



Operational Scheme of Delegation

September 2018



Control history

Title of Document:	Operational Scheme of Delegation		
Document Reference:	Operational Scheme of Delegation V1.0		
Supersedes:	This supersedes Operational Schemes of Delegations in place for individual CCGs.		
Placement in Organisation:	All CCG staff in the Alliance		
Consultation/Stakeholders	Senior Management and Executive Directors Lay Members		
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Department/Team:	Finance		
Ratified By:	Alliance Governing Bodies		
Ratification Date:	24.10.18 (Sth) 31.10.18 (South)	Review Date:	31.10.19
Implementation Date:	November 2018		
Implementation Method:	Ratified Policy to be circulated to all Alliance staff and placed on each CCG's website		
Version Control	V1.0		
<p><i>This document is to be read in conjunction with the following documents:</i></p> <p>Procurement Policy Conflicts of Interest Fraud, Bribery and Corruption Competitive Tendering and Contracting</p>			



Operational Scheme of Delegation

This Operational Scheme of Delegation has been developed in conjunction with the Alliance's Prime Financial Policies (Standing Financial Instructions) and each CCGs' Standing Orders and will provide guidance for both the Alliance and the Commissioning Support Unit. Delegated matters in respect of decisions, which may have a far-reaching effect, must be reported to the Accountable Officer. **The Delegation shown below is the lowest level to which authority is delegated. Authority can be delegated upwards with no further action being required.** However, delegation to lower levels is only permitted with written approval of the Accountable Officer who may, before authorising such delegation, consult with other Chief Officers as appropriate. All items concerning finance must be carried out in accordance with each CCGs' Standing Orders, the Alliance's Prime Financial Policies and Detailed Financial Procedures. All financial limits in this schedule of matters delegated to officers are subject to sufficient budget being available within plan.

Table 1 - Financial levels of sign off

Maximum Sign Off Level	Requisition/ Ordering	Invoice Approval	Credit Memos	Sales Orders	Tendering & Signing (Contracts)
Accountable Officer	unlimited	unlimited	unlimited	unlimited	Unlimited**
SFD and Managing Director	£20M	£20M	£20M	£20M	£20M**
Alliance Executive, Deputy Manager Director and Place based CFO	£10M	£10M NHS £1M non-NHS*	£10M	£10M	£10M**
Budget Managers at Band 9 and above	£1m	£1m*	£1m	£1m	£50k
Budget Managers at Band 8D	£100k	£100k*	£100k	£100k	no
Budget Managers at 8C	£50k	£50k*	£50k	£50k	no
Budget Managers at grade 6 to 8B with assigned budget responsibilities	£10k	£10k	£10k	£10k	no
System administration responsibility no delegated budget	£0.01	£0.01	£0.01	£0.01	no

- * Where Aligned Incentive Schemes (AICs) or SLAs have been agreed with providers, authority to authorise invoices up to £15m is delegated to Placed based CFO, Deputy CFOs, Heads of Finance or Heads of Contracts who are band 8c and above.
- ** Prior approval from the relevant Governing Body must be obtained before commencement of all tenders with an estimated financial value of £5m or more over the life of the contract.

Table 2 – Delegated matters and associated authority level

REF	DELEGATED MATTERS	AUTHORITY DELEGATED TO
1.	Bank Accounts Maintenance and Operation in accordance with mandates approved by the CCGs' Governing Bodies	Each CCG is mandated to use Government Banking Services, all banking administered by SCW CSU, but must be managed in accordance with Alliance's SFIs and each CCGs' SOs. Locally, these are in line with the Alliance Detailed Financial Procedures
2	Alliance Budgets Responsibility for keeping expenditure within budgets a) At individual budget level (Pay and Non Pay) b) At team level c) For the totality of activity covered by an executive lead	Authorisation limits are maximum values, budget managers are not permitted to commit expenditure against a specific budget in excess of the budget value regardless of their authorisation limit, without specific authority from the CFOs, SFD or Accountable Officer.
3	Maintenance of equipment	For IT and minor capital schemes, the Alliance revenue authorised limits plus detailed financial procedures will be applicable.
4	Clinical Trials Authorisation of Clinical Trials Research Projects Authorisation of Research Projects	Executive Lead in conjunction with the Heads of Quality (North and South).
5	Condemning & Disposal a) Items obsolete, obsolescent, redundant, and irreparable or cannot be repaired cost effectively. Losses write off and compensation a) Losses and Cash due to theft, fraud, overpayment etc b) Fruitless Payments (including	All capital assets relating to property will be the responsibility of NHS Property Services and therefore the Alliance will not have any involvement. However, items held locally such as excess furniture and redundant IT equipment can be approved for disposal by the Accountable Officer, SFD or CFOs. Losses and Compensations payments are administered by the CSU but must be in compliance with the Alliance's SFIs and each CCG's SOs and in line with Alliance

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	<p>abandoned Capital Schemes).</p> <p>c) Bad Debts</p> <p>d) Claims Abandoned.</p> <p>e) Damage to buildings, fittings, furniture and equipment and loss of equipment and property in stores and in use due to: Culpable causes (e.g. fraud, theft, arson) or other.</p> <p>f) Compensation payments made under legal obligation</p> <p>g) Extra Contractual payments to contractors.</p> <p>h) Ex-gratia Payments to Patients and staff for loss of personal effects:</p> <p>i) Ex-gratia payments for Clinical negligence (negotiated settlements following legal advice)</p> <p>j) Ex-gratia payments for personal injury claims involving negligence where legal advice obtained and followed</p> <p>k) Other ex-gratia payments except cases of maladministration where there is no financial loss by claimant-</p> <p>l) Write off of NHS Debtors</p>	<p>detailed financial procedures. All costs to the Alliance including write off of bad debts must be approved by the SFD, CFOs or Accountable Officer and notified to the Audit Committee.</p>
6	<p>Fees and Charges</p> <p>a) Private Patients, Overseas Visitors, Income Generation and other patient related services</p> <p>b) Alliance Services</p>	<p>a) Fees and Charges are administered by CSU but must be in compliance with the Alliance's SFIs and each CCGs' SOs and in line with Alliance detailed financial procedures</p> <p>b) CFOs</p>
7	<p>Review of fire precautions at Alliance sites</p>	<p>Director of Corporate Affairs</p>
8	<p>Hospitality</p> <p>Applied to both individual and collective hospitality receipt items in accordance with the Gifts and Hospitalities Policy</p>	<p>Declaration required by individual in Hospitality Register</p>
9	<p>Co-ordination of Implementation of Internal and External Audit Recommendations</p>	<p>All audit plans will be signed off by the Accountable Officer or CFOs/SFD. Alliance and CSU staff will assist Internal and</p>

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		External auditors in their work and ensure that all agreed audit recommendations are implemented in a timely fashion
10	Insurance Policies including NHSLA	CFOs
11	Maintenance & Update of Alliance Financial Procedures	CFOs
12	Orders & Requisitions (excluding Commissioning of Healthcare) a) all orders/requisitions b) Works orders c) Non-Pay Expenditure for which no specific budget has been set up and which is not subject to funding under delegated powers of virement d) Orders exceeding 12 month period (including call off orders) e) All contracts for goods & services and subsequent variations to contracts	a) Delegated in accordance with the sign off levels outlined in the above table. b) Delegated in accordance with the sign off levels outlined in the above table c) Delegated in accordance with the sign off levels outlined in the above table d) Delegated in accordance e) Delegated in accordance with the sign off levels outlined in the above table
13	Personnel & Pay a) Authority to fill funded post on the establishment with permanent staff b) Authority to appoint staff to post not on the agreed establishment c) Authority to appoint management consultants d) All requests for upgrading/ re-grading (dealt with in accordance with Alliance procedures)	a) Executive Director b) Accountable Officer c) Following consultation with the Chair of the Audit Committee. (i) Appointments less than £1,000 per day inclusive of irrecoverable VAT and expenses – Executive Director (ii) Appointments £1,000 inclusive of irrecoverable VAT and expenses or over – Accountable Officer d) Accountable Officer

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	<p>f) Pay</p> <p>i) Authority to complete standing data forms affecting pay, new starters variations and leavers</p> <p>ii) Authority to authorise overtime / flexi time / annualised hours</p> <p>iii) Authority to authorise travel & Subsistence expenses up to £100</p> <p>iv) Authority to authorise travel & Subsistence expenses over £100</p> <p>g) Leave</p> <p>i) Approval of Annual Leave</p> <p>ii) Annual Leave – approval to carry forward (up to 5 days / over 5 days)</p> <p>iii) Payment of Annual Leave in exceptional circumstances</p> <p>iv) Compassionate leave up to 3 days</p> <p>v) Compassionate leave up to 6 days</p> <p>vi) Special leave arrangements - up to 6 days in any one year</p> <p>vii) Leave without pay</p> <p>viii) Flexible working</p> <p>ix) Maternity and Paternity Leave – paid and unpaid</p> <p>h) Sick Leave (in exceptional circumstances)</p> <p>i) Extension of sick leave</p> <p>i) Study Leave</p> <p>i) Study leave outside the UK</p> <p>ii) All other study leave (UK)</p> <p>j) Removal Expenses, Excess Rent and House Purchase</p> <p>Authorisation of payment of removal</p>	<p>f) Pay</p> <p>i) Executive Director</p> <p>ii) Executive Director</p> <p>iii) Line Manager</p> <p>iv) Executive Director</p> <p>g) Leave</p> <p>i) Line Manager</p> <p>ii) Line Manager / Executive Director</p> <p>iii) Executive Director</p> <p>iv) Line Manager</p> <p>v) Executive Director</p> <p>vi) Executive Director</p> <p>vii) Executive Director</p> <p>viii) Executive Director</p> <p>ix) Automatic approval with guidance from Head of Human Resources (CSU)</p> <p>h) Sick Leave (in exceptional circumstances)</p> <p>i) Executive Director</p> <p>i) Study Leave</p> <p>i) Accountable Officer</p> <p>ii) less than £1,000 - Executive Director greater than £1,000 – Accountable Officer</p> <p>j) Removal Expenses, Excess Rent and House Purchase</p>

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	<p>expenses incurred by officers taking up new appointments (providing consideration was promised at interview)</p> <p>k) Individual Grievance Policy All grievance cases must be dealt with strictly in accordance with the Individual Grievance Policy and Human Resource Advice</p> <p>l) Authorised Car & Mobile Phone Users i) Requests for new posts to be authorised as car users ii) Requests for new posts to be authorised as mobile telephone users</p> <p>m) Redundancy Authorisation to agree voluntary redundancy and determine compulsory redundancies in accordance with policy</p> <p>n) Ill Health Retirement Decision to pursue retirement on the grounds of ill-health managed via Attendance Management Policy</p> <p>o) Remuneration for Self-Employed Contractors – must comply with Revenue & Customs guidance (and David Nicholson letter) on such employment to ensure correct payment of tax & NI and employment</p> <p>p) Employment of voluntary workers status – preferable to employ or use agency.</p>	<p>Executive Director</p> <p>k) See Grievance Procedure</p> <p>l) Authorised Car & Mobile Phone Users i) In line with Alliance Policy ii) In line with Alliance Policy</p> <p>m) Redundancy Remuneration Committee with advice from Head of HR (CSU) and appropriate permission as required from NHSE, Department of Health, HM Treasury. Chief Finance Officer to be informed prior to offers to ensure available funding</p> <p>n) Ill Health Retirement Accountable Officer following advice from Head of Human Resources (CSU) and Occupational Health.</p> <p>o) Remuneration for Self-Employed Contractors – Executive Director following receipt of evidence to comply with revenue & customs guidance and employment tests</p> <p>p) Employment of voluntary workers Executive Director of Service or equivalent in conjunction with Head of Human Resources (CSU).</p>

REF	DELEGATED MATTERS	AUTHORITY DELEGATED TO
14	<p>Quotation, tendering and Contract Procedures This section does not apply to Management Consultants</p> <p>a) Authority to make a decision to seek procurement</p> <ul style="list-style-type: none"> i) If service change within the Alliance's agreed Delivery Plan (agreed by Executive team) ii) If service change is not within agreed Delivery Plan and lifetime contract value is up to or equal to 1% of annual budget allocation iii) If service change is not within agreed Delivery Plan and the lifetime contract value is greater than 1% of annual budget allocation <p>b) Authority to award/ to sign contracts for goods/services after obtaining at least</p> <ul style="list-style-type: none"> i) For orders up to £500, budget managers are encouraged to use purchase orders or corporate charge cards, where appropriate. ii) For orders between £500 to £5,000 two verbal quotations ii) At least 3 written quotations from £5,001 to £75,000 iii) Above £75,000, formal tender arrangements must be applied in accordance with the Procurement Policy. <p>All orders will be encouraged to have a purchase order assigned.</p> <p>c) Waivers Formal tendering procedures may be waived in the following circumstances:</p>	<p>a) Authority to make a decision to seek procurement</p> <ul style="list-style-type: none"> i) Executive Director ii) Accountable Officer iii) Individual Governing Bodies <p>b) Authority to award/ sign contracts for goods/services</p> <p>Delegated in accordance with the sign off levels outlined in the above table</p> <p>Use NHS South of England Procurement (SO EP) Services and note OJEU limits for clinical services. All procurement must be authorised by Executive Team prior to advertisement.</p> <p>c) Waivers – signing off</p>

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	<ul style="list-style-type: none"> (i) in very exceptional circumstances where the Accountable 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 Alliance record; (ii) where the requirement is covered by an existing contract and within procurement thresholds; (iii) where CCS agreements are in place and have been approved by the Governing Bodies; (iv) where the timescale genuinely precludes competitive tendering but failure to plan the work properly would not be regarded as a justification for a single tender; (v) where specialist expertise is required and is available from only one source; (vi) when the task is essential to complete the project, and arises as a consequence of a recently completed assignment and engaging different consultants for the new task would be inappropriate; (vii) where there is a clear benefit to be gained from maintaining continuity with an earlier project. However in such cases the benefits of such continuity must outweigh any potential financial advantage to be gained by competitive tendering; (viii) for the provision of legal advice and services providing that any legal firm or partnership commissioned by the Alliance is regulated by the Law Society for England and Wales for the conduct of their business (or by the Bar Council for England and Wales in relation to the obtaining of Counsel's 	<ul style="list-style-type: none"> i) For waivers under £25,000 by the CFOs. ii) For waivers equal to or greater than £25,000 by the Accountable Officer.

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	<p>opinion) and are generally recognised as having sufficient expertise in the area of work for which they are commissioned.</p> <p>The CFOs will ensure that any fees paid are reasonable and within commonly accepted rates for the costing of such work.</p> <p>(ix) where allowed and provided for in the Capital Investment Manual.</p> <p>The waiving of competitive tendering procedures should not be used to avoid competition or for administrative convenience or to award further work to a consultant originally appointed through a competitive procedure.</p> <p>Where it is decided that competitive tendering is not applicable and should be waived, the following procedure will be followed</p> <p>Procedure for obtaining a waiver</p> <p>Waivers will be in a format as designated by the Accountable Officer will be sequentially numbered and held by the Finance Department.</p> <p>Requests for a waiver must be made to the Finance Department who will provide a waiver form and advice on completion.</p> <p>The Chair of the Audit Committee will be consulted with as part of the waiver review process. When the waiver is complete it must be signed by the applicant and counter signed by:</p> <ul style="list-style-type: none"> i) For waivers under £25,000 by the CFOs ii) For waivers equal to or greater than £25,000 by the CFOs and the Accountable Officer. <p>If the waiver is signed the applicant will be informed provided with a copy, and on receipt of the copy may proceed with the</p>	

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	<p>purchase within the conditions contained in the waiver.</p> <p>After signature the waivers will be held in a waiver register and submitted to the next Audit Committees for scrutiny.</p>	
15	<p>Register of Interests The keeping of a declaration of Interests Register in line with national requirement.</p>	<p>Register of Interests Director of Corporate Affairs</p>
16	<p>Sealing of Documents</p>	<p>Sealing of Documents Accountable Officer and SFD are required to seal documents.</p>
17	<p>Sponsorship Authorisation of Sponsorship deals</p>	<p>Sponsorship Accountable Officer in accordance with National Guideline document and Alliance Sponsorship policy.</p>
18	<p>Delegation of Duties not retained or reserved elsewhere. Exercise or delegation of those functions of the Alliance which have not been retained as reserved by the Governing Bodies, other Committee or (specified) member or employee</p>	<p>Delegation of Duties not retained or reserved elsewhere. Accountable Officer</p>
19	<p>Approval of Investments and Decommissioning decisions Authority for approval of Investments and Decommissioning decisions if:</p> <p>a. Value of decision is below £100k b. Value of decision is £100k or over.</p> <p>Note: any conflicts of interest are to be referred to the Executive Team.</p>	<p>a. Accountable Officer or SFD. b. In line with each CCGs' constitution.</p>

Key

Deputy CFO – Deputy Chief Finance Officer

HoF – Head of Finance

CFO – Chief Finance Officer

SFD – Strategic Finance Director

* Budget Holders are the Executive Team

**Budget Managers manage budgets on behalf of the Budget Holders