

## Detailed Financial Policies

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**POLICY AMENDMENTS**

Amendments to the Policy will be issued from time to time. A new amendment history will be issued with each change.

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# **1. Introduction**

## **1.1 General**

- 1.1.1 These Detailed Financial Policies (DFPs) are issued in accordance with the Directions issued by the Secretary of State for Health under the provisions of the NHS Act 2006 as amended by the Health and Social Care Act 2012, with responsibilities set out under that and subsequent secondary legislation for the regulation of the conduct of the NHS Vale of York Clinical Commissioning Group (CCG) in relation to all financial matters. They shall have effect as if incorporated in the Prime Financial Policies of the NHS Vale of York CCG.
- 1.1.2 These DFPs detail the financial responsibilities, policies and procedures adopted by the NHS Vale of York CCG. They are designed to ensure that the NHS Vale of York CCGs financial transactions are carried out in accordance with the law and Government policy in order to achieve probity, accuracy, economy, efficiency and effectiveness. They should be used in conjunction with the matters reserved to the Governing Body and the scheme of delegation.
- 1.1.3 These DFPs identify the financial responsibilities that apply to everyone working for the NHS Vale of York CCG and its constitutional organisations. The user of these DFPs must also take into account relevant prevailing NHS England, Department of Health and/or Treasury instructions. The Chief Clinical Officer must approve all financial procedures.
- 1.1.4 Should any difficulties arise regarding the interpretation or application of any of the DFPs, the advice of the Chief Finance Officer must be sought before acting. The user of these DFPs should also be familiar with and comply with the NHS Vale of York CCG Standing Orders (SOs) in Appendix C and Prime Financial Policies in Appendix E of the NHS Vale of York CCG Constitution.
- 1.1.5 The failure to comply with Detailed Financial Policies and standing orders can in certain circumstances be regarded as a disciplinary matter that could result in dismissal.
- 1.1.6 If for any reason these DFPs are not complied with, full details of the non-compliance and any justification for non-compliance shall be reported to the next formal meeting of the Audit Committee for determining or ratifying action. All members of the Governing Body, and all staff, have a duty to disclose any non-compliance with these DFPs to the Chief Finance Officer as soon as possible.
- 1.1.7 Wherever the title Chief Clinical Officer, Chief Finance Officer, or other nominated officer is used in these instructions, it shall be deemed to include such other directors or employees as have been duly authorised to represent them, except in respect of Banking Arrangements (see section 4).

1.1.8 For the exercise of the delegate functions from NHS England in respect of primary [medical] care commissioning, the NHS Vale of York CCG will adopt NHS England Detailed Financial Policies (with the exception of the Responsibility and Delegation and Audit policies [sections 1 and 2 of this document] which are applied across all functions) and operate in accordance with any requirements detailed in the delegation agreement.

1.1.9 Any expression to which a meaning is given in the National Health Service Act 2006 (as amended) or in the Financial Directions made under the Act shall have the same meaning in these instructions; and

- (a) "Budget" means an amount of resources expressed in financial terms proposed by the NHS Vale of York CCG for the purpose of carrying out over a specific period all or part of the functions of the NHS Vale of York CCG.
- (b) "Budget Holder" means the individual with delegated NHS Vale of York CCG authority to manage finances (income and expenditure) for a specific area of the organisation. In terms of the Scheme of Delegation, this includes Chief Officer, Relevant Senior Manager and Senior Manager or Head of Department.
- (c) "Accountable Officer" means the officer of the NHS Vale of York CCG (who is directly accountable to the Governing Body).
- (d) "Chief Finance Officer" means the officer responsible and accountable for funds entrusted to the CCG. He/she shall be responsible for ensuring the proper stewardship of public funds and assets.
- (e) "Governing Body" means the Chair, Lay members and voting executive directors of the NHS Vale of York CCG collectively as a body.
- (f) "Management Team" is the senior management team of the NHS Vale of York CCG as designated by the Accountable Officer.
- (g) "Officer" means employee of the NHS Vale of York CCG or any other person holding a paid appointment or office with the NHS Vale of York CCG.

## **1.2 Responsibilities and Delegation**

### **1.2.1 The Governing Body**

1.2.1.1 The Governing Body exercises financial supervision and control by:

- (a) formulating the financial strategy;
- (b) requiring the submission and approval of budgets within approved allocations/overall income;

- (c) defining and approving essential features of financial arrangements in respect of important procedures and financial systems, including the need to obtain value for money; and
- (d) defining specific responsibilities placed on members of the Governing Body and officers as indicated in the Scheme of Delegation document.

1.2.1.2 The Governing Body has resolved that certain powers and decisions may only be exercised by the Governing Body in formal session. These are set in the CCG's Constitution Document.

1.2.1.3 The Governing Body will delegate responsibility for the performance of its functions in accordance with the SOs, Prime Financial Policies and the Scheme of Delegation document adopted by the NHS Vale of York CCG.

## **1.2.2 The Accountable Officer and Chief Finance Officer**

1.2.2.1 Within the DFPs it is acknowledged that the Accountable Officer will have ultimate responsibility for ensuring that the NHS Vale of York CCG meets its obligation to perform its functions within the financial resources made available to it. The Accountable Officer has overall executive responsibility for the NHS Vale of York CCGs activities and is responsible to the Governing Body for ensuring that it stays within its resource and cash limits.

1.2.2.2 The Accountable Officer and Chief Finance Officer will, as far as possible, delegate their detailed responsibilities, but they remain accountable for financial control.

1.2.2.3 The Accountable Officer will delegate detailed responsibility for financial activities and controls to the Chief Finance Officer but retain overall accountability. The extent of such delegation will be determined in the NHS Vale of York CCGs scheme of delegation and should be kept under review by the Governing Body.

1.2.2.4 The Accountable Officer, through the Chief Finance Officer, shall be responsible for the implementation of the NHS Vale of York CCGs financial policies and for co-ordinating any corrective action necessary to further these policies.

1.2.2.5 It shall be the responsibility of the Accountable Officer to ensure that existing staff and all new employees are notified of their responsibilities within these instructions, and in particular policy in relation to potential corruption and the acceptance of gifts and hospitality. The general principle is that all staff and members of the Governing Body must be, and must be seen to be, fair, impartial and unbiased at all times. The offer or receipt of any gift and hospitality can create actual or perceived conflicts of interest, but at the same time refusal could cause embarrassment or unintentional offence. The offer of a gift, favour, or exceptionally generous hospitality should be treated

with caution.

1.2.2.6 The Accountable Officer shall ensure that the NHS Vale of York CCG has a programme of risk management, in accordance with current Department of Health assurance framework requirements, which shall be approved by the Governing Body and monitored by the Audit Committee.

1.2.2.7 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 that all significant risks and potential liabilities are addressed including effective systems of internal control 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 and health and safety reviews; and
- f) arrangements to review the risk management programme.

1.2.2.8 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 as required by NHS England and the Department of Health.

### **1.2.3 The Chief Finance Officer**

1.2.3.1 The Chief Finance Officer is responsible for:

- a) implementing the NHS Vale of York CCGs financial policies and for co-ordinating any corrective action necessary to further these policies;
- b) maintaining an effective system of financial control including ensuring that detailed financial procedures and systems incorporating the principles of separation of duties and internal checks are prepared, documented and maintained to supplement these instructions; and
- c) ensuring that sufficient records are maintained to show and explain the NHS Vale of York CCGs transactions, in order to disclose, with reasonable accuracy, the financial position of the NHS Vale of York CCG at any time.

1.2.3.2 Without prejudice to any other functions of the NHS Vale of York CCG, and employees of the NHS Vale of York CCG, the duties of Chief Finance Officer shall include:



- a) The provision of financial advice to the NHS Vale of York CCG and its employees;
- b) The design, implementation and supervision of systems of internal financial control; and
- c) The preparation and maintenance of such accounts, certificates, estimates, records and reports as the NHS Vale of York CCG may require for the purpose of carrying out its statutory duties.

1.2.3.3 The Chief Finance Officer shall ensure that insurance arrangements exist in accordance with the risk management programme and shall demonstrate value for money for any insurance obtained.

#### **1.2.4 Governing Body Members and Employees**

1.2.4.1 All members of the Governing Body and employees, severally and collectively, are responsible for:

- a) the security of the property of the NHS Vale of York CCG;
- b) avoiding loss;
- c) exercising economy and efficiency in the use of resources; and
- d) conforming with the requirements of SOs, Prime Financial Policies, Scheme of Delegation, DFPs and financial procedures.

1.2.4.2 It shall be the duty of any officer having evidence of, or reason to suspect, financial or other irregularities or impropriety in relation to these regulations to report these suspicions to the Chief Finance Officer. The Chief Finance Officer will consider the suspicions to determine if the case should be referred to the Counter Fraud Specialist. A detailed investigation should not be conducted as this may compromise any investigation by the Counter Fraud Specialist.

1.2.4.3 For all members of the Governing Body and any employees who carry out a financial function, the form in which the financial records are kept and the manner in which members of the Governing Body and employees discharge their duties must be to the satisfaction of the Chief Finance Officer.

#### **1.2.5 Contracts, Contractors and their Employees**

1.2.5.1 Directors responsible for arranging contracts for the provision of items and/or services shall ensure that those contracts are correctly monitored and governed within the contract's terms and conditions.

1.2.5.2 Any contractor or employee of a contractor who is empowered by the NHS Vale of York CCG to commit the NHS Vale of York CCG to expenditure or

who is authorised to obtain income shall be covered by these DFPs. It is the responsibility of the Accountable Officer to ensure that such persons are made aware of this.

1.2.5.3 All contractors must agree to, and sign copies of, the NHS Vale of York CCGs Information Governance policies and in particular the requirements of the Data Protection Act before accessing NHS Vale of York CCG records.

1.2.5.4 All contractors must agree to, and sign copies of, the NHS Vale of York CCG's IT Security Policy before accessing any of the NHS Vale of York CCG's IT systems.

## **2 Audit**

### **2.1 Audit Committee**

2.1.1 In accordance with SOs (and as set out in within the Health and Social Care Act 2012), the NHS Vale of York CCG shall establish an Audit Committee. The terms of reference of the Audit Committee shall be drawn up and approved by the Governing Body, and are incorporated in the SOs. The Audit Committee will provide an independent and objective view of internal control by:

- a) overseeing internal and external audit services;
- b) reviewing financial and information systems, monitoring the integrity of the financial statements (including Annual Accounts and Annual Reports) and reviewing significant financial reporting judgements;
- c) reviewing the establishment and maintenance of an effective system of risk management and internal control, across the whole of the organisations activities, that supports achievement of the organisations objectives.
- d) monitoring compliance with SOs and DFPs;
- e) ensuring that the organisation has adequate arrangements in place for countering fraud and reviewing the outcomes of counter fraud work;
- f) reviewing schedules of losses and compensations and making recommendations to the Governing Body;
- g) reviewing the work of other committees, and other significant assurance providers or functions, which can provide relevant assurances; and
- h) requesting and reviewing reports and positive assurances from directors and managers on overall arrangements for governance, risk management and internal control.

2.1.2 Where the Audit Committee considers there is evidence of ultra vires transactions, evidence of improper acts, or if there are other important matters that the Committee wish to raise, the Chairman of the Audit Committee should raise the matter in the first instance with the Chief Finance Officer and the Accountable Officer. If the matter has still not been resolved to the Audit Committee's satisfaction, then the matter will be raised at a full meeting of the Governing Body. Exceptionally the matter may need to be referred to NHS England and/or the Department of Health (DoH).

## **2.2 Chief Finance Officer**

2.2.1 The Chief Finance Officer is responsible for:

- a) 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;
- b) ensuring that the internal audit is adequate and meets the government mandatory audit standards;
- c) deciding at what stage to involve the police in cases of misappropriation and other irregularities not involving fraud or corruption; and
- d) ensuring that an annual internal audit report is prepared for the consideration of the Audit Committee (and the Governing Body). The report must cover:
  - a clear opinion on the effectiveness of internal control in accordance with current assurance framework guidance issued by the Department of Health including, for example, compliance with control criteria and standards;
  - major internal financial control weaknesses discovered;
  - progress on the implementation of internal audit recommendations;
  - progress against plan over the previous year; and
  - strategic audit plan covering the coming three years; and a detailed plan for the coming year.

2.2.2 The Chief Finance Officer or designated auditors are entitled without necessarily giving prior notice to require and receive:

- a) access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature;
- b) access at all reasonable times to any land, premises or members of the Board or employee of NHS England; and

- c) explanations concerning any matter under consideration.

## **2.3 Role of Internal Audit**

2.3.1 Internal audit will provide an independent and objective opinion on risk management, control and governance arrangements by measuring and evaluating their effectiveness. The Head of Internal Audit will provide an annual opinion on the effectiveness of the whole system of internal control.

2.3.2 The opinion will be based on a systematic review and evaluation of risk management, control and governance which comprises the policies, procedures and operations in place to:

- a) establish and monitor the achievement of the organisations strategic and operational objectives;
- b) identify, assess and manage strategic and operational risks to achieving the organisations objectives;
- c) identify the extent of compliance with, and the financial effect of, the relevant established policies, plans and procedures;
- d) identify the adequacy and application of financial and other related management controls;
- e) ensure the integrity and reliability of information, accounts and data, including internal and external reporting and accountability processes; and
- f) identify the extent to which the NHS Vale of York CCGs assets and interests are accounted for and safeguarded from loss of any kind, arising from:
  - fraud and other offences;
  - waste, extravagance, inefficient administration;
  - poor value for money; or
  - other causes.

2.3.3 Internal Audit shall also independently verify the board assurance framework statements in accordance with NHS guidance.

2.3.4 The Head of Internal Audit will make suitable provision to form an opinion on key systems operated on behalf of other organisations, and key systems being operated by other organisations, either by deriving the opinions themselves or by relying on the opinions provided by other auditors/review bodies.

- 2.3.5 Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores, or other property or any suspected irregularity of a pecuniary nature, the Chief Finance Officer must be notified immediately.
- 2.3.6 The Head of Internal Audit will normally attend Audit Committee meetings and has a right of access to all Audit Committee members, the Chair and Accountable Officer of the NHS Vale of York CCG.
- 2.3.7 The Head of Internal Audit shall be accountable to 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 guidance on reporting contained in the Government Internal Audit Standards. The reporting system shall be reviewed at least every three years.

## **2.4 External Audit**

- 2.4.1 Under the Health and Social Care Act 2012, NHS England will arrange for the Audit Commission to appoint External Auditors for the CCG.

## **2.5 Fraud and Corruption**

- 2.5.1 In line with their responsibilities, the NHS Vale of York CCG Accountable Officer and Chief Finance Officer shall monitor and ensure compliance with directions issued by the Secretary of State for Health on fraud and corruption.
- 2.5.2 The NHS Vale of York CCG shall appoint an accredited counter fraud specialist to carry out the duties of the Counter Fraud Specialist as specified by the NHS Fraud and Corruption Manual and guidance.
- 2.5.3 The Counter Fraud Specialist shall report to the Chief Finance Officer and shall work with staff in NHS Protect in accordance with the NHS Fraud and Corruption Manual.
- 2.5.4 The Counter Fraud Specialist will provide a written report, at least annually, on counter fraud work within the NHS Vale of York CCG.

## **2.6 Security Management**

- 2.6.1 In line with their responsibilities, the Accountable Officer will monitor and ensure compliance with directions issued by the Secretary of State for Health on NHS security management.
- 2.6.2 The NHS Vale of York CCG shall nominate a suitable person to carry out the duties of the Security Management Specialist as specified by the Secretary of State for Health guidance on NHS security management.
- 2.6.3 The Chief Finance Officer has overall responsibility for controlling and

coordinating security. However, key tasks are delegated to the relevant director and the appointed Security Management Specialist.

### **3. Resource Limit Control**

#### **3.1 Cash and Resource Limits**

3.1.1 The NHS Vale of York CCG is required by statutory provisions not to exceed Cash and Resource Limits. The Accountable Officer has overall executive responsibility for the NHS Vale of York CCG activities and is responsible to the NHS Vale of York CCG for ensuring that it stays within these limits.

3.1.2 The definition of use of resources is set out in Resource Accounting and Budgeting directions on use of resources which are available on the Department of Health Finance Manual website:

<http://www.info.doh.gov.uk/doh/finman.nsf>

3.1.3 The Chief Finance Officer will:

- a) provide monthly reports in the form required by the Secretary of State;
- b) provide regular financial reports in the form agreed by the Governing Body;
- c) ensure money drawn from NHS England against cash limit is required for approved expenditure only, and is drawn only at the time of need, follows best practice as set out in 'Cash Management in the NHS'; and
- d) be responsible for ensuring that an adequate system for monitoring financial performance is in place to enable the NHS Vale of York CCG to fulfil its statutory responsibility not to exceed its annual revenue and capital resource limits and cash limit.

#### **3.2 Allocations**

3.2.1 The Chief Finance Officer will:

- a) periodically review the basis and assumptions used by NHS England for distributing allocations to the NHS Vale of York CCG and ensure that these are reasonable and realistic and secure the NHS Vale of York CCG 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;
- c) regularly update the Governing Body on significant changes to the initial allocation and the uses of such funds; and

- d) establish a system for management of the Capital Resource Limit and the approval of investment proposals.

### **3.3 Budgetary Delegation**

3.3.1 The Accountable Officer may delegate the management of a budget to permit the performance of a defined range of activities. This delegation must be in writing and be accompanied by a clear definition of:

- a) the amount of the budget;
- b) the purpose(s) of each budget heading;
- c) individual and group responsibilities;
- d) limits on exercising virements;
- e) achievement of planned levels of service; and
- f) the provision of regular reports.

3.3.2 The Accountable Officer and delegated budget holders must not exceed the budgetary total or virement limits set by the Governing Body.

3.3.3 Any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Accountable Officer, subject to any authorised use of virement.

3.3.4 Non-recurring budgets should not be used to finance recurring expenditure without the authorisation in writing of the Accountable Officer, as advised by the Chief Finance Officer.

### **3.4 Budgetary Control and Reporting**

3.4.1 The Chief Finance Officer will devise and maintain systems of budgetary control. These will include:

- a) regular financial reports to the Governing Body in a form approved by the Governing Body containing:
  - income and expenditure to date showing trends and forecast year-end position;
  - movements in working capital;
  - movements in cash and capital;
  - capital project spend and projected outturn against plan;
  - explanations of any material variances from plan; and

- details of any corrective action where necessary and the Accountable 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 and workforce budgets;
  - d) monitoring of management action to correct variances;
  - e) arrangements for the authorisation of budget transfers.

3.4.2 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; and
- c) no permanent employees are appointed without the approval of the Accountable Officer other than those provided for within the available resources and manpower establishment as approved by the Governing Body.

### **3.5 Capital expenditure**

3.5.1 The general rules applying to delegation and reporting shall also apply to capital expenditure. (The particular applications relating to capital are contained in DFP 6).

### **3.6 Monitoring Returns**

3.6.1 The Chief Finance Officer is responsible for ensuring that the appropriate monitoring forms are submitted to the requisite monitoring organisation.

## **4 Banking Arrangements**

### **4.1 General**

4.1.1 The Chief Finance Officer is responsible for managing the NHS Vale of York CCG banking arrangements and for advising on the provision of banking services and operation of accounts. This advice will take into account guidance/Directions issued from time to time by the Department of Health.



In line with Cash Management in the NHS the NHS Vale of York CCG should minimise the use of commercial bank accounts and consider using the Government Banking Service (GBS) as its supplier for all banking services.

4.1.2 The Governing Body shall approve the banking arrangements.

## **4.2 Commercial (Bank) and Government Banking Service (GBS) Accounts.**

4.2.1 The Chief Finance Officer is responsible for:

- a) commercial bank accounts and accounts operated through the Government Banking Service;
- b) establishing separate bank accounts for the NHS Vale of York CCG non-exchequer funds;
- c) ensuring payments made from commercial banks or Government Banking Service accounts do not exceed the amount credited to the account except where arrangements have been made;
- d) reporting to the Governing Body all arrangements made with the NHS Vale of York CCG bankers for accounts to be overdrawn; and
- e) monitoring compliance with DoH and NHS England guidance on the level of cleared funds.

## **4.3 Banking procedures**

4.3.1 The Chief Finance Officer will prepare detailed instructions on the operation of commercial and GBS bank accounts, which must include:

- a) the conditions under which each commercial and GBS bank account is to be operated; and
- b) those authorised to sign cheques or other orders drawn on the NHS Vale of York CCG accounts.

4.3.2 The Chief Finance Officer must advise the NHS Vale of York CCG bankers in writing of the conditions under which each account will be operated.

## **4.4 Tendering and review**

4.4.1 For those non-exchequer funds, if any, held outside the GBS, the Chief Finance Officer will review the commercial banking arrangements of the NHS Vale of York CCG at regular intervals to ensure they reflect best practice and represent best value for money by periodically seeking competitive tenders for the NHS Vale of York CCG commercial banking

business. These competitive tenders should be sought at least every 5 years. The results of the tendering exercise should be reported to the Governing Body. This review is not necessary for GBS accounts.

## **5 Income, Fees and Charges and Security of Cash, Cheques and Other Negotiable Instruments**

### **5.1 Income Systems**

5.1.1 The Chief Finance Officer is responsible for designing, maintaining and ensuring compliance with systems for the proper recording, invoicing, collection and coding of all monies due.

5.1.2 The Chief Finance Officer is also responsible for the prompt banking of all monies received.

### **5.2 Fees and Charges**

5.2.1 The Chief Finance Officer is responsible for approving and regularly reviewing the level of all fees and charges other than those determined by NHS England, the Department of Health or by Statute. Independent professional advice on matters of valuation shall be taken as necessary. Where sponsorship income (including items in kind such as subsidised goods or loans of equipment) is considered the guidance in the Department of Health Commercial Sponsorship – Ethical standards in the NHS shall be followed.

5.2.2 All employees must inform the Chief Finance Officer promptly of money due arising from transactions which they initiate/deal with, including all contracts, leases, tenancy agreements, private patient undertakings and other transactions.

### **5.3 Debt Recovery**

5.3.1 The Chief Finance Officer is responsible for the appropriate recovery action on all outstanding debts.

5.3.2 Income not received should be dealt with in accordance with losses procedures.

5.3.3 Overpayments should be detected (or preferably prevented) and recovery initiated.

### **5.4 Security of Cash, Cheques and Other Negotiable Instruments**

5.4.1 The Chief Finance Officer is responsible for:

- a) approving the form of all receipt books, agreement forms, or other

means of officially acknowledging or recording monies received or receivable;

- b) ordering and securely controlling any such stationery;
- c) the provision of adequate facilities and systems for employees whose duties include collecting and holding cash, including the provision of safes or lockable cash boxes, the procedures for keys, and for coin operated machines; and
- d) prescribing systems and procedures for handling cash and negotiable securities on behalf of the NHS Vale of York CCG.

5.4.2 Official money shall not under any circumstances be used for the encashment of private cheques or IOUs.

5.4.3 All cheques, postal orders, cash etc., shall be banked intact. Disbursements shall not be made from cash received, except under arrangements approved by the Chief Finance Officer.

5.4.4 The holders of safe keys shall not accept unofficial funds for depositing in their safes unless such deposits are in special sealed envelopes or locked containers. It shall be made clear to the depositors that the NHS Vale of York CCG is not to be held liable for any loss, and written indemnities must be obtained from the organisation or individuals absolving the NHS Vale of York CCG from responsibility for any loss.

5.4.5 During the absence (e.g. on holiday) of the holder of a safe or cash box key, the acting officer shall be subject to the same controls as the normal holder of the key. There shall be written discharge for the safe and/or cash box contents on the transfer of responsibilities and the discharge document must be retained for inspection.

5.4.6 Responsibility for the all processes in relation to the handling of cheques on behalf of the NHS Vale of York CCG has been delegated to the NHS Shared Business Services. All unused cheques and other orders shall be subject to the same security precautions as are applied to cash; bulk stocks of cheques shall normally be retained by their bankers and released by them only against an approved requisition.

5.4.7 A cheque register shall be kept by NHS Shared Business Services in which all cheque stocks ordered, received and issued shall be recorded and signed for by nominated officer(s). They shall also keep a separate register for payable orders.

5.4.8 Any loss or shortfall of cash, cheques, or other negotiable instruments, however occasioned, shall be reported immediately in accordance with the agreed procedure for reporting losses. (See Section 14 - Losses and special payments).

## **6. Capital investment, asset register and security of assets**

### **6.1 Capital Investment**

#### 6.1.1 The Accountable Officer:

- a) shall 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) is responsible for the management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost; and
- c) shall ensure that the capital investment is not undertaken without securing the availability of resources to finance all revenue consequences, including capital charges.

#### 6.1.2 For every capital expenditure proposal the Accountable Officer shall ensure:

- a) that a business case (in line with the guidance contained within the *Capital Investment Manual*) is produced setting out:
  - an option appraisal of potential benefits compared with known costs to determine the option with the highest ratio of benefits to costs;
  - the involvement of appropriate NHS Vale of York CCG personnel and external agencies;
  - appropriate project management and control arrangements; and
  - that the Chief Finance Officer has certified professionally the costs and revenue consequences detailed in the business case.

6.1.3 For capital schemes where the contracts stipulate stage payments, the Accountable Officer will issue procedures for their management, incorporating the recommendations of "Estatecode".

6.1.4 The Chief Finance Officer shall assess on an annual basis the requirement for the operation of the construction industry tax deduction scheme in accordance with HMRC guidance.

6.1.5 The Chief Finance Officer shall issue procedures for the regular reporting of expenditure and commitment against authorised expenditure.

6.1.6 The approval of a capital programme shall not constitute approval for expenditure on any scheme.

- 6.1.7 The Chief Finance Officer shall issue to the manager responsible for any scheme:
- a) specific authority to commit expenditure;
  - b) authority to proceed to tender; and
  - c) approval to accept a successful tender.
- 6.1.8 The Chief Finance Officer will issue a scheme of delegation for capital investment management in accordance with “Estatecode” guidance and the Governing Body’s Standing Orders.
- 6.1.9 The Chief Finance Officer shall issue procedures governing the financial management, including variations to contract, of capital investment projects and valuation for accounting purposes. These procedures shall fully take into account the delegated limits for capital schemes included in Annex C of HSC (1999) 246.
- 6.1.10 The Accountable Officer and Chief Finance Officer shall ensure that the arrangements for financial control and financial audit of building and engineering contracts and property transactions comply with the guidance contained within CONCODE and ESTATECODE. The technical audit of these contracts shall be the responsibility of the relevant Director.

## **6.2 Asset Registers**

- 6.2.1 The Accountable Officer is responsible for the maintenance of both the register of assets and the register of inventory items, taking account of the advice of the Chief Finance Officer concerning the form and the method of updating the registers.
- 6.2.2 Each employee has a responsibility to exercise a duty of care over the assets of the NHS Vale of York CCG and it shall be the responsibility of senior staff in all disciplines to apply appropriate routine security practices in relation to NHS Vale of York CCG assets. A substantial or persistent breach of agreed security practices shall be reported to the Governing Board Secretary, who shall then refer the matter to the Chief Finance Officer, who will determine the necessary action.
- 6.2.3 The Accountable Officer shall define the items of equipment which shall be recorded on either the capital asset register or the inventory register. The Capital Accounting Manual, as issued by the Department of Health, will be considered when determining the minimum data set for the capital asset register.
- 6.2.4 Additions to the fixed asset register must be clearly identified to an appropriate budget holder and be validated by reference to:
- a) properly authorised and approved agreements, architect's certificates,

supplier's invoices and other documentary evidence in respect of purchases from third parties;

b) stores, requisitions and wages records for own materials and labour including appropriate overheads; and

c) lease agreements in respect of assets held under a finance lease and capitalised.

6.2.5 Where capital assets are sold, scrapped, lost or otherwise disposed of, their value must be removed from the accounting records and each disposal must be validated by reference to authorisation documents and invoices.

6.2.6 The Chief Finance Officer shall approve procedures for reconciling balances on fixed asset accounts in ledgers against balances on fixed asset registers.

6.2.7 Land and buildings shall be held at values in accordance with the NHS Vale of York CCG accounting policies which comply with the Financial Reporting Manual (FRoM) issued by HM Treasury.

6.2.8 The value of each asset shall be depreciated using methods and rates as specified in the NHS Vale of York CCG accounting policies which comply with the FRoM. Estimated useful lives and depreciation rates of assets will be reviewed on an annual basis.

6.2.9 The Chief Finance Officer shall calculate and account for capital charges as specified in the FRoM.

6.2.10 Budget holders will ensure that the respective asset register for their areas will be physically checked annually.

6.2.11 The asset register and the inventory register shall also record items which are transferred from one part of the NHS Vale of York CCG to another. It is the responsibility of the budget holders to inform the Chief Finance Officer of these changes.

6.2.12 The Chief Finance Officer shall maintain an up to date register of properties owned or leased by the CCG. This should include details of location, tenancy (where appropriate), and custody of the deeds and lease documents.

### **6.3 Security of Assets**

**6.4** Asset control procedures (including fixed assets, cash, cheques and negotiable instruments, and also including donated assets) must be approved by the Chief Finance Officer. This procedure shall make provision for:

a) recording managerial responsibility for each asset;

b) identification of additions and disposals;

c) identification of all repairs and maintenance expenses;

- d) physical security of assets;
- e) periodic verification of the existence of, condition of, and title to, assets recorded;
- f) identification and reporting of all costs associated with the retention of an asset; and
- g) reporting, recording and safekeeping of cash, cheques, and negotiable instruments.

**6.5** All discrepancies revealed by verification of physical assets to fixed asset register shall be notified to the Chief Finance Officer.

**6.6** Whilst each employee and officer has a responsibility for the security of property of the NHS Vale of York CCG, it is the responsibility of Governing Body members and senior employees in all disciplines to apply such appropriate routine security practices in relation to NHS property as may be determined by the Governing Body. Any breach of agreed security practices must be reported in accordance with agreed procedures.

**6.7** Any damage to the NHS Vale of York CCGs premises, vehicles and equipment or any loss of equipment or supplies shall be reported by staff in accordance with the agreed procedure for reporting losses.

## **7 Payment of staff**

### **7.1 Funded Establishment**

7.1.1 The workforce plans incorporated within the annual budget will form the funded establishment. The funded establishment of any budget holder may not be varied without the approval of the Accountable Officer.

### **7.2 Processing Payroll**

7.2.1 The Chief Finance Officer is responsible for:

- a) specifying timetables for submission of properly authorised time records and other notifications;
- b) final determination of pay;
- c) making payment on agreed dates; and
- d) agreeing methods of payment.

7.2.2 The Chief Finance Officer will issue instructions regarding:

- a) verification and documentation of data;
- b) timetable for receipt and preparation of payroll data and the payment of employees;
- c) maintenance of subsidiary records for superannuation, income tax, social security and other authorised deductions from pay;
- d) security and confidentiality of payroll information;
- e) checks to be applied to completed payroll before and after payment;
- f) arrangements for ensuring compliance with the provisions of the Data Protection Act;
- g) methods of payments available to various categories of employees and officers;
- h) procedures for payment by cheque or bank credit;
- i) procedures for the recall of cheques and bank credits;
- j) pay advances and their recovery;
- k) maintenance of regular and independent reconciliation of pay control accounts;
- l) separation of duties of preparing records and inputs and verifying outputs and payments; and
- m) a system to ensure the recovery from leavers of sums of money and property due by them to the NHS Vale of York CCG.

7.2.3 Appropriately nominated managers have delegated responsibility for:

- a) submitting time records, and other notifications in accordance with agreed timetables;
- b) completing time records and other notifications in accordance with the Chief Finance Officer's instructions and in the form prescribed by the Chief Finance Officer; and
- c) submitting termination forms in the prescribed form immediately upon knowing the effective date of an employee's resignation, termination or retirement. Where an employee fails to report for duty in circumstances that suggest they have left without notice, the Chief Finance Officer must be informed immediately.

7.2.4 Regardless of the arrangements for providing the payroll service, the Chief



Finance Officer shall ensure that the chosen method is supported by appropriate (contracted) terms and conditions, adequate internal controls and audit and review procedures, and that suitable arrangements are made for the collection of payroll deductions and payment of these to appropriate bodies.

- 7.2.5 All employees shall be paid by bank credit transfer, unless otherwise agreed by the Chief Finance Officer.

### **7.3 Contracts of Employment**

- 7.3.1 The Governing Body shall delegate responsibility to the Accountable Officer or their nominee for ensuring that all employees are issued with a Contract of employment in a form approved by the Governing Body and which complies with employment legislation and deals with variations to or termination of contracts of employment.

## **8 Payment of Accounts**

- 8.1 The Chief Finance Officer shall be responsible for the prompt payment of accounts and claims. The term "payment" includes any arrangements established to settle payments upon a non-cash basis. Payment of contract invoices shall be in accordance with contract terms. All payments shall comply with the Government's policy on prompt payment.

- 8.2 All authorised officers shall inform the Chief Finance Officer promptly of all money payable by the NHS Vale of York CCG arising from transactions which they initiate, including contracts, leases, tenancy agreements and other transactions. To assist financial control, the Chief Finance Officer will maintain a register of regular payments.

- 8.3 The Chief Finance Officer shall be responsible for maintaining a system for the verification, recording and payment of all accounts payable by the NHS Vale of York CCG. This system will incorporate an approved officer's signatory list of the budget holders who are authorised to certify the following:

- a) goods have been duly received, examined, are in accordance with specification and order, are satisfactory and that the prices are correct;
- b) work done or services rendered have been satisfactorily carried out in accordance with the order; that, where applicable, the materials used were of the requisite standard and that the charges are correct;
- c) in the case of contracts based on the measurement of time, materials or expenses, the time charged is in accordance with the time sheets, that the rates of labour are in accordance with appropriate rates, that the materials have been checked with regard to quantity, quality and price and that the charges for the use of vehicles, plant and machinery have been examined;

- d) where appropriate, the expenditure is in accordance with regulations and that all necessary authorisations have been obtained; and
- e) the account is arithmetically correct; and the account is in order for payment.

**8.4** Appropriate prepayments will be permitted for instances relating to payments for rent, maintenance contracts and in those instances, where, as standard business practice demands, nominal prepayments are required (e.g. training, publications). Prepayments which fall outside the above categories are only permitted where exceptional circumstances apply. In such instances:

- a) the appropriate Director must provide, in the form of a written report, a case setting out all relevant circumstances of the purchase. The report must set out the effects on the NHS Vale of York CCG if the supplier is at some time during the course of the prepayment agreement unable to meet their commitments;
- b) the Chief Finance Officer will need to be satisfied with the proposed arrangements before contractual arrangements proceed; and
- c) the budget holder is responsible for ensuring that all items due under a prepayment contract are received and must immediately inform the appropriate Director or Chief Finance Officer if problems are encountered.

**8.5** Where an officer certifying accounts relies upon other officers to do preliminary checking, wherever possible, the officer certifying accounts will ensure that those who check delivery or execution of work, act independently of those who have placed orders and negotiated prices and terms.

**8.6** In the case of contracts which require payment to be made on account, during progress of the works, the Chief Finance Officer shall make payment on receipt of a certificate from the appropriate qualified officer or outside consultant. Without prejudice to the responsibility of any consultant, a contractor's account shall be subjected to such financial examination by the Chief Finance Officer and such general examination by appropriately qualified officers as may be considered necessary, before the person responsible to the NHS Vale of York CCG for the contract, issues the final certificate.

**8.7** The Chief Finance Officer may authorise advances on the Imprest system for petty cash and other purposes as required. Individual payments must be restricted to the amounts authorised by the Chief Finance Officer.

**8.8** The Chief Finance Officer shall ensure that payment for goods and services is made only when the goods and services have been properly received.

## **9 Tendering and Quotations**

- 9.1** The tendering policies and rules shall be applied where the NHS Vale of York CCG wishes to obtain goods, services or works from a third party external to the NHS Vale of York CCG. These policies and rules will be regularly updated by the Chief Finance Officer and approved by the Governing Body.
- 9.2** The purpose of the tendering rules is to ensure that best value arrangements are secured for the NHS Vale of York CCG, that all statutory and central government requirements are met, and that the NHS Vale of York CCG is protected from allegations of unfair practice or fraud.
- 9.3** EU and UK public procurement policy requires that the NHS Vale of York CCG promotes fair competition amongst potential suppliers and is open and transparent in dealings with suppliers and potential suppliers.
- 9.4** Directives by the Council of the European Union prescribing procedures and UK rules on public procurement for the awarding of contracts for building and engineering works and for the supply of goods, materials and manufactured articles and services shall have effect as if incorporated in these Detailed Financial Policies.
- 9.5** All procurement activities carried out by the NHS Vale of York CCG must also comply with any more specific control arrangements required by the Department of Health or HM Treasury.
- 9.6** The Chief Finance Officer will regularly update and agree with the Governing Body a schedule of delegated authorities for tendering, contracting and purchasing goods and services.
- 9.7** Formal tendering procedures may be waived in the following circumstances:
- a) In very exceptional circumstances where the Chief Clinical 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 requirement is covered by an existing contract.
  - c) Where OGC or PASA national framework agreements are in place and have been approved by the Governing Body.
  - d) Where a consortium arrangement is in place and a lead organisation has been appointed to carry out tendering activity on behalf of the consortium members.

- e) 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.
- f) Where specialist expertise is required and is available from only one source.
- g) 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.
- h) 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.
- i) For the provision of legal advice and services providing that any legal firm or partnership commissioned by the CCG 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 opinion) and are generally recognised as having sufficient expertise in the area of work for which they are commissioned. The Chief Finance Officer will ensure that any fees paid are reasonable and within commonly accepted rates for the costing of such work.
- j) Where allowed and provided for in the Capital Investment Manual.

**9.8** 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.

**9.9** Where it is decided that competitive tendering is not applicable and should be waived, the fact of the waiver and the reasons should be documented and recorded in an appropriate CCG record and reported to the Audit Committee at each meeting.

## **10 Contracting and Purchasing**

**10.1** All goods and services shall be ordered on an official order document except purchases from petty cash. Any purchases from petty cash are to be limited in value and type of purchase in accordance with instructions issued by the Chief Finance Officer and documented in the form prescribed in these instructions.

**10.2** Official orders shall be consecutively numbered, in a form approved by the Chief Finance Officer and shall include such information concerning prices or costs as required. The order shall incorporate an obligation on the supplier/contractor to comply with the NHS Vale of York CCG or other

relevant Terms and Conditions of Purchase (such as Buying Solutions).

- 10.3** Requisitions shall be approved only by officers authorised by the Accountable Officer. The list of authorised officers shall be maintained for management control purposes by the Chief Finance Officer.
- 10.4** Details of all orders placed should be available to the Chief Finance Officer either in paper form or accessible through a computerised accounts payable system.
- 10.5** The Chief Finance Officer should ensure that appropriate delegation arrangements are in existence to ensure that no order is issued for any item for which there is no budget provision. In exceptional circumstances, senior officers, acting only with the express approval of the Accountable Officer, may issue an order where there is no budget provision.
- 10.6** Orders shall not be placed in a manner devised to avoid the financial limits specified by the NHS Vale of York CCG.
- 10.7** No order shall be issued for any item or items for which an offer of gifts, reward or benefit has been made to staff. All gifts and hospitality shall be recorded in a register of gifts and hospitality.
- 10.8** Goods are not to be taken on trial or loan in circumstances that could commit the NHS Vale of York CCG to a future uncompetitive price.

## **11 Terms of Service, Allowances and Payment of Members of the NHS Governing Board and Employees**

### **11.1 Remuneration and terms of service**

11.1.1 In accordance with SOs the Governing Body shall establish a Remuneration Committee, with clearly defined terms of reference, specifying which posts fall within its area of responsibility, its composition, and the arrangements for reporting.

11.1.2 The Committee will:

- a) advise the Governing Body about appropriate remuneration and terms of service for the Accountable Officer, other officer members employed by the NHS Governing Body and other senior employees including:
- all aspects of salary (including any performance-related elements/bonuses);
  - provisions for other benefits, including pensions and cars; and
  - arrangements for termination of employment and other contractual terms.
- b) make such recommendations to the Governing Body on the

remuneration and terms of service of officer members of the Governing Body (and other senior employees) to ensure they are fairly rewarded for their individual contribution to the NHS Vale of York CCG – having proper regard to the NHS Vale of York CCGs circumstances and performance and to the provisions of any national arrangements for such members and staff where appropriate;

- c) monitor and evaluate the performance of individual officer members of the Governing Body and other senior employees;
- d) advise on and oversee appropriate contractual arrangements for such staff including the proper calculation and scrutiny of termination payments taking account of such national guidance as is appropriate.

11.1.3 The Committee shall report in writing to the Governing Body the basis for its recommendations. The Governing Body shall use the report as the basis for their decisions, but remain accountable for taking decisions on the remuneration and terms of service of officer members. Minutes of the Governing Body's meetings should record such decisions.

11.1.4 The Governing Body will consider and need to approve proposals presented by the Accountable Officer for the setting of remuneration and conditions of service for those employees and officers not covered by the Committee.

11.1.5 The NHS Vale of York CCG will pay allowances to the Chairman and non-officer members of the Governing Body in accordance with instructions issued by the Secretary of State for Health.

## **11.2 Funded Establishment**

11.2.1 The manpower plans incorporated within the annual budget will form the funded establishment.

11.2.2 The funded establishment of any department may not be varied without the approval of the Accountable Officer.

## **11.3 Staff Appointments**

11.3.1 Members of the Governing Body and other employees may only engage, re-engage, or re-grade employees, either on a permanent or temporary nature, or hire agency staff, or agree to changes in any aspect of remuneration in accordance with the approved scheme of delegation and within the limit of their approved budget and funded establishment. Any exceptions must be approved in advance and in writing by the Accountable Officer.

11.3.2 The Governing Body will approve procedures presented by the Accountable Officer for the determination of commencing pay rates, conditions of service, etc, for employees.

## **11.4 Contracts of Employment**

11.4.1 The Governing Body shall delegate responsibility to an officer for:

- a) ensuring that all employees are issued with a Contract of Employment in a form approved by the Board and which complies with employment legislation; and
- b) dealing with variations to, or termination of, contracts of employment.

## **12. Non - Pay Expenditure**

12.1 The Governing Body will approve the level of non-pay expenditure on an annual basis and the Accountable Officer will determine the level of delegation to budget holders.

12.2 The Chief Finance Officer will set out:

- a) the list of managers who are authorised to place requisitions for the supply of goods and services; and
- b) the maximum level of each requisition and the system for authorisation above that level.

12.3 The Chief Finance Officer shall set out procedures on the seeking of professional advice regarding the supply of goods and services.

## **13 Stores and Receipt of Goods**

### **13.1 General Position**

13.1.1 Stores, defined in terms of controlled stores and departmental stores (for immediate use) should be:

- a) kept to a minimum;
- b) subjected to annual stock take;
- c) valued at the lower of cost and net realisable value.

### **13.2 Control of Stores, Stocktaking, Condemnations and Disposal**

13.2.1 Subject to the responsibility of the Chief Finance Officer for the systems of control, overall responsibility for the control of stores shall be delegated to an employee by the Accountable Officer. The day-to-day responsibility may be delegated by him to departmental employees and stores managers/keepers, subject to such delegation being entered in a record available to the Chief Finance Officer.

- 13.2.2 The responsibility for security arrangements and the custody of keys for any stores and locations shall be clearly defined in writing by the designated manager/officer. Wherever practicable, stocks should be marked as health service property.
- 13.2.3 The Chief Finance Officer shall set out procedures and systems to regulate the stores including records for receipt of goods, issues, and returns to stores, and losses.
- 13.2.4 Stocktaking arrangements shall be agreed with the Chief Finance Officer and there shall be a physical check covering all items in store at least once a year.
- 13.2.5 Where a complete system of stores control is not justified, alternative arrangements shall require the approval of the Chief Finance Officer.
- 13.2.6 The designated manager/officer shall be responsible for a system approved by the Chief Finance Officer for a review of slow moving and obsolete items and for condemnation, disposal, and replacement of all unserviceable articles. The designated officer shall report to the Chief Finance Officer any evidence of significant overstocking and of any negligence or malpractice (see also overlap with DFP 14 – Disposals and condemnations, losses and special payments). Procedures for the disposal of obsolete stock shall follow the procedures set out for disposal of all surplus and obsolete goods.

## **14. Disposals and Condemnations, Losses and Special Payments**

### **14.1 Disposals and Condemnations**

- 14.1.1 The Chief Finance Officer must prepare detailed procedures for the disposal of assets including condemnations, and ensure that these are notified to managers.
- 14.1.2 When it is decided to dispose of an NHS Vale of York CCG asset, the Head of Department or authorised deputy will determine and advise the Chief Finance Officer of the estimated market value of the item, taking account of professional advice where appropriate.
- 14.1.3 All unserviceable articles shall be:
- a) condemned or otherwise disposed of by an employee authorised for that purpose by the Chief Finance Officer; and
  - b) recorded by the condemning officer in a form approved by the Chief Finance Officer which will indicate whether the articles are to be converted, destroyed or otherwise disposed of. All entries shall be confirmed by the countersignature of a second employee authorised for the purpose by the Chief Finance Officer.



14.1.4 The Condemning Officer shall satisfy himself as to whether or not there is evidence of negligence in use and shall report any such evidence to the Chief Finance Officer who will take the appropriate action.

## **14.2 Losses and Special Payments**

14.2.1 The Chief Finance Officer must prepare procedural instructions on the recording of and accounting for condemnations, losses, and special payments.

14.2.2 Any employee or officer discovering or suspecting a loss of any kind must either immediately inform their Head of Department, who must immediately inform the Accountable Officer and the Chief Finance Officer or inform an officer charged with responsibility for responding to concerns involving loss. This officer will then appropriately inform the Chief Finance Officer and/or Accountable Officer. Where a criminal offence is suspected, the Chief Finance Officer must immediately inform the police, if theft or arson is involved. In cases of fraud and corruption, or of anomalies which may indicate fraud or corruption, the Chief Finance Officer must inform the External Auditor, the NHS Vale of York CCGs Counter Fraud Specialist and the relevant Counter Fraud and Security Management Services regional team in accordance with Secretary of State for Health's Directions.

14.2.3 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.

14.2.4 Within limits delegated to it, the Governing Body shall approve the writing-off of losses.

14.2.5 The Chief Finance Officer shall be authorised to take any necessary steps to safeguard the Governing Body interests in bankruptcies and company liquidations.

14.2.6 For any loss, the Chief Finance Officer should consider whether any insurance claim can be made.

14.2.7 The Chief Finance officer shall maintain a losses and special payments register in which write-off action is recorded.

14.2.8 No special payments exceeding delegated limits shall be made without the prior approval of the Department of Health.

14.2.9 All losses and special payments must be reported to the Audit Committee annually.

## **15. Information Technology**

### **15.1 General**

15.1.1 In order to ensure compatibility and compliance with the NHS Vale of York CCGs IT strategy, no computer hardware, software or facility will be procured without the authorisation of an officer specifically appointed by the Accountable Officer.

### **15.2 Finance**

15.2.1 The Chief Finance Officer shall ensure that adequate controls exist such that the finance computer operation is separated from development, maintenance and amendment.

15.2.2 The Chief Finance Officer and an officer specifically appointed by the Accountable Officer shall ensure that an adequate management (audit) trail exists through the computerised finance system.

15.2.3 The Chief Finance Officer shall satisfy himself that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation.

## **16 Information Governance**

16.1 The Chief Clinical Officer shall be responsible for ensuring that the NHS Vale of York CCG has registered with the Information Commissioner's Office for compliance with the Data Protection Act 1998 and shall ensure that information is published and maintained in accordance with the requirements of the Freedom of Information Act 2000 (FOI).

16.2 The Chief Finance Officer shall be primarily responsible for the accuracy and security of the computerised financial data of the NHS Vale of York CCG in accordance with security retention and Data Protection policies as defined by the officer designated for this purpose by the Accountable Officer.

16.3 An officer specifically appointed by the Accountable Body shall devise and implement any necessary procedures to ensure adequate protection of the NHS Vale of York CCG's manual and computer data, programs and hardware for which the Accountable Officer is responsible, from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Data Protection Acts and NHS-wide security requirements.

16.4 An officer specifically appointed by the Accountable Officer shall ensure that adequate controls exist over data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of all NHS Vale of York CCG financial systems and data as well as the efficient and effective operation of the system.

- 16.5 The Chief Finance Officer shall ensure that contracts for computing services for financial applications with another 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.
- 16.6 Where another agency provides a computer service for financial applications, the Chief Finance Officer shall periodically seek assurances that adequate controls as outlined above are in operation.
- 16.7 The Chief Finance Officer and an officer specifically appointed by the Accountable Officer shall ensure that adequate controls exist to maintain the security, privacy, accuracy and completeness of financial data sent.

## **17 Retention of Documents**

- 17.1 The Accountable Officer shall be responsible for maintaining archives for all documents required to be retained in accordance with Department of Health guidelines.
- 17.2 The documents held in archive shall be capable of retrieval by persons authorised by the Chief Finance Officer.
- 17.3 Documents held in accordance with Department of Health guidance shall only be destroyed at the express instigation of the Accountable Officer. Records shall be
- 17.4 maintained of all documents so destroyed.



## 18. APPENDIX 1: EQUALITY IMPACT ANALYSIS FORM

<b>1.</b>	<b>Title of policy/ programme/ service being analysed</b>
	Detailed Financial Policies
<b>2.</b>	<b>Please state the aims and objectives of this work.</b>
	To ensure that the NHS Vale of York CCG's financial transactions are carried out with accordance with the law and Government policy.
<b>3.</b>	<b>Who is likely to be affected? (e.g. staff, patients, service users)</b>
	Staff
<b>4.</b>	<b>What sources of equality information have you used to inform your piece of work?</b>
	Equality Impact Analysis Local Profile Data
<b>5.</b>	<b>What steps have been taken ensure that the organisation has paid <u>due regard</u> to the need to eliminate discrimination, advance equal opportunities and foster good relations between people with protected characteristics</b>
	The analysis of equalities is embedded within the CCG's Committee Terms of Reference and project management framework.
<b>6.</b>	<b>Who have you involved in the development of this piece of work?</b>
	<p><b>Internal involvement:</b> Senior Management team</p> <p><b>Stakeholder involvement:</b> Consultation with Senior Managers</p> <p><b>Patient / carer / public involvement:</b> This is an Internal policy aimed at staff employed by the CCG and contractors working for the CCG. The focus is on compliance with statutory duties and NHS mandated principles and practice. There are no particular equality implications.</p>

<p><b>7. What evidence do you have of any potential adverse or positive impact on groups with protected characteristics?</b>  <b>Do you have any gaps in information?</b>  <b>Include any supporting evidence e.g. research, data or feedback from engagement activities</b></p> <p><b>(Refer to Error! Reference source not found. if your piece of work relates to commissioning activity to gather the evidence during all stages of the commissioning cycle)</b></p>	
<p><b>Disability</b>  People who are learning disabled, physically disabled, people with mental illness, sensory loss and long term chronic conditions such as diabetes, HIV)</p>	<p>Consider building access, communication requirements, making reasonable adjustments for individuals etc</p>
<p>Neutral Impact</p>	
<p><b>Sex</b>  Men and Women</p>	<p>Consider gender preference in key worker, single sex accommodation etc</p>
<p>Neutral Impact</p>	
<p><b>Race or nationality</b>  People of different ethnic backgrounds, including Roma Gypsies and Travellers</p>	<p>Consider cultural traditions, food requirements, communication styles, language needs etc.</p>
<p>Neutral Impact</p>	
<p><b>Age</b>  This applies to all age groups. This can include safeguarding, consent and child welfare</p>	<p>Consider access to services or employment based on need/merit not age, effective communication strategies etc.</p>
<p>Neutral Impact</p>	

<p><b>Trans</b> People who have undergone gender reassignment (sex change) and those who identify as trans</p>	<p>Consider privacy of data, harassment, access to unisex toilets &amp; bathing areas etc.</p>
<p>Neutral Impact</p>	
<p><b>Sexual orientation</b> This will include lesbian, gay and bi-sexual people as well as heterosexual people.</p>	<p>Consider whether the service acknowledges same sex partners as next of kin, harassment, inclusive language etc.</p>
<p>Neutral Impact</p>	
<p><b>Religion or belief</b> Includes religions, beliefs or no religion or belief</p>	<p>Consider holiday scheduling, appointment timing, dietary considerations, prayer space etc.</p>
<p>Neutral Impact</p>	
<p><b>Marriage and Civil Partnership</b> Refers to legally recognised partnerships (employment policies only)</p>	<p>Consider whether civil partners are included in benefit and leave policies etc.</p>
<p>Neutral Impact</p>	
<p><b>Pregnancy and maternity</b> Refers to the pregnancy period and the first year after birth</p>	<p>Consider impact on working arrangements, part-time working, infant caring responsibilities etc.</p>
<p>Neutral Impact</p>	
<p><b>Carers</b> This relates to general caring responsibilities for someone of any age.</p>	<p>Consider impact on part-time working, shift-patterns, options for flexi working etc.</p>
<p>Neutral Impact</p>	

<p><b>Other disadvantaged groups</b> This relates to groups experiencing health inequalities such as people living in deprived areas, new migrants, people who are homeless, ex-offenders, people with HIV.</p>	<p>Consider ease of access, location of service, historic take-up of service etc.</p>
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Neutral Impact	
<b>8.</b>	<p><b>Action planning for improvement</b> Please outline what mitigating actions have been considered to eliminate any adverse impact? Not applicable</p> <p>Please state if there are any opportunities to advance equality of opportunity and/ foster good relationships between different groups of people? Not applicable</p>

<b>Sign off</b>
Name and signature of person / team who carried out this analysis
Date analysis completed
Name and signature of responsible Director
Date analysis was approved by responsible Director



## 19. APPENDIX 2: SUSTAINABILITY IMPACT ASSESSMENT

Staff preparing a policy, Governing Body (or Sub-Committee) report, service development plan or project are required to complete a Sustainability Impact Assessment (SIA). The purpose of this SIA is to record any positive or negative impacts that this is likely to have on sustainability.

Title of the document	Detailed Financial Policies
What is the main purpose of the document	To ensure that the NHS Vale of York CCG's financial transactions are carried out with accordance with the law and Government policy.
Date completed	
Completed by	

Domain	Objectives	Impact of activity Negative = -1 Neutral = 0 Positive = 1 Unknown = ? Not applicable = n/a	Brief description of impact	If negative, how can it be mitigated? If positive, how can it be enhanced?
Travel	Will it provide / improve / promote alternatives to car based transport?	0		
	Will it support more efficient use of cars (car sharing, low emission vehicles, environmentally friendly fuels and technologies)?	0		
	Will it reduce 'care miles' (telecare, care closer) to home?	0		

Domain	Objectives	Impact of activity Negative = -1 Neutral = 0 Positive = 1 Unknown = ? Not applicable = n/a	Brief description of impact	If negative, how can it be mitigated? If positive, how can it be enhanced?
	Will it promote active travel (cycling, walking)?	0		
	Will it improve access to opportunities and facilities for all groups?	0		
	Will it specify social, economic and environmental outcomes to be accounted for in procurement and delivery?	0		
Procurement	Will it stimulate innovation among providers of services related to the delivery of the organisations' social, economic and environmental objectives?	0		
	Will it promote ethical purchasing of goods or services?	0		
Procurement	Will it promote greater efficiency of resource use?	0		
	Will it obtain maximum value from pharmaceuticals and technologies (medicines management, prescribing, and supply chain)?	0		
	Will it support local or regional supply chains?	0		
	Will it promote access to local services (care closer to home)?	0		
	Will it make current activities more efficient or alter service delivery models	0		

Domain	Objectives	Impact of activity Negative = -1 Neutral = 0 Positive = 1 Unknown = ? Not applicable = n/a	Brief description of impact	If negative, how can it be mitigated? If positive, how can it be enhanced?
Facilities Management	Will it reduce the amount of waste produced or increase the amount of waste recycled? Will it reduce water consumption?	0		
Workforce	Will it provide employment opportunities for local people?	0		
	Will it promote or support equal employment opportunities?	0		
	Will it promote healthy working lives (including health and safety at work, work-life/home-life balance and family friendly policies)?	0		
	Will it offer employment opportunities to disadvantaged groups?	0		
Community Engagement	Will it promote health and sustainable development?	0		
	Have you sought the views of our communities in relation to the impact on sustainable development for this activity?	N/a		
Buildings	Will it improve the resource efficiency of new or refurbished buildings (water, energy, density, use of existing buildings, designing for a longer lifespan)?	0		
	Will it increase safety and security in new buildings and developments?	0		

Domain	Objectives	Impact of activity Negative = -1 Neutral = 0 Positive = 1 Unknown = ? Not applicable = n/a	Brief description of impact	If negative, how can it be mitigated? If positive, how can it be enhanced?
	Will it reduce greenhouse gas emissions from transport (choice of mode of transport, reducing need to travel)?	0		
	Will it provide sympathetic and appropriate landscaping around new development?	0		
	Will it improve access to the built environment?	0		
Adaptation to Climate Change	Will it support the plan for the likely effects of climate change (e.g. identifying vulnerable groups; contingency planning for flood, heat wave and other weather extremes)?	0		
Models of Care	Will it minimise 'care miles' making better use of new technologies such as telecare and telehealth, delivering care in settings closer to people's homes?	0		
	Will it promote prevention and self-management?	0		
	Will it provide evidence-based, personalised care that achieves the best possible outcomes with the resources available?	0		
	Will it deliver integrated care, that co-ordinate different elements of care more effectively and remove duplication and redundancy from care pathways?	0		

