

Title	Update on standing financial instructions and scheme of delegation		
Meeting	Board of Directors		
Date	31 March 2015		
Executive Summary			
<p>The Scheme of Delegation (SoD) and Standing Financial Instructions (SFIs) were approved by the Board of Directors at the September meeting. The purpose of this report is to provide an update to the Board on the implementation of the documents.</p> <p>With effect from 1 February 2015 a zero tolerance approach has been implemented and staff who have not attended the training have had no delegated authority. The implementation of the zero tolerance approach had resulted in a number of requests to change the Scheme of Delegation as apparent anomalies have emerged in practice. These requests are currently being reviewed and evidence is being sought to determine whether failure to change the delegations will have a significant impact on delivery of the service.</p>			
Recommendation			
<p>The Board is recommended to:-</p> <ul style="list-style-type: none"> • Review the progress made on the launch of the Scheme of Delegation and Standing Financial Instructions • Note that a zero tolerance approach has been implemented and that issues arising from this will be reviewed and addressed on an individual basis • Note the next steps required to embed the documents into operational working. 			
Report Author	Helen Patterson		
Executive Director/ Sponsor	Mike Robson		
Purpose of paper	Information	x	Discussion
	Decision		Assurance
	Specific action		
Implications	Staffing		
	Finance		
	Legal		
	Public engagement		
	Partnership		
	Communication		
	Equality & Diversity		
	Clinical		
	Patient Safety		

Risk assessment and mitigation (include risk register reference if appropriate)	
Link to STFT Business Plan	
Link to CQC outcome	Relates to the 5 key questions; safe, effective, caring, responsive to need and well led
Link to Board Assurance Framework	
Link to Strategic Risk Register	

REPORT TO BOARD OF DIRECTORS

UPDATE ON STANDING FINANCIAL INSTRUCTIONS AND SCHEME OF DELEGATION

Introduction

- 1 The Scheme of Delegation (SoD) and Standing Financial Instructions (SFIs) were approved by the Board of Directors at the September meeting.
- 2 The purpose of this report is to provide an update to the Board on the implementation of the documents.

Training

- 3 All staff that had been identified within the Appendix to the Scheme of Delegation as having delegated responsibility on behalf of the Board were requested to attend mandatory training during December and January.
- 4 Sixteen training sessions were delivered by the Deputy Director of Finance with the support of the Head of Procurement and Supplies during that period with 14 being delivered to delegated staff and 2 being delivered to the Finance and Supplies teams who would be monitoring compliance.
- 5 Of those with delegated responsibilities 233 staff attended the training. A further two training sessions were held in February which 12 staff attended leaving 18 still to attend (partly as a result of sickness).
- 6 The training highlighted the key aspects of the Scheme of Delegation and Standing Financial Instructions and outlined the responsibilities in relation to this and the consequence of non compliance. Real examples of where the documents have not been complied with in the past were presented.

Publication of Documents

- 7 Both documents have now been Equality Impact Assessed and are available on the intranet.
- 8 Specimen signature forms have been issued to all staff with their delegations to be signed and cover arrangements identified. Where these have been returned in full by a Division the Appendix to the Scheme of Delegation has been updated and a copy returned to the

Clinical Business Manager or the relevant Executive Director for the corporate services.

Zero Tolerance Approach

- 9 All requisitions and expenses submitted in January were reviewed and the relevant manager was notified of any that were not in accordance with the Scheme of Delegation that would be rejected from February.
- 10 A zero tolerance approach has been implemented from 1 February 2015 as follows:
 - Staff that have not attended training have no delegated authority until they do so. A training session will be arranged each month to ensure the remaining staff are covered as well as any new starters
 - Staff can only approve their own cost centres or those of another delegated person who has identified them as their cover arrangements
 - Staff variation lists (SVLs) for payroll confirmation of hours worked have been sent out in accordance with the Scheme of Delegation (taking into account those that have not attended the training)
 - Where returned SVLs include overtime and that officer is not delegated to approve overtime these are being forwarded to another appropriate delegated officer for approval
 - All requisitions that are not in accordance are being rejected unless there is an urgent clinical reason for it to process at which point additional authority is being sought
 - The electronic expenses system has been updated in accordance with the Scheme of Delegation
 - A list of staff that can authorise petty cash along with their specimen signatures has been distributed to petty cash float holders

Next Steps

- 11 The implementation of the zero tolerance approach has resulted in a number of requests to change the Scheme of Delegation. These requests are currently being reviewed and evidence is being sought to determine whether failure to change the delegations will have a significant impact on delivery of the service.
- 12 Within the expenses system a manager can set up their own delegates to approve expenses on their behalf. This is being checked as expenses are submitted to ensure that the delegates are as identified in the Scheme of Delegation. Work will commence in March on aligning the expenses system cover arrangements to the Scheme of Delegation and a process will be put in place to ensure that managers are not adding to or amending this.

- 13 As noted above signatures and cover arrangements that are outstanding are being chased up.
- 14 A monthly training program will be set up to ensure that all relevant staff and any new starters are trained in the Scheme of Delegation and Standing Financial Instructions.
- 15 A procedure note will be written relating to how the Appendix to the Scheme of Delegation is kept up to date.
- 16 Work will commence on the Financial Procedure Notes in March to update them in accordance with the Scheme of Delegation.

17 Action

The Board is recommended to:-

- **Review the progress made on the launch of the Scheme of Delegation and Standing Financial Instructions**
- **Note that a zero tolerance approach has been implemented and that issues arising from this will be reviewed and addressed on an individual basis**
- **Note the next steps required to embed the documents into operational working.**

**Helen Patterson
Deputy Director of Finance
March 2015**