delegation.
- 1.1.7 In certain circumstances, failure to comply with Prime Financial Policies and Standing Orders can be regarded as a disciplinary matter that could result in dismissal.

## **1.2 Overriding Prime Financial Policies**

- 1.2.1 If for any reason these PFPs 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 Governing Body's Audit Committee for referring action or ratification. All of the CCG's Members and employees have a duty to disclose any non-compliance with these PFPs to the Chief Finance Officer as soon as possible.

## **1.3 Responsibilities and Delegation**

- 1.3.1 The roles and responsibilities of Members, Governing Body Members, Committee and sub-committee members and persons working on behalf of the CCG are as set out in the Constitution.
- 1.3.2 The decisions delegated by Members are set out in the CCG'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 CCG to commit the CCG to expenditure or who is authorised to obtain income shall be covered by these PFPs. It is the responsibility of the Chief 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 Prime Financial Policies remain up-to-date and relevant, the Chief Finance Officer will review them at least annually. The Chief Finance Officer will recommend amendments, which will be, scrutinised and approved by the Governing Body's Audit Committee.

## **2. INTERNAL CONTROL**

**POLICY** – the CCG 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 Governing Body is required to establish an Audit Committee with terms of reference agreed by the Governing Body (as detailed in the Constitution).

## 2.2 Terms of Reference

2.2.1 The terms of reference for the Audit Committee will be clearly defined and follow guidance from the NHS Audit Committee Handbook (2014) and will include the performance of the following tasks:

- (a) Ensuring 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 Officer and Governing Body;
- (b) Reviewing the work and findings of the external auditor and considering the implications of and management's responses to their work;
- (c) Reviewing the findings of other significant assurance functions, both internal and external to the CCG, and considering the implications for the governance of the CCG;
- (d) Ensuring that the systems for financial reporting to the Governing Body, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the Governing Body;
- (e) Reviewing financial and information systems and monitoring the integrity of the financial statements and reviewing significant financial reporting judgments;
- (f) Reviewing the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the CCG's activities (both clinical and non-clinical), that supports the achievement of the CCG's objectives;
- (g) Monitoring compliance with Standing Orders and Prime Financial Policies;
- (h) Reviewing schedules of losses and compensations and making recommendations to the Governing Body;
- (i) Reviewing schedules of debtors/creditors balances over £5,000 and which are also over six months old and explanations/action plans;
- (j) Reviewing the annual report and financial statements prior to submission to the Governing Body focusing particularly on:

The wording in the Annual Governance Statement and other disclosures relevant to the Terms of Reference of the Committee

- i. Changes in, and compliance with, accounting policies and practices
  - ii. Unadjusted mis-statements in the financial statements
  - iii. Major judgmental areas
  - iv. Significant adjustments resulting from audit.
- (k) Reviewing the annual financial statements and recommending their approval to the Governing Body;
  - (l) Reviewing the external auditors report on the financial statements and the annual management letter;
  - (m) Conducting a review of the CCG's major accounting policies;
  - (n) Reviewing any incident of fraud or corruption or possible breach of ethical standards or legal or statutory requirements that could have a significant impact on the CCG's published financial accounts or reputation;
  - (o) Reviewing any objectives and effectiveness of the internal audit services including its working relationship with external auditors;
  - (p) Reviewing major findings from internal and external audit reports and ensure appropriate action is taken;
  - (q) Reviewing 'value for money' audits reporting on the effectiveness and efficiency of the selected departments or activities;
  - (r) Reviewing the mechanisms and levels of authority (eg Standing Orders, Prime Financial Policies, Delegated Limits) and make recommendations to the Governing Body;
  - (s) Reviewing the scope of both internal and external audit including the agreement on the number of audits per year for approval by the Governing Body;
  - (t) Investigating any matter within its terms of reference, having the right of access to any information relating to the particular matter under investigation;
  - (u) Reviewing waivers to Standing Orders;

- (v) Reviewing hospitality and sponsorship registers;
- (w) Reviewing the information prepared to support the controls assurance statements prepared on behalf of the Governing Body and advising the Governing Body accordingly.

## 2.3 **Internal Audit**

2.3.1 Internal Audit is an independent and objective assurance service which provides:

- (a) An independent and objective opinion to the Chief Officer, the Governing Body, and the Audit committee on the degree to which risk management, control and governance, support the achievement of the CCGs agreed objectives;
- (b) An independent and objective consultancy service specifically to help the CCG improve the CCG's risk management, control and governance arrangements;
- (c) Internal Audit will review, appraise and report upon policies, procedures and operations in place to:
  - i. Establish and monitor the achievement of the CCGs objectives
  - ii. Identify, assess and manage the risks to achieving the CCGs objectives
  - iii. Ensure the economical, effective and efficient use of resources
  - iv. Ensure compliance with established policies (including behavioural and ethical expectations), procedures, laws and regulations
  - v. Safeguarding the CCGs assets and interests from losses of all kinds, including those arising from fraud, irregularity or corruption
  - vi. Ensure the integrity and reliability of information, accounts and data, including internal and external reporting and accountability processes.
- (d) The Head of Internal Audit will provide to the Audit Committee:
  - i. A risk-based plan of internal audit work, agreed with management and approved by the Audit committee, based upon the management's Assurance Framework that will enable the auditors to collect sufficient evidence to give an

- opinion on the adequacy and effective operation of the CCG
  - ii. Regular updates on the progress against plan
  - iii. Reports of management's progress on the implementation of action agreed as a result of Internal audit findings
  - iv. An annual opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the CCGs risk management, control and governance processes (i.e. the CCGs system of internal control)
  - v. Additional reports as requested by the Audit Committee
- (e) The Head of Internal Audit reports to the Audit Committee and is managed by the Chief Finance Officer. The reporting system for Internal Audit shall be agreed between the Chief Finance Officer, the Audit Committee and the Head of Internal Audit. 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 3 years.
- (f) Managing Public Money, published by HM Treasury, requires public bodies to have a 'Head of Audit Opinion'. The Head of Internal Audit provides the Head of Audit Opinion.

## 2.4 **Chief Officer**

2.4.1 The Chief Officer has overall responsibility for the CCG's systems of internal control and will ensure that an Annual Governance Statement is prepared in line with national requirements:

- i. A clear opinion on the effectiveness of internal control in accordance with current assurance framework guidance issued by the NHS Commissioning Board 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
- iii. Progress against plan over the previous year
- v. A strategic audit plan covering the coming 3 years
- vi. A detailed plan for the coming year.

## 2.5 **Chief Finance Officer**

2.5.1 The Chief Finance Officer will ensure that:

- (a) The detailed financial policies are considered for review and update annually;

- (b) A system is in place for proper checking and reporting of all breaches of financial policies; and
- (c) A proper procedure is in place for regular checking of the adequacy and effectiveness of the control environment;
- (d) 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;
- (e) Ensuring that the Internal Audit function meets the NHS mandatory audit standards and provides sufficient independent and objective assurance to the Audit committee and the Chief Officer;
- (f) Deciding at what stage to involve the police in cases of misappropriation and other irregularities not involving fraud or corruption;

## 2.6 External Audit

2.6.1 The External Auditor is appointed by and paid for by the CCG. 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.

## 3. AUDIT

**POLICY** – the CCG will have an effective and independent internal audit function and fully comply with the requirements of external audit and other statutory reviews

3.1 The Head of Internal Audit and the appointed external auditor, will have direct and unrestricted access to audit committee members, the Chair of the Governing Body, Chief 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.

3.1.2 The Head of Internal Audit and the appointed external auditor will have access to the Audit Committee members and the Chief Officer, to review audit issues as appropriate. All Audit Committee members, the Chair of the Governing Body and the Chief Officer will have direct and unrestricted access to the head of internal audit and external auditors.

3.1.3 The Chief Finance Officer will ensure that:

- (a) The CCG has a professional and technically competent internal audit function as set out in more detail in the Terms of Reference of the Audit Committee;

- (b) The Audit Committee approves any changes to the provision or delivery of internal audit services to the CCG;
- (c) The minutes of the audit committee meetings shall be formally recorded and submitted to the Governing Body. The Chair of the Audit Committee shall draw to the attention of the Governing Body any issues that require disclosure to the full Governing Body, or require executive action.

#### 4. **FRAUD AND CORRUPTION**

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

- 4.1 The Governing Body's Audit Committee will satisfy itself that the CCG has adequate arrangements in place for countering fraud and shall review the outcomes of counter fraud work. It shall also approve the counter fraud annual work programme and review the annual report produced by the Local Counter Fraud Specialist.
- 4.1.2 The Governing Body's Audit Committee will ensure that the CCG has arrangements in place to work effectively with the NHS Counter Fraud Authority (NHS CFA).
- 4.2 **Security Management**
  - 4.2.1 The Chief Officer will monitor and ensure compliance with Directions issued by the Secretary of State for Health on NHS security management.
  - 4.2.2 The Chief Officer shall nominate a suitable person to carry out the duties of the Local Security Management Specialist (LSMS) as specified by the Secretary of State for Health guidance on NHS Security Management.
  - 4.2.3 The Governing Body shall nominate a Lay Member to oversee the NHS Security Management service who will report to the Governing Body.

## **5. EXPENDITURE CONTROL**

5.1 The CCG is required by statutory provisions<sup>1</sup> to ensure that its expenditure does not exceed the aggregate of allotments from NHS England and any other sums it has received and is legally allowed to spend.

5.1.2 The Chief Officer has overall executive responsibility for ensuring that the CCG 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.

5.1.3 The Chief Finance Officer will:

- (a) Provide reports in the form required by NHS England;
- (b) Ensure money drawn from NHS England is required for approved expenditure only is drawn down only at the time of need and follows best practice; and
- (c) Be responsible for ensuring that an adequate system of monitoring financial performance is in place to enable the CCG to fulfil its statutory responsibility not to exceed its expenditure limits, as set by direction of NHS England.

## **6. ALLOCATIONS (referred to as ALLOTMENTS<sup>2</sup> in statute)**

6.1 The Chief Finance Officer will:

- (a) Periodically review the basis and assumptions used by NHS England for distributing allocations (also known as allotments) and ensure that these are reasonable and realistic and secure the CCG's entitlement to funds;
- (b) Prior to the start of each financial year submit to the 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 Governing Body on significant changes to the initial allocation and the uses of such funds.

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<sup>1</sup> See section 223H of the 2006 Act, inserted by section 27 of the 2012 Act

<sup>2</sup> See section 223(G) of the 2006 Act, inserted by section 27 of the 2012 Act.

## 7. COMMISSIONING STRATEGY, BUDGETS, BUDGETARY CONTROL AND MONITORING

**POLICY** – the CCG will produce and publish an annual commissioning plan<sup>3</sup> that explains how it proposes to discharge its financial duties. The CCG will support this with comprehensive medium term financial plans and annual budgets.

- 7.1 The Chief Officer will compile and submit to the Governing Body a Commissioning Strategy and Annual Commissioning Plan, which takes into account financial targets and forecast, limits of available resources. The Governing Body will ensure that this is signed off through the Membership Council.
- 7.1.2 Prior to the start of the Financial Year the Chief Finance Officer will, on behalf of the Chief Officer, prepare and submit commissioning and infrastructure (running cost) budgets for approval by the Governing Body.
- 7.1.3 The Chief Finance Officer shall monitor financial performance against budget and plan, regularly review them, and report to the Governing Body on at least a monthly basis. This report should include explanations for variances. These variances must be based on any significant departures from agreed financial plans or budgets. The report should also document requests for changes to budgets where these are in excess of the limits delegated to the Chief Officer and Chief Finance Officer.
- 7.1.4 The Chief Officer is responsible for ensuring that information relating to the CCG's accounts or to its income or expenditure, or its use of resources is provided to NHS England as requested, including reporting to NHS England for any delegated functions.
- 7.1.5 The Governing Body will approve consultation arrangements for the CCG's Annual Commissioning Plan<sup>4</sup>.
- 7.1.6 The Chief Officer is responsible for putting in place an operational Scheme of Delegation, which sets out in writing budgetary authorisation limits for individual committees and individuals and the responsibilities of budget holders and budget managers. This will be incorporated into a detailed Financial Policy on budget management prepared by the Chief Finance Officer and approved by the Governing Body.

<sup>3</sup> See section 14Z11 of the 2006 Act, inserted by section 26 of the 2012 Act.

<sup>4</sup> See section 14Z13 of the 2006 Act, inserted by section 26 of the 2012 Act

- 7.1.7 The Chief Finance Officer has a responsibility to ensure that adequate training is delivered on an on-going basis to budget holders and their budget managers to help them manage successfully.
- 7.1.8 The Chief Finance Officer will devise and maintain systems of budgetary control. These will include:
- (a) Monthly financial reports to the Governing Body in a form approved by the Governing Body containing:
    - i. Income and expenditure to date showing trends and forecast year-end position;
    - ii. Risks to cash and other working capital;
    - iii. Capital project spend and projected outturn against plan;
    - iv. Explanations of any material variances from plan;
    - v. Details of any corrective action where necessary and the Chief Officer's and/or Chief Finance Officer's 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 work force budgets;
  - (d) Monitoring of management action to correct variances;
  - (e) Arrangements for the authorisation of budget transfers.
- 7.1.9 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 Governing Body;
  - (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 Officer other than those provided for within the available resources and work force establishment as approved by the Governing Body.

## 8. ANNUAL ACCOUNTS AND REPORTS

**POLICY** – the CCG will produce and submit to NHS England accounts and reports in accordance with all statutory obligations<sup>5</sup>, relevant accounting standards and accounting best practice in the form and content and at the time required by NHS England.

8.1 The Chief Finance Officer will ensure the CCG:-

- (a) Prepares a timetable for producing the Annual Report and Accounts and agrees it with external auditors and the Governing Body's Audit Committee;
- (b) Prepares the accounts according to the timetable approved by the audit committee as delegated by the Governing Body;
- (c) Complies with statutory requirements and relevant directions for the publication of the externally audited annual accounts and annual report
- (d) Considers the external auditor's management letter and fully address all issues within agreed timescales, ensuring it is presented to the audit committee for consideration; and
- (e) Publishes the external auditor's management letter on the CCG's website and makes it available upon request for inspection at the CCG's head office.

## 9. INFORMATION TECHNOLOGY

**POLICY** – the CCG will ensure the accuracy and security of the CCG's computerised financial data.

9.1 The Chief Finance Officer is responsible for the accuracy and security of the CCG's computerised financial data and shall:-

- (a) Devise and implement any necessary procedures to ensure adequate (reasonable) protection of the CCG's data, programs and computer hardware from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage,

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<sup>5</sup> See paragraph 17 of Schedule 1A of the 2006 Act, as inserted by Schedule 2 of the 2012 Act.

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.

9.1.2 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 CCG will run an accounting system that creates management and financial accounts.

10.1 The Chief Finance Officer will ensure:-

- (a) The CCG has suitable financial and other software to enable it to comply with these policies and any consolidation requirements of NHS England;
- (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 CCG will keep enough liquidity to meet its current commitments.

11.1 The Chief Finance Officer will:-

- (a) Review the banking arrangements of the CCG at regular intervals to ensure they are in accordance with Secretary of State directions , best practice and represent best value for money;
- (b) Manage the CCG's banking arrangements and advise the CCG on the provision of banking services and operation of accounts;
- (c) Prepare detailed instructions on the operation of bank accounts.

11.1.2 The Audit Committee shall approve the banking arrangements.

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

**POLICY** – the CCG will:

- Operate a sound system for prompt recording, invoicing and collection of all monies due;
- Seek to maximise its potential to raise additional income only to the extent that it does not interfere with the performance of the CCG or its functions;<sup>6</sup>
- Ensure its power to make grants and loans is used to discharge its functions effectively;<sup>7</sup>

12.1 The Chief Finance Officer is responsible for the following:

- (a) Designing, maintaining and ensuring compliance with systems for the proper recording, invoicing, and collection and coding of all monies due;

<sup>6</sup> See section 14Z5 of the 2006 Act, inserted by section 26 of the 2012 Act.

<sup>7</sup> See section 14Z6 of the 2006 Act, inserted by section 26 of the 2012 Act.

- (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 NHS England or by statute. Independent professional advice on matters of valuation shall be taken as necessary;
- (d) Developing effective arrangements for making grants or loans;
- (e) Appropriate recovery action on all outstanding debts.

### 13. TENDERING AND CONTRACTING PROCEDURE

**POLICY – the CCG:**

- 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 Tendering

- 13.1.1 The CCG 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 Officer it is desirable to seek tenders from firms not on the approved lists, the reason shall be recorded in writing to the Audit Committee.

- 13.1.2 Those with delegated financial authority identified in the Operational Scheme of Delegation 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 CCG's Standing Orders;
  - (b) The Public Contracts Directive 2014/24/EU', any successor legislation and any other applicable law; and
  - (c) Take into account as appropriate any applicable NHS England or NHS Improvement guidance that does not conflict with (b) above.
- 13.1.3 In all contracts entered into, the CCG shall endeavour to obtain best value for money. The Chief Officer shall nominate an individual who shall oversee and manage each contract on behalf of the CCG.
- 13.1.4 The CCG shall approve its own Procurement Policy, which should be read in conjunction with this section.
- 13.2 **Presumption to Tender**
- 13.2.1 There is a presumption that tendering will occur where:
- (a) A contract opportunity that is required to be advertised under the Regulations (i.e. the contract opportunity is governed by the Regulations and the value of the contract opportunity as calculated pursuant to the Regulations exceeds the relevant financial threshold for the requirement to run a formal tender process); or
  - (b) The contract opportunity would pass the Cross Border Test. The Cross Border Test is passed (subject to any subsequent judicial precedent in the UK Courts or the European Court of Justice) if the contract opportunity under consideration would be (where the value of the contract exceeds the threshold and is part of the light touch regime under the Regulations, or falls outside the requirement to tender under the Regulations) of certain interest to anybody located in a member state of the European Union other than the United Kingdom.

13.2.2 The CCG shall ensure that contract opportunities with the CCG are advertised in accordance with the relevant PFPs and where more than one response is received that competitive tenders are invited in accordance with the PFPs for:

- (a) The supply of goods, materials and manufactured articles;
- (b) The rendering of services including all forms of management consultancy services;
- (c) For the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens);
- (d) Subject to PFPs for disposals.

### 13.3 **Commissioning Health Care Services: Decision to Advertise**

Health care services are classed as light-touch services under the Regulations and as such, no requirement to advertise arises, unless above the threshold contained within regulations. Each contract opportunity should be assessed against the Cross Border Test and the CCGs Procurement Policy. Where no decision to tender is made this should be clearly documented and reported to the Audit Committee.

### 13.4 **In-House Services: Decision to Procure Services**

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

### 13.5 **Exceptions and Instances Where Formal Tendering Procedures Need Not be Applied**

Where a contract opportunity is required to be tendered such contract opportunities need not be advertised and formal tendering procedures need not be applied where:

- (a) The estimated expenditure or income:
  - i. For a contract opportunity (for goods and non-healthcare services) does not, or is not reasonably expected to, exceed limits as specified in the operational Scheme of Delegation;or

- ii. For any contract opportunity (for healthcare services) that does not, or is not reasonably expected to reach OJEU limits
- (b) The requirement can be met under an existing contract without infringing Procurement Legislation;
- (c) The CCG is entitled to call off from a Framework Agreement subject to 13.14 below;
- (d) A consortium arrangement is in place and a lead organisation has been appointed to carry out tendering activity on behalf of the CCG; or
- (e) An exception permitting the use of the negotiated procedure without notice validly applies under Regulation 14 of the EU Regulations.

13.5.1 Formal tendering procedures **may be waived** in the following circumstances:

- (a) In very exceptional circumstances where the Chief 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 CCG record;
- (b) Where the timescale genuinely precludes competitive tendering for reasons of extreme urgency brought about by events unforeseeable by the CCG and not attributable to the CCG. Failure to plan work properly is not a justification for waiving the requirement to tender;
- (c) Where the works, services or supply required are available from only one source for technical or artistic reasons or for reasons connected with the protection of exclusive rights;
- (d) When the goods required by the CCG are a partial replacement for, or in addition to, existing goods and to obtain the goods from a supplier other than the supplier who supplied the existing goods would oblige the CCG to acquire goods with different technical characteristics and this would result in:
  - i. Incompatibility with the existing goods; or
  - ii. Disproportionate technical difficulty in the operation and maintenance of the existing goods

However, no such contract may be entered in for duration of more than 3 years.

- (e) When works or services required by the CCG are additional to works or services already contracted for but for unforeseen circumstances such additional works or services have become necessary and that such additional works or services;
- (f) Cannot for technical or economic reasons be carried out separately from the works or services under the original contract without major inconvenience to the CCG;
- (g) Can be carried out or provided separately from the works or services under the original contract but are strictly necessary to the latest stages of performance of the original contract; provided that the value of such additional works or services does not exceed 50% of the value of the original contract;
- (h) For the provision of legal advice and/or services provided that any provider of legal advice and/or services commissioned by the CCG is regulated by the Solicitors Regulation Authority for the conduct of their business (or by the Bar Council for England and Wales in relation to the obtaining of Counsel's opinion) and are generally recognised as having sufficient expertise in the area of work for which they are commissioned. The Head of Governance and Assurance will ensure that any legal fees paid are reasonable and within commonly accepted rates for the costing of such work.

### 13.6 **Monitoring and Audit of Decision Not to Seek Tenders**

- 13.6.1 The waiving of competitive tendering procedures should not be used with the object of avoiding competition or solely for administrative convenience or, subject to above exceptions, to award further work to a provider originally appointed through a competitive procedure.
- 13.6.2 Where it is decided that competitive tendering need not be applied or should be waived, the fact of the non-application or waiver and the reasons for it should be documented and recorded in an appropriate CCG record and reported to the Audit Committee at each meeting.
- 13.6.3 Where the CCG proposes not to conduct a tender process in relation to a contract opportunity for a new health care service or a significantly changed health care service then the Governing Body shall consider such proposal at a meeting of the Governing Body as recommended by the 'Procurement, Patient Choice and Competition Regulations (Dec 2013)'.

13.7 **Contracts, Which Subsequently Breach Thresholds After Original Approval Not to Seek Tenders**

13.7.1 Contract opportunities estimated to be below those detailed in the Operational Scheme of Delegation or below the threshold for the application of the requirement to tender under the Regulations, for which formal tendering procedures are not used, but which subsequently prove to have a value above such limits, shall be reported to the Chief officer, and be recorded in an appropriate CCG record.

13.8 **Use of Framework Agreements**

13.8.1 The CCG may utilise any available Framework Agreement to satisfy its requirements for works, services or goods but only if it complies with the requirements of Procurement Legislation in doing so, which include (but are not limited to) ensuring that:

- (a) The Framework Agreement was procured on its behalf. The CCG should satisfy itself that the original procurement process included the CCG within its scope;
- (b) The Framework Agreement includes the CCG's requirement within its scope. The CCG should satisfy itself that this is the case;
- (c) Where the Framework Agreement is a multi-operator Framework Agreement, the process for the selection of providers to be awarded call-off contracts under the framework agreement is followed;
- (d) The call-off contract entered into with the provider contains the contractual terms set out by the Framework Agreement.

13.9 **Tendering Procedure**

13.9.1 The CCG shall ensure that no sector of any market (public, private, third sector/social enterprise) is given an unfair advantage in the design or conduct of any tender process:

- (a) The subject matter and the scope of the contract opportunity should be described in a non-discriminatory manner. The CCG should utilise generic and/or descriptive terms, rather than the trade names of particular products or processes or their manufacturers or their suppliers;
- (b) All participants in a tender process should be treated equally and all rules governing a tender process must apply equally to all participants;

## 13.10 Advertisement of Contract Opportunities

### 13.10.1 Where a formal tender process is required then:

- (a) Where a contract opportunity falls within the Regulations and a process compliant with the Regulations is required, an OJEU Notice should be utilised; or
- (b) Without prejudice to exceptions detailed in these PFPs where a contract opportunity does not fall within the Regulations the CCG shall utilise a form of advertising for such contract opportunity that is sufficient to enable potential providers (including providers in member states of the EU other than the UK) to access appropriate information about the contract opportunity so as to be in a position to express an interest; and
- (c) In relation to any contract opportunity for health care services the CCG shall as a minimum advertise on [www.contractsfinder.service.gov.uk](http://www.contractsfinder.service.gov.uk) the procurement portal.

## 13.11 Choice of Procedure

- 13.11.1 (a) Where a contract opportunity falls within the Regulations and a process compliant with the Regulations is required then the CCG shall utilise an available tender procedure under the Regulations;
- (b) In all other cases the CCG shall utilise a tender procedure proportionate to the value, complexity and risk of the contract opportunity and shall ensure that invitations to tender are sent to a sufficient number of providers to provide fair and adequate competition (in any event no less than 2).

## 13.12 Invitation to Tender

- 13.12.1 (a) All invitations to tender shall state the date and time that is the latest time for the receipt of tenders;
- (b) All invitations to tender shall state that no tender will be accepted unless submitted electronically through the appropriate process, as instructed within the tender documentation

- (c) Every invitation to tender must require each bidder to give a written undertaking not to engage in collusive tendering or other restrictive practice and not to engage in canvassing the CCG Members, Governing Body Member, its employees or officers concerning the contract opportunity tendered.

### 13.13 **Receipt and Safe Custody of Tenders**

- 13.13.1 (a) The Chief Officer or his/her nominated representative (who may not be from the department that sponsored or commissioned the relevant invitation to tender; referred to as the “Originating Department”) will be responsible for the receipt, endorsement and safe custody of tenders received until the time appointed for their opening;
- (b) For all tenders, the electronic procurement system will automatically record;
- (c) An auditable date/time stamp of all actions. This audit trail is available for review in real time by all officers with appropriate access rights and cannot be edited.

### 13.14 **Opening Tenders and Register of Tenders**

- 13.14.1 (a) As soon as practicable after the date and time stated as being the latest time for the receipt of tenders, the nominated registered electronic tendering user will be able to access the electronic tenders and release them once the time and date for opening has passed;
- (b) An auditable electronic log of actions, which may not be edited, is created including procurement and supplier time/date stamped actions;
- (c) A register shall be maintained by the Chief Officer, or a person authorised by him/her, to show for each competitive invitation to tender despatched:
  - i. The names of all organisations/individuals invited to tender
  - ii. The names of all organisations/individuals from which tenders have been received
  - iii. The date the tenders were received and opened
  - iv. The persons present at the opening
  - v. The price shown on each tender; and
  - vi. A note where price alterations have been made on the tender and suitably initialed.

13.15 **Admissibility of Tenders**

13.15.1 Tenders will be admissible under the following circumstances:

- (a) If for any reason the designated officers are of the opinion that the tenders received are not sufficient to demonstrate competition (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 Officer;
- (b) Where only one tender is sought and/or received, the Chief Officer and Chief Finance Officer shall, as far practicable, ensure that the price to be paid is fair and reasonable and will ensure best value for the CCG.

13.16 **Late Tenders**

13.16.1 Where tenders are received late the following will be applied:

- (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 Officer or his/her nominated officer decides that there are exceptional circumstances i.e. despatched in good time but delayed through no fault of the tenderer;
- (b) 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 Officer or his/her nominated officer or if the process of evaluation and adjudication has not started;
- (c) 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 Officer or his/her nominated officer;
- (d) Accepted late tenders will be reported to the Governing Body.

13.17 **Electronic Auctions and Dynamic Purchasing Systems**

13.17.1 The CCG shall have policies and procedures in place for the control of all tendering activity carried out through dynamic purchasing systems and electronic auctions if such mechanisms are to be utilised by the CCG for tendering any contract opportunity. For further guidance on dynamic purchasing systems or electronic auctions refer to [www.gps.cabinetoffice.gov.uk](http://www.gps.cabinetoffice.gov.uk).

13.18 **Accountability Where In-House Bid**

13.18.1 In all cases where the Governing Body or the Operational Executive determines that in-house services should be subject to competitive tendering the following groups shall be set up:

- (a) Specification Group, comprising the Chief Officer or nominated officer(s) and Specialist Officer whose function shall be to draw up the specification of the service to be tendered;
- (b) In-house Tender Group, comprising a nominee of the Chief Officer and technical support to draw up and submit the in-house tender submission;
- (c) Evaluation Group, comprising normally a specialist officer, the contract lead as delegated by the Chief Officer and a Chief Finance Officer representative whose function is to shortlist expressions of interest received and evaluate tenders received. For services having a likely annual expenditure exceeding £100,000, a non-officer member should be a member of the evaluation team.

13.18.2 No officer or employee of the CCG directly engaged or responsible for the provision of the in-house service subject to competitive tendering may be a member of any of the specification or evaluation group but the Specification Group may consult with and take into account information received from such officers or employees in drawing up the CCG's specification subject at all times to observing the duty of non-discrimination. No member of the In-house Tender Group may participate in the evaluation of tenders.

13.18.3 The Evaluation Group shall make recommendations to the Governing Body.

13.18.4 The Chief Officer shall nominate an officer to oversee and manage the contract awarded on behalf of the CCG.

### 13.19 **Requirement to Obtain Competitive Quotations**

- 13.19.1 Subject to section 13.6 competitive quotations are required for all contract opportunities where formal tendering procedures are not adopted and where the intended expenditure or income exceeds, or is reasonably expected to exceed £15,000.
- 13.19.2 Competitive quotations are not required where a contract opportunity need not be advertised and tendered.
- 13.19.3 Competitive quotations are not required where the requirement to advertise and tender a contract opportunity has been waived.

### 13.20 **Competitive Quotations**

13.20.1 Where competitive quotations are required:

- (a) Quotations should be obtained from at least 3 organisations/individuals based on specifications or terms of reference prepared by, or on behalf of, the Clinical Commissioning Group;
- (b) Quotations should be obtained in writing unless the Chief Officer 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 an appropriate CCG record;
- (c) All quotations should subject to compliance with the provisions of the Freedom of Information Act 2000 be kept as confidential and should be retained for 6 months from the date of receipt for inspection;
- (d) The Chief Officer or his nominated officer should evaluate each quotation received applying evaluation criteria and select the quote, which gives the best value.

### 13.21 **Non-Competitive Quotations**

- 13.21.1 (a) Non-competitive quotations in writing must be obtained for any contract opportunity where formal tendering procedures are not adopted and where competitive quotations are not required;

- (b) Where competitive tendering or a competitive quotation is not required, the CCG shall use the NHS Supply Chain for procurement of all goods unless the Chief officer or nominated officers deem it inappropriate. The decision to use alternative sources must be documented in an appropriate CCG record.

### 13.22 **Quotations to be within Financial Limits**

- 13.22.1 No quotation shall be accepted by the CCG, which will commit expenditure in excess of that which has been allocated by the CCG except with the authorisation of either the Chief Officer or Chief Finance Officer.

### 13.23 **Evaluation of Tenders and Quotations**

- 13.23.1 The CCG shall ensure that it seeks to obtain best value for each contract opportunity.

### 13.24 **Choice of Evaluation Methodology**

- 13.24.1 The CCG must for each contract opportunity, which is subject to a tender, or a competitive quotation chooses to adopt evaluation criteria based on either:

- (a) The lowest price; or
- (b) The most economically advantageous tender, based on criteria linked to the subject matter of the contract opportunity including but not limited to some or all of:
  - i. Quality
  - ii. Price
  - iii. Technical Merit
  - iv. Aesthetic and Functional Characteristics
  - v. Environmental Characteristics
  - vi. Running Costs
  - vii. Cost Effectiveness
  - viii. After Sales Service
  - ix. Technical Assistance
  - x. Delivery Date
  - xi. Delivery Period and/or
  - xii. Period of Completion

- 13.25 Each invitation to tender or invitation to supply a competitive quotation must state the evaluation criteria to be used to evaluate the tender or quotation and the relative weightings of each such criterion.

## **Acceptance of Formal Tenders**

13.25.1 Acceptance of tenders will be as follows:-

- (a) Any discussions with a tenderer, which are deemed necessary to clarify technical aspects of his/her, tender before the award of a contract will not disqualify the tender;
- (b) 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) should be dealt with in the same way as late tenders;
- (c) Where examination of tenders reveals errors, which would affect the tender figure, the tenderer may be given details of such errors and afforded the opportunity of confirming or withdrawing his offer;
- (d) No tender shall be accepted by the CCG, which will commit expenditure in excess of that which has been allocated by the CCG except with the authorisation of the Chief Officer;
- (e) No tender shall be accepted by the CCG, which is obtained contrary to these PFPs except with the authorisation of the Chief Officer or Chief Finance Officer;
- (f) All tenders should, subject to compliance with the provisions of the Freedom of Information Act 2000, be kept confidential and should be retained for 12 months from the date set for the receipt of tenders for inspection.

13.26 **Authorisation of Tenders and Competitive Quotations**

13.26.1 Contract will be awarded:

- (a) By appropriate staff in line with the *Operational Scheme of Delegation* subject to all the requirements set out in these Standing Financial Instructions have been fully complied with;
- (b) Formal authorisation must be put in writing. In the case of authorisation by the Governing Body this shall be recorded in their minutes.

### 13.27 **Tender Reports to the Governing Body**

13.27.1 Reports to the Governing Body will be made on an exceptional circumstance basis only.

### 13.28 **Form of Contract: General**

13.28.1 The CCG shall consider the most applicable form of contract for each contract opportunity (including to the extent appropriate any NHS Standard Contract Conditions available) and should consider obtaining support from a suitably qualified professional advisor (including where appropriate legal advisors).

### 13.29 **Statutory Requirements**

13.29.1 The CCG must ensure that all contracts that are governed by mandatory statutory requirements (whether contained in Statute, Regulations or Directions) comply with such requirements.

### 13.30 **Contracts for Health Care Services**

13.30.1 Where a mandatory requirement of NHS England, the CCG shall utilise the most relevant NHS commissioning contract for the commissioning of health care services, or where a mandatory requirement of NHS England include standard provisions.

### 13.31 **Contracts for Building or Engineering Works**

13.31.1 If necessary the CCG will seek expert advice before commissioning any building or engineering works.

### 13.32 **Employment, Agency and Consultants Contracts**

13.32.1 The Chief Officer shall nominate officers with delegated authority to enter into permanent and temporary contracts of employment and other contracts for agency staff or persons engaged on a consultancy basis.

### 13.33 **Compliance Requirements for all Contracts**

13.33.1 The CCG may only enter into contracts within the statutory powers delegated to it by the Secretary of State or otherwise derived from Statute and each such contract shall:

- (a) Comply with the CCG's Standing Orders and Prime Financial Policies;

- (b) Comply with the requirements of all EU Directives directly enforceable in the UK and all other statutory provisions;
- (c) Require (where applicable) the standards set out in the Standards for Better Health to be followed;
- (d) Embody substantially the same terms and conditions of contract as were the basis on which tenders or quotations were invited;
- (e) Be entered into and managed to obtain best value;
- (f) Have an officer nominated by the Chief Officer to oversee and manage each contract on behalf of the CCG.

13.34 **Disposals**

13.34.1 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 Officer or his nominated officer;
- (b) Obsolete or condemned articles and stores, which may be disposed of in accordance with the supplies policy of the CCG.

14. **COMMISSIONING**

**POLICY** – working in partnership with relevant national and local stakeholders, the CCG will commission certain health services to meet the reasonable requirements of the persons for whom it has responsibility.

14.1 The CCG will coordinate its work with NHS England, other Clinical Commissioning Groups, and local providers of services, local authority(s), including through Health & Wellbeing Boards, patients, their carers, the voluntary sector, and others as appropriate to develop robust commissioning plans.

14.1.2 The Chief Officer will establish arrangements to ensure that regular reports are provided to the Governing Body detailing actual and forecast expenditure and activity for each contract.

- 14.1.3 The Chief Finance Officer will maintain a system of financial monitoring to ensure the effective accounting of expenditure under contracts. 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 CCG will put arrangements in place for evaluation and management of its risks and will put insurance arrangements in place.

### 15.1 Risk Management

- 15.1.2 The Chief Officer shall ensure that the CCG has a programme of risk management, in accordance with prevailing NHS England and Department of Health Assurance Framework requirements, which will be monitored by the Audit Committee and the Governing Body Governance sub-committee's and approved by the Governing Body.
- 15.1.3 The existence, integration and evaluation of the above elements will assist in providing a basis to make a statement on the effectiveness of internal control within the Annual Report and Accounts.
- 15.1.4 The Chief Officer will also ensure that a Risk Register is maintained which will assess risks for their probability and impact. The Risk Register will be regularly reviewed by the operational executive committee and regular reports will be made to both the Audit Committee and Governing Body.
- 15.1.5 The Chief Officer will nominate a senior officer to be the Senior Information Risk Owner (SIRO).
- 15.1.6 The Chief Officer shall ensure that the CCG has a programme of risk management, in accordance with current NHS England assurance framework requirements, which must be approved and monitored by the Governing Body. 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.

## 15.2 **Insurance: Risk Pooling Schemes Administered by NHSLA**

15.2.1 The Governing Body shall decide if the CCG will insure through the risk pooling schemes administered by the NHS Litigation Authority or self-insure for some or all of the risks covered by the risk pooling schemes. If the Governing Body 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.

15.2.2 Where the Governing Body decides to use the risk pooling schemes administered by the NHS Litigation Authority the Chief Finance Officer shall ensure that the arrangements entered into are appropriate and complementary to the risk management programme. The Chief Finance Officer shall ensure that documented procedures cover these arrangements.

15.2.3 Where the Governing Body decides not to use the risk pooling schemes administered by the NHS Litigation Authority for one or other of the risks covered by the schemes, the Chief Finance Officer shall ensure that the Governing Body is informed of the nature and extent of the risks that are self-insured as a result of this decision. The 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.

## 16. **PAYROLL AND PAY EXPENDITURE**

**POLICY** – the CCG will put arrangements in place for an effective payroll service and the management of its staffing establishment and staffing costs

## 16.1 **Payroll**

16.1.1 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.

16.1.2 In addition, the Chief Finance Officer shall set out comprehensive procedures for the effective processing of payroll.

## 16.2 **Funded Establishment**

16.2.1 The Governing Body will approve the staffing funded establishment of the CCG at the start of each Financial Year as part of the approval of initial budgets. It will then monitor variations as part of the financial reports in year.

16.2.2 During the Financial Year, the funded establishment of any department may not be varied without the approval of the Chief Officer or Chief Finance Officer or relevant approving body in line with the Scheme of Reservation and Delegation.

## 16.3 **Staff Appointments**

16.3.1 No Governing Body Member or employee may engage, re-engage, or re-grade employees, on a permanent or temporary nature, hire agency staff, or agree to changes in any aspect of remuneration unless authorised to do so through the financial limits within the operational Scheme of Delegation.

16.3.2 The Chief Officer will:

- (a) Ensure that all employees are issued with a Contract of Employment and which complies with employment legislation; and
- (b) Ensure there are arrangements for dealing with variations to, or termination of, contracts of employment.

## 17. NON-PAY EXPENDITURE

**POLICY** – the CCG will seek to obtain the best value for money goods and services received.

- 17.1 The Governing Body will approve the level of non-pay expenditure on an annual basis and the Chief Officer will determine the level of delegation to budget managers.
- 17.1.2 During the Financial Year, the non-pay expenditure budgets of any department may not be varied without the approval of the Chief Officer or Chief Finance Officer or relevant approving body in line with the Scheme of Reservation and Delegation.
- 17.1.3 The Chief Officer shall set out procedures on the seeking of professional advice regarding the supply of goods and services.
- 17.1.4 The Chief Finance Officer will:
- (a) Advise the Audit Committee through the operational Scheme of Delegation, on the setting of thresholds above which quotations (competitive or otherwise) or formal tenders must be obtained;
  - (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 CCG 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 CCG's fixed assets.

- 18.1 The Chief 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) 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.

18.1.2 The Chief Finance Officer will prepare detailed procedures for the disposal of assets.

## 19. RETENTION OF RECORDS

**POLICY** – the CCG 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 Chief 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 AND CHARITABLE FUNDS

**POLICY** – the CCG will put arrangements in place to provide for the appointment of trustees if the CCG holds any property in trust or will put arrangements in place for the management of any charitable funds.

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

20.1.2 The Chief Finance Officer shall ensure that appropriate arrangements are in place with Barnsley Hospitals Charitable Trust to manage any charitable funds relating to the CCG.

## **21. ACCEPTANCE OF GIFTS BY STAFF AND LINK TO STANDARDS OF BUSINESS CONDUCT**

21.1 The Chief Officer shall ensure that all staff are made aware of the CCG policy managing conflicts of interest and acceptance of sponsorship gifts and hospitality specifically acceptance of gifts and other benefits in kind by staff. This policy follows the guidance contained in the Department of Health circular HSG (93) 5 'Standards of Business Conduct for NHS Staff'; the Code of Conduct for NHS Managers 2002; the ABPI Code of Professional Conduct relating to hospitality/gifts from pharmaceutical/external industry; and NHS England's *Managing Conflicts of Interest: Revised Statutory Guidance for CCGs 2017*.

## **22. COMMISSIONING SUPPORT SERVICES AND PUBLIC HEALTH CORE OFFER**

22.1 The Governing Body will approve contracts for commissioning support services provided by external organisations and the Memorandum of Understanding with Barnsley Metropolitan Borough Council for the Public Health Core Offer.

22.1.2 The Chief Officer will be responsible for nominating a senior officer to ensure a comprehensive contract is in place for commissioning support services, which also delivers value for money. The Chief Officer will also be responsible for nominating a senior officer to ensure the Memorandum of Understanding and annual plan of work is agreed with Barnsley Metropolitan Borough Council for the Public Health Core Offer.

## **23. LOSSES, COMPENSATIONS AND FRAUDS**

23.1 The Chief Finance Officer must notify NHS Counter Fraud Authority (NHS CFA) of all frauds.

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

- (a) The Governing Body, and
- (b) The External Auditor.

- 23.1.3 The writing-off of losses shall be within limits delegated to it by NHS England and as delegated in the Operational Scheme of Delegation.
- 23.1.4 The Chief Officer shall be authorised to take any necessary steps to safeguard the CCG's interests in bankruptcies and company liquidations.
- 23.1.5 For any loss, the Chief Finance Officer should consider whether any insurance claim could be made.
- 23.1.6 The Chief Finance Officer shall maintain a Losses and Special Payments Register in which write-off action is recorded.
- 23.1.7 All losses and special payments must be reported to the Audit Committee at every meeting.
- 23.1.8 Section 1.1.1 Note 1 – relevant amendments to the constitution have been made to ensure statutory compliance.

**NHS Barnsley Operational Scheme of Delegation**

This operational scheme of delegation should be read in conjunction with Standing Orders, Scheme of Reservation and Delegation, Prime Financial Policies and the detailed financial policy on budget management.

<b>Procurement/tendering limits</b>	
Verbal quotes (keep supporting evidence)	£0 to £14,999
Written competitive quotations	£15,000 to £50,000
Tenders	above £50,000
Note: above values are shown including VAT, are for one year and where appropriate are subject to EU Procurement regulations (see note 2 below).	

				As Delegated by the Chief Officer			
Description	Approval	CCG Chair/ Chief Officer and Chief Finance Officer	Officer Nominated Deputy CCG Senior Manager	Officers or Nominated Deputies	CCG Senior Manager	Delegated CCG Staff	Delegated External Staff
Level		Unlimited up to Budget	£500k and 2 signatures	Up to £100k	Up to £25k	Up to £500	Up to £2,700

#### Expenditure

Raise requisition where contract required	Note 1	Yes	Yes	Yes	Yes	Yes	
Raise requisition where contract signed	Note 1	Yes	Yes	Yes	Yes	Yes	
Invoices or claim forms without requisition	Note 1	Yes	Yes	Yes	Yes	Yes	Yes
Quarterly freeze payments to NHS Trusts, Foundation Trusts, CCGs	Note 1	Yes	Yes	Yes			
Goods received notes	Note 1	Yes with no financial limit					

Description	Approval	CCG Chair/ Chief Officer and Chief Finance Officer	Officer Nominated Deputy CCG Senior Manager	Officers or Nominated Deputies	CCG Senior Manager	Delegated CCG Staff	Delegated External Staff
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Level		Unlimited up to Budget	£500k and 2 signatures	Up to £100k	Up to £25k	Up to £500	Up to £2,700
<b>Losses and Special Payments</b>							
Write off due to: losses of cash, bad debt, damages to property, ex-gratia payments	Report to Audit Committee	Up to £50k					
Write off fruitless payments	Report to Audit Committee	Up to £250k					
Ex-gratia payments for clinical negligence and personal injury	Report to Audit Committee	Yes					
Early retirements, redundancy and termination settlements in line with national guidelines	Approval by Remuneration Committee	Yes					
<b>Equipment, Non-Operating Leases and Capital Assets (see note 3)</b>							
Acquisition of lease or capitalised asset	Note 1	Yes	Yes				
Disposal of lease or capital asset	Note 1	Yes	Yes				
Acquisition of equipment	Note 1	Yes	Yes				
Disposal of equipment	Note 1	Yes	Yes				

Description	Approval	CCG Chair/ Chief Officer and Chief Finance Officer	Officer Nominated Deputy CCG Senior Manager	Officers or Nominated Deputies	CCG Senior Manager	Delegated CCG Staff	Delegated External Staff
Level		Unlimited up to Budget	£500k and 2 signatures	Up to £100k	Up to £25k	Up to £500	Up to £2,700
<b>Income</b>							
Debtor Request Forms	Note 1	Yes	Yes	Yes	Yes	Yes	Yes
Authorisation of credit notes	Note 1	Yes	Yes	Yes	Yes	Yes	Yes
Cancellation of invoices	Note 1	Yes	Yes	Yes	Yes	Yes	Yes
<b>Legal Contracts and Decisions to Commit Expenditure</b>							
Contracts (after application of due process)	Note 1	Yes	Yes	Yes	Yes		
Healthcare contracts	Note 1	Yes	Yes	Yes			
Indemnity Agreements	Note 1	Yes	Yes	Yes			
Joint Venture Documents	Note 1	Yes	Yes	Yes			
Operating Leases	Note 1	Yes	Yes	Yes			
Establishment Control Form – replacement (funded)	Note 3	Yes	Yes	Yes	Yes		
Approval to recruit – change in structure	Note 3	Yes	Yes	Yes	Yes		
Letters of appointment	Note 3	Yes	Yes	Yes	Yes		
Sealing of Documents	Report to GB	Yes	Yes	Yes			
Budget Virements	Note 4	Yes	Yes	Yes	Yes		

**Notes:**

**Note 1** – All approvals in relation to budgets and decisions to commit expenditure must be given by Management Team up to £100,000 and by Governing Body beyond this level. Following relevant approval, officers then apply the relevant limits set out in this operational scheme of delegation.

**Note 2** – EU Procurement threshold rates (Public Contracts regulations 2015). These rates apply to the TOTAL (excl VAT) contract value and over the life of the contract

Works - £4,104,394  
Supplies - £164,176  
Services - £164,176

**Note 3** – Staffing establishment – Under PFPs, the Governing Body will approve the funded establishment for the CCG prior to the start of the financial year. Any changes will requires approval by Management Team or Governing Body (limits as per note 1 above) and authorisation by Chief Officer or Chief Finance Officer.

**Note 4** – The Chief Finance Officer (CFO) has the authority to move funding between budget headings. However, the CFO will present the Governing Body with information each month in the finance report on movements between budgets for Governing Body approval.