

BOARD OF DIRECTORS HELD IN PUBLIC

Date: Thursday, 29th November 2018
Time: 3.30pm – 5.30pm
Venue: Board Room, Sunderland Eye Infirmary

AGENDA

Item No.	AGENDA ITEM	Lead Officer	Paper No
1.0	Apologies for absence and declarations of interest	J Anderson, Chairman	-
2.0	Approve the minutes of the meeting held in public on 27 th September 2018	J Anderson, Chairman	Enc 01
3.0	Matters Arising - Path to Excellence	K Bremner, Chief Executive	-
Standard Reports			
4.0	Chief Executive's Update	K Bremner, Chief Executive	Verbal
5.0	Quality Report (including Patient Story)	D Palmer, Assistant Director of Nursing	Enc 02
6.0	Performance Report 6.1 Financial Performance 6.2 Operational Performance	J Pattison, Director of Finance/ A King, Director of Performance	Enc 03 Enc 04
7.0	Annual Nursing Workforce Review	D Palmer, Assistant Director of Nursing	Enc 05
Strategy and Governance			
8.0	Learning from Deaths (Mortality Dashboard) Report	I Martin, Medical Director	Enc 06
9.0	Freedom to Speak Up Guardian Annual Report 2017/18	K Griffin, Director of HR & OD	Enc 07
10.0	Standing Financial Instructions and Scheme of Delegation	J Pattison, Director of Finance	Enc 08
11.0	Any other business	-	-
Date and time of future meetings Thursday 31 st January 2019, 3.30pm in the Board Room, Sunderland Eye Infirmary			

**BOARD OF DIRECTORS
IN PUBLIC MEETING
27 SEPTEMBER 2018**

Present: Stewart Hindmarsh, Vice Chairman (SH) – Chair
David Barnes, Non Executive Director (DB)
Paul McEldon, Non Executive Director (PMcE)
Pat Taylor, Non Executive Director (PT)
Alan Wright, Non Executive Director (AW)
Julia Pattison, Executive Director of Finance (JP)
Melanie Johnson, Executive Director of Nursing, AHPs & Patient Experience (MJ)
Peter Sutton, Executive Director of Planning & Business Development (PS)
Ian Martin, Medical Director (ICM)
Sean Fenwick, Director of Operations (SF)

Apologies: John Anderson, Chairman (JNA)
Ken Bremner, Chief Executive (KWB)

In attendance: Andrea Hetherington, Acting Director of Corporate Affairs (AH)
Alison King, Director of Performance and Information (AK)
Debbie Henderson, Company Secretary/Head of Governance, South Tyneside NHS Foundation Trust (Observer)

1. DECLARATION OF INTEREST

AW advised that he had been providing media and presentation training to Fuji Diosynth Biotechnologies, a manufacturer of prescription drugs to the NHS.

2. MINUTES OF THE MEETING HELD 26 JULY 2018

Accepted as a true record subject to the following amendment:

Page 1 – 2nd Paragraph – Header to be inserted “Path to Excellence”.

3. MATTERS ARISING

3.1 Path to Excellence

JP reported to the Board that the outcome of the Independent Reconfiguration Review Panel to the Secretary of State had been received and this had supported the recommendations of the CCGs in relation to Phase 1. The panel had however recommended further work to be done in relation to a longer term paediatric urgent care model. PT asked for an update on the Judicial Review and it was confirmed this was still outstanding and no date had yet been confirmed for the hearing.

3.2 Care Quality Commission

JP formally informed the Board of the outcome of the recent CQC assessment with SRH improving to a Good rating and the overall Trust rating remaining Good.

4. STANDARD REPORTS

4.1 CHIEF EXECUTIVE'S UPDATE

Avastin – JP reminded the Board of the court case against a number of local CCGs in relation to Avastin and was pleased to report that the High Court had found in favour of the NHS organisations. The teams were working through implementation however she advised that this was a positive ruling.

Information Governance Breach – JP reminded the Board of the IG breach in relation to a missing computer tower. She advised that the Information Commissioner's Office had concluded its investigation and advised that no further action was to be taken.

NHS 10 Year Plan – JP advised that the NHS was seeking views of stakeholders, partners, staff and patients in order to develop a plan which builds on the previous 5 year plan for a further 5 years. A number of project groups have been set up to take this forward.

Dr Sarah Gibb – JP was pleased to inform the Board that Dr Sarah Gibb, Consultant Anaesthetist, had been awarded the National Acute Pain Consultant of the Year at the National Acute Pain Symposium which was a fantastic achievement. SH asked, on behalf the whole Board, for their congratulations to be passed on to Sarah.

4.2 QUALITY REPORT

MJ presented the report which provided progress and assurance on patient safety and experience as well as assurance on the delivery of the Quality Strategy.

MJ highlighted the patient story within the report which related to the experience of a family whose father with Alzheimer's had died whilst in hospital. The family had written to thank staff on Ward E52 for the care and support they had given to the family during a very difficult period for them.

With regard to pressure ulcers, MJ reminded the Board that there had been a particularly low level of reported pressure ulcers in June and numbers had increased in July to what is considered to be a normal range. She advised that the team had relooked at the June data and confirmed that it was correct and there was no single explanation for the lower number. She confirmed that the work on improving pressure ulcer prevention continued.

In terms of hospital falls, MJ was pleased to report there had been no falls with moderate or severe harm in July.

ICM highlighted the E-coli target over a 5 year period remained very challenging, advising that most Trusts appeared to be making little progress despite a lot of effort being put into this area. He advised that there had been 4 cases in July.

MJ reported a slight rise in the number of complaints with response rates of over 40 days. She confirmed these had been looked at and the majority were complex cases, often involving other Trusts.

The high percentage of patients over the age of 75 screened for dementia was noted and MJ explained that the Trust's electronic documentation in this regard was extremely helpful. She also informed the Board that the joint Dementia Strategy which was developed in conjunction with South Tyneside NHSFT had officially been launched the week before. SH mentioned a new app which had been released by the Alzheimer's Society and he felt this may be worth looking at. In terms of the percentage of patients screened, PT asked how many patients this equated to and suggested that number be included in the table in future reports. MJ agreed to look into this and SF said he would estimate it would be around 1000 patients per month.

In terms of mix sex accommodation, MJ was pleased to report there had been no breaches in July.

ICM then highlighted the national emergency laparotomy audit findings, advising that the majority of indicators were green for the Trust. He advised that mortality was slightly higher than the national average but this had improved year on year since the start of the audit. He commented that most Trusts were failing in the ability to have geriatric input into laparotomy care and felt this was a quality initiative that needed to be looked at. He drew a comparison to the orthogeriatrician service and how this had improved mortality. He noted that the Trust had higher than average return to theatre rates and he said this was thought to be linked to incorrect coding of cases where a return had indeed been planned.

In terms of safeguarding children, MJ highlighted the key areas of work in the action plan which has been pulled together following the publication of the final OFSTED report in relation to Together for Children. She confirmed the action plan had been signed off by the Safeguarding Board. She advised that whilst there were no particular actions for CHSFT, the Trust would be contributing to the action plan as a partner organisation. MJ drew colleagues' attention to the number of child protection medicals and the number of children on a Looked After Children plan and advised that the team was looking at how this information was presented and would discuss this further at Governance Committee. It was clarified that the information presented related to the borough of Sunderland rather than the organisation.

With regard to Deprivation of Liberty Safeguards, MJ advised that this was to be changed to Liberty Protection Safeguards however it was unlikely to take place until 2020. This change would move responsibility to Trusts.

MJ reported the number of reported incidents to be fairly static. She advised that the Trust's incident reporting system would be changed from Ulysses to Datix in the New Year and it has been rebuilt to be more clinically-friendly.

MJ reported 94 nursing vacancies at present, however that number changed on a fairly frequent basis. She commented that staffing over winter would be an issue and confirmed the senior nursing team was working through what could be put in place to support staffing over the winter months. In relation to AHP staffing, she advised that there was a particularly high vacancy rate in radiography and physiotherapy in particular. She advised that an AHP staffing review would be undertaken, similar to the exercise undertaken around nursing.

ICM highlighted the Health Education England North East national rankings, particularly noting the Trust's strong performance in the region.

Resolved: To accept the report.

4.3 FINANCE REPORT

JP presented the report which gave details of the financial position to the end of August 2018. She advised the Trust was ahead of plan by £476k. She advised that the Trust did not achieve the Provider Sustainability Fund target in Quarters 1 and 2 due to A&E performance.

In terms of income, JP reported an over performance £353k. She advised that non-elective activity at month 5 was £2.667m above plan, the majority relating to Sunderland CCG and pricing variances rather than activity. In terms of the RAG rating in the dashboard, PT asked why the PSF was shown as green and JP explained that was because it was an improvement on the last month. ICM asked how aligned this was to other sources of intelligence such as length of stay and JP replied that an increase in the average tariff price per individual had been identified.

JP reported the forecast outturn position to be a £2.243m variance from plan which was a deterioration of £827k from last month, mainly due to additional costs anticipated for ED and IAU of £881k.

In terms of pay expenditure she reported this had worsened by £1.2m in the month, largely as a result of the pay award. She advised that August's payroll included pay arrears relating to April, May and June and following revised calculations based on the actual pay award figures, an unfunded pressure of £379k was expected.

The Divisional non-pay expenditure was noted and JP advised that the overspend in Surgery was partly due to drugs costs, specifically Lucentis and a shortfall in identified CIP to date. With regard to the chart shown on Page 9, PT asked why there was no 18/19 year to date actual data shown against CHoICE and JP advised that this would be removed in future reports as a completely separate dashboard relating to the subsidiary had now been included.

In terms of cash position, JP indicated she was not expecting to require accessing additional loan support before the end of the financial year, however would need to keep a close eye on this area.

JP advised that the GDE scheme cost phasing was behind plan but reassured the Board this was purely a timing issue.

With regard to the forecast outturn, JP reported a worsened position from last month by £827k. PT highlighted the best and worst case scenario figures in the baseline forecast section of the dashboard, pointing out that whilst the various categories contained the same figures, the subtotals were different. JP confirmed this was an error and agreed to relook at this.

DB commented that he felt that being able to get to Month 5 without any major variances was unlike previous years and provided a degree of reassurance.

Resolved: To note the financial position to date.

4.4 PERFORMANCE REPORT

AK presented the report which updated Directors on performance against key national targets. In terms of A&E performance she reported the Trust to be averaging about 90 % which was in line with national performance and CHSFT had moved to the upper middle 25 % of Trusts, ranked 60th out of 136 acute Trusts. AK advised that despite not achieving the 95 % target, performance had improved on the previous month. It was noted that the volume of attendances was 4.6 % higher than for the same period the previous year, primarily driven by an 9.3 % increase in Type 1 attendances. PT asked if this meant a shift in the case mix was being seen in ED attendances. It was clarified that some of these cases would be those minor cases where diagnosis is uncertain and they require some diagnostics before a formal diagnosis is reached. The continued staffing pressures were noted however AK advised that this should improve over the next few weeks due to recent appointments. AK reported that an action plan was in place to enable delivery of the recommendations of the Emergency Care Improvement Team, however added that it was difficult to quantify what those actions would bring in terms of overall performance as a lot of it relied on performance back of house. SF agreed adding that length of stay also made a significant difference. AK advised the emergency care data set came into force last year and it is now possible to do some detailed analysis. This has been sent to the clinical and operational teams and will be fed back through future reports.

With regard to RTT, AK informed the Board that performance had remained above target in August at 94.2 % with all specialties achieving the target except T&O and OMFS. She advised that performance in OMFS had suffered as a result of capacity issues as a result of staffing pressures and an increase in complexity of referrals impacting on minor surgery. She also flagged a risk around September performance for a number of other specialties and confirmed that these would be monitored and reviewed regularly in line with the Trust's Performance Improvement Framework. AK advised that the RTT stress test rating had improved between June and July and CHSFT was ranked 12th out of 148.

AK then reported that the Trust had achieved all cancer waiting time standards in July with the exception of the 62 day target, largely as a result of urology breaches. She flagged that indicative performance for August remained a risk for this particular element of the cancer treatment targets, however September was looking as though performance had improved slightly. In response to a query from PMcE, it was confirmed that again the main issues resulting on performance were staffing and capacity. It was confirmed however, that the impact of Durham Diagnostic Treatment Centre would begin to be seen from mid-September and pathways pre and post DDTC opening would be compared.

Resolved: To accept the report.

5. STRATEGY/POLICY

5.1 LEARNING FROM DEATHS DASHBOARD

ICM presented the report which provided an update on the Trust's mortality dashboard. He drew the Board's attention to the visual summary of the Trust's learning from deaths information. It was agreed that this format was a good way to present the information and would help people understand what could be a complex set of information.

In terms of medical examiners, ICM said it was still unclear when this post would be introduced. He advised that the Trust had held back from development or investment in the process until further guidance was received. SH commented that he felt it odd that other Trusts would consider making such appointments as he felt the post was meant to be independent.

Resolved: To accept the report and the updated dashboard.

5.2 SINGLE GOVERNANCE COMMITTEE PROPOSAL

MJ presented the paper which outlined a proposal to move to one joint Governance Committee across CHSFT and STFT. She advised that this had been supported in principal at the individual Governance Committees and sought approval from the Board to implement the single committee. The Board acknowledged this made sense and the recommendation was approved.

Resolved: To accept the recommendation to move to one joint Governance Committee across the Healthcare Group.

6. ANY OTHER BUSINESS

None.

7. DATE AND TIME OF NEXT MEETING

Thursday, 29 November 2018 at 3.30 pm in the Board Room, Sunderland Eye Infirmary.

STEWART HINDMARSH
Vice Chairman

BOARD OF DIRECTORS

NOVEMBER 2018

QUALITY REPORT (September 2018 data)

1. INTRODUCTION

The Quality Report presents data relating to our aims and priority work streams described in the Quality Strategy 2018-2023. The purpose of the report is to provide a progress report on key issues and assurance to the Trust Board on patient safety, patient experience and clinical effectiveness as well as assurance on the delivery of the Quality Strategy.

2. ISSUES IN THE REPORT

2.1 Pressure Ulcers

The number of pressure ulcers at CHS and South Tyneside Community continued to rise above the improvement trajectory in September. There was one Category 3 pressure ulcer identified in CHS, one Category 3 in STFT Acute, three Category 3 and one Category 4 pressure ulcers in Sunderland Community.

The Pressure Ulcer Reduction Plan is being updated to incorporate learning and improvement initiatives from recent incident investigations and analysis.

2.2 Serious Incidents reported

- **CHSFT** – 0
- **STFT** – 5 serious incidents (two falls which resulted in fractures, and three pressure ulcers - one category 3 and two category 4s)

2.3 Infection Control

- Hand hygiene compliance had dropped in both Trusts in September, to the lowest compliance in the 12 month rolling period
- **CHSFT** – 5 cases of E.coli, 6 cases of C.diff
- **STFT** – 1 case of E.coli, 2 cases of C.diff

2.4 Medication safety

- **CHSFT** – the incidence of missed medications was 19.1% in September and is monitored by the Medicines Safety Group.

2.5 Concerns and Complaints

- **CHSFT** – 22 complaints investigations took >40 days to complete
- **STFT** – 2 complaint investigations took >40 days to complete

2.6 Never Events

- **CHSFT** – 1 Never Event reported in September for wrong site surgery. 5 Never Events have been reported in the last rolling 12 month period
- **STFT** – 0

2.7 Nurse staffing

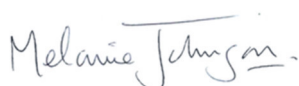
- **CHSFT** – The percentage of nurse vacancies had improved to 5.51% compared to 6.31% in August
- **STFT** – The percentage of nurse vacancies had improved to 7.55% in the acute division and to 5.10% in the community division (from 8.23% and 3.93% in August respectively).

3. **SUMMARY OF KEY RISKS**

- Incidence of pressure ulcers above the improvement trajectory in September, particularly in CHS and South Tyneside Community
- A number of complaints remain as requiring a final response at 41 days
- A higher number of serious incidents reported at STFT (5) in September
- One Never Event for wrong site surgery at CHS
- Nurse vacancies have decreased, but the use of temporary staff is still required
- 5 cases of E. Coli and 6 cases of C.diff at CHS

4. **RECOMMENDATIONS**

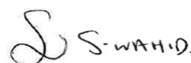
Members of the Board are asked to note and approve the content of the report



MELANIE JOHNSON
DIRECTOR OF NURSING,
MIDWIFERY AND AHPs



IAN MARTIN
MEDICAL DIRECTOR (CHSFT)



SHAZ WAHID
MEDICAL DIRECTOR (STFT)

Quality Report

Primary Goals:

Reduce avoidable harm

Achieve the best clinical outcomes

Provide the best patient experience

Support patients to be actively involved in their own care and treatment

September 2018 data

Presented in November 2018



The path to **excellence**

Patient Stories

I have been in and out of hospital every three months since October 2016 with recurring cellulitis, which has meant I have stayed in hospital from anything between 8 days to 21 days and I would like to provide some feedback.

I cannot begin to show my gratitude towards all of the team; from the lovely doctors and their juniors who have supported me, to the ward sisters who run a good ship with very high standards and are so approachable which is so important when you're feeling vulnerable anyway. I have found all of the nurses and auxiliaries great to get along with and I've seen how hard they work. It's all the little extras you witness with being in long term, such as taking 5 minutes out of a hectic schedule to just listen to patients' concerns and reassure them. They have personally saved me from a break down more than once with their lively humour and empathy.

I have become sadly part of the fittings with being in so often and the day/night teams are equally inspiring. Special thanks to the tea ladies whom are my real saviours, their dedication to patients and keeping a spotless ward has not gone unnoticed.

I have to also say I'm happy that you have the special baths that tilt you back. I am unable to use my bath at home so it is a blessing that I can use this to ease my aching bones with dignity. I am still under investigation for a cause to my illness but I am so impressed with the consultant's genuine care and willingness to explore further to help me put my life back in order. His quick actions by admitting me meant I was able to start medication quickly.

People often complain so easily that I wanted to take a moment to share how wonderful these people are. I work in an environment working with peoples behaviours and delivering exceptional service and would be proud to have them all.

I would like to give a big thank you to the Healthcare Assistant from the ward. Today I made the big decision to cut my hair off. After chemotherapy, my hair was matted and I was losing a lot of it, when finally after struggling with it in the shower I made up my mind to have it shaved off. I spoke to a Nurse who said that the Healthcare Assistant can help.

She took the time to talk me through the biggest decision I was making, then she went off to find clippers to give me time to think. She always made sure that I was 100% certain before taking this big step, putting me at ease to cut my hair off until my chemotherapy has finished. That extra time given to me, made me more comfortable with my decision and it is something I'll never forget. Those extra minutes helped me feel in control again and made a big difference to me.

Patient Safety

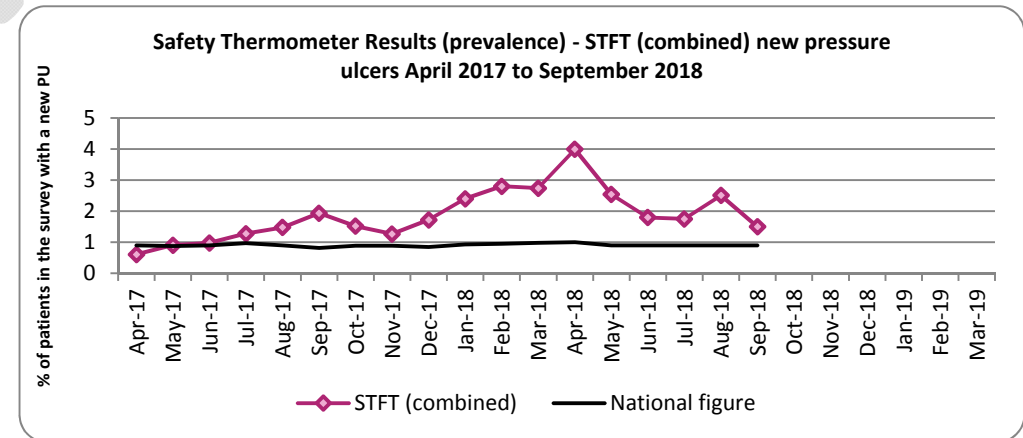
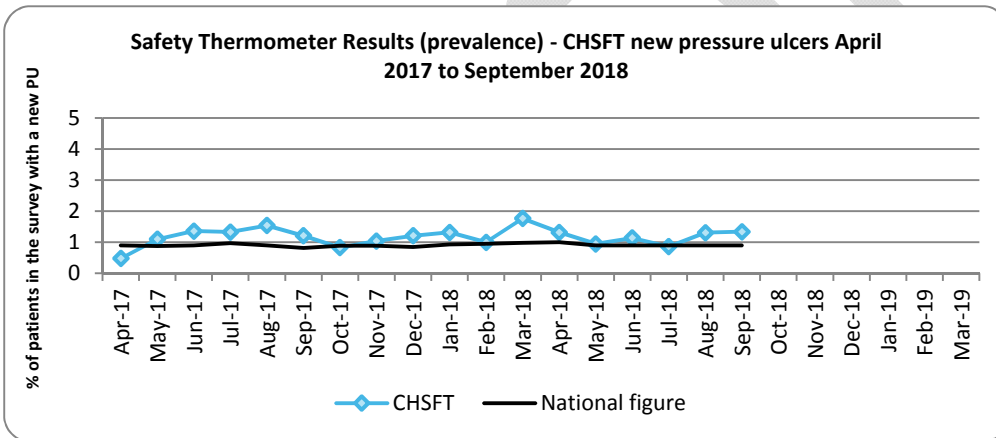
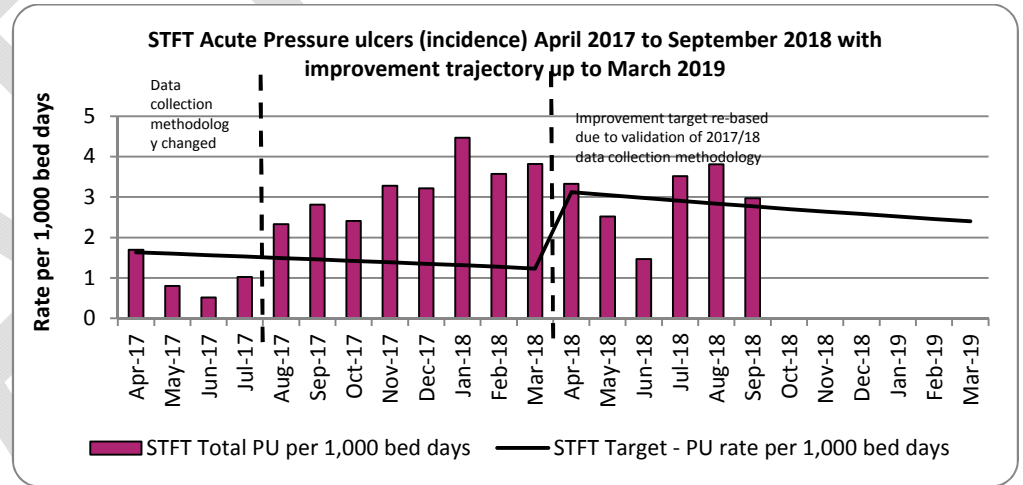
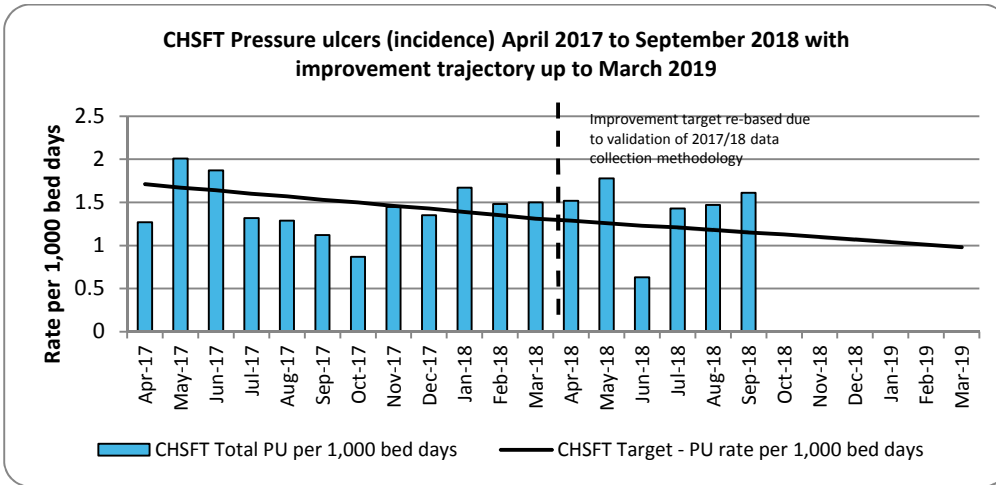
Reduce incidence of Category 2 to 4 pressure ulcers developed in our care (by 25%)

City Hospitals Sunderland	Total PUs 01/04/17 to 31/03/18	YTD	Total PUs September 2018
Total number of category 2:	294	137	26
Total number of category 3:	2	3 (+1*)	1*
Total number of category 4:	1	0	0
Total number:	297	141	27
Rate per 1,000 bed days:	1.43	-	1.61

* Awaiting review at PURP

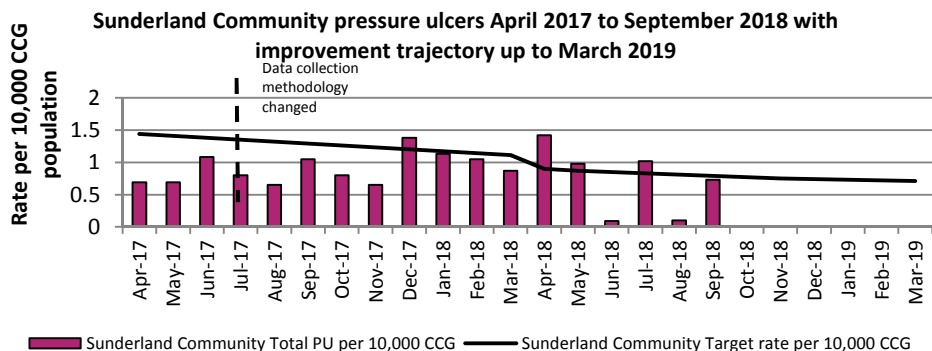
South Tyneside Hospital	Total PUs 01/04/17 to 31/03/18	YTD	Total PUs September 2018
Total number of category 2:	225	123	19
Total number of category 3:	13	10	1*
Total number of category 4:	2	1	0
Total number:	240	134	20
Rate per 1,000 bed days:	3.16 (Aug 17-Jan 18)	-	2.97

* Awaiting review at PURP



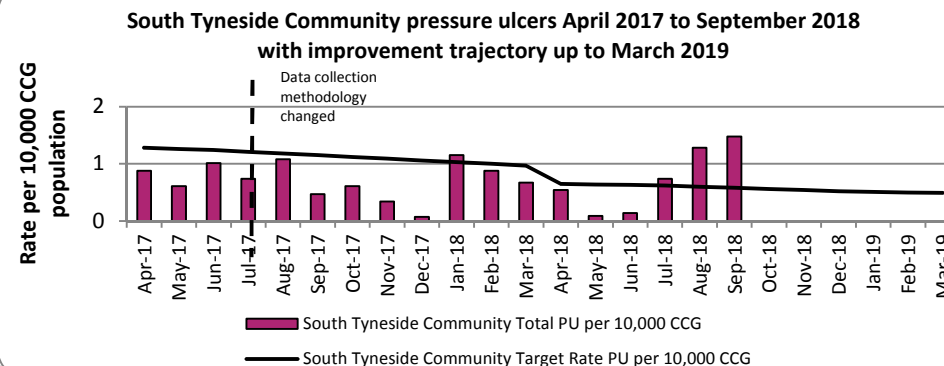
Sunderland Community	Total PUs 01/04/17 to 31/03/18	YTD	Total PUs September 2018
Total number of category 2:	261	148	16
Total number of category 3:	29	3	3*
Total number of category 4:	6	0	1
Total number:	296	151	20
Rate per 10,000 CCG population:	-	-	0.73

* Awaiting review at PURP



South Tyneside Community	Total PUs 01/04/17 to 31/03/18	YTD	Total PUs September 2018
Total number of category 2:	112	89	21
Total number of category 3:	12	0	0
Total number of category 4:	2	0	0
Total number:	126	89	21
Rate per 10,000 CCG population:	-	-	1.42

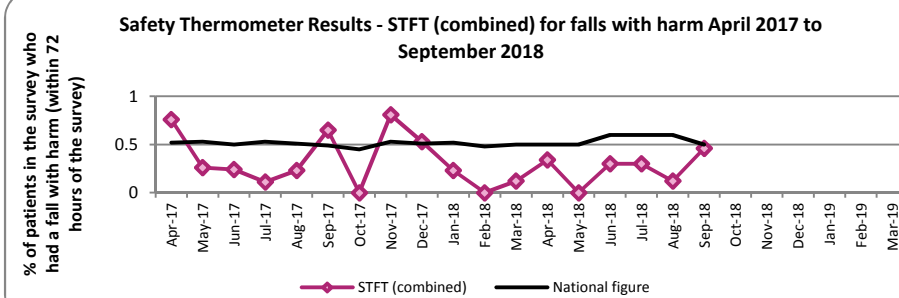
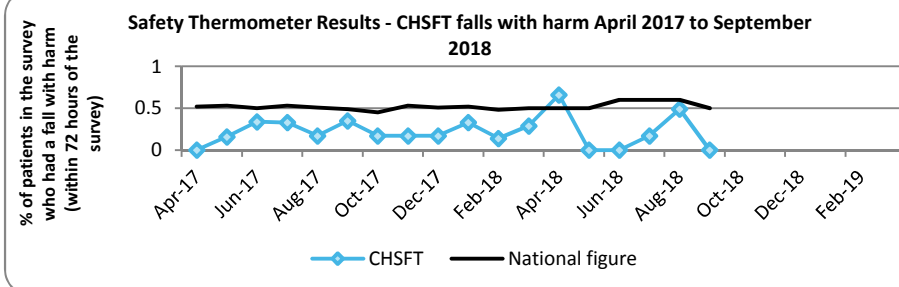
* Awaiting review at PURP



Reduce incidence of severe harm from patient falls (to be in the lower quartile of reporting Trusts nationally)

Severity of injury	CHSFT Falls 2017-18 (from Sept 17)	YTD	CHSFT Falls Sept 2018	STFT Falls 2017-18	YTD	STFT Falls Sep 2018
No harm	582	449	86	787	348	43
Low harm	303	218	34	99	110	16
Moderate harm (number resulting in fractures)	12	5 (5)	1 (1)	4 (4)	0 (0)	0 (0)
Severe harm (number resulting in fractures)	0	0	0	0	0 (0)	0 (0)
Death	1	0	0	0	0	0
Total falls Rate/1,000 bed days	-	673	121	-	359	60 8.3
National falls Rate/1,000 bed days	-	-	6.63	-	-	6.63
Total with moderate/severe harm or death Rate/1,000 bed days	-	5	1	-	0	0 0.0
National rate for falls with moderate/ severe harm or death - Rate/1,000 bed days	-	-	0.19	-	-	0.19

Note: Charts show % of patients in the Safety Thermometer Survey who had a fall with harm (within 72 hours of the survey)



Infection control

MRSA (targets for avoidable cases as stated)	CHSFT MRSA 01/04/17 to 31/03/18	YTD	CHSFT MRSA September 2018	STFT MRSA 01/04/17 to 31/03/18	YTD	STFT MRSA September 2018
	(Annual target 0)	(Annual target 0)	(Annual target 0)	(Annual target 0)	(Annual target 0)	(Annual target 0)
Number of hospital acquired cases:	0	0	0	3	1 (to appeal)	0

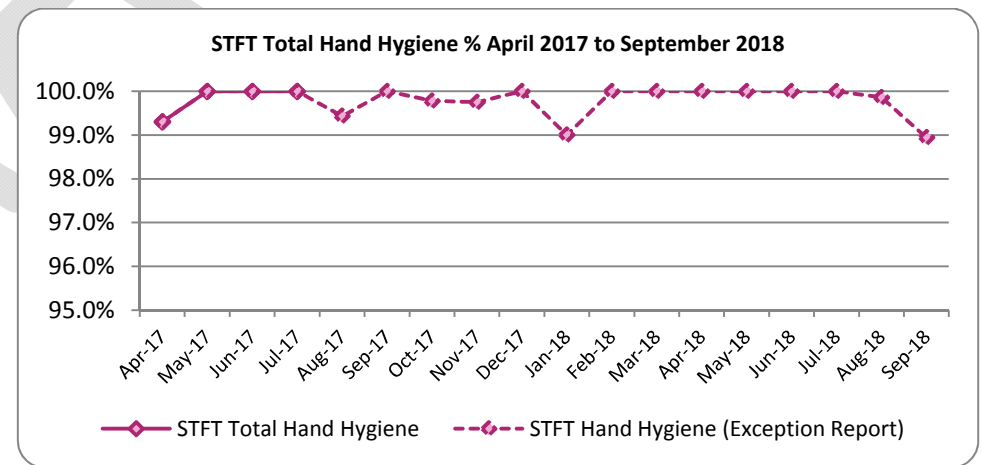
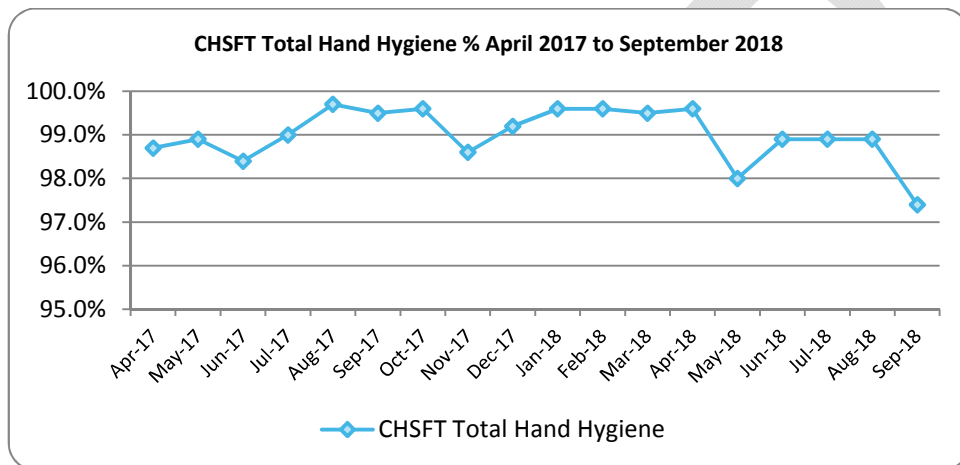
MSSA (no national target)	CHSFT MSSA 01/04/17 to 31/03/18	YTD	CHSFT MSSA September 2018	STFT MSSA 01/04/17 to 31/03/18	YTD	STFT MSSA September 2018
	Number of hospital acquired cases:	29	7	4	9	5

E Coli (target 10% reduction)	CHSFT E Coli 01/04/17 to 31/03/18	YTD	CHSFT E Coli September 2018	STFT E Coli 01/04/17 to 31/03/18	YTD	STFT E Coli September 2018
	(Annual target 63)	(Annual target 56)	(Annual target 15)	(Annual target 13)	(Annual target 13)	(Annual target 13)
Number of hospital acquired cases:	64	22	5	21	8	1

C Diff (targets as stated)	CHSFT C Diff 01/04/17 to 31/03/18	YTD	CHSFT C Diff September 2018	STFT C Diff 01/04/17 to 31/03/18	YTD	STFT C Diff September 2018
	(Annual target 34)	(Annual target 33)	(Annual target 8)	(Annual target 7)	(Annual target 7)	(Annual target 7)
Number of Trust apportioned cases:	20	19	6	5	9	2
Number of cases awaiting appeal:	0	7	-	0	4*	-

* Cases going to appeal are from the period April to September, delay caused by awaiting national ribotyping.

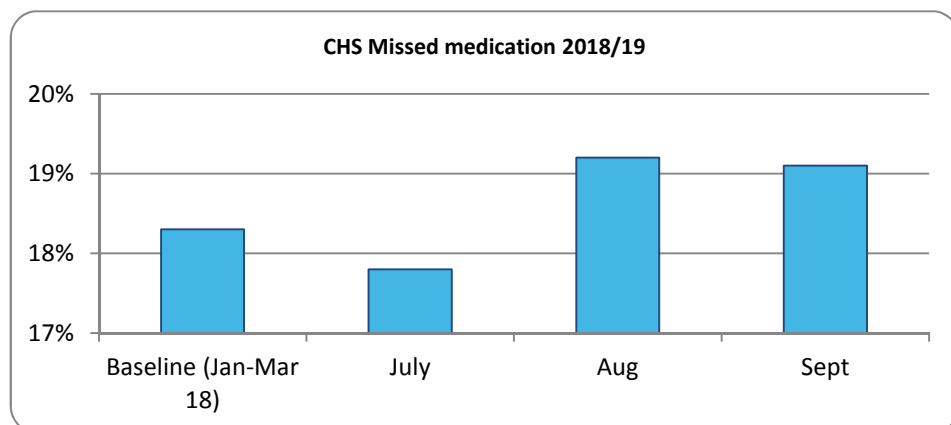
Hand Hygiene (target >98%)



MEDICATION SAFETY

City Hospitals Sunderland

Missed Doses



The Medicines Safety Group are developing an action plan to support the reduction of missed medicines.

South Tyneside

Missed Doses

The monitoring of missed doses at STFT currently is currently undertaken via the safety thermometer which provides a snapshot. More accurate reporting will not be possible until electronic prescribing and medicines administration is available. This data will be presented once further work is undertaken to align reporting across both Trusts.

NUTRITION AND HYDRATION

Percentage of patients with 'Malnutrition Universal Screening Tool' ('MUST') performed within agreed timescale in August and September:

	CHSFT		STFT: Acute		STFT: Community (combined)	
	Aug 2018	Sept 2018	Aug 2018	Sept 2018	Mar 2017	Mar 2018
% of patients	N/A	82.6%	70.2%	80%	97%	82%

Wards/community teams with the lowest compliance are detailed below. Actions to achieve compliance are being reviewed with Matrons

CHSFT	STFT
D46 (9.1%)	EAU (0%)
C30 (19%)	Ward 6 (60%)
IAU (34.2%)	Ward 10 (66.7%)
E52 (42.1%)	All other STFT
E56 (43.8%)	wards/teams achieved 80 – 100%

CLINICAL EFFECTIVENESS

Implementation of the National Maternity Safety Strategy

The National Maternity Safety Strategy proposed a number of recommendations to ensure that Trusts are doing all they can to prevent serious incidents in maternity services. Both Trusts demonstrated that they met the requirements and have received a 10% rebate on NHSR contributions. Should the NHSR decide to run the scheme for 2019/20, both Trusts will endeavour to maintain compliance alongside the ongoing work to integrate the services.

Patient Reported Outcome Measures (PROMS) – Update

Trust participation in the national PROMS programme is mandatory and forms part of the NHS standard contract. Following the decision by NHS England to formally discontinue the varicose vein and groin-hernia surgery collections, this update is limited to the two remaining joint replacement procedures. Information has been extracted from the **PROMs data file April 2017 to March 2018** (provisional) published by NHS Digital in August 2018, which is the latest release. The procedure-specific 'Oxford Scores' for hip and knee replacement have been used in the report rather than the generic measures, i.e. EQ-5D, in view that they are proven to be more accurate in determining 'health gain' status.

Procedure	Measure
Hip Replacement Primary	Oxford Hip Score

Organisation level	Organisation name	Modelled records	Average Pre-Op Q Score	Average Post-Op Q Score	Health Gain	Improved	Unchanged	Worsened	Adjusted average Post-Op Q score	Adjusted average Health Gain	Standard Deviation of adjusted Health Gain
England	ENGLAND	26,415	17.304	39.907	22.603	25,758 (97.5%)	105 (0.4%)	552 (2.1%)	39.907	22.603	7.997
Provider	CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST (RLN)	127	14.488	36.543	22.055	122 (96.1%)	1 (0.8%)	4 (3.1%)	38.453	21.148	9.127
Provider	SOUTH TYNESIDE NHS FOUNDATION TRUST (RE9)	33	15.970	35.606	19.636	30 (90.9%)	1 (3.0%)	2 (6.1%)	36.480	19.176	9.931

Procedure	Measure
Knee Replacement Primary	Oxford Knee Score

Organisation level	Organisation name	Modelled records	Average Pre-Op Q Score	Average Post-Op Q Score	Health Gain	Improved	Unchanged	Worsened	Adjusted average Post-Op Q score	Adjusted average Health Gain	Standard Deviation of adjusted Health Gain
England	ENGLAND	30,310	18.888	36.023	17.135	28,641 (94.5%)	246 (0.8%)	1,423 (4.7%)	36.023	17.135	8.611
Provider	CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST (RLN)	196	16.495	33.372	16.878	178 (90.8%)	2 (1.0%)	16 (8.2%)	35.253	16.365	9.855
Provider	SOUTH TYNESIDE NHS FOUNDATION TRUST (RE9)	37	16.000	31.135	15.135	32 (86.5%)	1 (2.7%)	4 (10.8%)	32.956	14.068	10.347

- Primary hip replacement – 96.1% of patients at City Hospital's reported improved health gain status with only 4 patients reporting worse outcomes. For South Tyneside, 90.3% of patients reported improved outcomes with only 2 patients reporting their health status as worse. Note that a larger numbers of cases are undertaken at City Hospitals.
- Primary knee replacement – For CHS, 90.8% reported improvement with slightly less for ST 86.5%.

Learning on review of patient deaths

Total Number of Deaths, Deaths Reviewed and Deaths Deemed Avoidable, definitely not preventable and excellent or good care (does not include patients who died in ED)

City Hospitals Sunderland NHS Foundation Trust

Month of death	Data completeness	Total Number of deaths	Deaths investigated as a Serious Incident	Stage 1 Reviews - Screening		Deaths meeting inclusion criteria (NA = not available)		Deaths with a completed stage 2 Mortality Review Panel Review		Deaths reviewed & judged as avoidable (>50% likelihood of avoidability) as a proportion of stage 2 mortality reviews		Deaths reviewed judged as definitely not preventable		Deaths reviewed where care during last admission was graded as excellent or good	
				Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Aug-17	Final	123	0	NA	-	NA	-	50	41%	0	0%	48	96%	45	90%
Sep-17	Final	94	0	NA	-	NA	-	31	33%	0	0%	27	87%	28	90%
Oct-17	Final	105	0	81	77%	25	31%	27	33%	0	0%	25	93%	25	93%
Nov-17	Final	127	0	102	80%	30	29%	31	30%	0	0%	30	97%	29	94%
Dec-17	Final	157	0	101	64%	20	20%	22	22%	0	0%	21	95%	20	91%
Jan-18	Final	179	0	175	98%	37	21%	38	22%	0	0%	36	95%	33	87%
Feb-18	Final	148	0	146	99%	28	19%	29	20%	0	0%	28	97%	28	97%
Mar-18	Final	161	0	160	99%	55	34%	55	34%	0	0%	52	95%	52	95%
Apr-18	Provisional	111	0	108	97%	29	27%	29	27%	0	0%	29	100%	28	97%
May-18	Provisional	136	0	136	100%	51	38%	51	38%	0	0%	49	96%	46	90%
Jun-18	Provisional	108	0	104	96%	25	24%	25	24%	0	0%	24	96%	23	92%
Jul-18	Provisional	105	0	104	99%	30	29%	19	18%	0	0%	19	100%	19	100%
Q2 17/18	Final	310	0	NA	-	NA	-	111	36%	0	0%	104	94%	101	91%
Q3 17/18	Final	389	0	284	73%	75	26%	80	28%	0	0%	76	95%	74	93%
Q4 17/18	Final	488	0	481	99%	120	25%	122	25%	0	0%	116	95%	113	93%
Q1 18/19	Provisional	355	0	348	98%	105	30%	105	30%	0	0%	102	97%	97	92%
Q2 18/19	Provisional	105	0	104	99%	30	29%	19	18%	0	0%	19	100%	19	100%
2017/18	Final	1544	0	765	50%	195	13%	443	58%	≤ 5	0.2%	421	95%	406	92%
2018/19	Provisional	460	0	452	98%	135	29%	124	27%	0	0.0%	121	98%	116	94%

Summary of Key Learning

- For those patients reviewed in Q1 (most recent complete quarter), 97% were judged as definitely not preventable.
- There were no patient deaths judged as avoidable (using the Hogan criteria greater than 50% likelihood of avoidability) as a proportion of stage 2 reviews.
- Grading of care reported as either excellent or good has continued to be above 90% each quarter to date. In Q1 the rate is 92% with July indicating 100%.

End of Life Reviews

- The proportion of deaths in Q1 with an End of Life Review is 67% of those deaths where patients were in receipt of End of Life Care.
- The majority of these reviews (82%) had the 5 core elements delivered. These are the priorities of care that should reflect the needs and preferences of the dying person.

Total Number of Deaths, Deaths Reviewed and Deaths Deemed Avoidable, definitely not preventable and excellent or good care (does not include patients who died in ED)

South Tyneside

Month Of Death	Total Number of inpatient deaths	Stage 1 Reviews completed - departments		Deaths reviewed & judged as avoidable (>50% likelihood of avoidability [HOGAN 4-6]) as a proportion of stage 1 mortality reviews *		Deaths reviewed & judged as definitely not preventable (HOGAN 1) stage 1 mortality review		Deaths reviewed where combined score was graded as excellent or good in stage 1 mortality review		Deaths meeting inclusion criteria for secondary review		Deaths with a completed stage 2 Mortality Review Panel Review		Deaths reviewed & judged as avoidable (>50% likelihood of avoidability [HOGAN 4-6]) as a proportion of stage 2 mortality reviews		Deaths reviewed & judged as definitely not preventable (HOGAN 1) - In Stage 2 Review		Deaths reviewed where combined score was graded as excellent or good - In Stage 2 Review	
		Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Jan-17	65	59	90.8%	1	1.7%	56	94.9%	49	83.1%	12	18.5%	12	100.0%	0	0.0%	12	100.0%	12	100.0%
Feb-17	70	70	100.0%	0	0.0%	64	91.4%	58	82.9%	8	11.4%	8	100.0%	0	0.0%	7	87.5%	6	75.0%
Mar-17	68	64	94.1%	0	0.0%	62	96.9%	58	90.6%	9	13.2%	9	100.0%	0	0.0%	9	100.0%	8	88.9%
Apr-17	49	45	91.8%	0	0.0%	44	97.8%	41	91.1%	9	18.4%	9	100.0%	0	0.0%	9	100.0%	7	77.8%
May-17	58	53	91.4%	0	0.0%	51	96.2%	44	83.0%	8	13.8%	8	100.0%	0	0.0%	8	100.0%	8	100.0%
Jun-17	37	33	89.2%	0	0.0%	33	100.0%	31	93.9%	8	21.6%	8	100.0%	0	0.0%	8	100.0%	7	87.5%
Jul-17	40	37	92.5%	0	0.0%	33	89.2%	32	86.5%	9	22.5%	9	100.0%	0	0.0%	8	88.9%	8	88.9%
Aug-17	51	47	92.2%	0	0.0%	43	91.5%	37	78.7%	9	17.6%	7	77.8%	0	0.0%	6	85.7%	6	85.7%
Sep-17	51	38	74.5%	0	0.0%	38	100.0%	35	92.1%	8	15.7%	6	75.0%	0	0.0%	6	100.0%	4	66.7%
Oct-17	54	43	79.6%	1	2.3%	40	93.0%	36	83.7%	9	16.7%	6	66.7%	0	0.0%	6	100.0%	5	83.3%
Nov-17	65	51	78.5%	0	0.0%	46	90.2%	46	90.2%	10	15.4%	9	90.0%	0	0.0%	9	100.0%	9	100.0%
Dec-17	77	50	64.9%	0	0.0%	48	96.0%	42	84.0%	17	22.1%	16	94.1%	0	0.0%	15	93.8%	13	81.3%
Jan-18	89	41	46.1%	0	0.0%	40	97.6%	37	90.2%	17	19.1%	12	70.6%	0	0.0%	11	91.7%	10	83.3%
Feb-18	65	38	58.5%	0	0.0%	35	92.1%	33	86.8%	14	21.5%	13	92.9%	0	0.0%	13	100.0%	11	84.6%
Mar-18	75	37	49.3%	0	0.0%	34	91.9%	31	83.8%	15	20.0%	11	73.3%	0	0.0%	11	100.0%	10	90.9%
Apr-18	59	31	52.5%	0	0.0%	28	90.3%	24	77.4%	10	16.9%	8	80.0%	0	0.0%	8	100.0%	7	87.5%
May-18	58	24	41.4%	0	0.0%	23	95.8%	21	87.5%	5	8.6%	3	60.0%	0	0.0%	3	100.0%	3	100.0%
Jun-18	49	14	28.6%	0	0.0%	11	78.6%	11	78.6%	8	16.3%	3	37.5%	0	0.0%	3	100.0%	3	100.0%
Jul-18	51	5	9.8%	0	0.0%	5	100.0%	4	80.0%	7	13.7%	4	57.1%	0	0.0%	4	100.0%	3	75.0%
Aug-18	59	11	18.6%	0	0.0%	11	100.0%	11	100.0%	15	25.4%	11	73.3%	0	0.0%	11	100.0%	11	100.0%
Sep-18	16	1	6.3%	0	0.0%	1	100.0%	1	100.0%	5	31.3%	1	20.0%	0	0.0%	1	100.0%	1	100.0%
Q4 16/17	203	193	95.1%	1	0.5%	182	94.3%	165	85.5%	29	14.3%	29	100.0%	0	0.0%	28	96.6%	26	89.7%
Q1 17/18	144	131	91.0%	0	0.0%	128	97.7%	116	88.5%	25	17.4%	25	100.0%	0	0.0%	25	100.0%	22	88.0%
Q2 17/18	142	122	85.9%	0	0.0%	114	93.4%	104	85.2%	26	18.3%	22	84.6%	0	0.0%	20	90.9%	18	81.8%
Q3 17/18	196	144	73.5%	1	0.7%	134	93.1%	124	86.1%	36	18.4%	31	86.1%	0	0.0%	30	96.8%	27	87.1%
Q4 17/18	229	116	50.7%	0	0.0%	109	94.0%	101	87.1%	46	20.1%	36	78.3%	0	0.0%	35	97.2%	31	86.1%
2017/18	711	513	72.2%	1	0.2%	485	94.5%	445	86.7%	133	18.7%	114	85.7%	0	0.0%	110	96.5%	98	86.0%
Q1 18/19	166	69	41.6%	0	0.0%	62	89.9%	56	81.2%	23	13.9%	14	60.9%	0	0.0%	14	100.0%	13	92.9%
Q2 18/19	126	17	13.5%	0	0.0%	17	100.0%	16	94.1%	27	21.4%	16	59.3%	0	0.0%	16	100.0%	15	93.8%
Q3 18/19																			
Q4 18/19																			
2018/19	292	86	29.5%	0	0.0%	79	91.9%	72	83.7%	50	17.1%	30	60.0%	0	0.0%	30	100.0%	28	93.3%

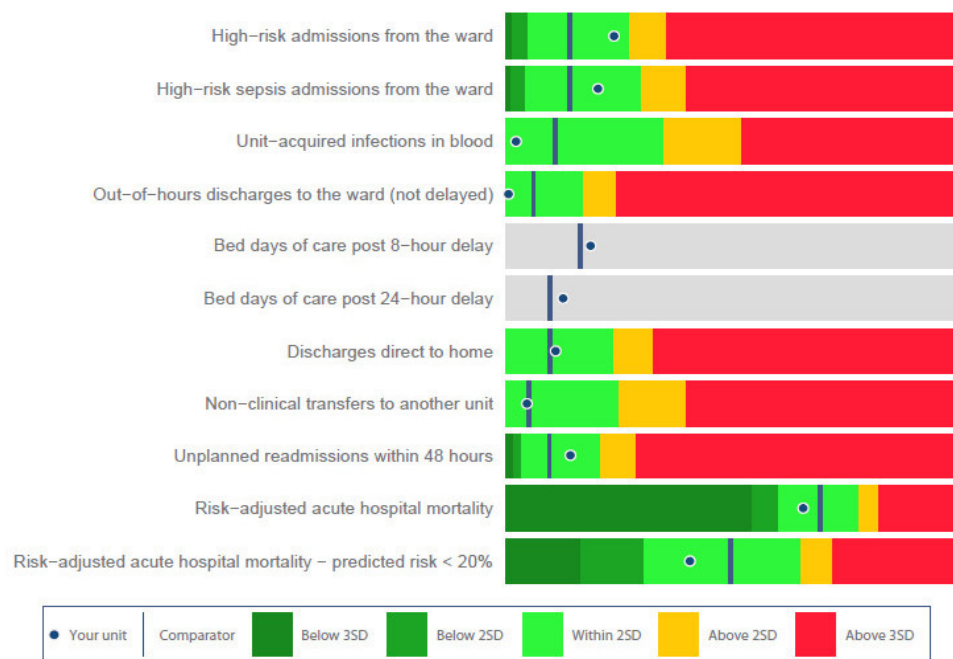
Selected Case Reviews 2017 and 2018						
CARE	EAU - Deaths In Hospital					
	AKI	Sepsis	Pneum.	Other		
Excellent	0	14	29	50		
Good	0	0	0	0		
Adequate	0	1	6	6		
Poor	0	0	3	0		
Very Poor	0	0	0	0		
Not Reviewed	0	0	0	3		
CARE	Elective In Hospital	Elective <= 30 days	DATIX	Severe Mental	Under 40 Years	Learning Disability
Excellent	3	29	23	2	5	3
Good	0	0	0	0	0	0
Adequate	1	0	3	1	0	0
Poor	0	0	0	0	0	0
Very Poor	0	0	0	0	0	0
Not Reviewed	2	2	11	5	3	7

Key Learning Points	Actions Taken
In a small number of cases communication with families could be better when managing acute illness	Reminder sent by Medical Director to all staff. Lessons included in Clinical Incident Review Group newsletter. Simulation scenario being developed
On occasion the choice of antibiotic has not followed Trust policy or the 72-hour review has not been completed	The Trust have invested in an antibiotic app with regular communications from the Consultant Microbiologist and Antimicrobial Pharmacist via a news letter
The use of the CURB-65 score to grade prognosis in pneumonia is not consistently used	Regular teaching has been delivered by the Consultant Microbiologist and the Respiratory team.
A high percentage of patients who were admitted with a fractured neck of femur developed a hospital acquired pneumonia.	A "Hospital Acquired Pneumonia" bundle is being piloted by the Orthogeriatric team to help reduce this complication

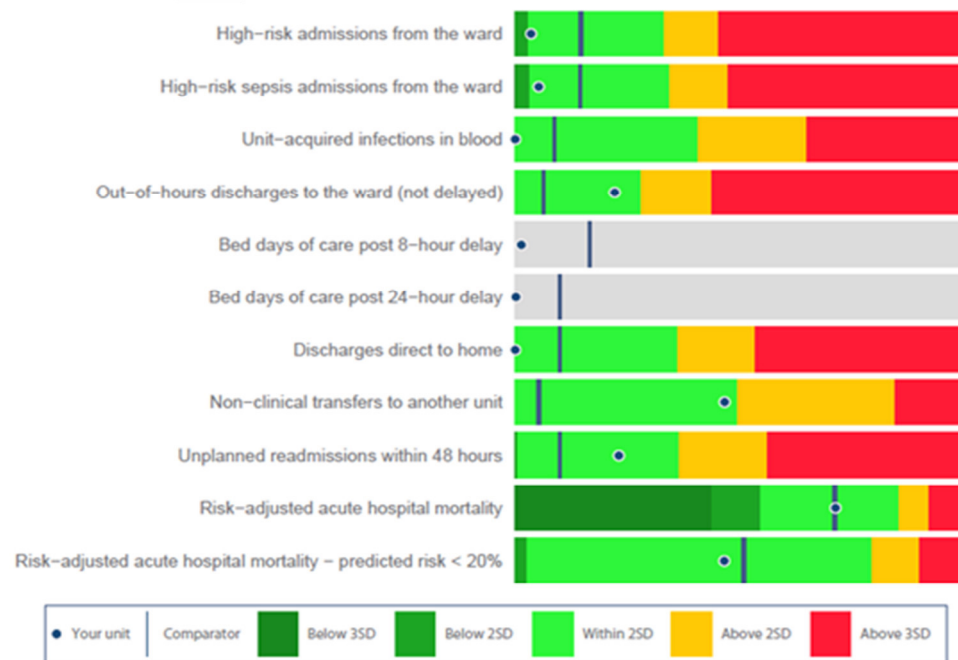
Participation in national and local clinical audits

Intensive Care National Audit and Research Centre (ICNARC)

City Hospitals Sunderland NHS Foundation Trust
Quality indicator dashboard - 1 April 2017 to 31 December 2017



South Tyneside NHS Foundation Trust
Quality indicator dashboard - 1 April 2017 to 31 December 2017



ICNARC is a national comparative audit that reviews risk-adjusted mortality and key quality indicators for those working in critical care. City Hospitals and South Tyneside have participated in the audit since its inception. Salient points are listed below:

- Data completeness stats for both Trusts are excellent
- Quality indicator dashboard (spectrum charts) shows **No** indicators in the red (worse than expected)
- Selected key achievements; Low high-risk admissions from wards, low acquired blood infections, out-of-hours discharges are low (no delays), unplanned readmissions within 48 hours are low
- Length of stay is below peers
- Appropriate early discussion with families regarding end-of-life
- Risk-adjusted mortality Q1-Q3 for CHS is 0.92 (anything below 1.0 is less deaths than expected) and for ST 0.87
- For CHS (Q1-Q3) there were 667 admissions, 151 deaths (22.6%) and 512 'alive' leaving ICC (76.8%). For ST there was 240 admissions, 43 deaths (17.9%) and 197 alive (82.1%).

7 Day Working – Results against 4 priority standards update

City Hospitals Sunderland

The Spring 2018 Seven Day Services survey demonstrated that the Trust reached compliance in 3 of the 4 clinical priority standards and an improvement in CS2.

Standard 2-14 hour Consultant review of emergencies				
	Sept 16	Mar 17	Sept 17	Apr 18
Week day	74%	70%	66%	78%
Weekend	69%	59%	58%	61%
7-days	72%	67%	64%	74%

Standard 5-diagnostics measured April 2018	
Week day	100%
Weekend	100%

Standard 6-Consultant directed interventions measured April 2018	
Week day	100%
Weekend	89%

Standard 8- On-going daily reviews			
		Mar 17	Apr 18
Twice-daily reviews	Week day	100%	100%
	Weekend	100%	100%
Once-daily reviews	Week day	99%	98%
	Weekend	91%	86%

South Tyneside

The Spring 2018 Seven Day Services survey only included clinical standard 2. Previous results are presented for information.

Standard 2-14 hour Consultant review of emergencies				
	Sept 16	Mar 17	Sept 17	May 18
Week day	54%	80%	70%	71%
Weekend	40%	67%	60%	72%
7-days	50%	77%	71%	71%

Standard 5-diagnostics measured March 17	
Week day	100%
Weekend	67%*

*Echo and MRI not formally available

Standard 6-Consultant directed interventions measured March 17	
Week day	80%*
Weekend	70%#

*Interventional Radiology and urgent DXT not available formally #In addition to latter cardiac pacing

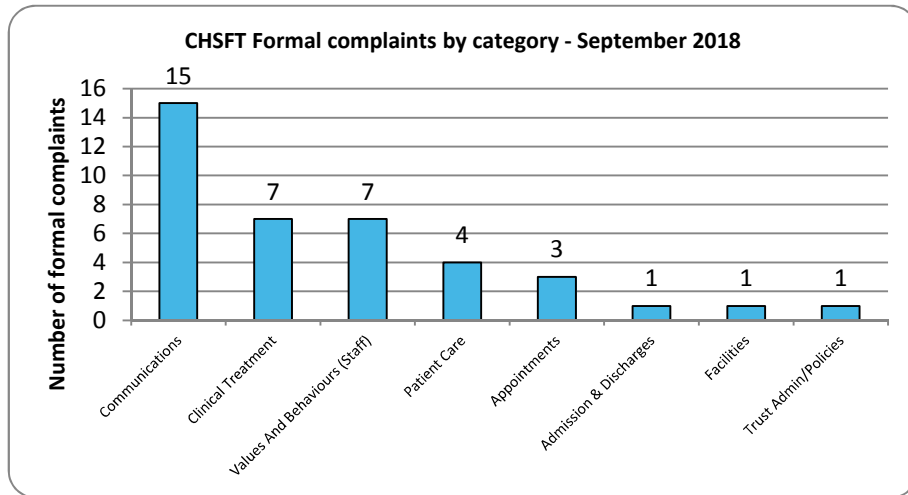
Standard 8- On-going daily reviews			
		Sept 16	Mar 17
Twice-daily reviews	Week day	77%	84%
	Weekend	50%	60%
Once-daily reviews	Week day	98%	95%
	Weekend	74%	41%

Patient Experience

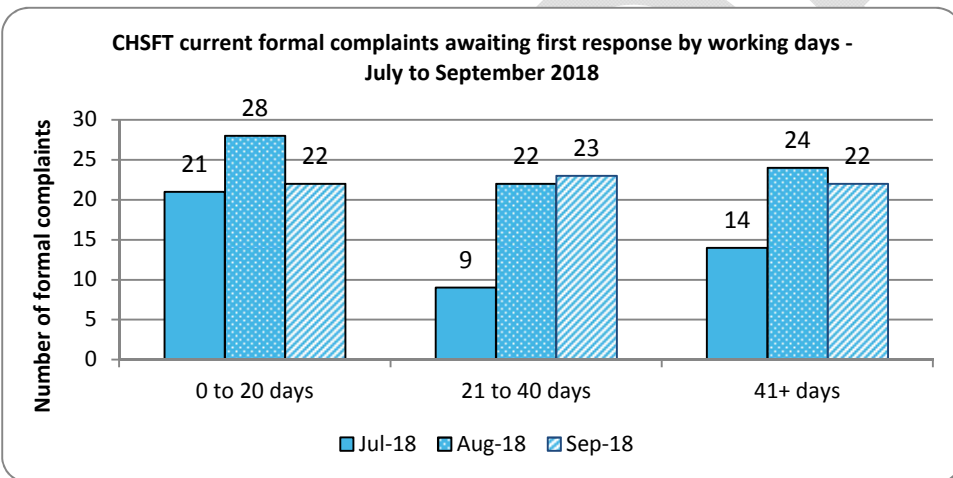
Complaints

City Hospitals Sunderland

There were 39 formal complaints received in September and no new PHSO cases. Communication is the highest category this month.

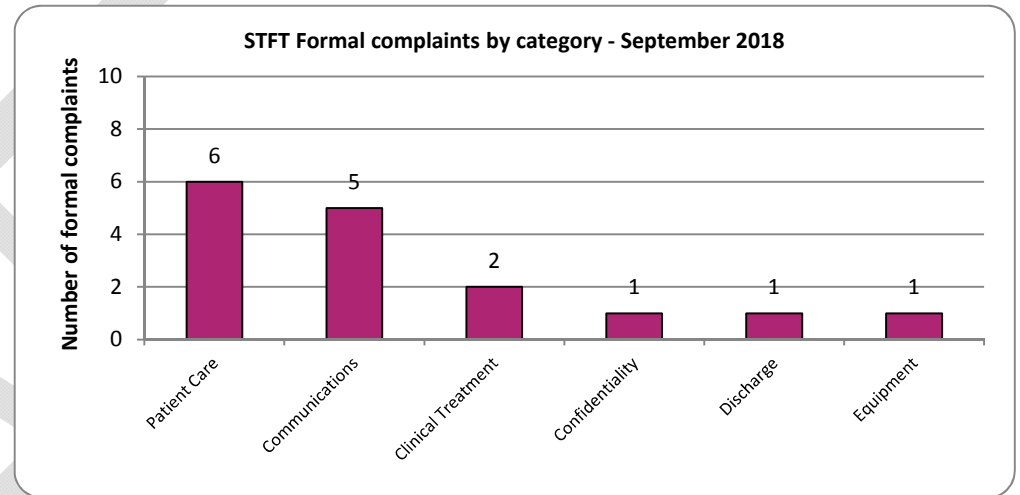


In September there were 45 complaints at CHS which took >20 days to complete, of which 22 have taken >40 days to complete. Some cases are complex and involve multi-agencies or Coroner's review which causes significant delay in response times.

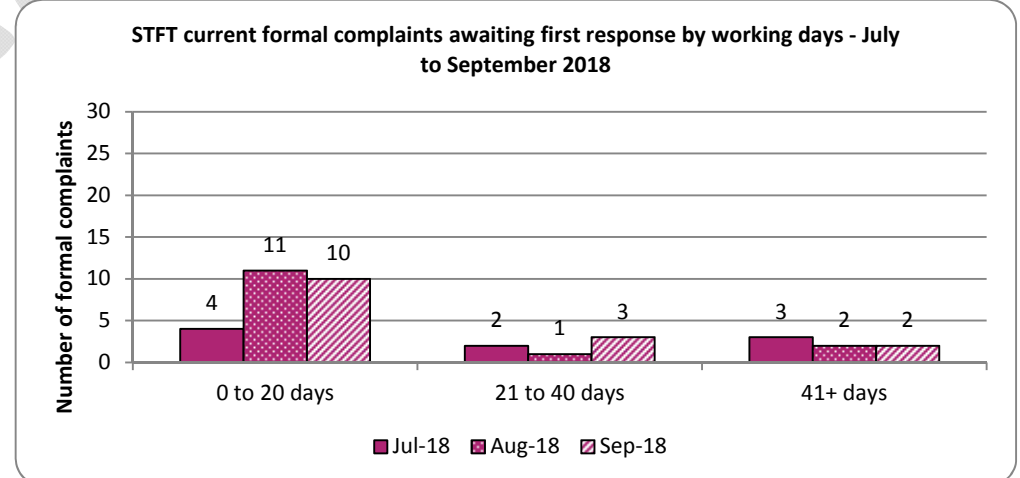


South Tyneside

There were 16 formal complaints received in September and no new PHSO cases. The highest category of complaints related to patient care, predominantly nursing care.



In September there were five complaints at STFT which took >20 days to complete, of which two have taken >41 days. The reasons for the delays are that these complaints required further investigation and were complex, often by involving a number of services and external agencies.



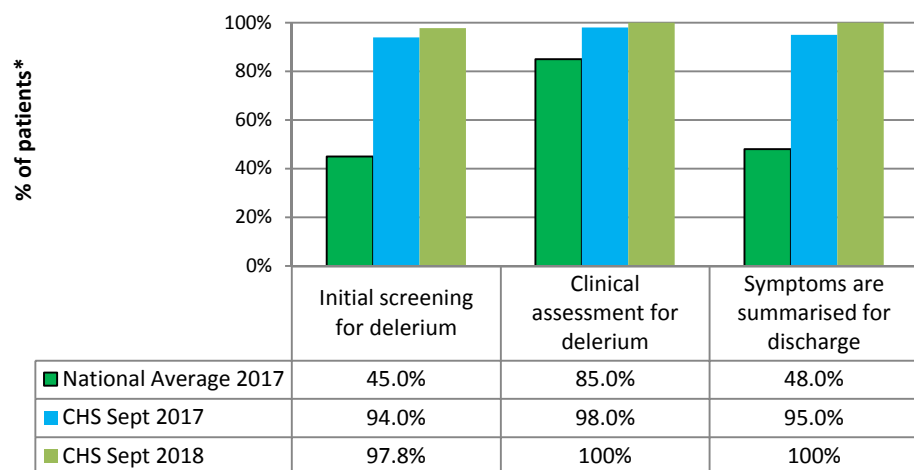
Dementia screening

City Hospitals Sunderland

The National Audit of Dementia was published in August 2018, which demonstrated the findings below (2017 data). The results from the national audit (n = 10,047) are compared to the Trust's results, measured between September to November 2017 (n = 80).

In September 2018, there were 488/499 patients eligible for initial screening, 118/118 had a dementia assessment and 80/80 patients with a conclusive assessment referred appropriately.

CHSFT Dementia Screening Results - September 2018



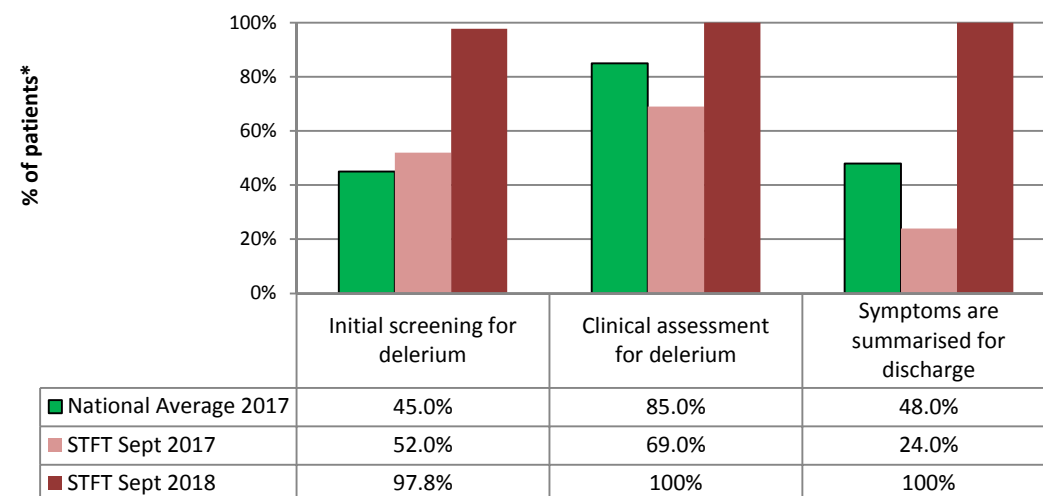
*% of all patients aged 75 and above admitted as emergency inpatients, with length of stay > 72 hours

South Tyneside

The National Audit of Dementia was published in August 2018, which demonstrated the findings below (2017 data). The results from the national audit (n = 10,047) are compared to the Trust's results, measured between September to November 2017 (n = 50).

In September 2018, there were 189/242 patients screened, 8/9 had a dementia assessment and 3/4 patients who have had a conclusive assessment and referred appropriately.

STFT Dementia Screening Results - September 2018



*% of all patients aged 75 and above admitted as emergency inpatients, with length of stay > 72 hours

Mixed sex breaches

	CHSFT 01/04/17 to 31/03/18	YTD	CHSFT August 2018	STFT 01/04/17 to 31/03/18	YTD	STFT August 2018
Mixed sex breaches	0	0	0	0	0	0

Key Enablers

Culture of safety

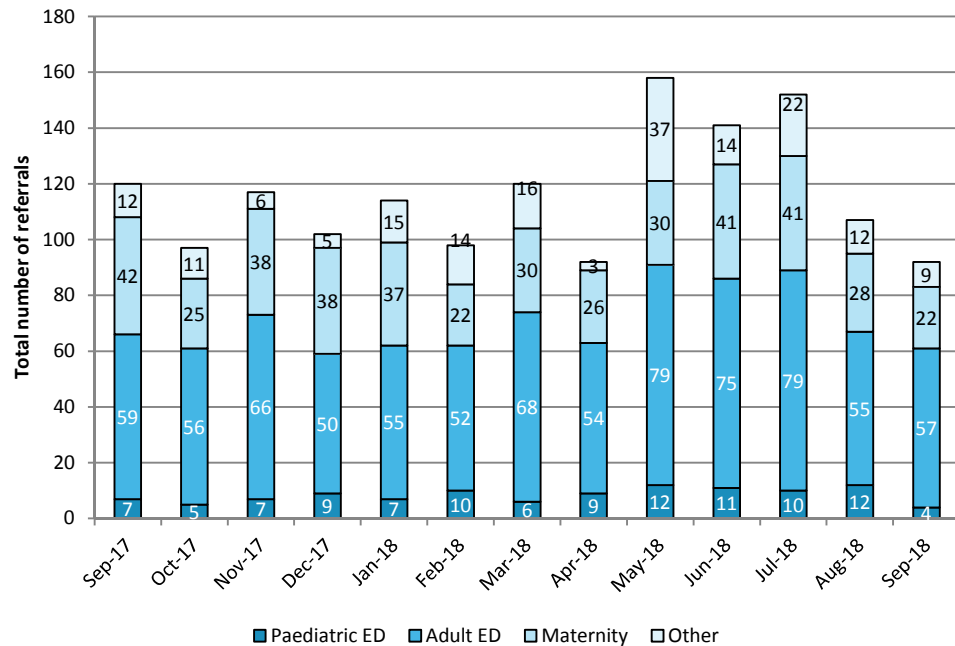
Safeguarding

City Hospitals Sunderland

Children

- Of the 13,114 (↑) patients attending AED, PED and SEI, 61(↓) (0.46%) (↓) resulted in a referral.
- Of the 263 (↓) pregnancy bookings 22 (8%) (↓) resulted in a referral. This is the second consecutive month which shows a decrease in overall referral activity.

CHSFT Safeguarding children referrals September 2017 to September 2018

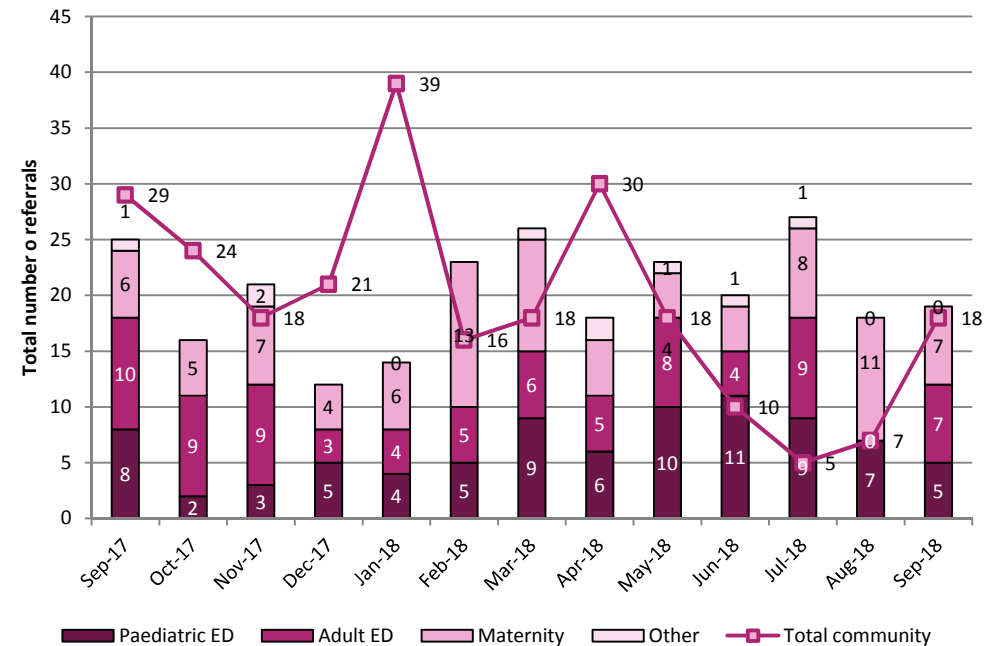


South Tyneside

Children

- Of the 5,624 (↑) patients attending AED and PED, 12 (↑) (0.21%) (↑) resulted in a referral.
- Of the 138 (↓) maternity bookings 7 (5.1%) (↓) resulted in a referral.
- There was a 157% increase (18) in the number of community based referrals; this was related to referrals by the STFT mental health teams.

STFT Safeguarding children referrals September 2017 to September 2018



City Hospitals Sunderland and South Tyneside

The Main themes for STFT and CHSFT Maternity referrals continue to be domestic abuse, parental mental health, maternal substance misuse, previous involvement with Childrens Services. Concerns around sexual exploitation resulted in two referrals for CHSFT. There were a further 3 reported FGM cases for CHSFT.

The main themes for all children's referrals were due to parental alcohol, substance and mental health issues (Compromised Parenting) and adolescents presenting with mental health concerns including self-harm and overdose. There was one None Accidental Injury identified in CHSFT making a total of 18 since June.

Safeguarding - Adults

City Hospitals Sunderland

- Of the 10,257 (↓) patients attending AED and SEI, 10 ↓ (0.09%) resulted in a referral.

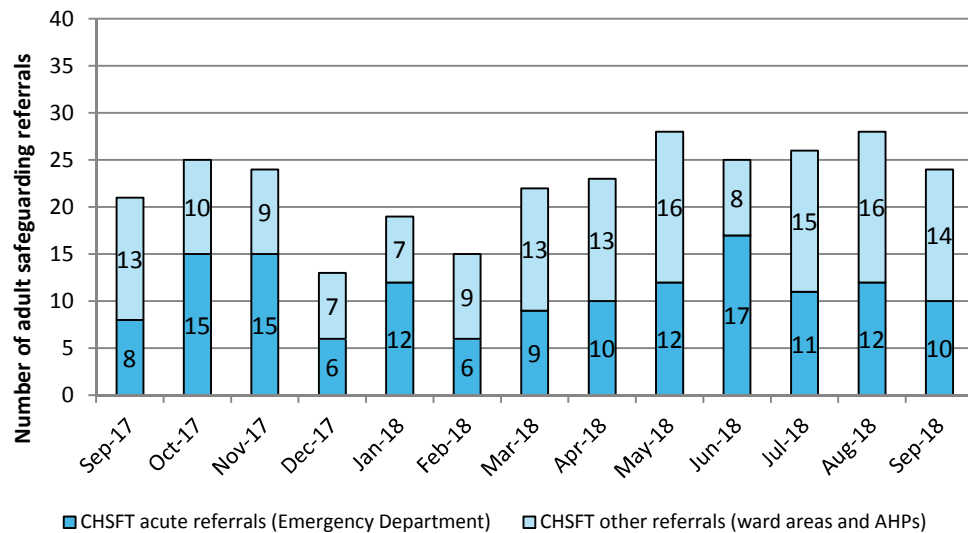
South Tyneside

- Of the 4,253 (↓) patients attending AED, 10 ↑ (0.23%) resulted in a referral.

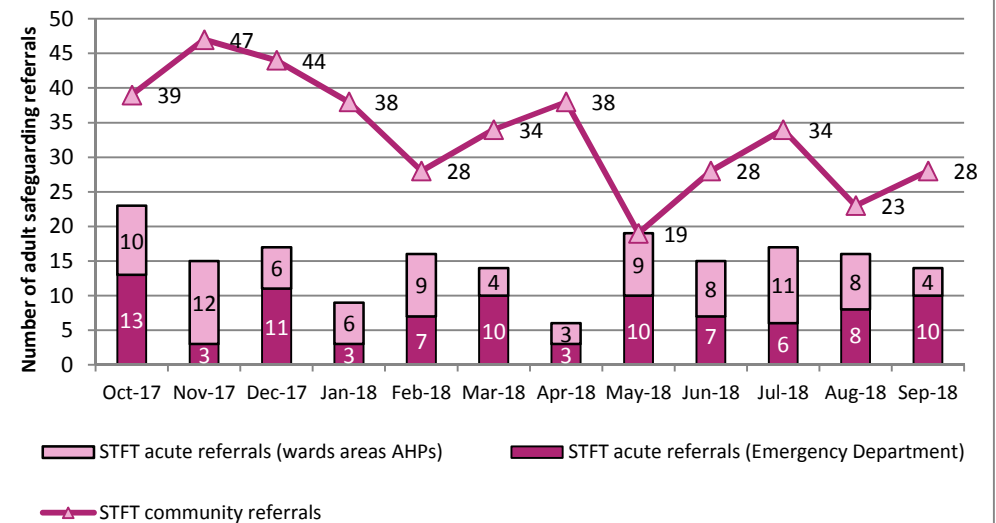
City Hospitals Sunderland and South Tyneside

The themes for all referrals were due to neglect, self-neglect, domestic abuse, and organisational, physical abuse, and emotional abuse, financial and sexual abuse.

CHSFT Adult safeguarding referrals received September 2017 to September 2018

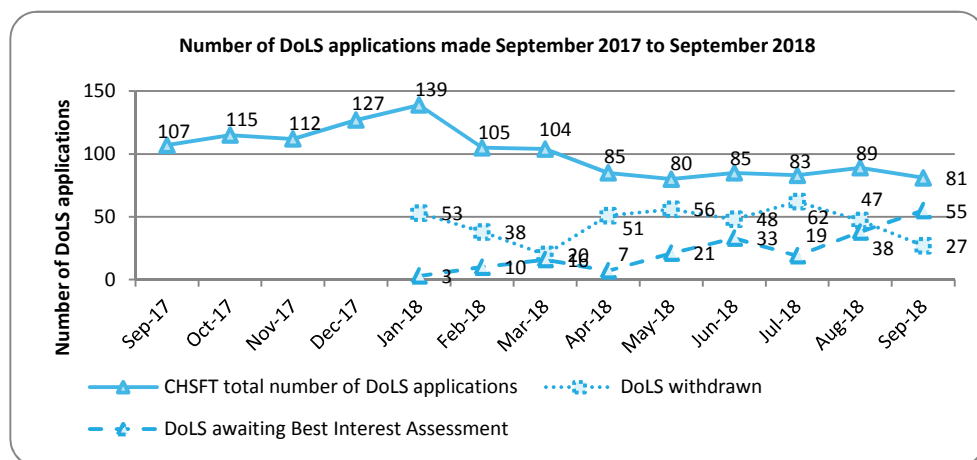


STFT Adult safeguarding referrals received September 2017 to September 2018



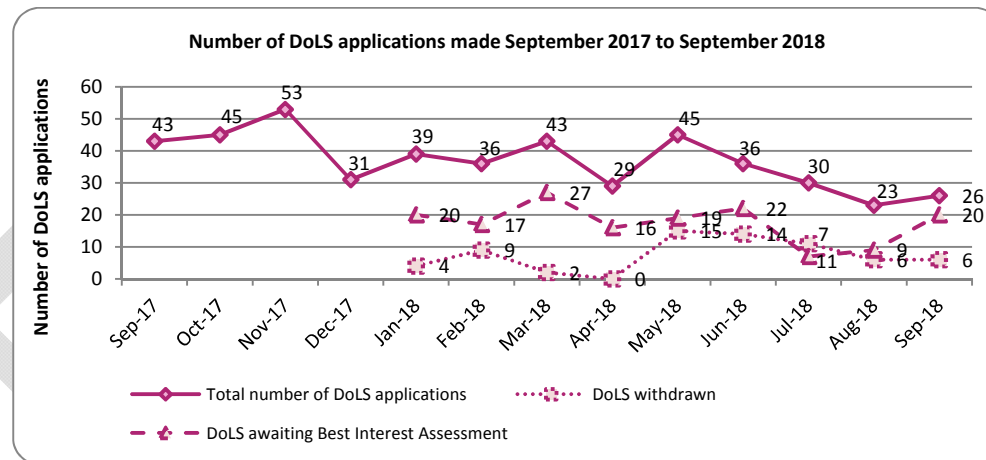
DoLS

- Of the 8,539(↓) inpatients, 0.94 %(↑) applications were completed.



DoLS

- Of the 2,126(↓) inpatients, 1.22 %(↑) applications were completed.

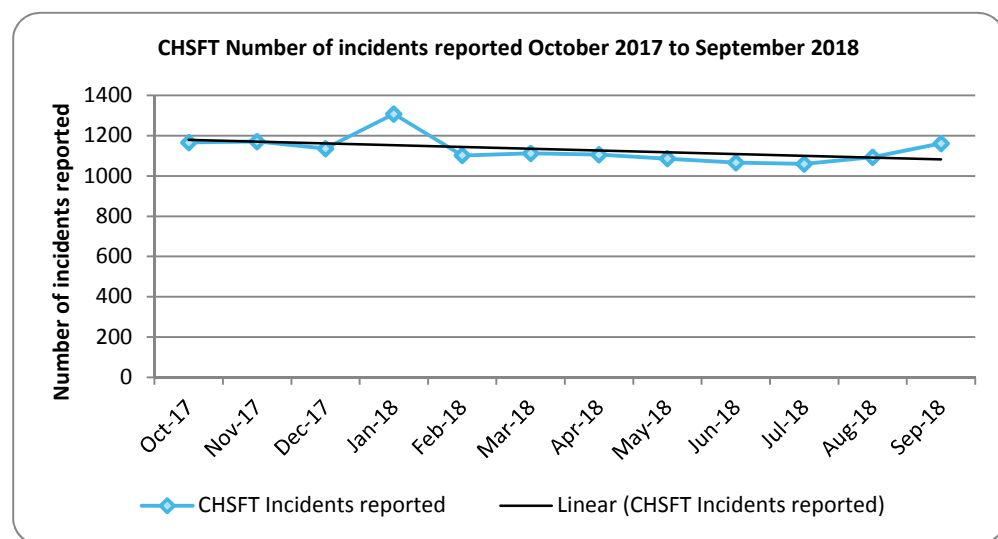


Serious Cases Reviews (SCR's), Domestic Homicide Reviews (DHR's), Safeguarding Adult Reviews (SAR's) and Learning Reviews update. The names used below are pseudonyms.

	CHS	STFT
SCR's	Hughie case (Durham) to be published later this year. Services involved were 0-19 services for STFT at the time of the investigation; however there are no recommendations for STFT.	Baby Kate (TfC) to be commenced October 2018. Services involved are maternity and Neonatal Unit.
DHR's	DHR 4 (Sunderland) commenced in 2017 and not yet completed due to criminal case. Services involved are Health Visiting.	DHR3 (Sunderland) commenced in 2017 and not yet completed due to criminal case. No services involved. DHR4 (Sunderland) commenced 2017 and not yet completed due to criminal case. Services involved are Maternity. DHR5 (Sunderland) to be commenced in October 2018.
SAR's	Last one was published May 2017- Case D. Learning included the review of discharge care packages prior to discharge.	Last one published May 2018 – Case Eva. Key learning was for district nurses to monitor non-attendance using EMIS.
Learning Reviews	No learning reviews for children or adults	Young Person Alice (TfC) commenced August 2018. Services involved are Paediatrics and Children Out Patients. None for Adults.

Incident reporting

City Hospitals Sunderland



CHSFT Incidents reported by severity October 2017 to September 2018

	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18
Near miss	30	26	21	24	15	19	19	12	32	40	13	11
No harm	703	680	595	788	634	667	668	679	672	651	629	659
Minor harm	405	433	481	469	424	388	391	377	335	348	412	429
Moderate harm	23	27	33	21	24	32	22	15	23	20	29	51
Major harm	5	2	3	2	4	3	5	1	4	1	5	8
Extreme harm	0	1	3	4	1	3	1	2	0	0	5	3
Total	1166	1171	1136	1308	1102	1112	1106	1086	1066	1060	1093	1161

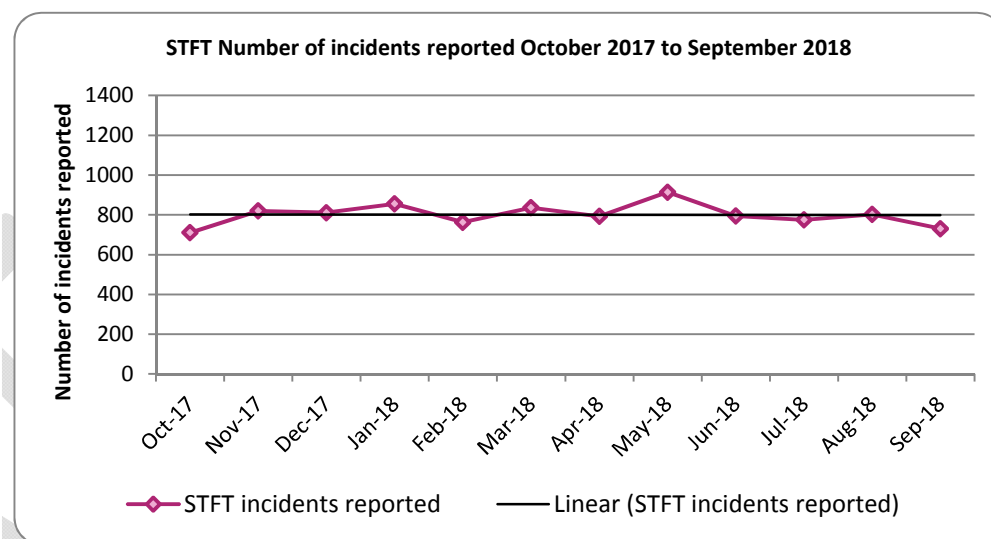
*This data reflects the number of incidents by severity chosen by the reporter. These are subject to change following investigations.

National Reporting and Learning Service (NRLS)

The latest publication from NHS Improvement demonstrated that CHS submitted 5209 patient safety incidents (74% of all CHS incidents submitted) between 1 October 2017 and 31 March 2018.

The incident reporting rate by 1,000 bed days was 44.81. The national average reporting rate in this period was 42.5.

South Tyneside



STFT Incidents reported by severity October 2017 to September 2018

	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Jun 18	Jul 18	Aug 18	Sep 18
Near miss	384	111	134	118	119	97	110	117	77	86	79	80
No harm	122	449	403	426	414	453	419	495	423	388	435	394
Minor harm	183	251	260	295	220	272	255	288	270	287	272	245
Moderate harm	22	8	14	14	9	11	9	11	19	14	11	10
Major harm	0	2	0	1	1	2	0	3	4	0	3	0
Extreme harm	0	1	0	0	0	1	0	0	1	0	2	2
Total	711	822	811	855	763	836	793	914	794	775	802	731

*This data reflects the number of incidents by severity chosen by the reporter. These are subject to change following investigations.

National Reporting and Learning Service (NRLS)

The NRLS changed its reporting format so that it no longer ranks Trusts against each other. The latest publication from NHS Improvement demonstrated that STFT submitted 1311 patient safety incidents (27% of all STFT incidents submitted) between 1 October 2017 and 31 March 2018.

The incident reporting rate by 1,000 bed days was 24.1, compared to the national average of 42.5.

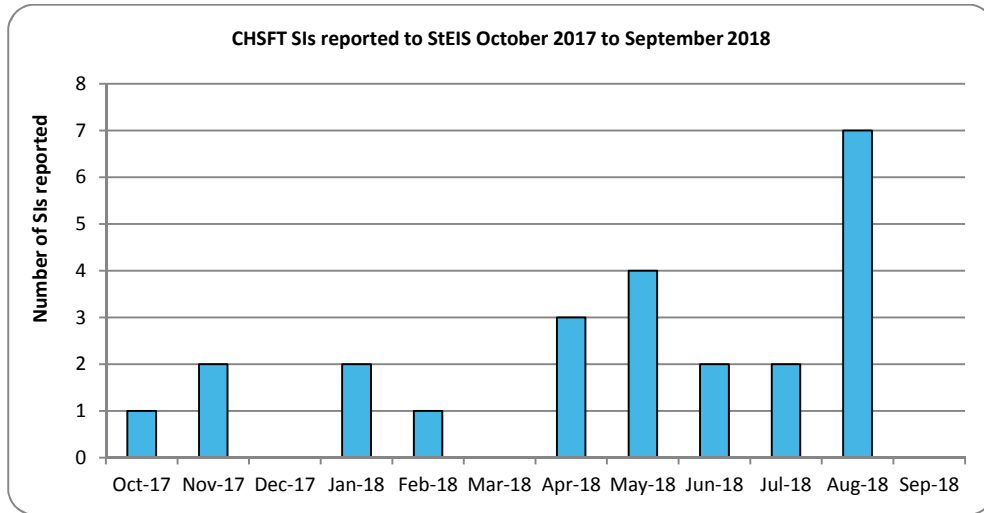
Following the introduction of a new Datix incident reporting system on 1 October 2018, the Assurance Team will upload patient safety incidents to the NRLS. Incidents to be submitted will be determined by the incident category, not a manual selection.

City Hospitals Sunderland

Duty of Candour

There were no incidents which required Duty of Candour in September.

Serious Incidents (SIs)



There were no SIs reported in September.

Never Events

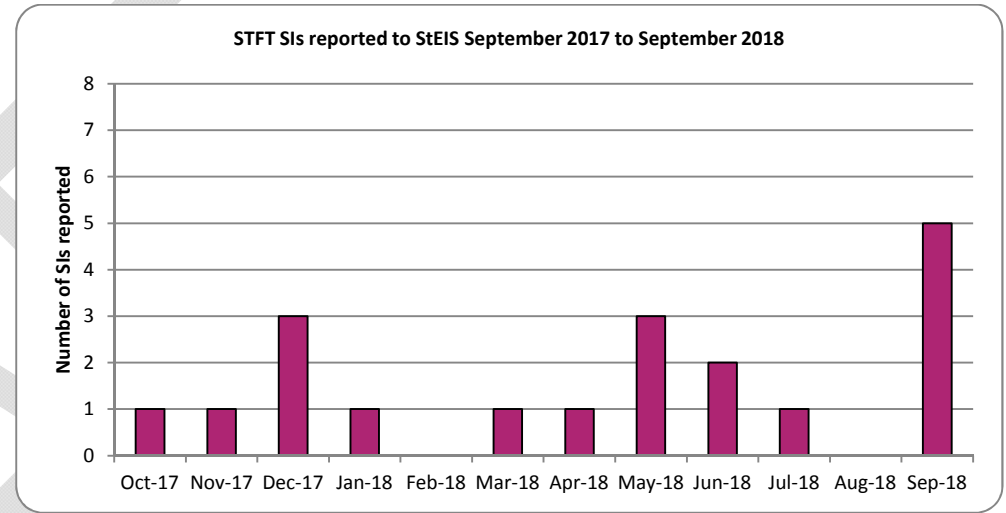
There was one Never Event reported in September as 'wrong site surgery'. The patient was on an outpatient operating list for excision of a lesion on the side of their neck. A pigmented lesion was removed but following discharge the patient identified that the wrong lesion had been removed. This incident was graded as minor harm and did not meet the formal requirements for Duty of Candour.

South Tyneside

Duty of Candour

Five incidents required Duty of Candour in September. All requirements were met.

Serious Incidents (SIs)



There were five SIs reported in September. These were two falls which resulted in fractures, and three pressure ulcers (one category 3 and two category 4s).

Never Events

No Never Events were reported in September.

Recruitment and retention of nursing staff and allied health professionals

City Hospitals Sunderland

Nursing

During the month of September, three escalation beds opened on D41 (for the whole of September), six beds opened on D42 (1 – 6, 11 and 12 September) and one bed opened on D47 (14, 15 and 18 September).

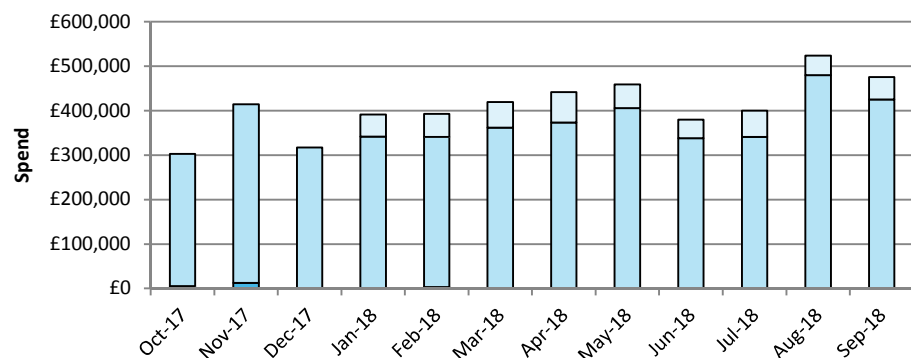
In September the total absences for RNs was 11.17%, which is a decrease from August (12.72%). The table below shows a breakdown of this data and shows the RN starters and leavers in September.

	May 18	June 18	July 18	August 18	September 18
Maternity leave	3.53%	3.46%	3.31%	3.27%	3.15%
Sickness	3.54%	2.74%	3.22%	3.14%	2.51%
RN vacancies	3.00%	3.22%	6.25%	6.31%	5.51%
Available RNs	89.93%	90.58%	87.22%	87.28%	88.83%
Starters	3	2	10	10	18
Leavers	8	11	16	11	12

*Vacancy percentage for RNs is at 5.51%; however, there is an additional 2.85% of RNs that are currently going through pre-employment checks.

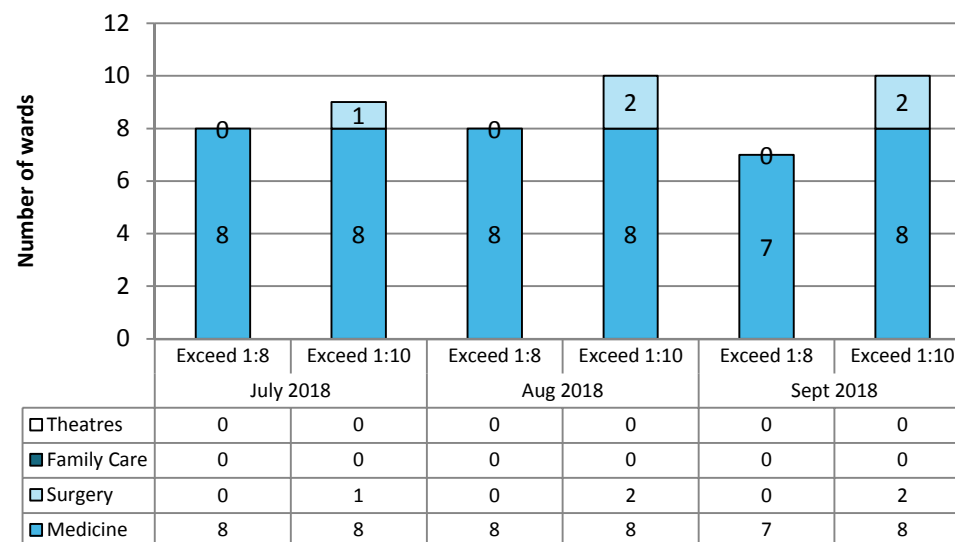
There were 48 incident forms submitted in September relating to nursing and midwifery staffing, a slight decrease from August (50). There were seven incident forms submitted by wards when RN staffing was below minimum numbers, a decrease from August (19), with Medicine submitting 4, Surgery (one) and Family care (two). Incidents were attributed to staff sickness and staff being moved to support other wards where numbers of RNs were below minimum levels. None of the incident reports identified patient harm.

CHSFT Spending on Nursing Agency, Nursing Bank and overtime - October 2017 to September 2018



	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
Overtime	£0	£0	£0	£49,348	£51,979	£57,925	£68,229	£53,833	£41,292	£58,453	£43,947	£50,677
Nursing Bank	£297,47	£401,93	£317,42	£340,83	£337,70	£361,53	£373,46	£405,61	£338,48	£340,86	£479,15	£424,95
Agency Nursing	£5,082	£12,288	£0	£967	£3,098	£0	£0	£0	£0	£411	£837	£0

CHSFT Nurse to patient ratios showing 3 month trend July to September 2018

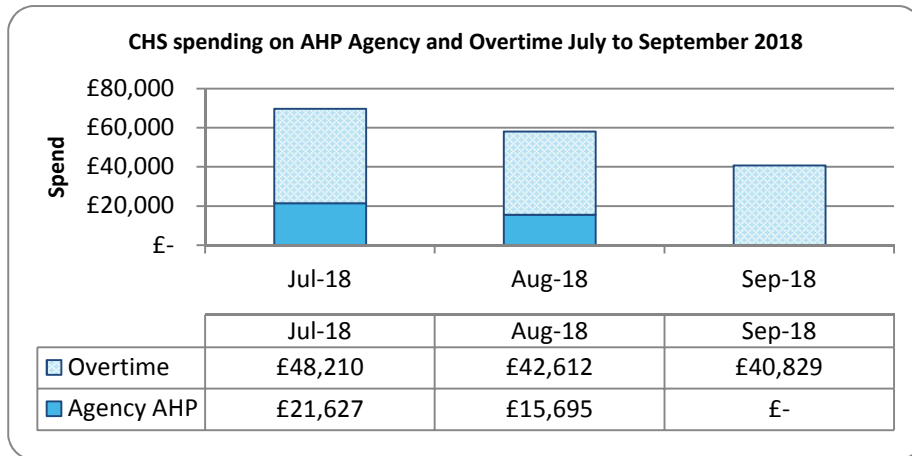


Allied Health professionals

The table below shows a breakdown of AHP vacancies, absences and turnover for September. *Note - ODPs are included in the sickness and maternity leave below; they are not included in the AHP vacancies as they are included in the Theatre vacancies within nursing.*

	June 18	July 18	August 2018	September 18
Maternity leave	2.73%	2.11%	2.05%	1.95%
Sickness	3.06%	1.93%	2.14%	2.68%
AHP vacancies	16.8%	17%	15.7%	15.74%
Starters	1	2	5	2
Leavers	2	2	3	9

There was no AHP staffing incident forms submitted in September.



**There was no AHP agency spend in September*

South Tyneside

During the month of September, there were no escalation beds open. There still remains the temporary closure of eight beds on ward 20 to support safe staffing levels.

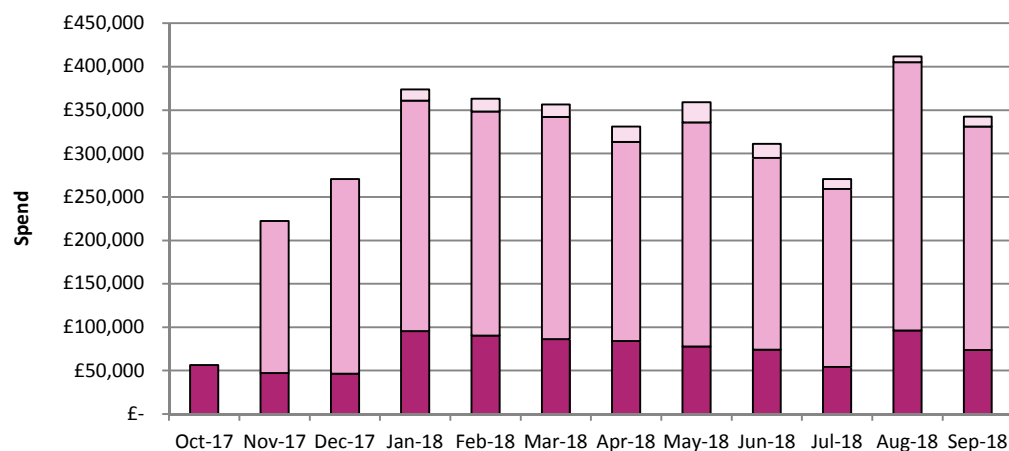
In September the total absences for RNs was 13.44% (Acute), a decrease from August (14.02%); and 12.35% (Community), a slight increase from August (12.22%). The table below shows a breakdown of this data and shows the RN starters and leavers in September.

	May 18		June 18		July 18		August 18		September 18	
	Acute	Community	Acute	Community	Acute	Community	Acute	Community	Acute	Community
Maternity leave	1.54%	3.85%	1.82%	3.81%	1.39%	3.65%	1.33%	3.44%	1.63%	3.06%
Sickness	6.34%	4.56%	6.50%	5.02%	4.67%	5.42%	4.46%	4.85%	4.26%	4.19%
RN vacancies	6.38%	6.65%	6.97%	4.83%	7.71%	4%	8.23%	3.93%	7.55%	5.10%
Available RNs	85.74%	84.94%	84.71%	86.34%	86.23%	86.93%	85.98%	87.78%	86.56%	87.65%
Starters	0	2	5	5	2	3	2	4	2	4
Leavers	1	4	4	3	9	6	4	5	4	5

*Vacancy percentage for RN's is at 7.55%, however, there is an additional 4.36% of RN's that are currently going through pre-employment check

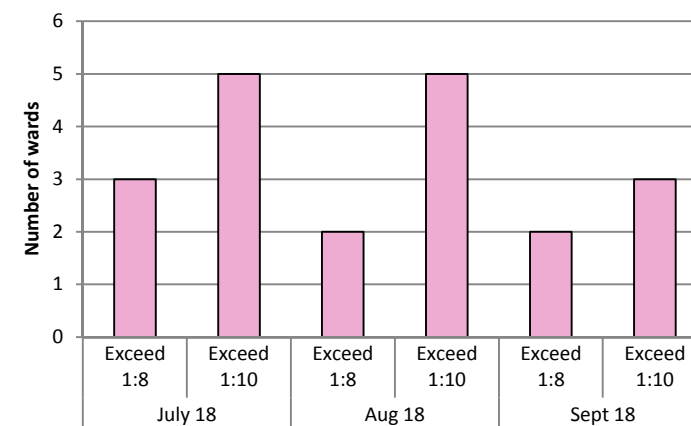
There were 29 safe care/incident forms submitted in September relating to nursing and midwifery staffing, a decrease from August (103). There were two incident forms submitted when RN staffing was below minimum numbers (one) Paed ED and (one) Adult ED. None of the incident reports identified patient harm.

STFT Spending on Nursing Agency, NHS Professionals and overtime - October 2017 to September 2018



	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18
Agency Nursing	£56,529	£47,219	£46,465	£95,547	£90,190	£86,114	£83,896	£77,968	£74,169	£54,194	£96,088	£73,658
NHS Professionals	£-	£175,07	£223,97	£265,26	£258,06	£256,12	£229,61	£258,01	£220,79	£204,89	£309,15	£257,38
Overtime	£-	£-	£-	£13,065	£14,801	£14,158	£17,638	£23,238	£16,287	£11,668	£6,699	£11,284

STFT - Nurse to patient ratios showing 3 month trend July to September 2018



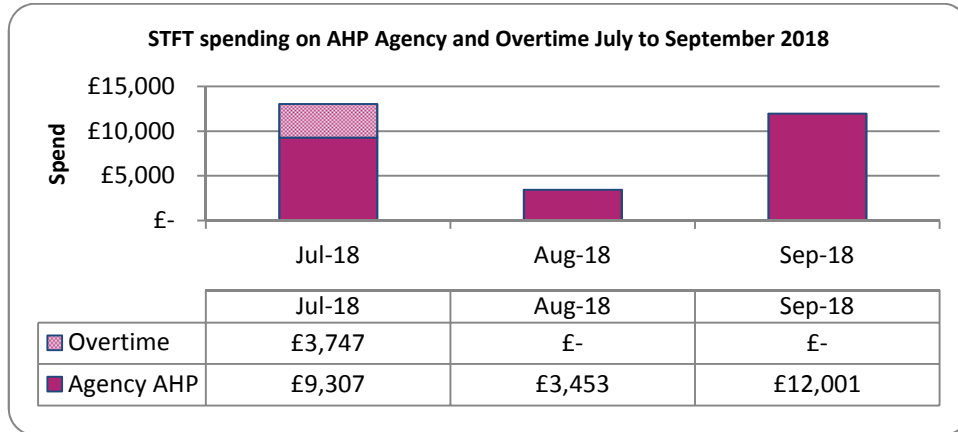
	July 18		Aug 18		Sept 18	
	Exceed 1:8	Exceed 1:10	Exceed 1:8	Exceed 1:10	Exceed 1:8	Exceed 1:10
Surgical Specialities & Maternity	0	0	0	0	0	0
Medicine & COTE	3	5	2	5	2	3
Acute & Urgent Care	0	0	0	0	0	0

Allied Health Professionals

The table below shows a breakdown of AHP vacancies and absences and turnover for September:

	June 18		July 18		August 18		September 18	
	Acute	Community	Acute	Community	Acute	Community	Acute	Community
Maternity leave	1.64%	2.84%	1.69%	3.35%	1.68%	5.06%	1.68%	5.21%
Sickness	2.97%	1.32%	2.91%	1.16%	3.87%	2.16%	3.92%	2.53%
AHP vacancies	9.25%	6.20%	9.96%	4.97%	10.11%	5.43%	7.82%	3.73%
Starters	2	1	0	2	1	0	2	0
Leavers	0	2	3	0	2	0	2	0

There were no incident forms submitted in September relating to AHP staffing.



AHP agency spend was due to vacancies in Radiology and Physiotherapy, however, some Radiology vacancies have now been filled and further interviews planned.

Frequency of Reporting Matrix

Section	Priority Workstream	Frequency
Patient Story		Monthly
Patient Safety	Reduce incidence of Category 2 to 4 pressure ulcers developed in our care	Monthly
	Reduce incidence of severe harm from patient falls	Monthly
	Improve the recognition and management of deteriorating patients <ul style="list-style-type: none"> • Accurate and timely recording of Early Warning Scores • Reduction in the number of preventable cardiac arrests • Ensuring high-quality timely communication, decision-making and recording in relation to decisions about Cardio Pulmonary Resuscitation • Achieve ≥90% compliance with Nutritional Screening • Achieve ≥90% compliance with recording of fluid input • Improve medicines management 	Monthly from July 2018 Annually 6 monthly
		Monthly from July 2018 Monthly from June 2018 Quarterly
	Infection control	Monthly
Patient Experience	Complaints	Monthly
	Learn from patient feedback	Quarterly
	Patient Led Assessment of the Care Environment (PLACE) results	Annually
	Ensure that patients are involved as much as they want to be in decisions about their care and treatment	Quarterly
	Ensure that patients receive adequate information and support for safe discharge from hospital	Quarterly
	Ensure that patients receive patient centred care based on their needs and preferences	Quarterly
	Dementia screening	Monthly
	Mixed sex breaches	Monthly
Clinical Effectiveness	Implementation of recommendations from the National Maternity Strategy	Quarterly
	Improve the outcomes of patients with serious infection	Quarterly
	Implementing recommendations from the Getting it Right First Time programme	6 monthly
	Participation in national and local clinical audits	As published
	Learning on review of patient deaths	Quarterly
	7 day services (4 priority clinical standards)	6 monthly
Key Enablers	Culture of safety <ul style="list-style-type: none"> • Safeguarding children • Safeguarding adults • DoLS • Incidents (including mixed sex breaches) • WHO checklist 	Monthly Monthly Monthly Monthly 6 monthly
	Safe nurse staffing	Monthly

BOARD OF DIRECTORS

NOVEMBER 2018

FINANCIAL POSITION AS AT 31 OCTOBER 2018

1.0 INTRODUCTION

This Executive Summary provides the highlights of the financial position as at the end of October 2018.

2.0 PERFORMANCE AGAINST KEY INDICATORS

	Ref	Annual Plan £000	Current Month			Year to Date			RAG Rating	Change from Prior Month Variance £000
			Plan £000	Actual £000	Variance £000	Plan £000	Actual £000	Variance £000		
Key Headlines										
Deficit (excluding PSF)		18,404	566	769	204	12,338	12,221	(117)	●	↓
PSF	2	(6,495)	(650)	(649)	1	(2,923)	(2,240)	683	●	↑
Deficit (including PSF)		11,909	(84)	120	205	9,415	9,981	566	●	↑
Cash	15	9,209	10,149	8,714	(1,435)	10,149	8,714	(1,435)	●	↓
Use of Resources Rating		3	3	3	0	3	3	0	●	→
Income and Expenditure Position										
Income	2	(339,879)	(29,117)	(29,719)	(602)	(198,372)	(200,277)	(1,905)	●	↑
Pay expenditure	6	221,329	18,357	19,048	691	129,747	133,211	3,464	●	↓
Non-pay expenditure	8	124,212	10,265	10,616	351	73,530	73,135	(395)	●	↓
Depreciation and finance costs	8	12,742	1,061	824	(237)	7,433	6,152	(1,281)	●	↑
Adjustments for items excl. from Control Total		0	0	41	41	0	64	64	●	↓
Performance Against Control Total (excl PSF)		18,404	566	810	245	12,338	12,285	(53)	●	↓
CIP										
Recurring	12	(9,500)	(1,008)	(1,119)	(111)	(3,811)	(3,606)	205	●	↑
Non-recurring	12	(3,500)	(292)	(1,006)	(714)	(2,040)	(3,403)	(1,363)	●	↑
Sub-total		(13,000)	(1,300)	(2,124)	(824)	(5,851)	(7,009)	(1,158)	●	↑
Stretch	12	(3,738)	(350)	533	883	(1,871)	(826)	1,045	●	↓
Total		(16,738)	(1,650)	(1,591)	59	(7,722)	(7,835)	(113)	●	↓

3.0 ITEMS TO REPORT ON BY EXCEPTION

3.1 Month 7 Position

Trust is reporting a favourable variance to plan of £53k (excluding PSF) for the year to date. This favourable variance has decreased by £245k since last month.

This is mainly due to the planned CIP programme increasing significantly in October (leading to a more challenging plan) and drug costs increasing from the average due to costs relating to previous periods being recognised in October.

Including PSF the Trust is behind plan by £566k; this is due to the non-achievement of the A&E element of the PSF for the first two quarters.

3.2 2018/19 Pay Award Funding

Discussions are still taking place at a national level around the pay-award. This means that Annual Plans have not yet been updated to reflect the associated additional income and costs. As such income is showing an over recovery of £1,876k offset by £1,980k of additional expenditure in pay costs.

3.3 2017/18 Reference Cost Index

Following the 2017/18 reference costs submission earlier this financial year the Trust has been informed that its index has increased from 95 in 2016/17 to 97 in 2017/18. This means to the Trust's services cost on average 3% less to provide than the national average for the same services.

A paper will be presented to the Finance and Performance Committee early in the new year providing further detail on the 2017/18 costs, the process for 2018/19 and outlining the Trust's strategy for improving the quality and use of this information to inform decision making.

3.4 ENT and Ophthalmology Contract Transfer

The Trust has transferred in outpatient contracts for ENT and Ophthalmology from South Tyneside NHS FT (STFT) with effect of 1 October 2018. Previously the Trust provided consultant and other clinical staffing support to STFT for these services.

The combined value of the contracts is £732k per annum and the transfer is neutral between the Trusts so there will be no impact to either Trust's bottom line financial position as a result of the transfer.

The impact in month is increased income of £60k and increased expenditure of £60k.

3.5 Pharmacy Drugs

There has been a significant overspend in the month on Pharmacy drug costs (£209k). The main reasons behind this are increase in the number of lucentis injections (approximately 300 more than average) and issues with Homecare drugs spend. Unfortunately the Homecare invoices were not processed in the Pharmacy department and passed for payment in a timely manner. Consequently the expenditure in month is around £280k higher than previous months.

Pharmacy stock levels have increased by just over £1m from September's position. This is £749k higher than the planned level of stock. It is understood that this is due to the Pharmacy department stocking up to support pressures over winter. An analysis of the drugs purchased together with planned usage over the coming months has been requested.

3.6 New Accounting and Ordering System

As reported last month the Trust will be going live with the new accounting and ordering system (Oracle Cloud) on 1 December. A huge amount of work has been undertaken by the Finance and Procurement teams to ensure the system is fully tested and our data is cleansed prior to implementation.

The system will bring several benefits in terms of automation especially around e-requisitioning. Information and training to staff around this will be provided.

3.7 Forecast Outturn

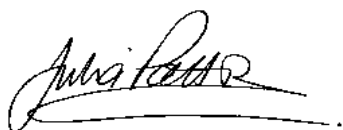
As detailed in October's Finance Report a review of the forecast has been completed in order to determine whether the Trust was still on target to deliver the Control Total. The analysis has shown the likely position is a £517k favourable variance from the control total. Given the relatively small variation from Control Total the Trust has confirmed in its month 7 submission to NHS Improvement that its plan is to still meet the Control Total.

The main movements on the forecast outturn position from month 6 are detailed on page 17.

4.0 RECOMMENDATION

The Board of Directors is requested to:

- Note and comment upon the Trust's financial performance up to 31 October 2018
- Note the Trust is still forecasting to meet the Control Total
























Julia Pattison
Executive Director of Finance

November 2018

CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST

OPERATIONAL FINANCIAL POSITION - OCTOBER 2018

KEY TO INDICATORS USED IN THE REPORT

Rating Type	Icon	Description
RAG Ratings in General		Better than plan
		Worse than plan by < 5%
		Worse than plan by > 5%
Capital RAG Ratings		Expenditure is within 15% of plan
		Expenditure is within 25% of plan
		Expenditure is greater than or less than 25% of plan
CIP RAG Ratings		Forecast is equal to or better than plan
		Forecast is below plan by < 5%
		Forecast is below plan by > 5%
Forecast Outturn RAG Ratings		Low risk of cost being incurred or high chance of savings being made
		Medium risk of cost being incurred or savings being made
		High risk of cost being incurred or low change of savings being made
Change from Prior Month		Position has improved from prior month variance
		Position is the same as prior month
		Position has worsened from prior month variance
Change from 2017/18		Actual income is greater than year to date position in 2017/18 by more than £100k or actual expenditure is less than year to date position in 2017/18 by more than £100k
		Actual income is within £100k of year to date position in 2017/18 or actual expenditure is within £100k of year to date position in 2017/18
		Actual income is less than year to date position in 2017/18 by more than £100k or actual expenditure is greater than year to date position in 2017/18 by more than £100k
PBR Position for Block Contracts		Variance from block has decreased in month (i.e. closer to block agreement)
		Variance from block has remained static in month
		Variance from block has increased in month (i.e. increased gap against block agreement)

CITY HOSPITALS SUNDERLAND NHS FOUNDATION TRUST

OPERATIONAL FINANCIAL POSITION - OCTOBER 2018

PAGE 1 - PERFORMANCE AGAINST KEY INDICATORS

	Ref	Annual Plan £000	Current Month			Year to Date			RAG Rating	Change from Prior Month Variance £000	2017/18 YTD actual @ month 7	Change from 2017/18
			Plan	Actual	Variance	Plan	Actual	Variance				
			£000	£000	£000	£000	£000	£000				
Key Headlines												
Deficit (excluding PSF)		18,404	566	769	204	12,338	12,221	(117)	●	↓	8,778	↓
PSF	2	(6,495)	(650)	(649)	1	(2,923)	(2,240)	683	●	↑	(3,233)	↓
Deficit (including PSF)		11,909	(84)	120	205	9,415	9,981	566	●	↑	5,545	↓
Cash	17	9,209	10,149	8,714	(1,435)	10,149	8,714	(1,435)	●	↓	3,807	↑
Use of Resources Rating		3	3	3	0	3	3	0	●	→	3	→
Income and Expenditure Position												
Income	2	(339,879)	(29,117)	(29,719)	(602)	(198,372)	(200,277)	(1,905)	●	↑	(202,733)	↓
Pay expenditure	6	221,329	18,357	19,048	691	129,747	133,211	3,464	●	↓	125,704	↓
Non-pay expenditure	8	124,212	10,265	10,616	351	73,530	73,135	(395)	●	↓	77,510	↑
Depreciation and finance costs	8	12,742	1,061	824	(237)	7,433	6,152	(1,281)	●	↑	8,297	↑
Adjustments for items excl. from Control Total		0	0	41	41	0	64	64	●	↓	0	→
Performance Against Control Total (excl PSF)		18,404	566	810	245	12,338	12,285	(53)	●	↓	8,778	↓
CIP												
Recurring	12	(9,500)	(1,008)	(1,119)	(111)	(3,811)	(3,606)	205	●	↑	(3,580)	↑
Non-recurring	12	(3,500)	(292)	(1,006)	(714)	(2,040)	(3,403)	(1,363)	●	↑	(2,300)	↑
Sub-total		(13,000)	(1,300)	(2,124)	(824)	(5,851)	(7,009)	(1,158)	●	↑	(5,880)	↑
Stretch	12	(3,738)	(350)	533	883	(1,871)	(826)	1,045	●	↓	0	↑
Total		(16,738)	(1,650)	(1,591)	59	(7,722)	(7,835)	(113)	●	↓	(5,880)	↑
Capital expenditure												
Total Capex	18	5,813	388	696	(308)	3,390	2,322	1,068	●	↑	1,310	↓
Trust funded	18	5,813	388	619	(231)	3,390	1,990	1,400	●	↑	1,310	↓
Donations & external funding	18	0	0	77	(77)	0	332	(332)	●	↑	0	↓
Pay analysis												
Substantive staff	7	209,389	17,382	18,219	837	122,682	126,190	3,508	●	↓	118,050	↓
Bank staff	7	6,540	545	602	57	3,815	4,627	812	●	↑	4,190	↓
Agency staff	7	5,400	430	227	(203)	3,250	2,394	(856)	●	↑	3,464	↑
Total pay costs		221,329	18,357	19,048	691	129,747	133,211	3,464	●	↓	125,704	↓
Agency cap performance	7	5,812	470	227	(243)	3,470	2,394	(1,076)	●	↑	3,464	↑
Non-pay analysis												
Total non-pay costs	8	136,954	11,326	11,440	114	80,963	79,287	(1,676)	●	↓	85,807	↑

OPERATIONAL FINANCE POSITION - OCTOBER 2018

PAGE 2 - INCOME SUMMARY

INCOME SUMMARY

	Annual Plan £000	Year to Date				RAG Rating	Change from prior month variance
		Plan £000	Actual £000	Variance £000			
NHS England	45,099	26,260	26,835	575	●	↑	
NHS England - Pay Award	0	0	1,876	1,876	●	↑	
CCG's	264,705	154,672	154,469	(203)	●	↓	
Local Authorities	2,407	1,408	1,416	8	●	↑	
Other Patient Income	741	434	831	397	●	↑	
Income from patient care	312,952	182,774	185,427	2,653	●	↑	
Other Income	26,927	15,598	14,850	(748)	●	↑	
Total Excluding PSF	339,879	198,372	200,277	1,905	●	↑	
PSF	6,495	2,923	2,240	(683)	●	↓	
Total Including PSF	346,374	201,295	202,517	1,222	●	↑	

SUMMARY BY POD*

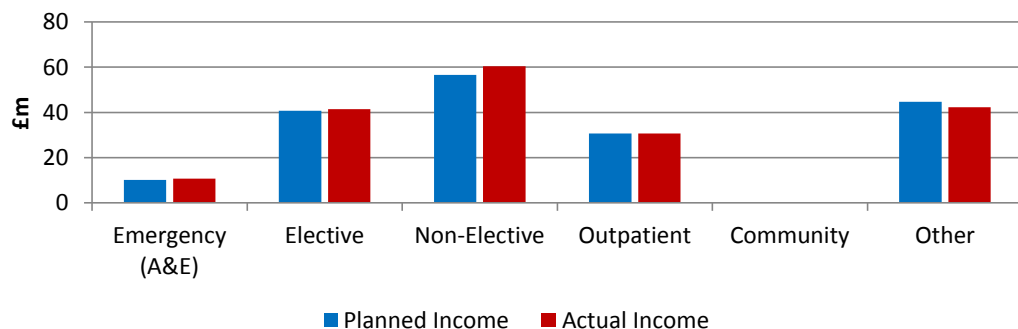
	Annual Plan £000	Year to Date				Change from prior month
		Plan £000	Actual £000	Variance £000		
Emergency (A&E)	17,452	10,126	10,696	570	↑	
Elective	68,867	40,703	41,404	701	↑	
Non-Elective	98,277	56,564	60,348	3,784	↑	
Outpatient	51,891	30,682	30,690	8	↑	
Community	0	0	0	0	→	
Other	76,465	44,699	42,289	(2,410)	↓	
Total	312,952	182,774	185,427	2,653	↑	

* The above POD numbers relate to actual activity not 'block' activity plans. 'Other' POD contains the impact of block contracts.

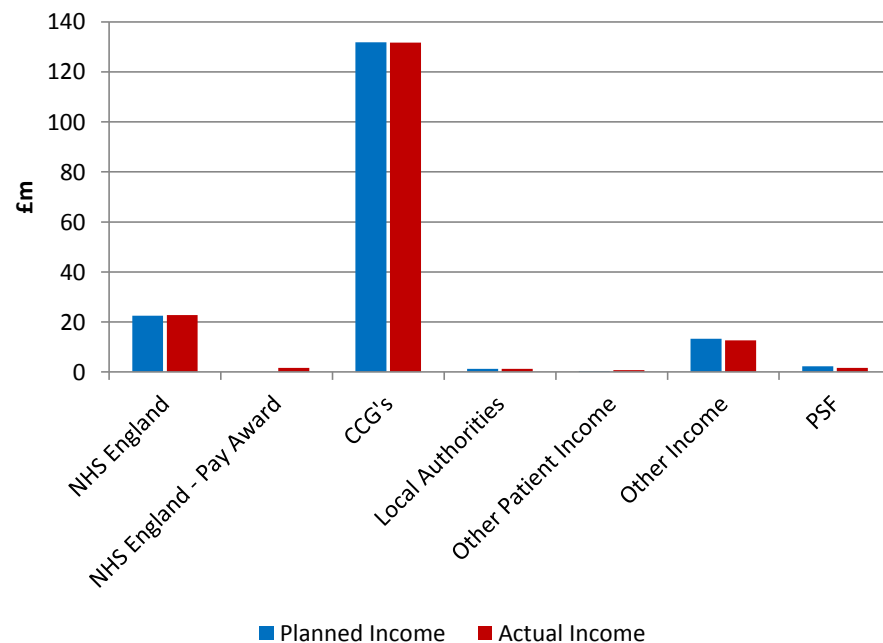
SUMMARY BY COMMISSIONER

	Annual Plan £000	Year to Date				RAG Rating	Change from prior month
		Plan £000	Actual £000	Variance £000			
Sunderland CCG	174,775	102,094	102,094	0	●	↑	
South Tyneside CCG	26,015	15,219	15,158	(61)	●	↓	
DDES CCG	35,865	20,936	20,867	(69)	●	↓	
North Durham CCG	16,591	9,722	9,678	(44)	●	↓	
NHS England Spec Comm	36,942	21,640	21,992	352	●	↑	
Other	22,765	13,163	15,638	2,475	●	↑	
Total	312,952	182,774	185,427	2,653	●	↑	

YTD Summary by POD



YTD Summary by Commissioner



OPERATIONAL FINANCE POSITION - OCTOBER 2018

PAGE 3 - INCOME SUMMARY (CONTINUED)

Comments

The income budget to Month 7 is £201,295k with the actual performance being £202,517k resulting in an over performance of £1,222k.

The commissioner income actuals are based on Month 6 PbR files with the exception of drugs income which is directly matched to expenditure for Month 7.

There are block contracts in place with Sunderland, South Tyneside, DDES, North Durham & Sunderland LA. Bariatrics activity, both elective & outpatients continues to be charged on a PBR basis, due to a risk share the CCG's have with NHSE, this is shown as over/underperformance on those CCG's on a block contract. Sunderland have agreed to transact as a block contract, with other CCG's still to make a decision. An adjustment has been made in relation to the transfer of ENT and Ophthalmology outpatient activity from October 2018 to CHS in order to facilitate a more efficient patient pathway (year to date impact of £60k and annual impact of £371k)

The contract with NHSE includes Specialised Commissioning, Dental (on a PbR basis.) and NHSE central team. As at Month 7, we are over performing against plan by £575k. The pay award is shown as a separate line as £1,876k this is centrally funded.

Comments

Non-elective activity at month 7 is £3,785k above plan. The majority of the over performance relates to Sunderland CCG and is predominantly pricing variances rather than activity variances. There is over performance relating to achievement of best practice tariffs within elderly medicine including ; Stroke (£557k), Sepsis (£237k), Cardiac disorders (£323k) and Respiratory disorders (£400k)

The remainder of the NEL over performance relates to activity rather than best practice tariffs, including Gastro (£237k), Respiratory (£360k) and A&E (£240k).

As the level of non-elective activity is high, then there can be an impact of the Emergency Threshold (whereby the Trust only receives 70% of any over-performance over the agreed baseline), that would reduce this level of financial over-performance overall.

Electives, A&E and outpatients are also ahead of plan at this point in the year. Compliance with the Value Based Commissioning policy (VBC) is now being monitored & the most recent figures received from SCCG on behalf of all CCG's continues to show a significant element that could be challenged on timeliness of approvals.

OTHER INCOME

	Annual Plan £000	Year To Date			
		Plan £000	Actual £000	Variance £000	Change from prior month
Research and Development	1,540	896	751	(145)	↓
Education and Training	11,518	6,720	6,428	(292)	↓
Charitable Donations	240	140	197	57	↑
PSF	6,495	2,923	2,240	(683)	↓
Other Income	13,629	7,842	7,474	(368)	↑
Total	33,422	18,521	17,090	(1,431)	↑

Comments

Total other income at month 7 is £1,431k behind plan. Research and Development income is £145k behind plan. This tends to be ad hoc in nature which makes it difficult to predict trends. Education and Training is also behind plan due to invoicing indicative amounts until the exact value has been confirmed. Other income at £368k behind plan due to CIP delivery shortfall (£235k) and several other areas of under recovery including, cessation of the Head & Neck medical staff provision to Gateshead (£104k) and the Maternity income target (£43k).

PSF is also behind plan due to the non achievement of A&E targets.

PBR POSITION FOR COMMISSIONERS ON A BLOCK CONTRACT

Commissioner	Plan as Per NHSI £000	Total Actuals £000	Variance as per PBR £000	% Against NHSI £000	Change from prior month
Sunderland CCG	102,094	104,438	2,345	2.3%	↓
South Tyneside CCG	15,219	15,534	315	2.1%	↑
DDES CCG	20,936	21,716	780	3.7%	↓
North Durham CCG	9,722	10,087	365	3.8%	↓
Sunderland LA	1,408	1,416	8	0.6%	↓
Total	149,379	153,192	3,813	2.6%	↓

Comments

The majority of commissioner income for 2018-19 is on block contract. At this stage, the figures would suggest we are over performing against block contracts by circa £3.8m, this would reduce by circa £2.4m if non-recurrent funding were to be removed from the contracts. As discussed above, this over-performance is mainly driven by non elective activity, but this figure would be reduced by the full application of the emergency threshold & also potentially any valid challenges regarding compliance with Value Based Commissioning (VBC).

NHSI have requested that all Commissioner and Providers with contracts over £5m try and agree their Month 06 positions & forecast outturn positions by the end of November. The only Commissioner that CHS is materially different from at both month 06 and year end is Specialised Commissioners and this is primarily to do with drug challenges.

SUMMARY BY COMMISSIONER

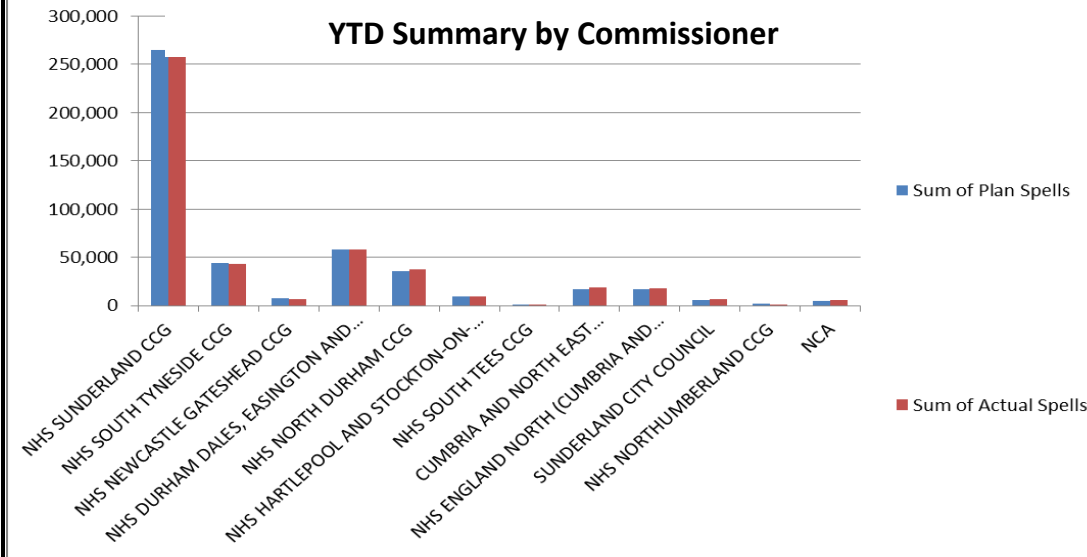
	Annual Plan	Year to Date			
		Plan	Actual	Variance	RAG Rating
NHS Sunderland CCG	450,162	264,306	261,502	(2,804)	●
NHS South Tyneside CCG	73,809	43,506	43,090	(416)	●
NHS Newcastle Gateshead CCG	12,979	7,646	7,034	(612)	●
NHS Durham Dales, Easington & Sedgefield CCG	98,869	58,127	57,664	(463)	●
NHS North Durham CCG	61,090	36,015	37,289	1,274	●
NHS Hartlepool & Stockton CCG	16,272	9,599	9,831	232	●
NHS South Tees CCG	1,167	688	622	(66)	●
Cumbria & North East Commissioning Hub	28,000	16,547	18,597	2,050	●
NHS England North (Cumbria & North East)	28,805	17,025	17,477	452	●
Sunderland City Council	9,822	5,807	6,754	947	●
NHS Northumberland CCG	2,977	1,755	1,235	(520)	●
NCA	8,050	4,734	6,068	1,334	●
Total	792,000	465,756	467,163	1,407	●

SUMMARY BY POD

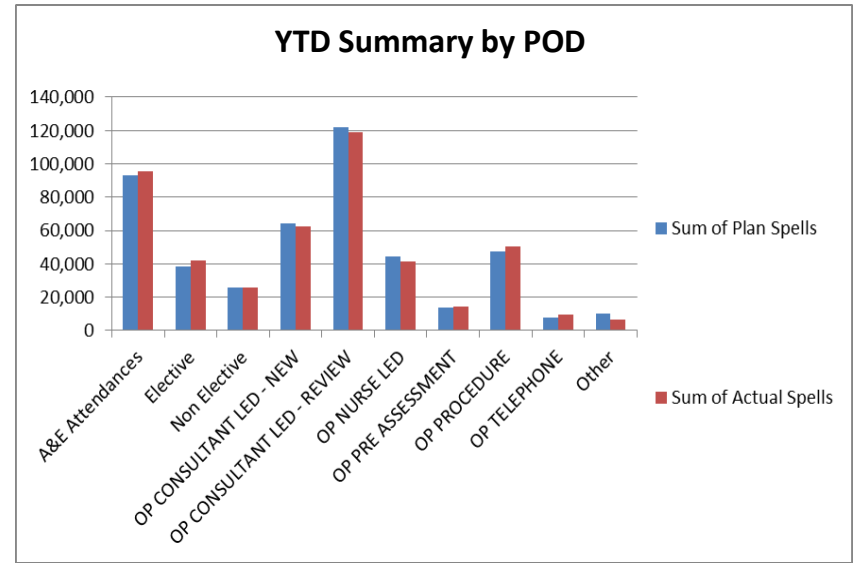
	Annual Plan	Year to Date			
		Plan	Actual	Variance	RAG Rating
A&E Attendances	160,484	93,120	95,675	2,555	●
Elective *	64,634	38,216	42,096	3,880	●
Non Elective	44,342	25,498	25,669	171	●
OP Consultant Led - New	108,269	64,016	62,602	(1,414)	●
OP Consultant Led - Review	206,056	121,835	118,836	(2,999)	●
OP Nurse Led	74,940	44,310	41,460	(2,850)	●
OP Preassessment	23,198	13,716	14,143	427	●
OP Procedure	80,217	47,430	50,500	3,070	●
OP Telephone	12,919	7,639	9,696	2,057	●
Other	16,941	9,976	6,486	(3,490)	●
Total	792,000	465,756	467,163	1,407	●

* Elective is currently showing an over performance due to a change in National guidance regarding classification of Chemotherapy spells

YTD Summary by Commissioner



YTD Summary by POD



Outpatient Procedure Summary

In October, outpatient procedures have shown an underperformance against plan for the first time YTD. Below is a summary of procedures by Month.

POD2	Month	Sum of Plan Spells	Sum of Actual Spells	Sum of Variance against Plan
OP PROCEDURE	201804	6,366	6,780	414
	201805	6,685	7,228	543
	201806	6,685	7,284	599
	201807	7,003	7,526	523
	201808	7,003	7,496	493
	201809	6,366	7,095	729
	201810	7,321	7,091	-230
OP PROCEDURE Total		47,430	50,500	3,070

The specialties contributing to the majority of the underperformance in October are Ophthalmology and Paediatrics.

There is a known issue in Paediatrics due to changes to V6 documentation in July. This issue has been raised with the Directorate and Data Assurance to rectify

The decrease in Ophthalmology will be raised with the Directorate to validate and ensure that there are no service or admin issues.

Specialty	Month	Sum of Plan Spells	Sum of Actual Spells	Sum of Variance against Plan
Ophthalmology	201804	2,892	3,394	502
	201805	3,037	3,512	475
	201806	3,037	3,603	566
	201807	3,181	3,603	422
	201808	3,181	3,706	525
	201809	2,892	3,542	650
	201810	3,326	2,927	-399
	Ophthalmology Total		21,545	24,287
Paediatrics	201804	23	25	2
	201805	24	32	8
	201806	24	19	-5
	201807	25	1	-24
	201808	25	0	-25
	201809	23	1	-22
	201810	26	1	-25
Paediatrics Total		171	79	-92
Grand Total		21,717	24,366	2,649

Accident & Emergency Summary

A&E total activity for 18/19 has been commissioned at less than 1% over 17/18 outturn. Type 1 A&E (main site) has been commissioned at 0.3% under 17/18 outturn; Type 2 (SEI) is 6.8% above outturn and Type 4 (Pallion) is 1.8% under outturn.

Commissioners have chosen not to commission in line with the rate of growth which has been demonstrated over the last 3 years as their aim is to prevent patients from resorting to ED by increasing GP services. CHS requested a plan figure of 162,422 to cope with increasing demand, however 18/19 activity plan has been commissioned at 160,484. The vast majority of this sits with block contracted commissioners meaning CHS will not receive any income for over performance. The table below shows YTD variance by Blocked and PbR Contracts

Contract Status	PODCode	Sum of Plan Spells	Sum of Actual Spells	Sum of Variance against Plan
Block	Type1	53,674	56,430	2,756
	Type2	16,295	15,088	-1,207
	Type4	19,501	20,040	539
Block Total		89,470	91,558	2,088
PbR	Type1	1,420	1,514	94
	Type2	1,835	1,760	-75
	Type4	395	843	448
PbR Total		3,650	4,117	467
Grand Total		93,120	95,675	2,555

Total attendances are running at 2,555 over plan for Months 1-7 (3%). Type 1 attendances are 2,850 over plan (5%) and Type 4 are 987 over plan (5%). This is countered by an underperformance of SEI Type 2, which is currently running at 1,282 under plan (7%). However this was expected, as SEI have been working on reducing review A&E attendances leading to a planned decrease in activity since Dec 17.

October is the first month showing an underperformance against plan for total ED attendances, with 534 under plan against an average Apr - Sept of 515 over plan.

ED attendances for DDES CCG are climbing at an average of 6% over 17/18 for Type 1 and 8% for Type 4. This is thought to be due to the lack of GP availability in Seaham Primary Care Centre, and has been raised with the CCG., with no response yet.

Admissions from ED were 22% for September, with the highest admission specialties being Accident & Emergency, Geriatric Medicine and Paediatrics.

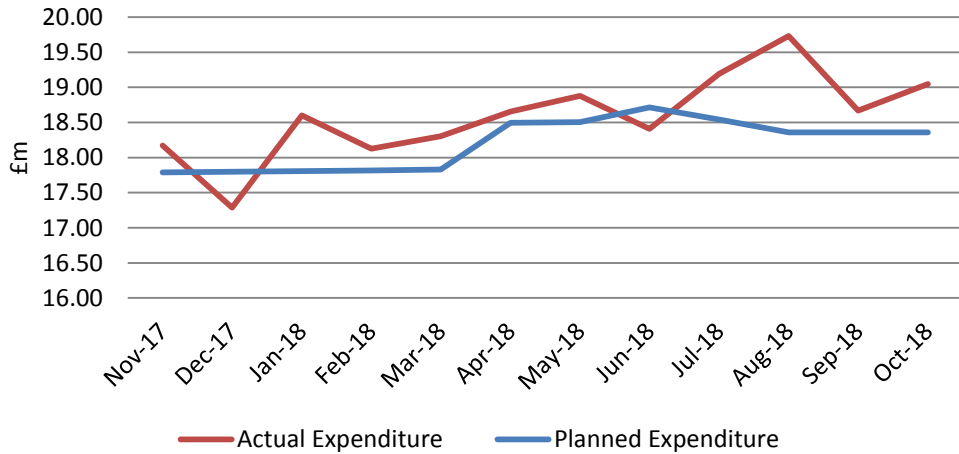
CHS OPERATIONAL FINANCE POSITION - OCTOBER 2018

PAGE 6 - PAY EXPENDITURE BY STAFF GROUP

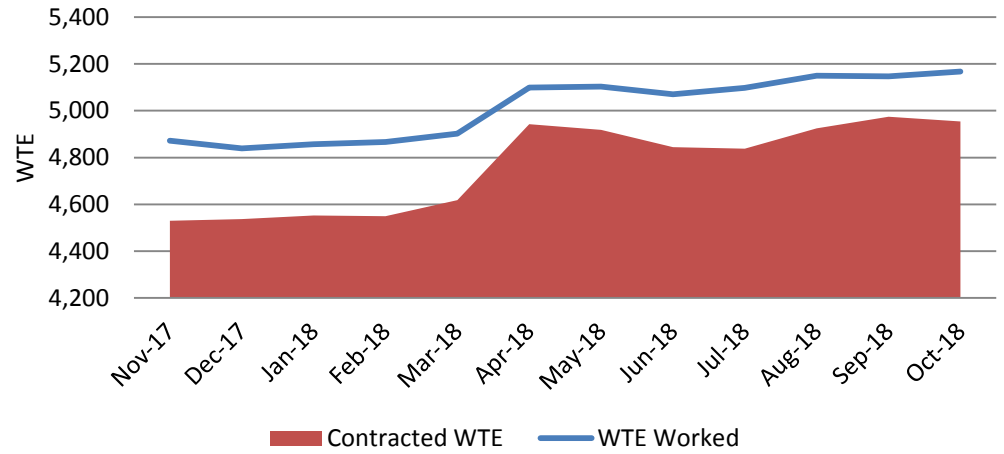
PAY ANALYSIS BY STAFF GROUP

	Staff Numbers			Current Month - Expenditure			Year to Date - Expenditure			RAG Rating	Change from Prior Month Variance
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance		
	WTE	WTE	WTE	£000	£000	£000	£000	£000	£000		
Medical and Dental	567	578	12	5,757	5,482	(275)	40,488	40,465	(23)	●	↑
Nursing, Midwifery and Health Visiting	1,550	1,567	17	5,527	5,612	85	39,587	38,442	(1,145)	●	↓
Scientific, Therapeutic and Technical	594	597	3	2,105	2,225	120	14,765	15,084	319	●	↓
Support to Clinical Staff (HCAs/AHPs)	1,140	1,134	(6)	1,994	1,954	(40)	13,916	14,038	122	●	↑
Managers and Infrastructure Support	1,398	1,291	(107)	3,609	3,710	101	25,750	24,845	(905)	●	↓
Other	0	0	0	(635)	65	700	(4,759)	337	5,096	●	↓
Total	5,249	5,168	(81)	18,357	19,048	691	129,747	133,211	3,464	●	↓

Planned Pay Expenditure vs Actual Pay Expenditure



Contracted WTE vs WTE Worked



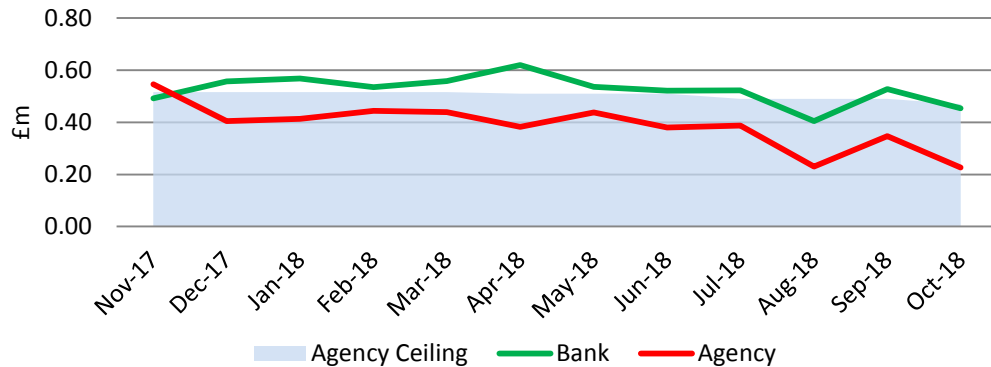
CHS OPERATIONAL FINANCE POSITION - OCTOBER 2018

PAGE 7 - PAY EXPENDITURE BY DIVISION

PAY ANALYSIS BY DIVISION

	Staff Numbers			Current Month - Expenditure			Year to Date - Expenditure			CIP (over)/under achievement	RAG Rating	Change from Prior Month Variance
	Plan	Actual	Variance	Plan	Actual	Variance	Plan	Actual	Variance			
	WTE	WTE	WTE	£000	£000	£000	£000	£000	£000			
Surgery	953	963	11	3,968	4,031	63	27,586	28,305	719	(74)	●	↑
Medicine	1,515	1,538	22	5,776	5,911	135	40,197	41,074	877	212	●	↑
Family Care	481	479	(1)	2,003	2,074	71	14,007	14,225	218	(42)	●	↓
Clinical Support	660	656	(4)	2,325	2,300	(25)	16,332	16,228	(105)	113	●	↓
Theatres	604	586	(19)	2,201	2,213	13	15,318	15,231	(87)	(194)	●	↓
THQ	433	426	(7)	1,420	1,264	(156)	10,007	9,230	(777)	(531)	●	↓
Reserves, Other & CHOICE	805	520	(286)	664	1,254	590	6,300	8,919	2,619	146	●	↓
Total	5,452	5,168	(284)	18,357	19,048	691	129,747	133,211	3,464	(371)	●	↓

Non-Substantive Pay Expenditure



Comments and Actions

Pay is currently showing an overspend of £3,464k against plan to date - of which £1,980k relates to the impact of the pay-award. The Trust are awaiting NHSI to revise the annual plan in light of this.

To note the Divisional budgets have been adjusted for the pay award which has created a negative budget in the Reserves, Other and CHOICE category to this amount. The other category also includes unidentified CIP across all divisions and reserves totalling £4,759k.

Medical staff pay award has also been paid this month - the impact of this is £88k in month.

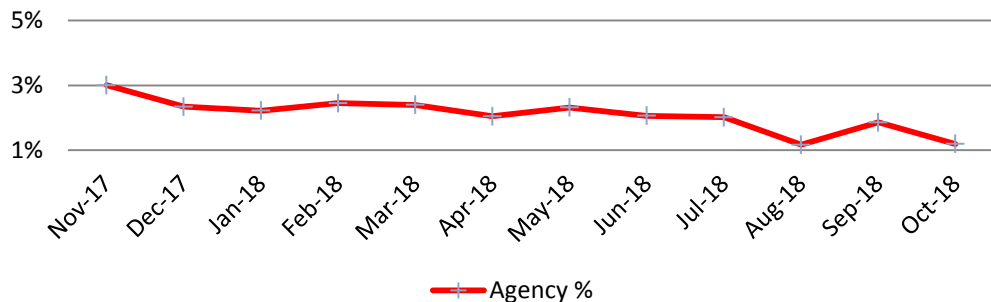
Nursing expenditure is showing an underspend of £1,145k compared to plan due to vacant nursing posts across all divisions partly offset by spend on bank and agency

The largest variance is against 'other' where there is a negative budget reflecting unallocated CIP targets. These targets are now being reviewed and allocated across the categories as appropriate. Savings with corporate staff as a result of the alliance with South Tyneside FT resulting from cross site working has contributed to the large underspend on Managers and Infrastructure Support to date.

The CIP position for pay is £371k ahead of plan to date due mainly to non-recurrent nursing vacancies across all divisions. The planned CIP increased in month from £1,140k to £1,650k - an increase of £510k.

Agency costs continues to be below the agency cap in October, but this still requires addressing as monthly expenditure on agency is planned to fall in the later months of the year. To ensure agency costs remain low in the coming months, a working group has been set up lead by the Nursing directorate to implement a process for approval of agency spend. The graph shows expenditure on agency staff as a proportion of total staff expenditure to have fallen considerably over the past 12 months.

Agency Usage as % of Total Pay Costs



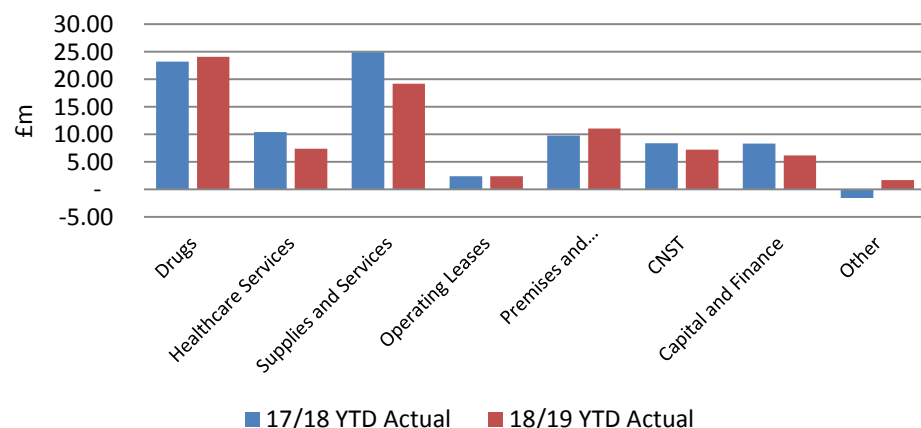
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PAGE 8 - NON-PAY EXPENDITURE BY SUBJECTIVE GROUP

NON-PAY SUBJECTIVE ANALYSIS

	Annual Plan £m	Current Month			Year to Date			RAG Rating	Change from prior month variance
		Plan £000	Actual £000	Variance £000	Plan £000	Actual £000	Variance £000		
Drugs	40,433	3,353	3,562	209	23,719	24,098	379	●	↓
Healthcare Services	16,440	1,370	(300)	(1,670)	9,590	7,411	(2,179)	●	↑
Supplies and Services	33,604	2,731	2,919	188	20,544	19,206	(1,338)	●	↓
Operating Leases	4,080	340	340	0	2,380	2,380	0	●	→
Premises and Establishment	15,301	1,275	2,551	1,276	8,925	11,086	2,161	●	↓
CNST	13,274	1,106	913	(193)	7,742	7,234	(508)	●	↑
Capital and Finance	7,491	1,028	799	(229)	7,202	6,200	(1,002)	●	↑
Other	6,331	123	656	533	861	1,672	811	●	↓
Total	136,954	11,326	11,440	114	80,963	79,287	(1,676)	●	↓

Non-Pay Expenditure



Comments:

Non-Pay is underspent by £1,676k against plan, (including depreciation, finance costs and impairments). Some recategorisation has taken place in the month to recode expenditure, which has resulted in variances between categories.

- A significant underspend of £1,338k on Supplies and Services. This is partly a result of efficiencies gained through the transfer of services to CHOICE and partly due to inflationary pressures which were budgeted for but have not yet materialised.

- Underspends on capital and financing costs amounting to £1,002k. This is a mainly a reduction in depreciation charges following the MEA valuation undertaken at the end of 2017/18

- An overall overspend against drugs amounting to £379k - This is mainly overspends on lucentis within ophthalmology and high cost drugs.

The remaining variances across the other categories amount to £285k and includes:

- A rates overspend of £175k due to the increase in charges from the local authority

- Overspends on utilities totalling £203k - mainly across gas and electricity

- An underspend on the pathology SLA of £(169k)

work is on-going to review the categories of expenditure and to ensure the categories used internally are consistent with those on the NHSI return. This will also ensure consistency between the Trust and South Tyneside NHS FT.

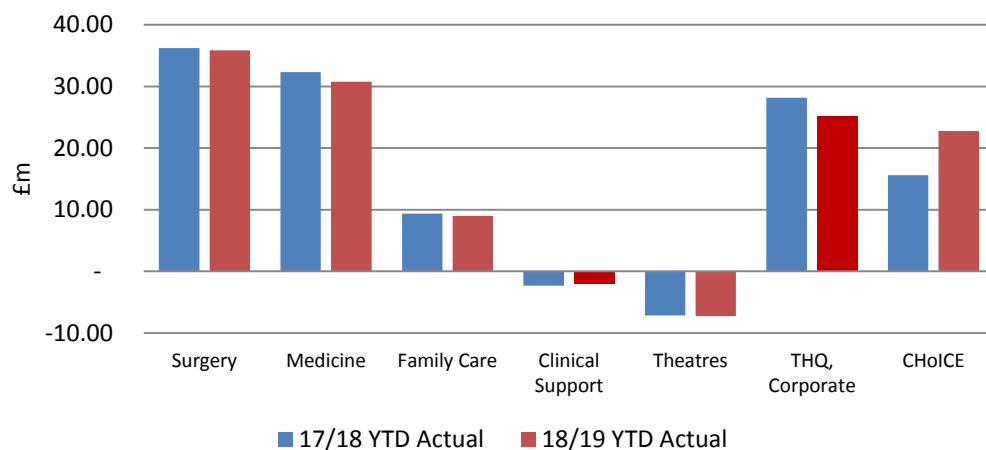
CHS OPERATIONAL FINANCE POSITION - OCTOBER 2018

PAGE 9 - NON-PAY EXPENDITURE DIVISIONAL EXPENDITURE

NON-PAY EXPENDITURE BY DIVISION

	Annual Plan £000	Current Month			Year to Date			CIP (over)/under achievement	RAG Rating	Change from prior month variance
		Plan £000	Actual £000	Variance £000	Plan £000	Actual £000	Variance £000			
Surgery	34,048	4,832	5,159	327	34,259	35,831	1,572	259	●	↑
Medicine	39,900	4,338	4,470	132	30,607	30,753	146	193	●	↓
Family Care	11,981	1,299	1,350	51	9,094	8,994	(101)	0	●	↓
Clinical Support	17,128	(360)	(131)	229	(2,466)	(2,019)	447	247	●	↓
Theatres	6,684	(1,053)	(1,047)	6	(7,162)	(7,267)	(105)	156	●	↓
THQ	3,277	331	350	18	1,970	2,011	41	0	●	↓
Reserves, Other & CHOICE	23,936	1,939	1,290	(649)	14,662	10,985	(3,677)	(832)	●	↑
Total	136,954	11,326	11,440	114	80,963	79,287	(1,676)	23	●	↓

Non-Pay Expenditure



Comments

The overspend in Surgery's non-pay costs £1,572k is mainly due to drugs costs of £839k - primarily Lucentis in Ophthalmology. The other major adverse variance in Surgery's non-pay is a shortfall in identified CIP to date amounting to £259k against plan.

The large underspend in Reserves, Other and CHOICE is due mainly due budgets held in reserves for pressures (including inflation) which have not yet been required.

Family Care's underspend of (£101k) against plan to date is due lower than expected premises and plant costs incurred to date.

Theatre's underspend against plan by £105k is due to additional ISLA income received in supporting Surgery's clinical activity.

Clinical Support overspend to date is due to a shortfall in identified CIPs against plan to date.

Overall CIP position as at October 2018 is £23k behind plan.

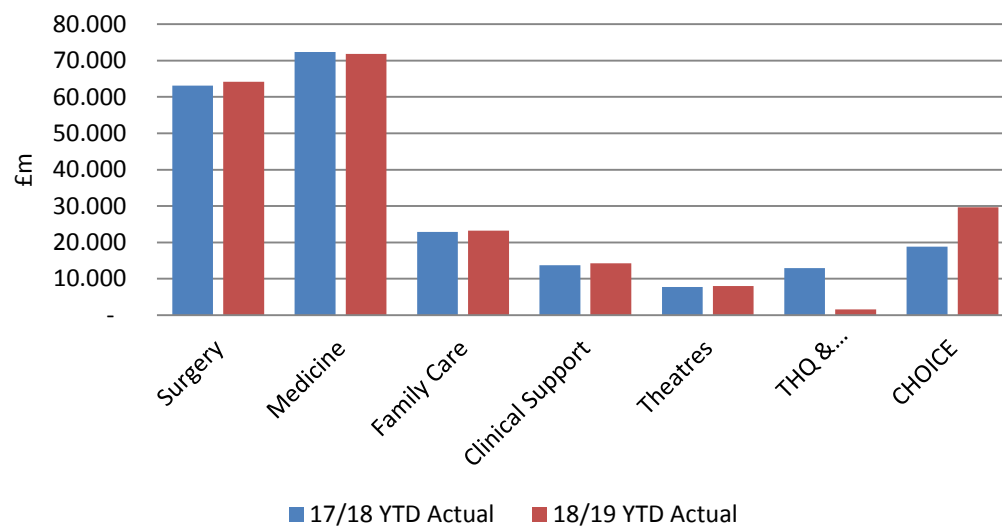
CHS OPERATIONAL FINANCE POSITION - OCTOBER 2018

PAGE 10 - DIVISIONAL PERFORMANCE

DIVISIONAL PERFORMANCE (PAY AND NON-PAY EXPENDITURE)

	Annual Plan £000	Current Month			Year to Date			CIP (over)/under achievement	RAG Rating	Change from prior month variance
		Plan £000	Actual £000	Variance £000	Plan £000	Actual £000	Variance £000			
Surgery	81,152	8,800	9,189	390	61,844	64,136	2,292	185	●	↑
Medicine	108,272	10,114	10,381	267	70,804	71,827	1,023	405	●	↓
Family Care	35,776	3,302	3,424	122	23,101	23,218	117	(42)	●	↓
Clinical Support	44,789	1,965	2,170	205	13,866	14,208	343	360	●	↓
Theatres	32,724	1,148	1,166	19	8,156	7,964	(192)	(38)	●	↓
THQ	20,370	1,751	1,613	(138)	11,977	11,241	(736)	(531)	●	↓
Reserves, Other & CHOICE	35,236	2,603	2,544	(59)	20,962	19,904	(1,058)	(686)	●	↑
Total	358,319	29,683	30,488	805	210,710	212,498	1,788	(347)	●	↓

Divisional Expenditure



Overall divisional expenditure total is an underspend of £347k against plan at the end of October 2018. The expenditure is £987k more in comparison to the same period last year due to higher pay costs (however this is significantly less than the £1,980k increase due to pay-award).

The overspend is driven by Surgery's drug costs and unidentified CIP target to month 7. Despite this, finance costs and clinical supplies costs continue to underspend. There continues to be a large number of nursing vacancies across the Trust helping the financial position.

THQ Divisional position is showing a favourable position YTD which is mainly due to pay vacancies. The Corporate and CHOICE position is showing a favourable YTD variance due mainly to non-pay reserves which were set up in anticipation of inflationary pressures. These have been lower than planned and the Trust has also benefited from increased Procurement savings via CHOICE.

CHS OPERATIONAL FINANCE POSITION - OCTOBER 2018

PAGE 11 - VARIANCE ANALYSIS

BREAKDOWN OF VARIANCES BY DIVISION

	Surgery £000	Medicine £000	Family Care £000	Clinical Support £000	Theatres £000	THQ £000	Corporate, Other & CHOICE £001	Total £000	RAG Rating	Change from prior month variance
Income variance	35	155	116	(52)	16	(173)	(1,319)	(1,222)	●	↑
Pay variance	719	877	218	(105)	(87)	(777)	2,619	3,464	●	↓
Non-pay variance	1,572	146	(101)	447	(105)	41	(3,677)	(1,676)	●	↓
Expenditure variance	2,292	1,023	117	343	(192)	(736)	(1,058)	1,788	●	↓
Net variance	2,327	1,178	233	291	(176)	(909)	(2,377)	566	●	↓
Variance due to CIP	187	405	(29)	437	(38)	(531)	(543)	(112)	●	↓
Underlying variance	2,139	773	262	(147)	(137)	(378)	(1,834)	678	●	↓

ANALYSIS OF VARIANCES BY CATEGORY

Description of key variances	Income £000	Pay £000	Clinical Supplies and Services £000	Drugs £000	Other non- pay £000	Finance costs £000	Total £000
Stretch CIP as at Month 7			1,045				1,045
CIP under/(over) delivery to month 7	235	(370)	(104)	(312)	(606)		(1,157)
Unallocated pay pressures (within reserves)		2,700					2,700
Under recovery of PSF due to non-achievement of A&E target	683						683
Funding for Pay Award April to October 2018	(1,876)	1,981					105
Training and Education, R&D income under recovery	145						145
Medical staff vacancies		(1,462)					(1,462)
Medical staff additional sessions / on-call		626					626
Agency / Direct engagement medical staff		129					129
Other medical staffing pressures		684					684
Nursing and HCA vacancies (less Flexi/NHSP costs)		(1,029)					(1,029)
Premises and establishment					285		285
Net Drug pressures				691			691
Depreciation variance due to MEA revaluation						(1,069)	(1,069)
Efficiency savings and lower than planned inflationary pressure			(2,279)				(2,279)
Other	(409)	205			606	67	469
Totals	(1,222)	3,464	(1,338)	379	285	(1,002)	566

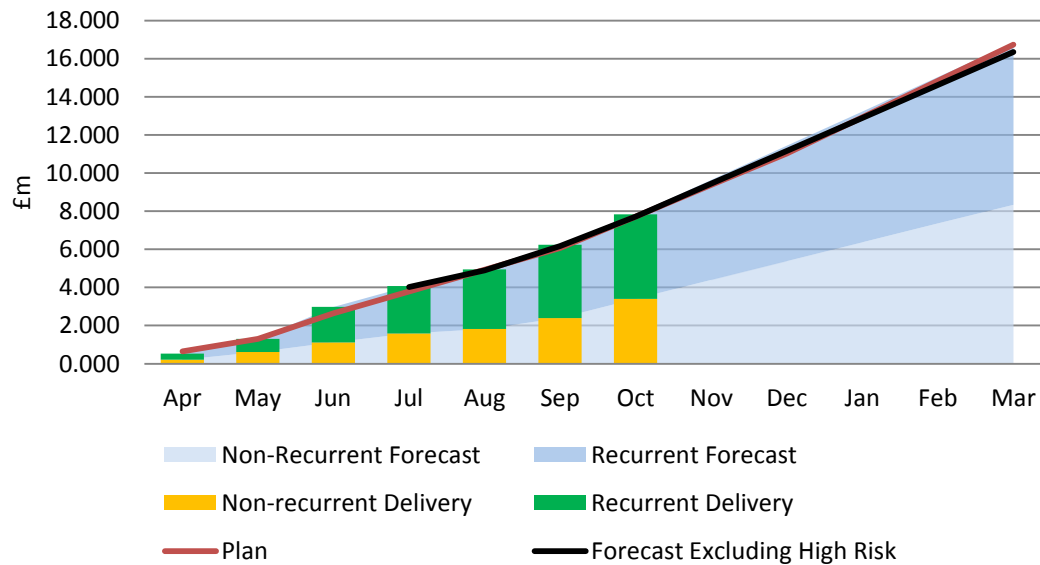
CHS OPERATIONAL FINANCE POSITION - OCTOBER 2018

PAGE 12 - COST IMPROVEMENT PROGRAMME

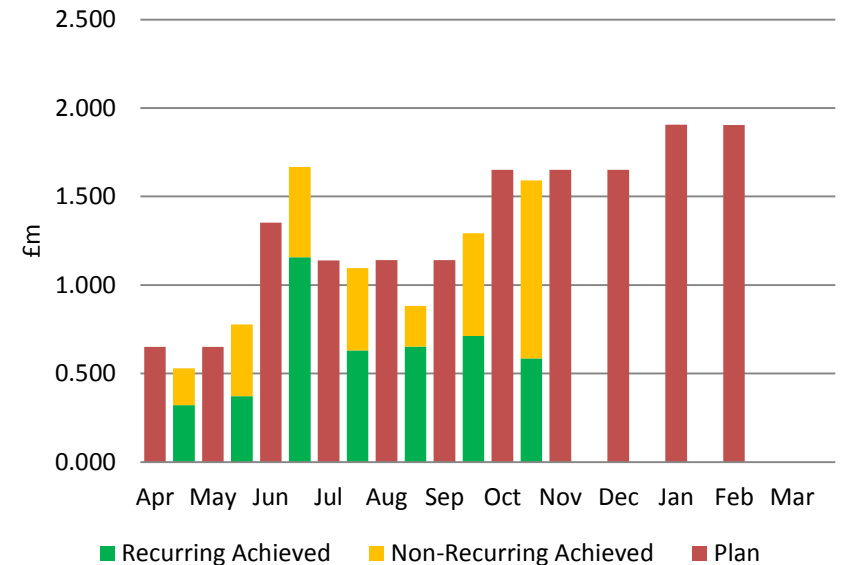
CIP DELIVERY - AS CATEGORISED IN NHSI RETURN

Scheme	Risk	Total Plan £000	Current Month			YTD			Identified £000	Still to Identify £000	RAG Rating
			Plan	Actual	Variance	Plan	Actual	Variance			
			£000	£000	£000	£000	£000	£000			
Procurement	Medium	600	50	50	0	350	350	0	600	(0)	●
CHOICE	Low	2,100	200	200	(0)	1,040	1,036	4	1,950	150	●
THQ restructure (recurrent)	Low	500	50	25	26	230	172	58	294	206	●
GDE	Low	500	65	0	65	155	0	155	140	360	●
Pay - N/R vacancies	Low	3,500	292	769	(477)	2,041	2,676	(635)	4,073	(573)	●
Biosimilars	High	750	63	31	32	333	171	162	624	126	●
Medical Agency	High	380	63	22	41	63	152	(89)	260	120	●
Pay - Recurrent	High	450	38	0	38	260	0	260	0	450	●
Spinal	High	500	43	0	43	283	0	283	0	500	●
Other Schemes	Various	7,458	786	495	291	2,967	3,278	(311)	8,889	(1,431)	●
Total		16,738	1,650	1,591	59	7,722	7,835	(113)	16,831	(93)	●

CIP Delivery - Cumulative Position



CIP Delivery - Monthly Achievement



CHS OPERATIONAL FINANCE POSITION - OCTOBER 2018

PAGE 13 - COST IMPROVEMENT PROGRAMME

CIP DELIVERY - DIVISIONAL ACHIEVEMENT

	Surgery	Theatres	Medicine	Family Care	Clinical Support	THQ Corporate	Other Trustwide	Total
Divisional CIP's 18/19 £000's	(2,743)	(1,120)	(2,800)	(1,013)	(1,476)	(508)	(3,342)	(13,000)
Plan to date £000's	(1,483)	(526)	(1,535)	(573)	(804)	(296)	(635)	(5,851)
Actual to date £000's	(1,296)	(564)	(1,130)	(602)	(367)	(827)	(2,223)	(7,009)
YTD Variance 18/19 £000's	187	(38)	405	(29)	437	(531)	(1,588)	(1,157)
YTD Variance %	(0)	0	(0)	0	(1)	2	3	0
Actual to date recurring £000's	(556)	(49)	(442)	(125)	(38)	(172)	(2,223)	(3,605)
Actual to date non recurring £000's	(740)	(515)	(687)	(477)	(329)	(655)	0	(3,403)
Recurring % compared to actual to date	0	0	0	0	0	0	1	1
Recurring % compared to plan to date	0	0	0	0	0	1	4	1

	Stretch	Total incl Stretch
	(3,737)	(16,738)
	(1,871)	(7,722)
	(826)	(7,835)
	1,045	(112)
	(1)	0
51%	(826)	(4,431)
49%	0	(3,403)
100%		1
	0	1

	Surgery	Theatres	Medicine	Family Care	Clinical Support	THQ Corporate	Other Trustwide	Total
Forecast CIP delivery 2018/19 £000s								
Financial Year End CIP recurrent	(923)	(72)	(1,097)	(204)	(84)	(294)	(4,408)	(7,081)
Financial Year End CIP non recurrent	(1,253)	(738)	(952)	(705)	(405)	(1,115)	(926)	(6,094)
Financial year end CIP total forecast	(2,175)	(810)	(2,049)	(909)	(489)	(1,409)	(5,334)	(13,173)
Forecast / (Surplus) / Shortfall	568	310	751	104	987	(901)	(1,992)	(173)

	Stretch	Total incl Stretch
54%	(1,416)	(8,497)
46%	(2,240)	(8,334)
100%	(3,656)	(16,831)
	81	(92)

Comments

The Trust's original Cost Improvement Plan (CIP) for 2018/19 was £13,000k. Following the June resubmission of the Trust's NHSI Plan this has been increased by £3,738k to £16,738k. The additional CIP is planned to be achieved as a corporate stretch target rather than being added to divisional targets.

Excluding the additional stretch target, CIP achievement at the end of Oct 2018 was as follows:

CIP achieved was £1,157k ahead of plan (£7,009k against a YTD target of £5,851k)

CIP forecast was £173k ahead of plan (£13,175k against an annual target of £13,000k)

Including the additional stretch target the YTD position is £113k ahead of plan and the forecast is £92k ahead of plan.

This forecast position is a considerable improvement on last month, due largely to non-recurrent vacancies, and the inclusion of £2.2m of CCG risk share monies.

CHS OPERATIONAL FINANCE POSITION - OCTOBER 2018

PAGE 14 - BALANCE SHEET ANALYSIS

CONSOLIDATED BALANCE SHEET

Main Category	Sub Category	Plan £000	Actual £000	Variance £000	Comments
Non-current assets	Intangible assets	5,089	4,883	(206)	Underspend on capital programme offset by lower than planned depreciation
	Property, plant and equipment: other	142,233	142,084	(149)	Underspend on capital programme offset by lower than planned depreciation
	Trade and other receivables: non-NHS receivables > 1 year	969	969	0	
		148,291	147,936	(355)	
Current assets	Inventories	6,400	7,149	749	Increase in pharmacy stocks to support winter pressures - plans for utilisation to be provided by Pharmacy
	Trade and other receivables: NHS receivables	7,864	11,754	3,890	Balances with other NHS organisations - predominantly relating S.Tyneside NHSFT & Health Education England
	Trade and other receivables: non-NHS receivables	6,808	8,016	1,208	Higher than planned prepayments relating to medical maintenance and theatre leases
	Cash and cash equivalents: commercial/in hand/ other	2,765	5,502	2,737] net £(1,435k) - see Cash Analysis
	Cash and cash equivalents: GBS/NLF	7,384	3,212	(4,172)	
		31,221	35,633	4,412	
Current liabilities	Trade and other payables: non-capital	(29,808)	(34,006)	(4,198)	Predominantly due to delayed settlement of NHS Supply Chain invoices £1.7m
	Trade and other payables: capital	(388)	(1,331)	(943)	Includes outstanding invoices with CHOICE relating to the Data Ctr £329k and A&E Development £171k
	Deferred income	(1,665)	(2,020)	(355)	
	Borrowings < 1 year Loan	(3,273)	(3,273)	0	
	Provision < 1 year	(244)	(267)	(23)	
	Other liabilities	(923)	(389)	534	
	(36,301)	(41,286)	(4,985)		
Non-current liabilities	Borrowings > 1 year	(55,749)	(54,886)	863	Lower than planned interim cash support
	Provisions > 1 year	(701)	(701)	0	
		(56,450)	(55,587)	863	
Total Assets Less Total Liabilities		86,761	86,696	(65)	
Reserves	Income and expenditure reserve	45,131	52,890	7,759	Plan did not reflect final 17-18 adj between I&E and Rev Reserves relating to MEA adj in respect of buildings
	Public dividend capital	(104,289)	(104,289)	0	
	Revaluation reserve	(27,603)	(35,297)	(7,694)	Plan did not reflect final 17-18 adj between I&E and Rev Reserves relating to MEA adj in respect of buildings
Total Reserves		(86,761)	(86,696)	65	

CHS OPERATIONAL FINANCE POSITION - OCTOBER 2018

PAGE 15 - BALANCE SHEET ANALYSIS

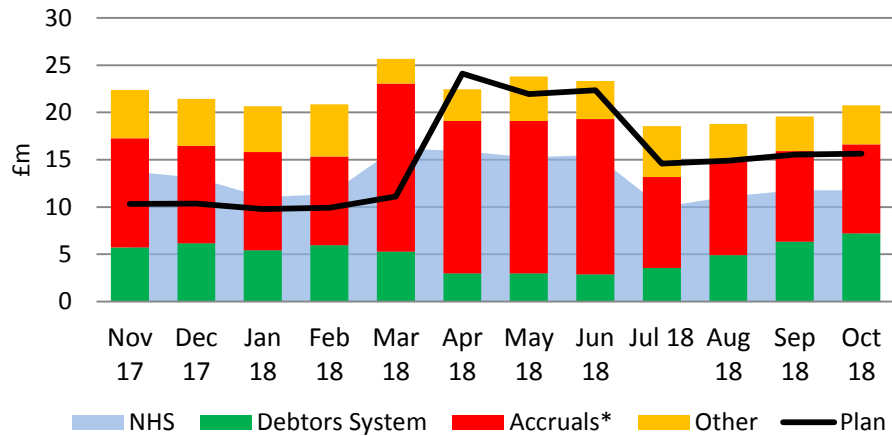
DEBTORS ANALYSIS

Top 5 Debtors within Debtors System	£000	%
South Tyneside NHS FT	2,679	37%
Health Education England	989	14%
Gateshead Health NHS FT	911	13%
NHS England North East Commissioning Hub	696	10%
Sunderland City Council	410	6%
Total	5,685	79%

CREDITORS ANALYSIS

Top 5 Creditors within Creditors Payable System	£000	%
NHS Property Services Ltd	1,482	13%
NHS Supply Chain	1,084	10%
South Tyneside NHSFT	1,056	10%
AGFA -Gevaert Ltd	778	7%
Bayer PLC	776	7%
Total	5,176	47%

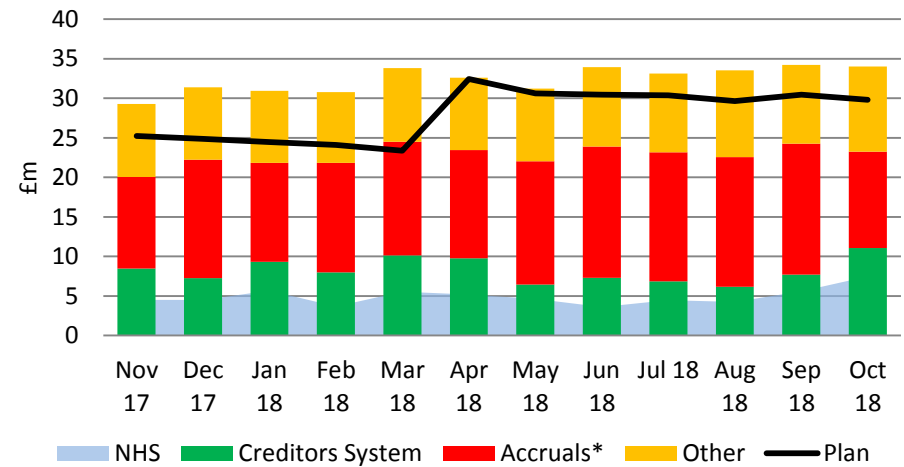
Month End Debtor Balances



Other debtors comprise of family lease car scheme, VAT and charitable funds

* Accrued debtors are where income is due to the Trust but yet to be invoiced, accrued creditors are where expenditure has been incurred yet paid

Month End Creditor Balances



Other creditors comprise tax and pension contributions due

Debtors Comments:

Aged Debt - £7.19m:

The significant balances included within the above table predominantly relate to:-

- Sth Tyneside NHSFT £2.68m - consisting of a GDE recharge of £1.04m (settled Nov 18) and a combination of Medical Physics and MSK recharges.
- Health Education England £0.94m - Learning Development Activity (LDA) income
- Gateshead NHSFT £0.91m - Pathology recharges
- NHS England North East Commissioning Hub £0.69m

Accruals - £9.42m

Significant accrual balances include:-

- NHS Clinical Works in Progress - £2.69m
- South Tyneside NHSFT - £1.45m consisting of cross site senior manager accruals £1.24m and others £0.21m
- Compensation Recovery Unit - re RTA's - £1.65m
- NHS England - PSF Funding £1.14m.
- Various CCG's - Clinical Income accruals - £1m

Other - £4.12m :

- Prepayments £3.11m including CNST prepayment £1.29m and the balance predominantly covering maintenance / leases and lease car prepayments..

Variance to Plan - £4.90m

The overall variance predominantly relates to the outstanding invoices and accruals in respect of South Tyneside £ 4.14m. Work is to currently ongoing to reduce the number of inter group outstanding balances between CHSFT and STFT.

All debtors invoices continue to be vigorously pursued. Invoice requests in respect of accruals are to be raised promptly to ensure that invoices can be raised within an

Creditors Comments:

Invoiced Creditors - £11.03m

This includes invoices on hold totalling £3.21m. The top five invoiced creditors totalling £5.18m are shown in the creditors table on page 15, include NHS Property Services £1.48m, NHS Supply Chain £1.08m, South Tyneside NHSFT £1.06m, Agfa-Gevaert Ltd £0.78m and Bayer PLC £0.78m

There is an ongoing query with NHS Property Services , payment is therefore being with-held.

Accruals - £12.21m

Significant accrual balances include:-

- Pharmacy drugs - £3.33m
- NHS Supply Chain - £1.62m
- Purchase Order (goods rec'd not invoiced) - £1.38m
- Utilities accruals - £1.11m
- NHS Property Services - £0.74m
- Northumbria HealthCare - £0.47m (re: Bariatrics)

Other - £10.76m

- HMRC re: PAYE & NI - £4.51m
- NHS Pension Scheme - £2.67m
- CHS re: Payroll Reserves (inc Holiday Pay accrual) - £2.48m

Variance to Plan - £4.19m

The level of creditors has shown an increase since June 2018 and has remained above plan since that point in time ; mainly as a result of higher than planned accruals.

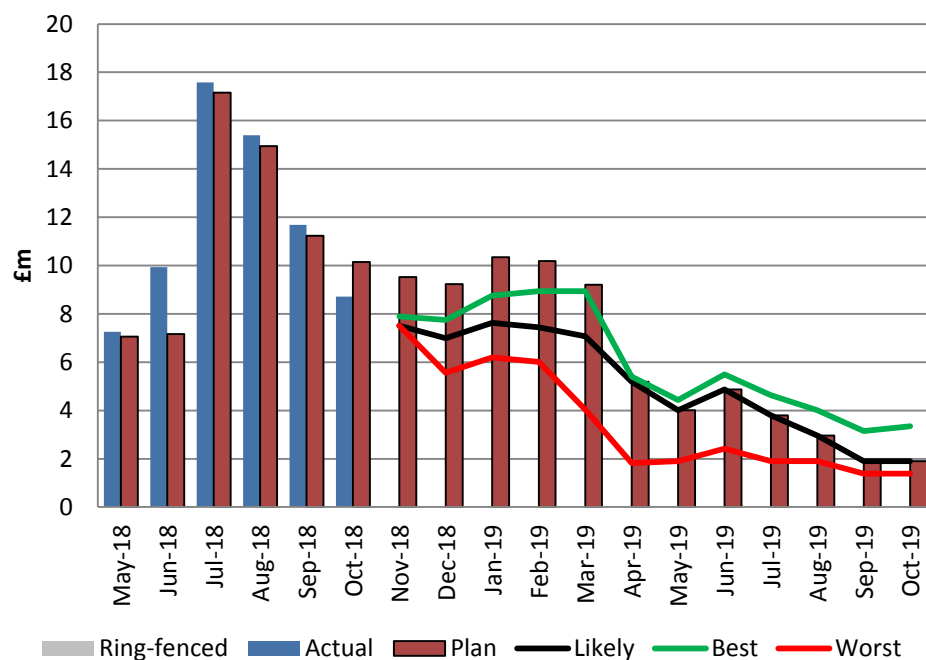
CASH AND LIQUIDITY ANALYSIS

	Previous Month Actual	YTD Plan	YTD Actual	Variance
	£000	£000	£000	£000
Cash Balance	11,690	10,149	8,714	(1,435)
Interim Support Funding	(7,304)	(8,166)	(7,304)	862
Underlying Position	4,386	1,983	1,410	(573)

Cash balances are £1.44m lower than planned. The adverse variance consists of significant outstanding invoiced debts with South Tyneside NHSFT £2.68m, Health Education England £0.94m (re: Learning Development Activity) and NHS England NE £0.73m, a repayment against the interim support deficit loan 0.86m, offset by a Capital Goods Scheme VAT refund from HMRC £0.92m relating to the transfer of goods from CHS to CHOICE, the capital cash profile being behind plan £2.1m and favourable variances in working capital £755k. Further analysis of the £1.44m variance is detailed below:

Description	Variance (£000)
I & E Position behind plan due to PSF	(789)
Inventories higher than planned	(749)
Receivables balances higher than planned	(4,639)
Payables and deferred income higher than planned	4,756
Capital expenditure lower than planned	2,070
Interim Support lower than planned	(862)
Depreciation and amortisation lower than planned	(1,059)
Other movements	(163)
Total	(1,435)

Cash Profile - 6 Months Historic and 12 Months Forecast



Principal and interest repayments of £0.59m and £0.42m respectively were paid against the Trust's capital borrowing facility, effectively reducing the total value of outstanding capital loans (excluding interim support loans) to £50.86m. The NHSI/revised plan assumes achievement of the control total for the year. The best, likely and worst case scenarios are driven by the overall income and expenditure forecasts that reflect a reduction of £0.68m in respect of PSF.

The likely case at this stage assumes that the Trust will require interim deficit support funding in September 19 of £1.83m and a further £0.75m in October 19.

The best case scenario is consistent with the likely case for the remainder of 2018/19. The worst case scenario assumes the Trust is £4.5m behind plan as detailed in the forecast outturn. It is expected in this scenario the Trust would apply for monthly interim deficit support loan resulting in the cash balance remaining level at £1.89m; this reflects NHSI's minimum expected working cash balance.

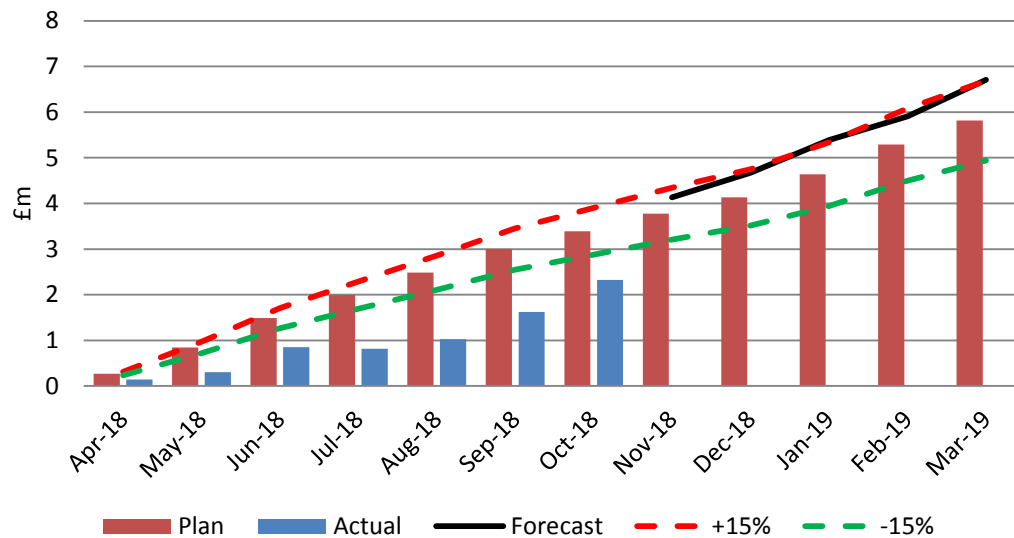
CHS OPERATIONAL FINANCE POSITION - OCTOBER 2018

PAGE 18 - CAPITAL ANALYSIS

CAPITAL EXPENDITURE

	Annual Plan £000	Year to Date			RAG Rating	Comments
		Plan £000	Actual £000	Variance £000		
Facilities	819	506	559	53	●	Costs relating to the ED redevelopment scheme recognised in year.
Medical	1,090	559	566	7	●	Additional equipment has been purchased using donated funds.
IT	3,904	2,325	1,197	(1,128)	●	GDE scheme cost phasing is currently behind plan.
Total Capex	5,813	3,390	2,322	(1,068)	●	
Trust Funded	3,613	2,290	1,990	(300)	●	
PDC funded	2,200	1,100	0	(1,100)	●	
Donations & external funding	0	0	332	332	●	Expenditure met via donations from Charitable Funds

Capital Expenditure



The planned 2018/19 capital programme for City Hospitals totals £5,813k. The actual spend at the end of October 2018 was £2,322k against a plan to date of £3,390k, resulting in a variance of £(1,068k). The variance to date primarily relates to the IT GDE scheme £(920k) which is ongoing. Orders have been placed for some aspects of the GDE programme, spend is therefore anticipated over the next couple of months.

A number of medical equipment proposals have also been approved at the Medical Capital Equipment sub group and Capital Development Steering Group. Significant spend against the medical equipment capital programme is expected to be incurred within quarter four.

The capital forecast outturn is currently £6,706k, leading to a variance of £893k against the annual plan. £683k of the variance relates to medical equipment which is being funded externally or through donated funds. A further £175k of the variance relates to the final ED redevelopment scheme cost. The cost of this is to be offset by capital receipts following the sale of residential properties.

OPERATIONAL FINANCIAL POSITION - OCTOBER 2018

PAGE 19 - FORECAST OUTTURN

	RAG rating	Income £000	Pay £000	Non-Pay £000	Finance £000	Total £000	Best case scenario £000	Worst case scenario £000	Movement from Previous Month £000
Annual Plan (excluding PSF)		(339,915)	221,329	125,050	11,940	18,404	18,404	18,404	0
Key assumptions in baseline forecast									
Over performance against PbR contracts	●	(1,125)				(1,125)			(518)
Pay award funding/costs	●	(3,312)	3,369			57			(97)
Merger consultancy costs	●			300		300			0
Lower than planned depreciation	●				(1,357)	(1,357)			(737)
Lower interest charges on ITFF loan	●				(273)	(273)			0
Pay pressures	●		4,500			4,500			0
Other movements	●	(1,063)	1,397	(71)	0	263			1,832
Baseline forecast (excluding PSF)		(345,415)	230,595	125,279	10,310	20,769	19,780	21,807	480
Stretch CIP schemes not included in baseline									
Non-pay inflation costs lower than planned	●					0	0		410
Diagnostic growth lower than planned	●					0	0	0	188
Other non-pay reserve not required in full	●					0	0	0	197
Corporation tax bill lower than planned	●					0	0	0	100
Sub-total		0	0	0	0	0	0	0	895
Downside adjustments to baseline									
Donated asset impact	●	50				50	50	100	50
Pay award funding pressure - potential clawback	●		325			325	0	607	0
A&E Business Case	●					0	0	0	(350)
NHSP top of scale	●		500			500	300	750	500
NHS Prop True up value	●			117		117		117	117
Winter costs not included in Divisional forecasts	●			0		0	0	0	(500)
Costs associated with Path to Excellence work	●		40	39		79	0	85	(236)
Sub-total		50	865	156	0	1,071	300	1,559	(419)
Upside adjustments to baseline									
Prosthetic benefit	●			(300)		(300)	(400)		(300)
Annual Leave accrual	●		(50)			(50)	(100)	100	(50)
Merger support from CCG	●	(400)				(400)	(400)	0	(400)
Advice and Guidance Bid	●	(75)	38			(38)	(38)		(38)
Capital good schemes VAT refund	●			(926)		(926)	(926)	0	(926)
Reduction in agency costs	●					0		0	200
Sub-total		(475)	(13)	(1,226)	0	(1,714)	(926)	0	(1,514)
Forecast outturn at M6 (excluding PSF)		(345,840)	231,448	124,209	10,310	20,127	18,266	23,566	(558)
Annual Plan (excluding PSF)		(339,915)	221,329	125,050	11,940	18,404	18,404	18,404	
Forecast variance from plan (excluding PSF)		(5,925)	10,118	(841)	(1,630)	1,723	(138)	5,162	(558)
CCG Risk share Funding		(2,240)				(2,240)	(2,240)	(2,240)	(2,240)
Revised Forecast including Risk Share		(348,080)	231,448	124,209	10,310	17,887	16,026	21,326	(2,798)
Revised Forecast Variance from plan (Excluding PSF)		(8,165)	10,118	(841)	(1,630)	(517)	(2,378)	2,922	(2,798)

CHS OPERATIONAL FINANCE POSITION - OCTOBER 2018

PAGE 20 - CONSOLIDATION OF SUBSIDIARY

	Trust Position	CHoICE Position	Consolidation Adjustments	Group
	£000	£000	£000	£000
Income	(204,167)	(31,370)	33,945	(201,592)
Pay expenditure	125,196	8,076	(61)	133,211
Non-pay expenditure	85,333	20,834	(33,047)	73,120
Depreciation	3,309	1	0	3,310
Finance Costs	2,061	709	(837)	1,932
Net (Surplus)/Deficit	11,732	(1,750)	0	9,981

Comments

The table to the left shows the consolidation of the Trust's wholly owned subsidiary (CHoICE). This shows that for the year to date CHoICE is making a profit of £1.750m which is offset against the deficit in the Trust.

All analysis within this report is based on the group position as shown in the final column

BOARD OF DIRECTORS

NOVEMBER 2018

PERFORMANCE REPORT

INTRODUCTION

Please find enclosed the Performance Report for October 2018 which updates Directors on performance against key national targets.

EXECUTIVE SUMMARY

Performance – NHS Improvement (NHSI) Operational Performance Indicators

The Trust's position in relation to NHSI's operational performance indicators is as follows:

A&E 4 hour target

Performance has improved in October to 92.0%. This is the highest level of performance achieved since November 2017 and is linked to the delivery of key actions from the action plan. However, the Trust has continued to under-perform against both the 95% operating standard and Provider Sustainability Funding (PSF) trajectory. There has been a reduction in A&E demand during October (-1.3%), compared to the same month in the previous year, which is the first time that has occurred since September 2015. However, Type 1 attendances in isolation were slightly higher (+1.0%) compared to October 2017. Performance for November currently stands at 92.9% (as at 18th).

Performance is expected to deteriorate in December in line with usual seasonal patterns as a result of winter pressures. The PSF trajectory also reduces to account for this.

National performance for September is about the same as August at 89.1%. The Trust remains in the upper middle quartile of Trusts nationally and was ranked 33rd out of 135 acute Trusts.

Referral to Treatment Time (RTT)

Performance in October was about the same as September and remains above target at 93.2%, with all specialties achieving the target apart from T&O, Rheumatology and Oral & Maxillo Facial Surgery.

There is a risk that going forwards RTT performance will deteriorate at CHS due to planned reduced elective activity over the winter period linked to the winter plan.

National performance for September has continued to deteriorate to 86.7% and continues to fail the standard.

In terms of waiting list size for patients on incomplete RTT pathways, the Trust has exceeded the planned trajectory for October by 10.3%. This now fully includes the contractual movement of ENT and Ophthalmology pathways from STFT to CHSFT. Work is ongoing with regards to the specialties pathways being migrated to Meditech and as a result will require an extended period of validation. Whilst there are known capacity issues in some specialties and fewer additional sessions are being utilised than previously, it is important to note that the overall volume of referrals received across the year to date is 7.1% higher than last year and 18.7% higher than the planned trajectory submitted to NHSI. Trusts are expected to reduce their waiting list position in March 2019 compared to the March 2018 baseline.

Diagnostics

Performance for October has continued to achieve the national operating standard. National performance during September has improved to 2.7% but continues to fail the target.

Cancer targets (2 week, 31 and 62 day waits)

Due to cancer reporting timescales being 1 month behind, the performance report includes September's confirmed position.

The Trust achieved all cancer waiting time standards this month, including the 62 day target for patients referred urgently by their GP. This is the second time that the 85% standard has been achieved in 2018/19.

Indicative 62day performance for October is currently below target although this does not represent a fully validated position at present, however treatment volumes are low. The indicator remains an ongoing risk.

National performance for the 62 day standard has reduced slightly during September to 78.3% and remains below target.

The contractual movement of ENT patients from STFT to CHSFT from October will also impact upon cancer volumes, equating to around 20-30 Head & Neck 2WW referrals per month, which traditionally convert to less than 2 cancer diagnosed patients receiving treatment per month.

Long Stay Patients

The target for Acute Trusts to lower bed occupancy by reducing the number of long stay patients and long stay bed days is being monitored. The primary metric is to reduce adult inpatients who have been in a bed for over 21 days. The specific target for the Trust was a 24% reduction to be achieved by December 2018. As of September the 3-month average was 19% lower than baseline (85 occupied beds), which is short of the target. There is a risk that the Trust will have more patients staying 21+ days as we progress towards the winter period. In fact, an increase has been observed during October, which will negatively impact the Trust's 3-month average.

RISKS

The following are considered to be risks to achievement of the targets going forwards:

- A&E 4-hour performance in December.
- Cancer – 62 day performance for GP referrals in October and November

FINANCIAL IMPLICATIONS

Risks associated with PSF from a performance perspective are solely related to A&E performance. Providing the Trust's control total is achieved, this equates to 30% of the funds available which equates to £585k during quarter 3. The Trust was slightly behind trajectory in October and November to date, due to worse performance compared to the same periods in 2017/18, however the Trust is currently ahead of the trajectory for the quarter, which significantly reduces in December to account for the impact of winter pressures. NHSI terms stipulate that local delivery board / A&E footprint performance can be used where performance is not on track; with this taken into account performance is currently on track at 93.8% for October.

All contractual sanctions, except for ambulance divers and deflections, are negated as part of a local system wide agreement with Sunderland CCG. During October the Trust did not divert / deflect any ambulances away but did receive numerous ambulances from other Trusts, therefore a small incentive is expected.

RECOMMENDATIONS

Directors are asked to accept this report and note the risks going forwards.



Alison King
Director of Performance



City Hospitals Sunderland
NHS Foundation Trust



South Tyneside
NHS Foundation Trust

Performance Report

October 2018



The path to **excellence**

Performance Report Overview

This page explains the general layout of the indicator pages that form the bulk of the report. The report includes performance for both City Hospitals Sunderland NHS Foundation Trust and South Tyneside Foundation Trust

Key:

- Performance achieving the relevant target
- Performance not achieving the relevant target
- Actual performance
- - - Comparative performance for the previous year
- Target, operational standard, threshold or trajectory
- Planning trajectory (where relevant)
- - - Benchmark National
- - - Benchmark Regional

Page title representing a key performance indicator or a

Diagnostics

NHS/SOE Operational Performance & National Operational Standard

1. Number of patients on the diagnostic waiting list at month end
2. Number of patients on the diagnostic waiting list at month end waiting 6 weeks or more
3. % patients waiting 6 weeks or more for a diagnostic test at month end
4. Number of diagnostic tests/procedures carried out in month

Director Lead: Sean Fenwick
Consequence of failure: Patient experience, quality, access & reputation

Both Trusts achieved the national operating standard for diagnostic waits at the end of April. CHS improved to 0.2% of patients waiting more than 6 weeks in April, whereas ST continue to have no breaches of the 6 week month-end target. CHS and ST also perform better than the latest national average.

Diagnostic activity has been stable at both Trusts between March and April. The waiting list position reduced at CHS. Conversely, the waiting list at ST has increased, which is mainly attributable to Non-Obstetric Ultrasound tests, although this continues to follow historical trends.

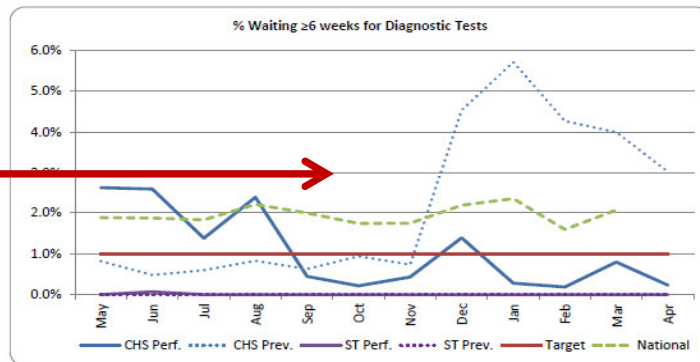
Indicator group

Indicator information, including a brief description, the name of the Director lead and consequence of failure

Narrative highlighting recent performance and corrective actions, where applicable

Diagnostics - April 2018	CHS				ST			
	WL Vol	No. ≥6 wks	% ≥6 wks	Activity	WL Vol	No. ≥6 wks	% ≥6 wks	Activity
Target			≤1%				≤1%	
Magnetic Resonance Imaging	424	2	0.47%	1,433	243	0	0.00%	491
Computed Tomography	434	0	0.00%	3,116	190	0	0.00%	828
Non-obstetric ultrasound	1,614	0	0.00%	2,781	940	0	0.00%	1,485
Barium Enema	31	0	0.00%	2	8	0	0.00%	15
DEXA Scan	142	1	0.70%	252	27	0	0.00%	106
Audiology	199	1	0.50%	1,287	N/A	N/A	N/A	N/A
Cardiology	372	0	0.00%	44	185	0	0.00%	377
Neurophysiology	97	0	0.00%	117	N/A	N/A	N/A	N/A
Respiratory physiology	145	0	0.00%	56	N/A	N/A	N/A	N/A
Urodynamics	19	0	0.00%	23	N/A	N/A	N/A	N/A
Colonoscopy	189	0	0.00%	265	108	0	0.00%	150
Flexi sigmoidoscopy	86	0	0.00%	85	37	0	0.00%	47
Cystoscopy	283	3	1.06%	533	1	0	0.00%	N/A
Gastroscopy	244	3	1.23%	293	127	0	0.00%	245
Trust Total	4,279	10	0.23%	10,837	1,866	0	0.00%	3,744

Table showing current performance compared to target (where relevant)



Trend chart displaying the performance over the past 12 months or year to date, including benchmark performance (where

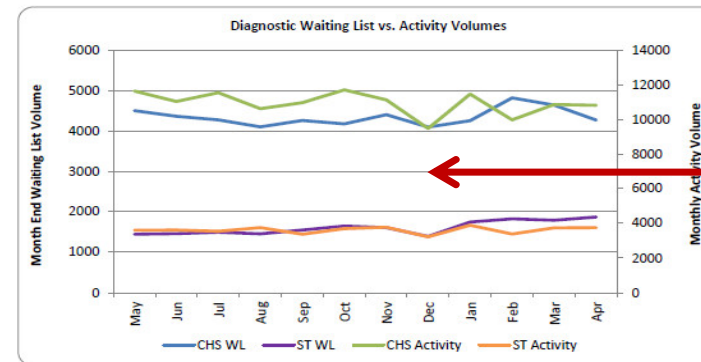


Chart displaying other relevant supporting information

Performance Scorecard

The Performance Report / Corporate Dashboard utilises a visual management approach to the Trust's monthly Performance, covering NHS Improvement Single Oversight Framework operational performance metrics, as well as national performance measures from the NHS Standard Contract 2018/19 and 'NHS Operational Planning and Contracting Guidance 2017 to 2019'.

Current SoF regulatory triggers (two or more consecutive months failure to achieve the target):

A&E 4 hours CHS ST **Forthcoming risks:** CHS ST

Indicator	Trust	Director Lead	Target	2017/18	2018/19					12-month trend	Page
				Actual	Month ¹	Qtr 1	Qtr 2	Qtr 3	Qtr 4		
Operational Performance Measures - NHSI SOF: These metrics are used by NHS Improvement and form one of the five themes from the Single Oversight Framework, which is used to assess our operational performance. This will influence our segmentation and level of support. They also form part of the 2018/19 NHS Standard Contract.											
NHS Improvement Trust Segmentation	CHSFT		N/A		2	2	2	2		N/A	N/A
	STFT		N/A		2	2	2	2		N/A	
A&E - % seen in 4hrs	CHSFT	Sean Fenwick	≥95%	91.25%	91.99%	89.61%	89.83%	91.99%		90.03%	4
	Trajectory		N/A		92.69%	94.48%	95.01%	90.01%	87.56%	91.73%	
	STFT		≥95%	94.35%	97.02%	95.00%	95.80%	97.02%		95.62%	5
	Trajectory		N/A		95.00%	94.03%	94.03%	95.00%	90.04%	92.98%	
RTT - % incompletes waiting <18 wks	CHSFT	Sean Fenwick	≥92%	94.21%	93.15%	94.04%	93.97%	93.15%		93.88%	6
	STFT			95.87%	95.30%	95.56%	95.83%	95.30%		95.65%	
Cancer waits - % 62 days	CHSFT	Sean Fenwick	≥85%	83.62%	88.08%	83.57%	80.91%			82.22%	8
	Trajectory		N/A		82.28%	83.96%	83.58%	84.88%	83.94%	84.10%	
	STFT		≥85%	89.11%	93.75%	83.54%	86.32%			85.06%	9
	Trajectory		N/A		84.85%	87.50%	85.87%	86.96%	85.56%	86.44%	
% Diagnostic tests ≥6 wks	CHSFT	Sean Fenwick	<1%	1.32%	0.46%	0.27%	0.39%	0.46%		0.35%	7
	STFT			0.01%	0.00%	0.00%	0.02%	0.00%		0.01%	
IAPT - % Patients moving to recovery	STFT	Sean Fenwick	≥50%	55.94%	53.11%	56.92%	54.90%	53.11%		55.52%	12
IAPT - % Patients waiting under 6 weeks	STFT	Sean Fenwick	≥75%	99.89%	98.19%	99.40%	99.32%	98.19%		99.19%	12
IAPT - % Patients waiting under 18 weeks	STFT	Sean Fenwick	≥95%	99.42%	99.82%	99.94%	99.94%	99.82%		99.92%	12
National Operational Standards: These are national targets that the NHS must achieve, mostly falling under the domain of quality, which are linked to delivery of the NHS Constitution. They also form part of the 2018/19 NHS Standard Contract.											
Cancelled operations 28 day breaches	CHSFT	Sean Fenwick	0	58	2	8	12	2		22	N/A
	STFT			0	0	0	0	0		0	
Cancer waits - % 2ww	CHSFT	Sean Fenwick	≥93%	96.53%	95.05%	95.45%	95.17%			95.32%	10
	STFT			94.99%	84.10%	82.96%	87.05%			84.94%	
Cancer waits - % 31 days	CHSFT	Sean Fenwick	≥96%	98.32%	96.43%	99.37%	97.96%			98.66%	11
	STFT			100.00%	100.00%	100.00%	100.00%			100.00%	
Cancer waits - % 31 days for subsequent treatment - surgery	CHSFT	Sean Fenwick	≥94%	96.78%	100.00%	98.65%	98.84%			98.75%	11
	STFT			100.00%	100.00%	100.00%	100.00%			100.00%	
Cancer waits - % 31 days for subsequent treatment - drugs	CHSFT	Sean Fenwick	≥98%	99.78%	100.00%	99.50%	100.00%			99.77%	11
	STFT			100.00%	100.00%	100.00%	100.00%			100.00%	
Cancer waits - % 62 days from screening programme	CHSFT	Sean Fenwick	≥90%	96.67%	100.00%	80.00%	100.00%			88.89%	8
	STFT			100.00%	0.00%	100.00%	75.00%			85.71%	9
Cancer waits - % 62 days from consultant upgrade	CHSFT	Sean Fenwick	N/A	80.18%	92.86%	85.71%	86.54%			86.09%	8
	STFT			95.65%	75.00%	100.00%	95.65%			97.92%	9
National Quality Requirements: These also form part of the 2018/19 NHS Standard Contract. In addition there are a number of zero tolerance indicators that are reported by exception, including Mixed Sex Accommodation breaches, A&E 12-hour trolley waits and urgent operations cancelled for the second time											
RTT - No. incompletes waiting 52+ weeks	CHSFT	Sean Fenwick	0	0	0	0	0	0		0	N/A
	STFT			0	0	0	0	0		0	
A&E / ambulance handovers - no. 30-60 minutes	CHSFT	Sean Fenwick	0	1,190	98	382	297	98		777	4
	STFT			532	80	213	253	80		546	5
A&E / ambulance handovers - no. >60 minutes	CHSFT	Sean Fenwick	0	271	10	33	32	10		75	4
	STFT			115	5	21	27	5		53	5
% VTE risk assessments	CHSFT	Ian Martin	≥95%	98.68%	98.38%	98.73%	98.52%	98.38%		98.60%	N/A
	STFT	Shaz Wahid		95.95%	95.73%	96.37%	98.73%	95.73%		97.28%	

1. Performance is one month behind normal reporting for all Cancer indicators (September 2018). NHS Improvement Trust Segmentation is based upon the latest position published

CHS Accident & Emergency

NHSI SOF Operational Performance, National Operational Standard & National Quality Requirements

1. % patients who spent 4 hours or less from arrival to admission, transfer or discharge
2. Number of attendances
3. National rank 4-hour performance against out of all acute Trusts
4. Number of ambulance arrivals
5. Number of ambulance handover delays between 15-30, 30-60 & over 60 minutes

Director Lead: Sean Fenwick

Consequence of failure: Patient experience, quality, access, reputation & financial impact if the PSF trajectory is not achieved, which equates to £390k for achievement in quarter 2

A&E Indicators - October 2018	Target	Month	YTD
Trust total % seen in 4 hours	≥95%	91.99%	90.03%
Type 1 % seen in 4 hours	≥95%	88.26%	84.39%
Type 2 % seen in 4 hours	≥95%	96.17%	98.01%
Type 3 % seen in 4 hours	≥95%	99.79%	99.58%
Trust total attendances		13,299	94,694
Type 1 attendances		8,344	57,861
National rank (acute Trusts)		33/135	N/A
Ambulance arrivals		2,682	18,812
Ambulance handover delays - 15-30 mins	0	799	5,149
Ambulance handover delays - 30-60 mins	0	98	777
Ambulance handover delays - >60 mins	0	10	75

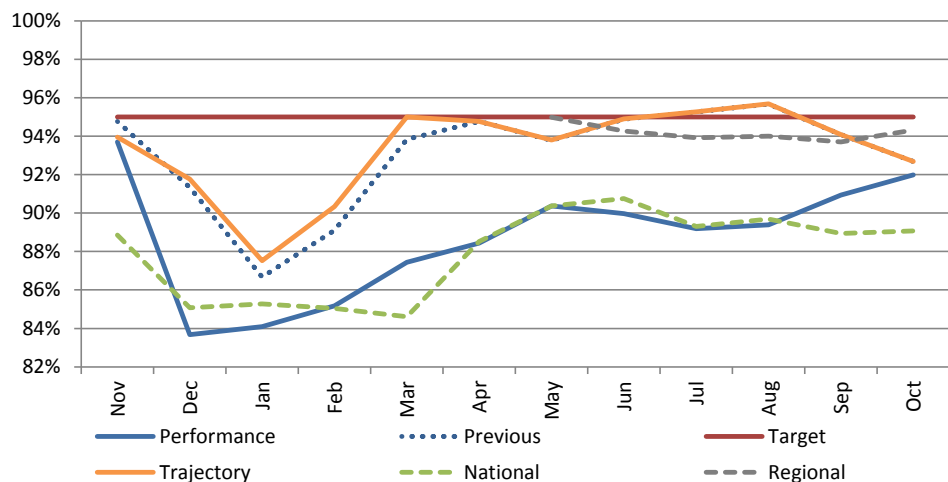
The Trust has failed to achieve the national operating standard for the total proportion of patients seen in A&E within 4 hours during October. Performance has improved from September's position, although it remains slightly lower than the PSF trajectory. The volume of attendances was 1.3% lower than October 2017, which was primarily driven by a 7.7% decrease in type 2 attendances. Conversely, type 1 attendances were 1% higher. Emergency admissions via ED have increased during October and volumes continue to be higher than expected and bed occupancy has been higher in October generally.

The Trust has remained in the upper middle 25% of Trusts nationally and were ranked 33rd out of 135 acute Trusts and were ranked 8th out of 9 Trusts in Cumbria & the North East.

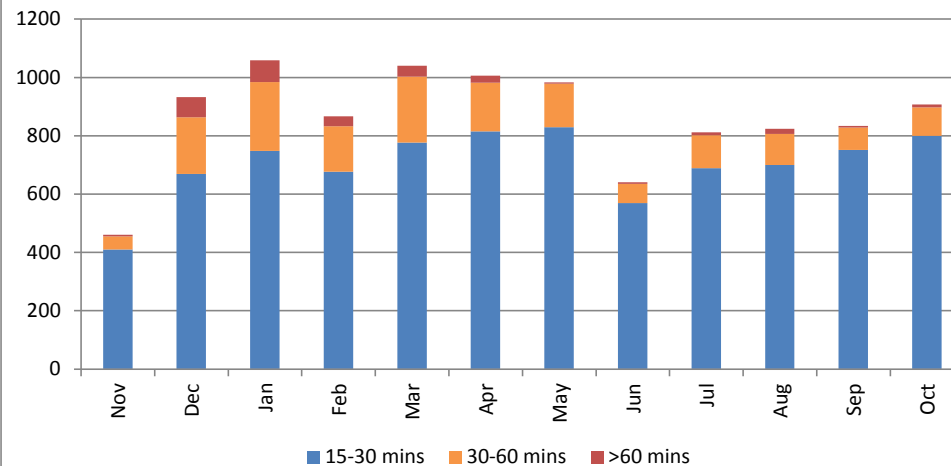
The number of ambulance arrivals was about the same as October 2017 and the Trust received the third highest volume of ambulances out of all hospitals in the North East this month. The number ambulance handover delays over 30 minutes has increased in October. Whilst delays as a proportion of all arrivals increased to 4.0%, it remains better than the regional average.

There is an overarching action plan in place which includes enablers to deliver each of the recommendations made by the national Emergency Care Improvement Team (ECIP). The new see and manage process introduced in September continues to work well. The Frailty pilot has concluded, which proved to be beneficial. Next steps are to use winter funding to run this again in the new year and assess how this can be implemented on a more permanent basis going forwards. There is an expectation nationally that performance is at least 90% over winter, with achievement of the 95% standard in March 2019 being a key milestone for NHSE and NHSI.

A&E % Seen In 4 Hours



Ambulance Handover Delays



ST Accident & Emergency

NHSI SOF Operational Performance, National Operational Standard & National Quality Requirements

1. % patients who spent 4 hours or less from arrival to admission, transfer or discharge
2. Number of attendances
3. National rank 4-hour performance against out of all acute Trusts
4. Number of ambulance arrivals
5. Number of ambulance handover delays between 15-30, 30-60 & over 60 minutes

Director Lead: Sean Fenwick

Consequence of failure: Patient experience, quality, access, reputation & financial impact if the PSF trajectory is not achieved, which equates to £177k for achievement in quarter 2

A&E Indicators - October 2018	Target	Month	YTD
Trust total % seen in 4 hours	≥95%	97.02%	95.62%
Type 1 % seen in 4 hours	≥95%	96.74%	95.21%
Type 3 % seen in 4 hours	≥95%	100.00%	99.92%
Trust total attendances		5,744	41,119
Type 1 attendances		5,247	37,547
National rank (acute Trusts)		6/135	N/A
Ambulance arrivals		1,283	8,743
Ambulance handover delays - 15-30 mins	0	303	1,988
Ambulance handover delays - 30-60 mins	0	80	546
Ambulance handover delays - >60 mins	0	5	53

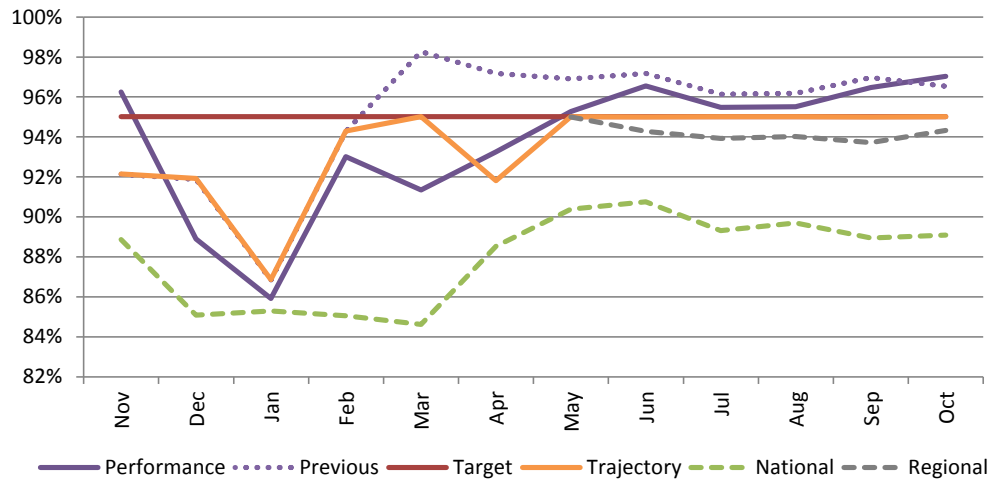
The Trust has achieved the national operating standard for the total proportion of patients seen in A&E within 4 hours during October, with performance improving compared to September. Type 1 performance was also above target this month.

The volume of attendances seen during October was 5.1% lower than October 2017, which was primarily driven by a 31.6% decrease in type 3 attendances.

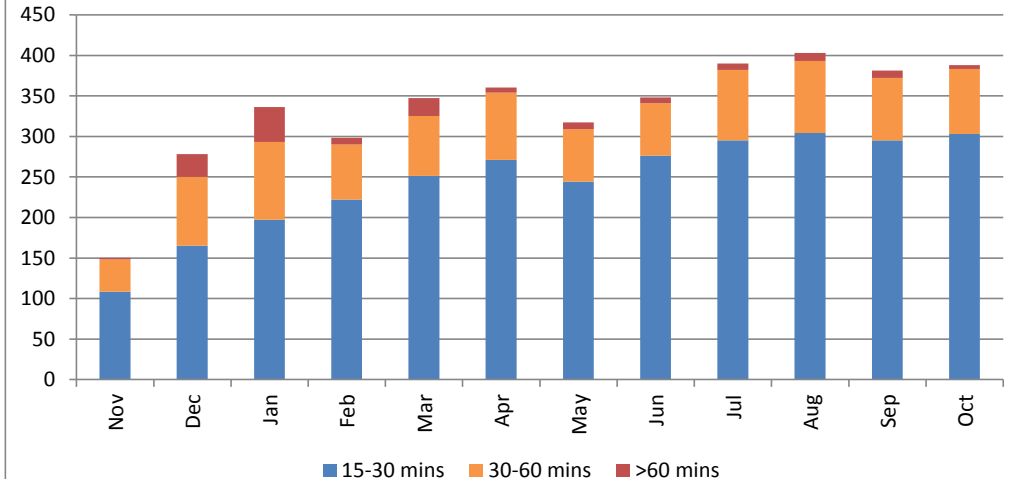
The Trust has remained in the upper 25% of Trusts and was ranked 6th out of 135 acute Trusts. The Trust was also ranked 1st in Cumbria & the North East.

The number of ambulance arrivals was 7.1% higher than October 2017, and the Trust continues to receive the fewest volume of ambulances out of all hospitals in the North East. Between September and October the number of ambulance handover delays over 30 minutes has decreased, but delays as a proportion of all arrivals was 6.6%, which is higher than the regional average.

A&E % Seen In 4 Hours



Ambulance Handover Delays



Referral to Treatment (RTT)

NHSI SOF Operational Performance & National Operational Standard

1. Number of patients waiting on an incomplete RTT pathway at month end
 2. Number of patients on an incomplete RTT pathway waiting 18 weeks or more
 3. Percentage of patients waiting less than 18 weeks on incomplete pathways
 4. National RTT Stress Test - % risk of failing the incomplete standard in next 6 months
- Director Lead: Sean Fenwick
Consequence of failure: Patient experience, quality, access & reputation

The finalised aggregate level performance for incomplete RTT pathways at the end of October was above target for both Trusts and better than national average. Performance compared to the previous month was about the same as before at both Trusts.

At specialty level, Trauma & Orthopaedics (T&O), Rheumatology and Oral Surgery failed to achieve the 92% target for CHS. Oral Surgery are recovering following the loss of 2 specialist registrars and an increase in complexity of referrals impacting on routine minor oral surgery capacity, and are expected to achieve the target in November. Rheumatology have an action plan in place linked to staffing and operational process efficiencies, which is expected to positively impact upon performance going forwards.

In addition to the specialties listed above, Lipid/Diabetic Medicine within the 'Other' specialty group for CHS is flagged as being at risk of failing the target in future months. Performance and ongoing risks are monitored and reviewed regularly in line with the Trust's Performance Improvement Framework.

The Incomplete waiting list grew from 28,973 to 30,108 in October at CHS, which was 10.3% above the Incomplete waiting list total plan submitted for October. At ST, the Incomplete waiting list reduced from 3,866 to 3,277 in October, which was 15.6% below the planned position. Referrals across the YTD were 7% higher than last year at CHS. Referrals for both trusts are higher than plan. This is also being impacted by the contractual movement of ENT & Ophthalmology pathways from ST to CHS.

The RTT stress test risk rating has increased for CHS between September and October, but reduced for ST. Nevertheless, both Trusts continue to compare favourably, being ranked at 16th and 5th (best), respectively, out of 148 trusts.

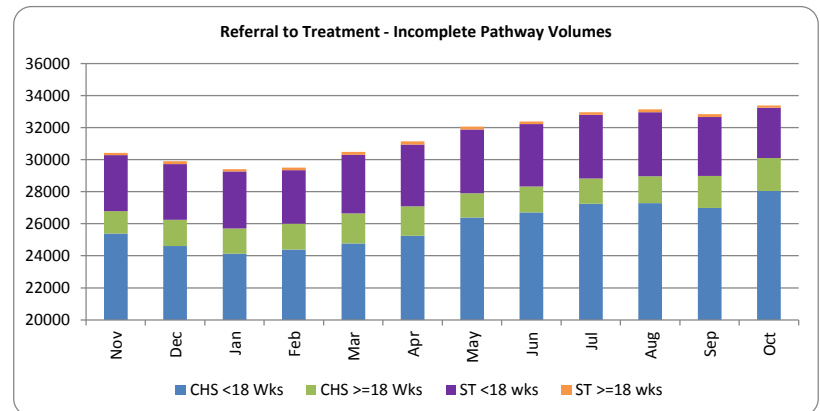
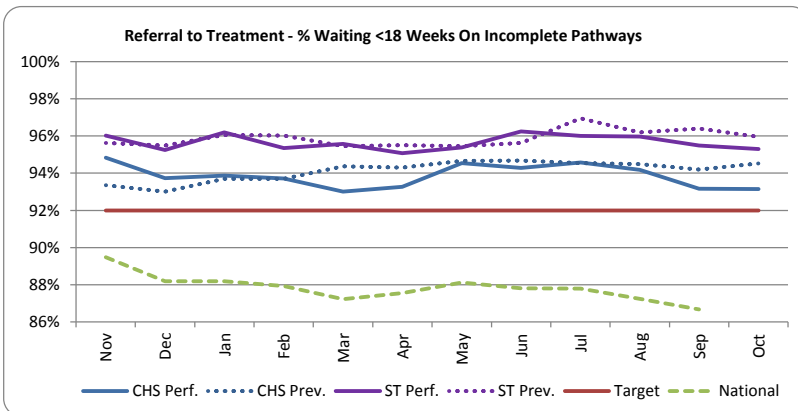
There is a risk that going forwards RTT performance will deteriorate at CHS due to planned reduced elective activity over the winter period linked to the winter plan.

RTT Incompletes - October 2018	CHS			ST		
	Volume	No. ≥18 Weeks	% <18 Weeks*	Volume	No. ≥18 Weeks	% <18 Weeks*
Target			≥92%			≥92%
Cardiology	645	1	99.84%	300	9	97.00%
Ear, Nose & Throat	3,204	235	92.67%	N/A	N/A	N/A
Dermatology	N/A	N/A	N/A	324	1	99.69%
Gastroenterology	360	4	98.89%	507	20	96.06%
General Medicine	N/A	N/A	N/A	2	0	*
General Surgery	2,181	150	93.12%	566	36	93.64%
Geriatric Medicine	364	4	98.90%	98	4	95.92%
Gynaecology	1,120	16	98.57%	418	26	93.78%
Neurology	1,040	56	94.62%	N/A	N/A	N/A
Ophthalmology	5,002	109	97.82%	N/A	N/A	N/A
Oral & Maxillo Facial Surgery	2,029	172	91.52%	N/A	N/A	N/A
Plastic Surgery	N/A	N/A	N/A	6	0	*
Rheumatology	1,002	101	89.92%	N/A	N/A	N/A
Thoracic Medicine	622	32	94.86%	195	11	94.36%
Trauma & Orthopaedics	3,573	575	83.91%	536	34	93.66%
Urology	3,030	187	93.83%	N/A	N/A	N/A
Other	5,936	420	92.92%	325	13	96.00%
Trust Total	30,108	2,062	93.15%	3,277	154	95.30%

*De minimis level >= 20 pathways in total

Waiting List Plan	Aug-18	Sep-18	Oct-18	Aug-18	Sep-18	Oct-18
Planned Incompletes	28,735	27,504	27,296	3,944	3,980	3,883
Incompletes Variance	0.78%	5.34%	10.30%	5.73%	-2.85%	-15.60%
Planned Referrals	12,739	13,005	13,347	2,985	3,207	3,310
Actual Referrals	14,773	14,693	17,134	4,298	3,971	4,246
Referrals Variance	15.97%	12.98%	28.37%	43.99%	23.82%	28.28%

RTT Stress Test	Jul-18	Aug-18	Sep-18	Jul-18	Aug-18	Sep-18
% Risk of failure in next 6 months	13.22%	18.62%	27.36%	5.08%	5.34%	4.47%
National rank (1st is best)	12/148	11/148	16/148	5/148	5/148	5/148



Diagnosics

NHSI SOF Operational Performance & National Operational Standard

1. Number of patients on the diagnostic waiting list at month end
2. Number of patients on the diagnostic waiting list at month end waiting 6 weeks or more
3. % patients waiting 6 weeks or more for a diagnostic test at month end
4. Number of diagnostic tests/procedures carried out in month

Director Lead: Sean Fenwick

Consequence of failure: Patient experience, quality, access & reputation

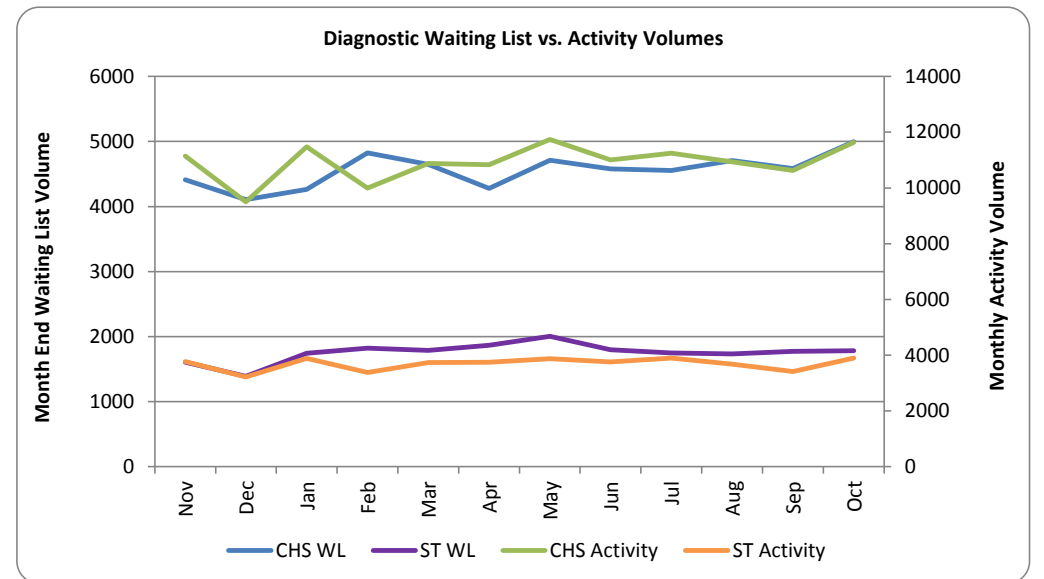
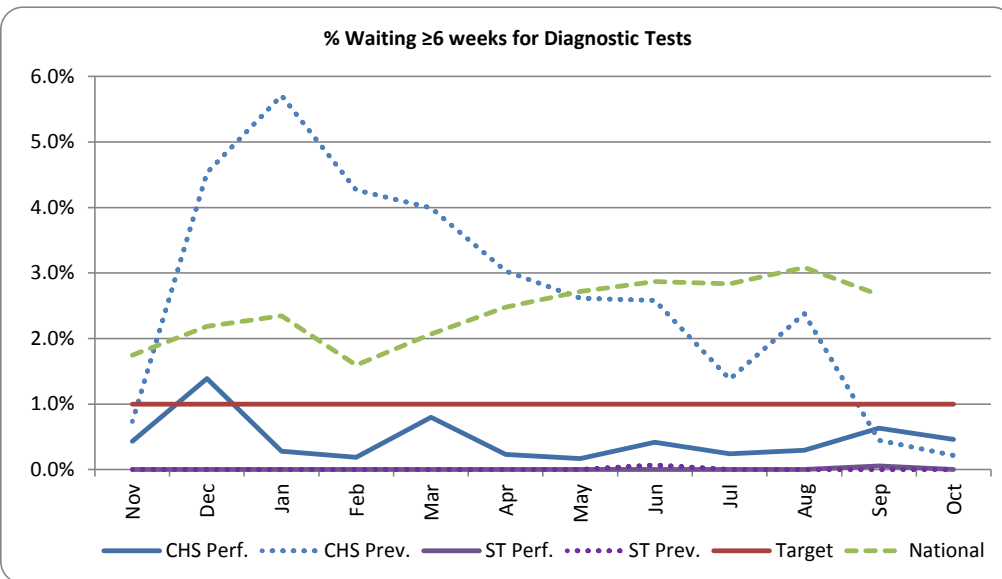
Both Trusts achieved the national operating standard for diagnostic waits at the end of October. ST performance was better than previous with no breaches, whereas CHS performance has improved to 0.46%. Performance for both Trusts was better than the latest national average (2.7%).

Diagnostic activity increased at both trusts during October. The overall size of the waiting list increased at CHS but remains stable at ST.

There are risks at CHS in Urodynamics currently due to lost capacity, but there is an interim plan in place until the capacity can be replaced. The situation is being closely monitored.

Demand for CT scans at ST is high, however there was planned downtime for routine maintenance in September resulting in lower activity but this is not considered to be a risk.

Diagnostics - October 2018	CHS				ST			
	WL Vol.	No. ≥6 wks	%≥6 wks	Activity	WL Vol.	No. ≥6 wks	%≥6 wks	Activity
Target			≤1%				≤1%	
Magnetic Resonance Imaging	668	2	0.30%	1,336	204	0	0.00%	576
Computed Tomography	501	0	0.00%	2,986	273	0	0.00%	904
Non-obstetric ultrasound	1,587	1	0.06%	3,312	848	0	0.00%	1,435
Barium Enema	35	0	0.00%	3	10	0	0.00%	17
DEXA Scan	225	0	0.00%	276	27	0	0.00%	82
Audiology	203	2	0.99%	1,176	N/A	N/A	N/A	N/A
Cardiology	646	0	0.00%	987	121	0	0.00%	413
Neurophysiology	67	0	0.00%	155	N/A	N/A	N/A	N/A
Respiratory physiology	103	1	0.97%	76	N/A	N/A	N/A	N/A
Urodynamics	87	16	18.39%	27	N/A	N/A	N/A	N/A
Colonoscopy	188	0	0.00%	296	119	0	0.00%	158
Flexi sigmoidoscopy	107	0	0.00%	110	39	0	0.00%	60
Cystoscopy	333	0	0.00%	585	N/A	N/A	N/A	N/A
Gastrosocopy	245	1	0.41%	311	145	0	0.00%	254
Trust Total	4,995	23	0.46%	11,636	1,786	0	0.00%	3,899



CHS Cancer 62 Day Waits

NHSI SOF Operational Performance & National Operational Standard

1. Number of patients receiving first definitive treatment for cancer following an urgent GP referral for suspected cancer / NHS Screening Service referral / consultant upgrade
2. Number of patients receiving first definitive treatment for cancer 62 days or more following an urgent GP referral for suspected cancer / NHS Screening Service referral / consultant upgrade
3. % patients receiving first definitive treatment for cancer within 62 days following an urgent GP referral for suspected cancer / NHS Screening Service referral / consultant upgrade
4. Number of patients receiving first definitive treatment for cancer 104 days or more following an urgent GP referral for suspected cancer / NHS Screening Service referral / consultant upgrade

Director Lead: Sean Fenwick

Consequence of failure: Timely access to treatment, patient experience, clinical outcomes & reputation

Trust performance was above the national target and the national average in September. The only tumour groups that did not achieve the target was Urological. There were 9 breaches in total, mainly due to diagnostic delays and patient choice. At tumour group level, every group performed favourably against the national performance. There were 4 breaches over 104 days in September, all of these were attributable to the Urological tumour group.

There were no breaches for patients referred from NHS screening programmes during September, and consequently the target was achieved. There was 0.5 breach for patients treated following a consultant upgrade, which was attributable to the Lung tumour group.

The volume of patients who are approaching their breach date has reduced in October, but remains quite high. Urology remains the main area of risk going forwards, due to ongoing capacity issues and diagnostic delays. An action plan is underway to address these issues in Urology.

Indicative performance for October is currently below target and performance remains a risk going forwards.

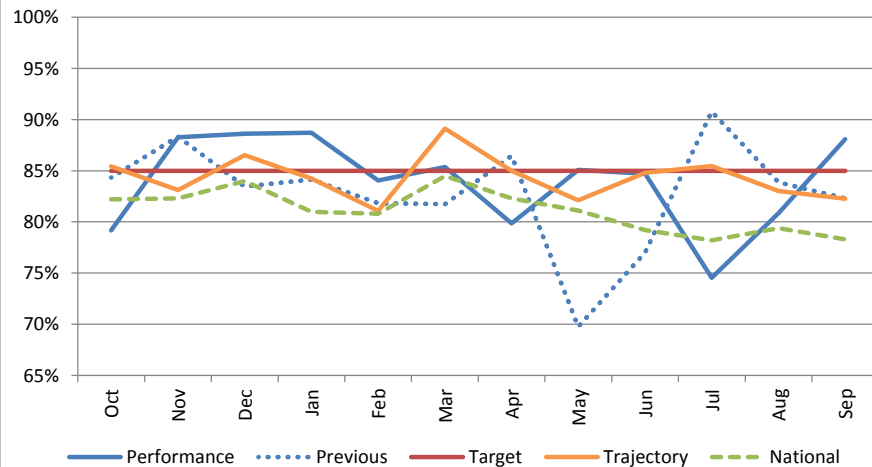
First Definitive Treatment - September 2018*	Volume	Total Breached	Perf.	National Perf.	YTD	Number ≥104 days
Target			85%	85%	85%	0
Breast	2.0	0.0	100.00%	90.9%	100.00%	0
Gynaecological	1.5	0.0	100.00%	N/A	94.74%	0
Haematological	2.0	0.0	100.00%	N/A	93.94%	0
Head & Neck	7.0	0.5	92.86%	N/A	-	0
Lower Gastrointestinal	4.5	0.0	100.00%	67.8%	90.41%	0
Lung	3.0	0.0	100.00%	72.2%	77.08%	0
Other	1.5	0.0	100.00%	N/A	55.56%	0
Sarcoma	1.0	0.0	100.00%	N/A	100.00%	0
Skin	7.5	0.0	100.00%	94.4%	93.33%	0
Upper Gastrointestinal	5.0	0.0	100.00%	N/A	83.05%	0
Urological	40.5	8.5	79.01%	67.2%	76.99%	4
Total	75.5	9.0	88.08%	78.3%	82.22%	4

Non GP Referrals

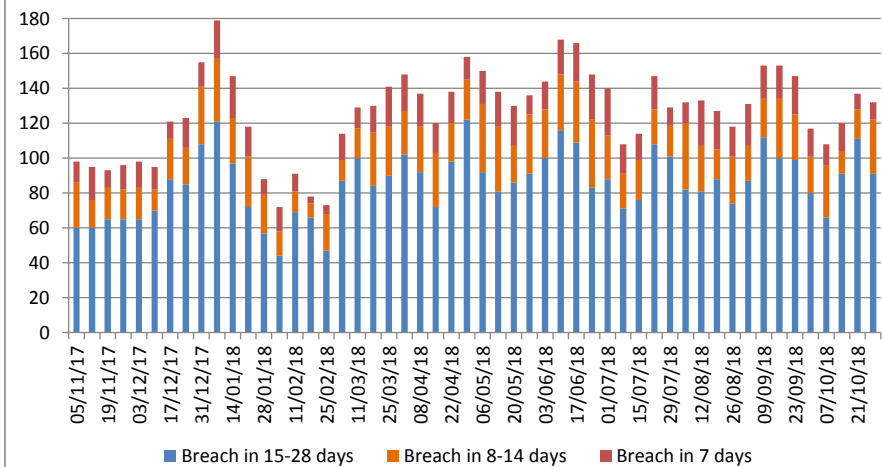
Screening (Target: 90%)	2.0	0.0	100.00%	88.9%	88.89%	0
Consultant Upgrade	7.0	0.5	92.86%	84.8%	86.09%	0

*Please note that reporting of official cancer waiting times fall 1 month behind normal reporting timescales

Cancer 62 Day Wait



Volume Of Patients Approaching Breach Date



ST Cancer 62 day Waits

NHSI SOF Operational Performance & National Operational Standard

1. Number of patients receiving first definitive treatment for cancer following an urgent GP referral for suspected cancer / NHS Screening Service referral / consultant upgrade
2. Number of patients receiving first definitive treatment for cancer 62 days or more following an urgent GP referral for suspected cancer / NHS Screening Service referral / consultant upgrade
3. % patients receiving first definitive treatment for cancer within 62 days following an urgent GP referral for suspected cancer / NHS Screening Service referral / consultant upgrade
4. Number of patients receiving first definitive treatment for cancer 104 days or more following an urgent GP referral for suspected cancer / NHS Screening Service referral / consultant upgrade

Director Lead: Sean Fenwick

Consequence of failure: Timely access to treatment, patient experience, clinical outcomes & reputation

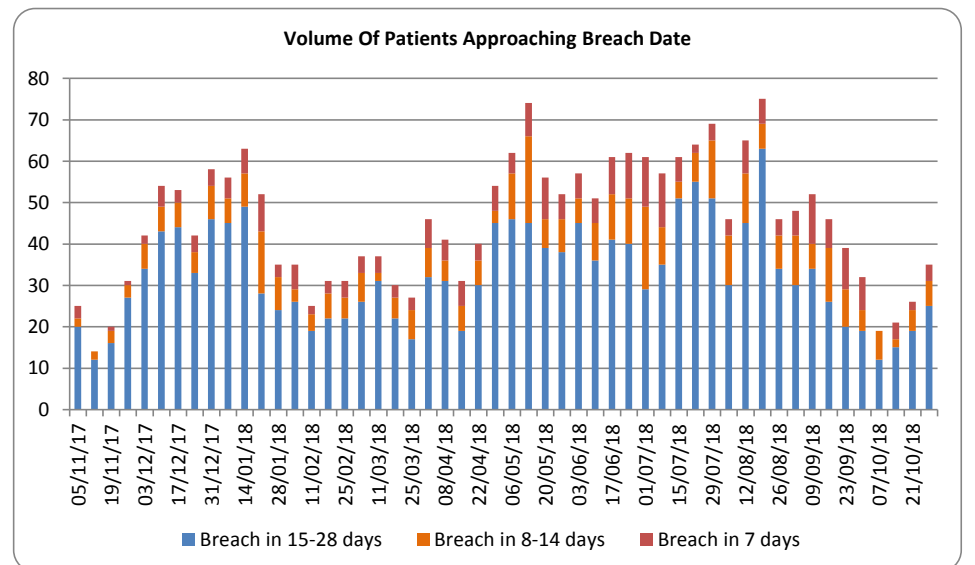
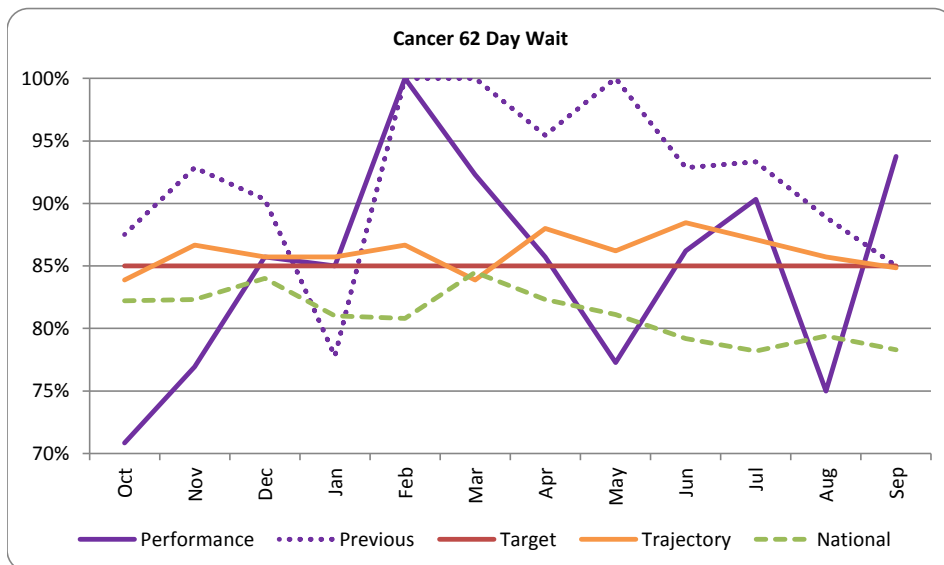
The Trust achieved the 62 day operating standard for urgent GP referrals in September, and was also above the national average. There was 1 breach this month due to a combination of patient choice and diagnostic delay. It is important to note that the large variances in monthly performance are due to the relatively small volumes. Performance for patients that were referred from NHS screening programmes was 0% due to a single shared breach. This was due to a delay for consideration of a clinical trial. There was a 0.5 breach for patients receiving treatment following a consultant upgrade during September. Both indicators are subject to very low volumes. The volume of patients approaching the 62 day breach date has continued to reduce during October. However, there remains a risk around a number of Colorectal & Upper GI patients who have waited longer than 14 days for first OP appointment, due to capacity issues, which may subsequently cause delay in the 62 day pathway. Indicative performance for October is currently below target.

Treatment - September 2018*	Volume	Total Breached	Perf.	National Perf.	YTD	Number ≥104 days
Target			85%	85%	85%	0
Breast	0.0	0.0	N/A	90.9%	100.00%	0
Gynaecological	1.0	0.5	50.00%	0.0%	83.33%	0
Haematological	2.0	0.0	100.00%	0.0%	100.00%	0
Head & Neck	0.5	0.0	100.00%	0.0%	71.43%	0
Lower Gastrointestinal	4.0	0.0	100.00%	67.8%	76.47%	0
Lung	4.5	0.0	100.00%	72.2%	97.92%	0
Other	0.5	0.5	0.00%	N/A	57.14%	0
Sarcoma	0.5	0.0	100.00%	N/A	100.00%	0
Upper Gastrointestinal	2.5	0.0	100.00%	N/A	80.65%	1
Urological	0.5	0.0	100.00%	67.2%	100.00%	0
Total	16.0	1.0	93.75%	78.3%	85.06%	1

Non GP Referrals

Screening (Target: 90%)	0.5	0.5	0.00%	88.9%	85.71%	0
Consultant Upgrade	2.0	0.5	75.00%	84.8%	97.92%	0

*Please note that reporting of official cancer waiting times fall 1 month behind normal reporting timescales



Cancer 2 Week Waits

National Operational Standard

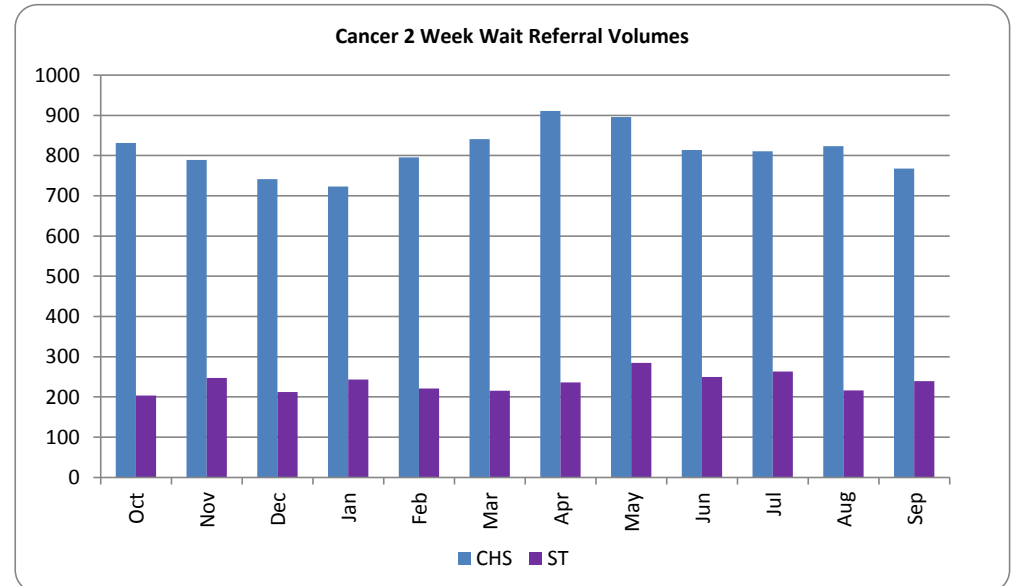
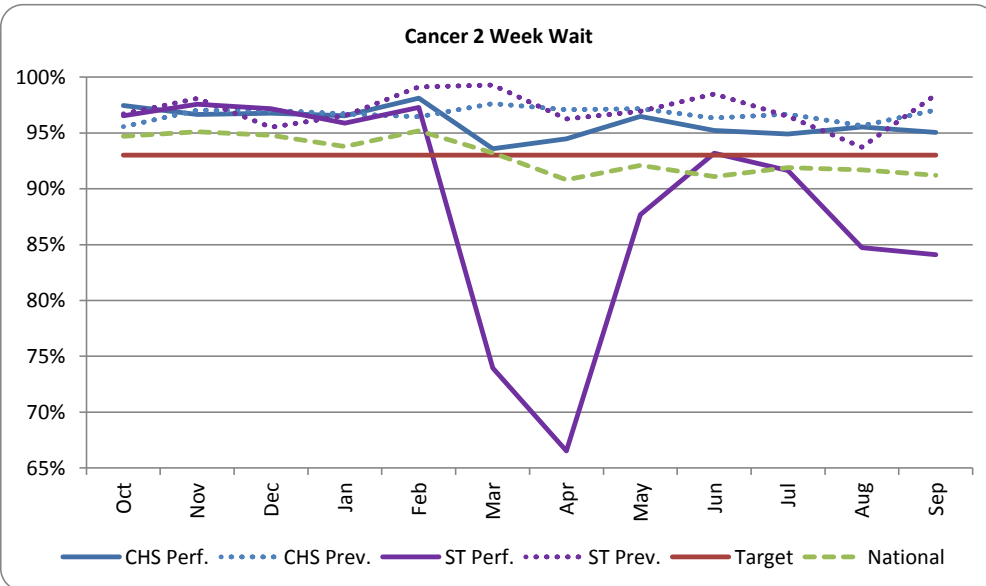
1. Number of urgent GP referrals for suspected cancer
 2. Number of patients seen after more than two weeks following an urgent GP referral for suspected cancer
 3. % patients seen within two weeks of an urgent GP referral for suspected cancer
- Director Lead: Sean Fenwick
 Consequence of failure: Timely access to treatment, patient experience, clinical outcomes

CHS achieved the 2WW target during September, although performance reduced slightly compared to August. All tumour groups were above target with the exception of Haematological. The majority of breaches related to patient choice.

ST remained below the 2WW target in September. Aside from June, the Trust has failed to achieve the target since February. Haematological, Lower GI and Upper GI were the only tumour groups below target. Gastroenterology and Colorectal Surgery continue to be subject to the formal performance escalation process. Capacity for first outpatient and Endoscopy appointments remains an issue, although the situation has improved more recently. Gastroenterology in particular is pursuing all available options to sustainably manage demand and increase capacity, including consultant recruitment. Achievement of the 2WW standard remains a risk. Overall referral volumes that converted to first outpatient appointments decreased during September at CHS, but increased at ST. The increase at ST was seen mainly in the Lower GI tumour group. Gynaecological, Head & Neck and Lower GI tumour groups most contributed to the decrease at CHS. Indicative 2WW performance for October is above target for CHS but below target for ST.

Referrals for Suspected Cancer - September 2018*	CHS			ST			National Perf.
	Volume	Total Breached	Perf.	Volume	Total Breached	Perf.	
Target			93%			93%	93%
Acute Leukaemia	0	0	N/A	0	0	N/A	73.30%
Gynaecological	81	2	97.53%	36	1	97.22%	93.70%
Haematological	15	3	80.00%	7	1	85.71%	95.70%
Head & Neck	158	5	96.84%	21	0	100.00%	N/A
Lower Gastrointestinal	159	11	93.08%	106	26	75.47%	86.10%
Lung	54	1	98.15%	20	0	100.00%	95.60%
Other	0	0	N/A	0	0	N/A	90.40%
Testicular	10	0	100.00%	0	0	N/A	96.90%
Upper Gastrointestinal	93	3	96.77%	49	10	79.59%	89.90%
Urological (Excluding Testicular)	197	13	93.40%	0	0	N/A	94.30%
Total	767	38	95.05%	239	38	84.10%	91.20%

*Please note that reporting of official cancer waiting times fall 1 month behind normal reporting timescales



Cancer 31 Day Waits

National Operational Standard

1. Number of patients receiving first definitive treatment following a cancer diagnosis
2. Number of receiving first definitive treatment more than one month of a decision to treat following a cancer diagnosis
3. % patients receiving first definitive treatment within one month of a decision to treat following a cancer diagnosis
4. % patients receiving subsequent surgery or drug treatments for cancer within 31 days

Director Lead: Sean Fenwick

Consequence of failure: Timely access to treatment, patient experience & clinical outcomes

Both Trusts have continued to achieve the 31 day operating standard. The performance at CHS reduced during September, whereas ST remains consistent at 100%. Both Trusts continue to perform better than the national average.

At tumour group level Skin and Urological failed to achieve the target at CHS, with Skin being the only tumour group lower than the national average at CHS. All tumour groups were better than national average at ST. Indicative performance for October is currently above target for both trusts.

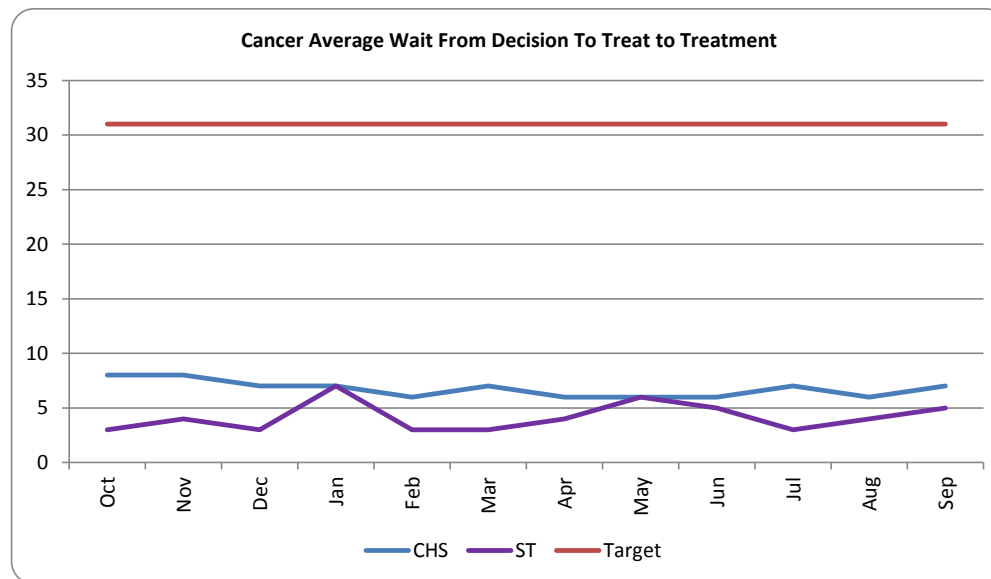
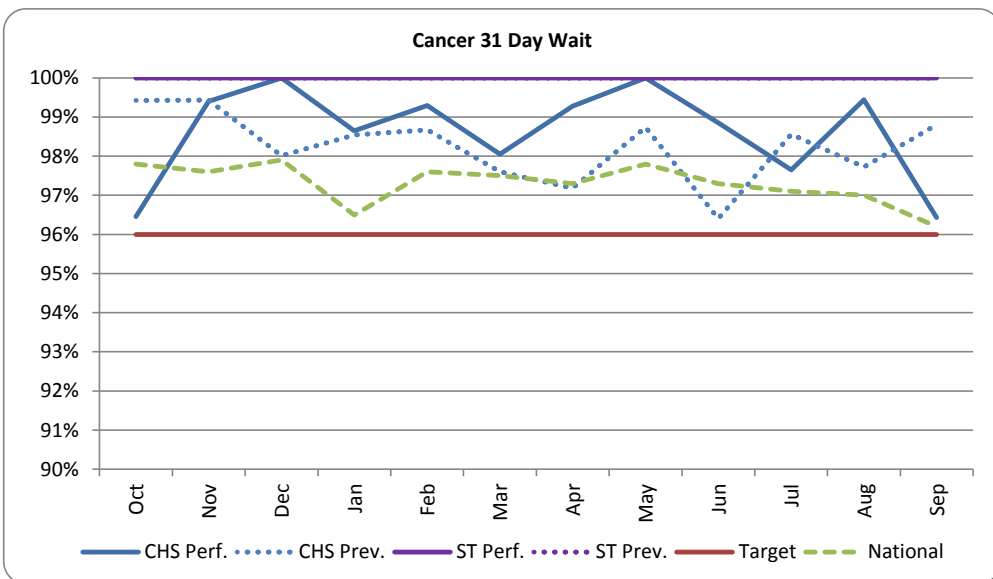
Both trusts achieved each of the 31 day subsequent indicators without any breaches in September. Indicative performance for October is also currently above target for 31 day subsequent treatments at both trusts.

First Definitive Treatment - September 2018*	CHS			ST			National Perf.
	Volume	Total Breached	Perf.	Volume	Total Breached	Perf.	
Target			96%			96%	96%
Breast	6	0	100.00%	0	0	N/A	98.1%
Gynaecological	2	0	100.00%	0	0	N/A	N/A
Haematological	9	0	100.00%	3	0	100.00%	N/A
Head & Neck	8	0	100.00%	0	0	N/A	N/A
Lower Gastrointestinal	18	0	100.00%	7	0	100.00%	96.6%
Lung	14	0	100.00%	5	0	100.00%	98.9%
Other	2	0	100.00%	2	0	100.00%	0.0%
Sarcoma	1	0	100.00%	0	0	N/A	N/A
Skin	10	2	80.00%	0	0	N/A	96.3%
Upper Gastrointestinal	6	0	100.00%	2	0	100.00%	N/A
Urological	64	3	95.31%	0	0	N/A	91.8%
Total	140	5	96.43%	19	0	100.00%	96.2%

Subsequent Treatments

Surgery (Target: 94%)	31	0	100.00%	2	0	100.00%	92.6%
Drug (Target: 98%)	73	0	100.00%	24	0	100.00%	99.5%

*Please note that reporting of official cancer waiting times fall 1 month behind normal reporting timescales



ST Improving Access to Psychological Therapies

NHSI SOF Operational Performance & National Quality Requirement

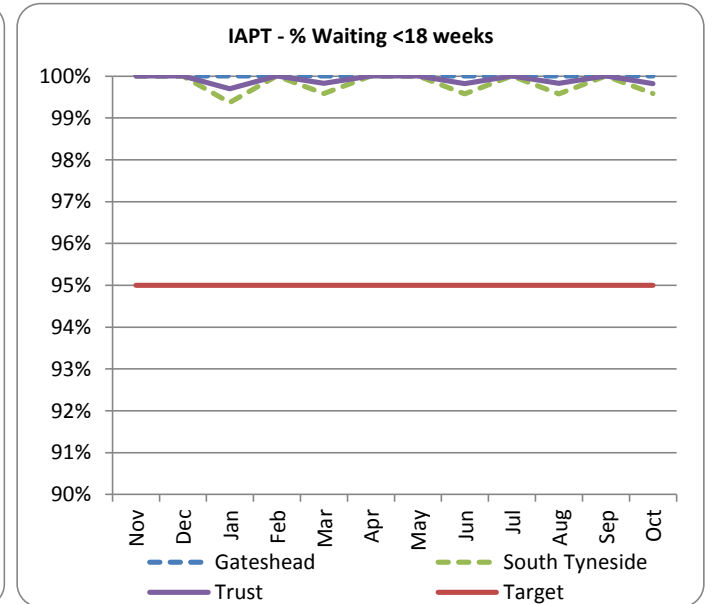
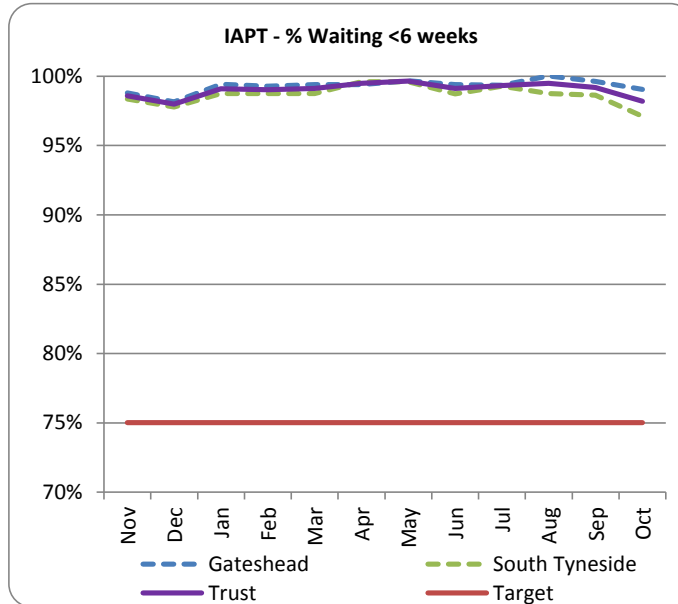
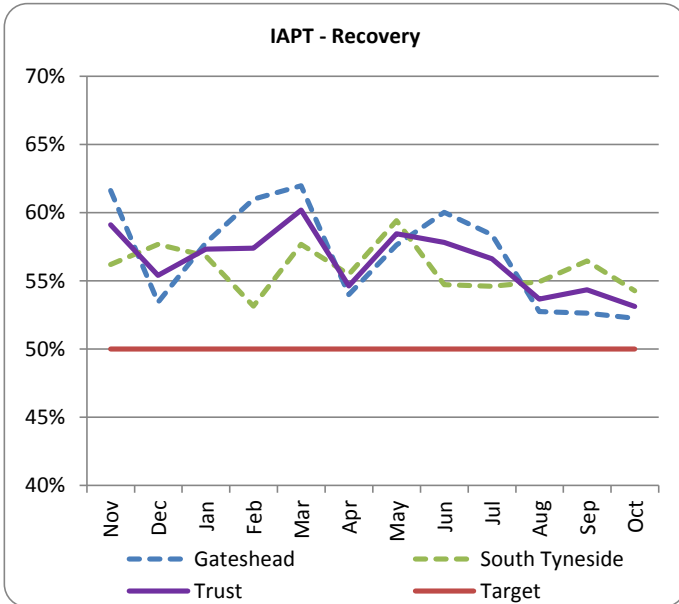
- 1. % of people who complete treatment who are moving to recovery
- 2. % of people that wait 6 weeks or less from referral to entering a course of IAPT treatment against the number of people who finish a course of treatment in the reporting period
- 3. % of people that wait 18 weeks or less from referral to entering a course of IAPT treatment against the number of people who finish a course of treatment in the reporting period

Director Lead: Sean Fenwick

Consequence of failure: Timely access to treatment, patient experience & clinical outcomes

Recovery performance remains variable but both localities have continued to achieve the target. Waiting time performance (both 6 week and 18 weeks) is stable and consistently achieves the respective targets. Referral volumes into both services during October has been higher than previous years but reasonably consistent with recent months. Waiting lists for both localities remains high, but stable. This does not represent a risk to achievement of the national standards.

IAPT - October 2018	Target	Volume	Total Breached	Performance	YTD
1. Recovery					
Gateshead	50%	291	139	52.23%	55.39%
South Tyneside	50%	223	102	54.26%	55.68%
Trust Total	50%	514	241	53.11%	55.52%
2. Waiting Times <6 weeks					
Gateshead	75%	313	3	99.04%	99.49%
South Tyneside	75%	241	7	97.10%	98.82%
Trust Total	75%	554	10	98.19%	99.19%
3. Waiting Times <18 weeks					
Gateshead	95%	313	0	100.00%	100.00%
South Tyneside	95%	241	1	99.59%	99.82%
Trust Total	95%	554	1	99.82%	99.92%



BOARD OF DIRECTORS

NOVEMBER 2018

ANNUAL NURSING WORKFORCE REVIEW 2018

1. INTRODUCTION

A paper was presented to the January 2018 Executive Committee outlining the position in relation to nursing and midwifery workforce assurance review process for 2018 across the South Tyneside and Sunderland Healthcare Group. This paper proposed that staffing reviews, including AHPs for the first time, would be undertaken between May and July across both sites. Community services reviews will be included in the 6 month review paper that will be presented March 2019.

The reviews were planned in 3 phases:

- Phase 1 – City Hospitals Sunderland (CHS) and South Tyneside NHS Foundation Trust (STFT) acute
- Phase 2 – Community services, CHS AHPs, ED and OPD CHS – October/November 18
- Phase 3 – 6 month reviews – March 2019.

This paper outlines the findings of the Phase 1 review for Nursing in CHS.

Whilst aware of potential changes, as result of the Path to Excellence work, the staffing requirements have been based on current requirements, and further service specific reviews will be undertaken as part of the Path to Excellence work as required.

2. BACKGROUND

NICE safe staffing for acute wards (2014) states that whilst there is no single nurse-patient ratio that can be applied to inpatient wards, there is evidence of increased risk of harm associated with a Registered Nurse (RN) caring for more than 8 patients during day shifts.

Current research evidence also demonstrates that higher registered nurse to patient ratios result in better patient outcomes (see below). Our aspiration is to achieve safe staffing ratios in acute care of 1 RN to 6 patients on day shift and 1 RN to 8 patients on night duty. Current compliance against this aspiration is reported in the monthly Quality Report.

There is a growing body of evidence to show that staffing levels in hospitals are associated with positive patient outcomes. Low nurse staffing levels are associated with adverse outcomes in hospital, most notably mortality (Griffiths et al 2016). Missed nursing care, any aspect of care omitted or delayed, has also captured attention, with some evidence that it is associated with adverse patient outcomes (Carthon et al 2015). Enquiries into potentially

avoidable deaths in hospital demonstrate how omissions by nursing staff, such as failure to measure vital signs, recognise early signs of deterioration can lead to serious adverse outcomes/avoidable deaths (Dagmar et al 2007). A review of 102 studies concluded that increased graduate registered nurse staffing levels are associated with lower rates of hospital mortality and adverse patient outcomes.

During 2017 no significant nursing workforce changes were prioritised for funding. CHS maintained our position of no agency nursing unless there is a requirement to care for individuals with mental health needs. Overtime was re-introduced to ensure patient safety, and then restricted to certain areas with greatest need due to staff shortages last winter.

The table below (table 1) shows overtime, bank, additional hours and agency spend in last financial year.

Table 1.

CHS	Actual spend 17-18 (£)
Additional hours	94,623
Overtime	114,590
NHSP	3,816,672
Agency	39,286 (ad hoc spend)
Grand total	£4,065,171

Notes:

- Above table includes Registered Nursing and Healthcare Assistant spend
- Total budget for Nursing at CHS =£87,968k. Yearend position 17/18 (£2,364k underspent).
- Current underspend to month 6 for CHS qualified nurses and health care assistants is £1,089k.

3. STAFFING ISSUES RAISED BY THE CQC

Following the visit to CHS in May this year by the CQC, there are several actions required in relation to safe staffing that must be completed:

- Ensure there are sufficient qualified, skilled and experienced nursing and medical staff on medical wards. This is to include provision of staff out of hours, bank holidays and weekends
- Ensure consistency of staffing across wards through the introduction of an acuity tool to determine accurate staffing levels – this is in.
- Safe staffing levels must be ensured in surgery to deliver safe harm free care for patients.

The work and recommendations described in this paper in part responds to these CQC requirements.

4. CHS REVIEWS

When undertaking the nurse staffing reviews it was clear that many areas have historically accepted an increase in workload/change in service without a business case to secure the associated additional resource.

When the services can no longer manage the increased workload “creep” within their nurse staffing resource the establishment review meeting is viewed as a means of realigning the workforce to meet the demand. This is not the purpose of the annual nursing workforce review process and the business case route is the appropriate means of addressing the resource needs of extra demand. As part of those business cases a professional review of the proposals will be given.

Ward Manager supervisory time

National recommendations (Francis Report 2013, NQB Guidance 2013, 2016, Carter Review 2016) expect staffing establishments to provide ward managers with time to undertake supervisory responsibilities, co-ordinate activity and manage staff. Supervisory time enables ward managers to balance key role elements – managing the team, being a clinical role model, developing and leading the ward team, representing and negotiating the interface with senior management, and being visible for patients and their relatives (RCN 2015). Francis states that supervisory time would potentially address some of the concerns raised around failures in ward leadership, (supported by Darzi, 2008, RCN, 2009 and Prime Ministers Commission 2010).

Ward manager supervisory time of one day per week (0.2wte), is included in STFT establishments however, in CHS there is no allowance. The omission was highlighted in 2016 review, to implement this would require £131,552 investment, to support 31 ward managers to have 1 day per week supervisory time costed at band 2 backfill. It is proposed that a phased approach to introducing this is taken over the next 2 years. Cost per year would be £65,776.

Registered Nurses night duty Elderly Care

Staffing budgets in Elderly Care wards make provision for 2 Registered Nurses (RNs) on night duty, in other specialities there is provision for 3 or more RNs. Increasing the number of RNs on each of the elderly care wards would enable the care needs of this vulnerable group of patients and improve patient safety (NICE 2014) and experience, whilst also supporting ward resilience to manage short term absenteeism. This uplift would increase the RN patient ratio from 1:15 to 1:10.

There is a significant challenge in attracting RNs to work and aspire to a career in Elderly Care. A working group has recently been established to look at “rebranding” elderly care and make it more attractive to potential recruits. Increasing nurse staffing on night duty will show our commitment to prioritising patient safety in this specialist area of nursing and give staff confidence that they will be able to consistently deliver safe person centered care to their patients.

Recruiting these staff will be challenging, however, having the budgets aligned to allow 3 RNs on night duty would enable the wards to use NHSP (if available) until vacancies are filled. This investment would cost of £648,744 and could be made dependent on evidence from Safecare.

Further work is underway to look at the impact of using Nursing Associates as 3rd nurse on night duty; this would take time to implement as it takes 2 years to train a nursing associate. This will be part of a review of the band 1 to 4 workforce planned for Q4.

Other areas of concern

The areas below were discussed by teams during reviews, but require Directorates to develop business cases, or will be addressed through the Path to Excellence work. The initial view of the position is presented below but requires further work to match with activity and contracting.

Sunderland Eye Infirmary – Haygarth night duty

Historically Haygarth ward (SEI) has staffed night duty with 1 RN with support of nurse practitioner from ED. As a result of the increased activity in ED, this is no longer sustainable and the ward requires an uplift to provide 2 RNs on night duty on the ward.

Durham Treatment Centre (DTC) – DOSA

DOSA require for 3.34wte band 5 nurses and 1wte band 2 nurses to enable it to operate effectively.

Neonatal Unit

The neonatal unit (NNU) continues to be unable to meet the British Association of Perinatal Medicine Standards (BAPM) and is a significant outlier for nurse staffing levels with the Northern Neonatal Network. This will be addressed by the Clinical Service Review implementation as part of the Path to Excellence work.

Integrated Assessment Unit

The current nurse staffing establishment for the integrated assessment unit (IAU) was rolled over from the old unit when the new unit was opened in 2017; this triggered an establishment review in 2017 which identified shortfalls in the establishment which are currently met via NHSP. A further review is required in line with proposed changes in ED.

Emergency Department

The model of care in the Emergency Department is evolving in response to growing demand and service improvements to achieve the 4 hour waiting times. A preliminary review has been undertaken to assess the impact of opening the “back hub” 24/7 but this requires more work when the model is finalised. Additional requirements will need to be presented via a business case.

5. FUTURE PLANS

Nursing workforce is an ever changing/evolving process, with many recommendations coming from NHS improvement, and the National Quality Board. To provide safe staffing to our patients and to ensure compliance with all of these recommendations, further work on nurse staffing will include:

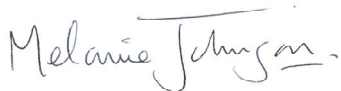
- more robust use of Safe Care to ensure that the data reflects patient need and is used to manage staffing according to that need
- the potential role of nursing associates (e.g. as 3rd nurse on night duty in elderly care)
- review of bands 1-4 nursing workforce and interface with facilities/Choice
- the impact of having a Band 6 on every shift
- review of handover/shift times
- review Predicted Absence Allowance across both Trusts
- review of latest NHSI guidance “Workforce Safeguards”

The potential to do workforce reviews by clinical team rather than professional group also needs to be considered given changing service need, recruitment challenges and new role development.

6. RECOMMENDATIONS

The Board of Directors is asked to note the contents of this paper, and support the following recommendation agreed by the Executive Committee:

1. A 3rd RN on night duty on 6 elderly care wards is funded.
 - a. The total annual cost of this is £648,744.
 - b. If NHSP and recruitment were able to meet this increase the part-year cost for 2018/19 is £270.310, however, this is unlikely.



Melanie Johnson
Executive Director of Nursing Midwifery and AHPs

BOARD OF DIRECTORS

NOVEMBER 2018

LEARNING FROM DEATHS DASHBOARD

1 INTRODUCTION

In March 2017, the National Quality Board published Guidance on Learning from Deaths which heralded a national programme on learning from deaths and reporting. Learning from Deaths requires all Trusts to carry out mortality reviews and to publish a quarterly dashboard, including data on preventable deaths and reports on actions to learn and improve.

2 LEARNING FROM DEATHS DASHBOARD – AN OVERVIEW

In common with peer Trusts within the North East Regional Mortality Network we continue to use an adaptation of PRISM methodology (Hogan and colleagues) for undertaking mortality reviews. This clinician-led approach helps to identify ‘problems in care’ and informs judgements on avoidability of death. The method also allows clinicians to provide an overall quality of care rating, focusing on whether care during the last admission was either excellent or good.

The mortality data for the period July – Sept 2018 (provisional) is included in the updated Mortality Dashboard (Appendix 1). A more user-friendly format is summarised in the infographic found in Appendix 2.

Section 1 includes information about the total number of adult in-patient deaths and those deaths reviewed by the Mortality Review Panel (MRP) known as a Stage 2 mortality review. This is an independent review of the clinical care of the patient and in all cases none of the reviewers will have been directly involved in the care of the deceased.

Section 2 of the dashboard provides information about end of life reviews, which are carried out either separate to or in addition to a Stage 2 mortality review. These specific reviews are based on the 5 core elements of care from the national “Care of the Dying Patient” documentation. The outcomes of these reviews are used to target staff awareness and training sessions in care of the dying.

Following joint work with Sunderland CCG to strengthen the capture of outcomes from learning disability deaths, Section 3 highlights the progress and completion of reviews under the national LeDeR programme.

3 INTERPRETATION OF DASHBOARD DATA

A total of 352 patient deaths occurred in the Trust for the period July – Sept 2018. Of these, 297 (84%) had a Stage 1 screening review; this is a process used to determine those deaths who require a more in depth review of clinical care (known as a Stage 2 Review). In total, 82 patients had this comprehensive Stage 2 Review.

Following each review a judgement is made on the preventability of death and a rating given on the quality of care given. In 79/82 of these reviews (96%), the deaths were judged as definitely not preventable. Within the same cohort, 96% of care reviewed during the last admission was graded as excellent or good.

The proportion of patients who were in receipt of end of life care was 67%. A smaller proportion of cases than previous have had a special End of Life Review in Q2 (40%). The majority of these reviews (78%) had all 5 'best practice' care of the dying elements.

Joint work to strengthen the process of learning disability mortality reviews (LeDeR) continues. Where no LeDeR reviews are shown as being in progress or completed this is due in part to delays in case allocation from our Commissioners because of a shortage of reviewers. This is currently being addressed. Secondly, the LeDeR reviews are very detailed, and often requires multi-disciplinary and agency involvement which can take considerable time to complete.

4 EVIDENCE OF LEARNING AND ACTION – REVIEW OF EXPECTED DEATHS WITHIN DAYS OF ADMISSION 2017/18

Thematic analysis from the MRP review team noted that there were a number of patients, often from local Care Homes, who died in an expected manner soon after admission to hospital. As part of a joint review, the Matron of the Specialist Palliative Care Services at South Tyneside and City Hospital's End of Life Facilitator, agreed to undertake a prospective review of these cases to determine if there were any underlying factors and whether any lessons could be learnt and shared. In total, 43 case notes underwent in-depth review for the period November 2017 to September 2018.

The review identified the following recurring themes:

- Patients near end of life are often admitted out of hours – it is difficult to establish whether alternatives were sought earlier in the day from community services,
- A high proportion of admissions from Care Homes were admitted secondary to general deterioration only. There is the potential that a high percentage of the patients could have been managed at home or within the Care Home if an alternative source of help had been called or following the Emergency Department (ED) assessment and after 24 hours of fluid replacement and commencing antibiotics,
- The majority of the patients were treated following presentation at ED. It is recognised that patients presenting to ED are often very poorly and information is not always readily available for the clinician to make a comprehensive clinical assessment i.e. patients are not usually accompanied by a carer from the home who knows them well; documentation is not readily available to help inform clinical decisions etc.
- In view of this, immediate treatment is initiated until further information can be obtained and discussions with family members carried out. Additionally, local policies and procedures dictate that sepsis screening and NEWS scoring must be actioned accordingly when initially making a clinical assessment. Upon transfer to the integrated admissions unit or the ward however, those treatments must be reviewed if it is felt there is nothing reversible,
- It is acknowledged that families, once their relative is admitted, often prefer for the patient to stay in hospital,

- Of the longer lengths of stay there is potential for patients to be transferred back to Care Homes with community support, although again, once the recognition of dying is discussed with families the preference is to remain in hospital.
- There is evidence of some advance care planning happening in community i.e. Do Not Attempt Cardiopulmonary Resuscitation orders and Emergency Health Care Plans (EHCPs), however despite some comprehensive EHCPs they were not sent in with the patient or the plan was not followed in the community,
- Good evidence of documented conversations with patients and families, and
- Implementation of the Care of the Dying Document has much improved in the hospital.

It is clear that some common themes are emerging following each clinical review undertaken. The full report is being shared with the End of Life Steering Group and a number of recommendations are made:

- To explore the option of developing a frailty team within ED or a role for the Elderly Care Specialist Practitioner's in City Hospital or the Community Out of Hours Palliative Care Team to review all admissions from Care Homes within 1 day to assess whether there is potential to discharge back to the Care Home with the required support,
- Proactive care planning in Care Homes could be improved; regular MDTs and home registers identifying the patients who are deteriorating and entering the final stages of life and the plan being made on whether to admit or to provide best supportive care in the home,
- Increase the numbers of patients offered advance care planning discussions in the community prior to terminal deterioration (Deciding Right) and record these outcomes to ensure families are aware of what to expect and have a plan of care in place,
- Facilitate access to end of life education and training for Care Home staff, and
- Develop formal liaison between primary and secondary care, particularly to prevent unnecessary of out of hours admission to hospital.

5 RECOMMENDATIONS

The Board is asked to note the updated dashboard.



Ian Martin
Medical Director

LEARNING FROM DEATHS

Information about patient deaths and review during the period
July – Sept 18 (Provisional)



Total number of inpatient deaths



297

Patients who had a
Stage 1 Screening Review

Note - this is a process to determine those deaths who meet certain national criteria to have a more in-depth review (known as a Stage 2 Review)

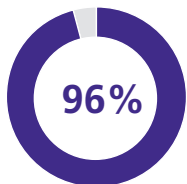


82

Patients who had a
Stage 2 Screening Review

Note – this comprehensive review of care culminates in a judgement made on the preventability / avoidability of death and a rating given on the quality of care (using nationally validated mortality review tools)

Stage 2 Reviews



Deaths judged as definitely
not preventable

0%

Deaths judged as avoidable
(>50% likelihood of avoidability)



96%

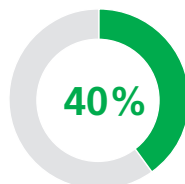
Deaths reviewed where
care during the last
admission was graded
as **excellent or good**

End of Life Review

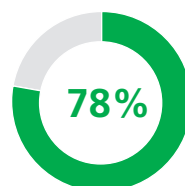


236

Patients were in receipt of
end of life care



cases had an end of life review

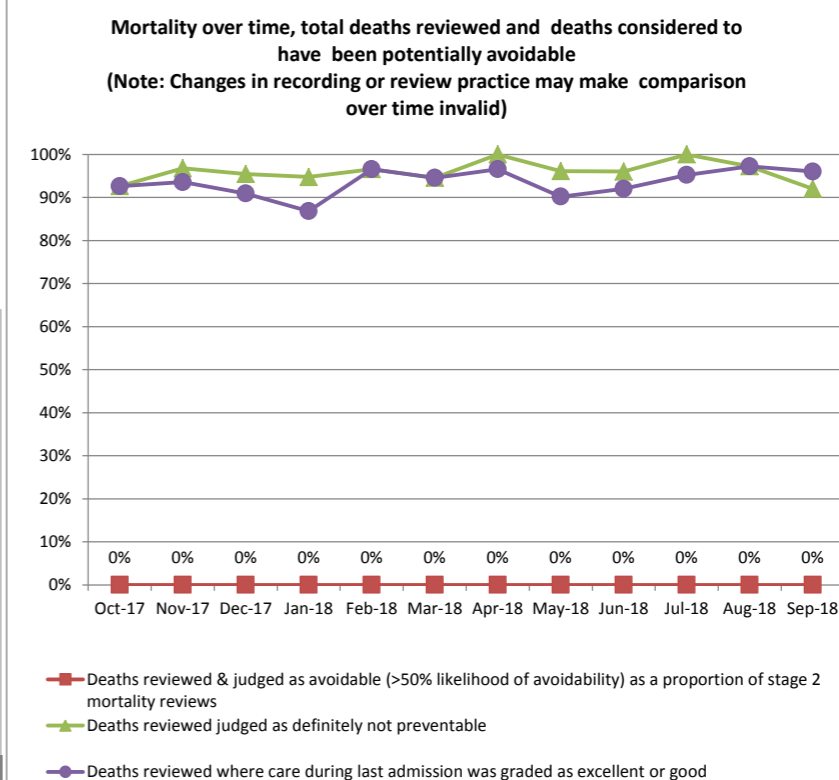


of these deaths had all 5 'best practice'
care of the dying elements (such as sensitive
communication, involvement in decision-making,
care is delivered with compassion etc)

Section 1: Summary of total number of deaths and total number of cases reviewed

Total Number of Deaths, Deaths Reviewed and Deaths Deemed Avoidable, definitely not preventable and excellent or good care (does not include patients who died in the Emergency Department)

Month of death	Data completeness	Total Number of deaths	Deaths investigated as a Serious Incident	Stage 1 Reviews - Screening		Deaths meeting inclusion criteria (NA = not available)		Deaths with a completed stage 2 Mortality Review Panel Review		Deaths reviewed & judged as avoidable (>50% likelihood of avoidability) as a proportion of stage 2 mortality reviews		Deaths reviewed judged as definitely not preventable		Deaths reviewed where care during last admission was graded as excellent or good	
				Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Oct-17	Final	105	0	81	77%	25	31%	27	33%	0	0%	25	93%	25	93%
Nov-17	Final	127	0	102	80%	30	29%	31	30%	0	0%	30	97%	29	94%
Dec-17	Final	157	0	101	64%	20	20%	22	22%	0	0%	21	95%	20	91%
Jan-18	Final	179	0	175	98%	37	21%	38	22%	0	0%	36	95%	33	87%
Feb-18	Final	148	0	146	99%	28	19%	29	20%	0	0%	28	97%	28	97%
Mar-18	Final	161	0	160	99%	55	34%	55	34%	0	0%	52	95%	52	95%
Apr-18	Final	108	0	104	96%	29	28%	29	28%	0	0%	29	100%	28	97%
May-18	Final	136	0	125	92%	51	41%	51	41%	0	0%	49	96%	46	90%
Jun-18	Final	108	0	70	65%	25	36%	25	36%	0	0%	24	96%	23	92%
Jul-18	Provisional	103	0	81	79%	30	37%	21	26%	0	0%	21	100%	20	95%
Aug-18	Provisional	111	0	90	81%	36	40%	36	40%	0	0%	35	97%	35	97%
Sep-18	Provisional	138	0	126	91%	25	20%	25	20%	0	0%	23	92%	24	96%
Q3 17/18	Final	389	0	284	73%	75	26%	80	28%	0	0%	76	95%	74	93%
Q4 17/18	Final	488	0	481	99%	120	25%	122	25%	0	0%	116	95%	113	93%
Q1 18/19	Final	352	0	299	85%	105	30%	105	35%	0	0%	102	97%	97	92%
Q2 18/19	Provisional	352	0	297	84%	91	26%	82	28%	0	0%	79	96%	79	96%
2017/18	Final	1544	0	765	50%	195	13%	443	58%	≤ 5	0.2%	421	95%	406	92%
2018/19	Provisional	704	0	596	85%	196	28%	187	31%	0	0.0%	181	97%	176	94%



Section 2: End of Life Review

Total Number of Deaths, Deaths Reviewed and Deaths with 5 Core Elements Delivered

Month of death	Data completeness	Number of deaths where patients were in receipt of End of Life care	Deaths with an End of Life Review		End of Life reviews with all 5 core elements delivered	
			Number	%	Number	%
Oct-17	Final	70	31	44%	28	90%
Nov-17	Final	83	59	71%	55	93%
Dec-17	Final	85	34	40%	33	97%
Jan-18	Final	111	85	77%	74	87%
Feb-18	Final	100	73	73%	54	74%
Mar-18	Final	102	58	57%	52	90%
Apr-18	Final	83	59	71%	49	83%
May-18	Final	96	58	60%	47	81%
Jun-18	Final	65	38	58%	30	79%
Jul-18	Provisional	68	23	34%	22	96%
Aug-18	Provisional	70	31	44%	22	71%
Sep-18	Provisional	98	40	41%	29	73%
Q3 17/18	Final	238	124	52%	116	94%
Q4 17/18	Final	313	216	69%	180	83%
Q1 18/19	Final	244	155	64%	126	81%
Q2 18/19	Provisional	236	94	40%	73	78%

Section 3: Learning Disability Review

Total Number of Deaths, LeDeR reviews completed and deaths reviewed by the Mortality Review Panel

Quarter	Data Completeness	Number of deaths	LeDeR reviews completed	LeDeR reviews in progress	Deaths with a completed stage 2 Mortality Review Panel Review
Q3 17/18	Provisional	≤ 5	40%	60%	40%
Q4 17/18	Provisional	≤ 5	0%	75%	75%
Q1 18/19	Provisional	≤ 5	0%	0%	80%
Q2 18/19	Provisional	≤ 5	0%	0%	50%

BOARD OF DIRECTORS

NOVEMBER 2018

FREEDOM TO SPEAK UP GUARDIAN

Introduction

The purpose of this paper is to outline progress to date with the development of the role of the Freedom to Speak Up Guardian (FTSUG) and the support role of Freedom To Speak Up Ambassadors (FTSUA) across both South Tyneside (STFT) and City Hospitals Sunderland (CHS) Foundation Trusts.

Background Facts

The Francis Report into the failings at Mid Staffs resulted in the Secretary of State commissioning a 'Freedom to Speak Up Review' which was published in 2015. The aim of the report was to provide advice and recommendations that would result in staff feeling safe to raise concerns and that those concerns would be listened to and appropriate action taken. The review identified concerns about the way in which some NHS organisations dealt with concerns and the way some of those who raised concerns were subsequently treated.

The review identified five key themes, the need for culture change, improved handling of cases, measures to support good practice and vulnerable groups and the need to extend the legal protection.

From the review Francis wanted ensure that there is an 'independent' dedicated person in every Trust to whom concerns can be easily reported, a "Freedom to Speak Up Guardian" out with the normal 'line management' structure. This was reinforced in 2015 by the Department of Health who at that point made the appointment of a Freedom to Speak up Guardian mandatory for every Trust.

In addition, an independent non statutory body was established, the National Guardian's Office (NGO), led by After a short delay Dr Henrietta Hughes who was appointed as the National Freedom to Speak Up Guardian in October 2016 and since then has been driving the agenda forward.

The Care Quality Commission (CQC) assesses a trust's speaking up culture during inspections as part of the 'well-led framework'.

Policy Framework

Both Trusts currently have a Raising Concerns (Whistleblowing) Policy, both are currently under review pending approval of a single policy across both Trusts developed in line with the national policy and input from the NGO and renamed as Freedom to Speak Up: Raising Concerns at Work Policy. It is anticipated that this revised policy will be in place in December 2018.

Guidance for Boards on Freedom to Speak Up

Earlier this year NHS Improvement issued the above which sets out their expectations of boards in relation to FTSU and is accompanied by a self- review tool. The guide is aligned with the good practice set out in the well-led framework and will be subject to a separate paper to the Board of Directors.

Current Position

Since 2016 the Director of HR and OD has taken on the role of FTSUG for CHS, this was extended to include STFT from October 2017.

At CHS nine FTSUAs from a variety disciplines have been in place since May 2017. In September 2018 four staff from STFT were trained and took on their role as FTSUAs. Following discussion with all thirteen ambassadors they have agreed to be available to staff from either Trust to contact to raise a concern/speak up.

October 2018 was nationally badged as 'Speak Up' month as part of this the Chief Executive Officer 'wrote' to staff via email/intranet to again raise awareness about speaking up and to launch the new poster showing all thirteen trained ambassadors who can be contacted to listen to staff who wish to 'speak up'/raise a concern (copy attached at **Appendix 1**).

Concerns Raised

The number of concerns raised via the Freedom to Speak Up Guardian/Ambassadors continues to be low:

	STFT	CHS
2017/18	1	9
2018/19	0	5

There are a range of issues that are raised including:

- Unhappy with grievance outcome
- Suspected fraud
- Staffing numbers on ward

- Cover arrangements for gap in rota
- Potential patient & staff safety concern
- Bullying/ Harassment/ Undermining.

It should be noted that the only 'concerns' that are recorded are those that are raised with the FTSUG or a FTSUA. Any patient safety or any other concern raised via another route e.g. grievance, disciplinary, anonymous letter are not included in these figures.

Concerns raised are addressed either via an investigation by a senior manager or the counter fraud, or by following the appropriate HR process.

All concerns raised have been followed up and feedback provided to the individual staff members. Of the concerns raised in 2018/19 one remains open with actions/investigations in progress.

Staff Survey Results 2018

The results of the staff survey questions in respect of raising concerns are detailed below:

Question	CHS	STFT
Staff confidence & security in reporting unsafe clinical practice	3.78 (3.65)	3.70 (3.67)
Fairness & effectiveness of procedures for reporting errors, near misses and incidents	3.82 (3.73)	3.73 (3.73)
% of staff reporting errors, near Misses or incidents witnessed in the last month	89% (90%)	86% (91%)
% of staff/colleagues reporting most recent experience of harassment, bullying or abuse	46% (45%)	44% (47%)
Staff reporting good communication between senior management & staff	37% (33%)	27% (33%)

Actions for 2018/19

Good progress has been made to date with regard to getting the overarching framework in place with regard to FTUG and trained FTSUAs.

The next stage of the work is to make sure staff are aware of the new policy once it is ratified, to increase the visibility of the Guardian and Ambassadors across both Trusts and to embed a Freedom to Speak Up Culture across both Trusts.

In addition, following completion of the self - review tool in the 'Guidance for Boards on Freedom to Speak up' an action plan will be developed and taken forward.

Recommendations

Directors are asked to note the content of this report.

A handwritten signature in black ink, appearing to read 'Kathleen Griffin', enclosed within a light grey oval border.

Kathleen Griffin
Freedom to Speak Up Guardian

MEET OUR FREEDOM TO SPEAK UP GUARDIAN AND AMBASSADORS

We want our staff in South Tyneside and Sunderland to feel comfortable raising any concerns they may have so, if you are worried or have a concern about something that is happening at work, please do not keep it to yourself.

Unless you tell us about your concern – whether it is about patient care, health and safety, a breach of a professional code or other wrongdoing - then we may not find out about it until it is too late. The Freedom to Speak Up Guardian and team of Ambassadors are here to listen to your concerns, openly, or confidentially and will take these forward.



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BOARD OF DIRECTORS

NOVEMBER 2018

UPDATES TO THE STANDING FINANCIAL INSTRUCTIONS AND SCHEME OF DELEGATION

1.0 INTRODUCTION

The purpose of this paper is to present to the Board of Directors the proposed amendments to the Trust's Standing Financial Instructions (SFIs) and Scheme of Delegation (SoD).

The SFIs and SoD were last approved by the Council of Governors in 2014 and are therefore now due for review.

The proposed changes were reviewed by the Audit Committee on 6 November 2018. The Audit Committee confirmed they were in agreement with the proposed changes and recommended, subject to minor amendment, that they be submitted to the Board of Directors for final consideration.

2.0 BACKGROUND

Since the current versions of the SFIs and SoD were approved there have been several changes within the Trust which need to be taken into account and updated in the revised versions. These are summarised below:

- *Alliance with South Tyneside NHS Foundation Trust (STFT)*
The alliance with STFT has resulted in changes to the management structure of the Trust and the levels of management are not the same as they were previously. In addition the alliance (and proposed future merger) between the two Trusts have highlighted some differences between the SFIs and SoDs of the two organisations.
- *Changes to working practices*
There have been a small number of changes to working practices since the current SFIs and SoD were approved – for example the introduction of NHS Professionals for bank and agency staff provision.
- *Introduction of Oracle Cloud*
The Trust will be implementing a new accounting system from December 2018 (Oracle Cloud). As a result of this the Trust will look to move towards electronic requisitioning and the system will hold a record of the Trust's SoD for the approval of requisitions. It is therefore important that the Trust's SoD is in a form suitable for use with the system.

3.0 PROPOSED CHANGES

Standing Financial Instructions

- 3.1 The proposed changes to the SFIs are relatively minor and mainly involve updates to job titles and updates guidance and legislation references where these have changed since the SFIs were approved in 2014.

Scheme of Delegation

- 3.2 The proposed changes to the SoD are described in the table below:

Section	Proposed change	Current value	Proposed value	Rationale
Approver roles	Add a new approver role	n/a	Members of Executive Board	To distinguish members of the Executive Board who are not Executive Directors as a distinct group of staff with their own approval limits
Job titles	Job titles have been changed throughout the document to reflect current roles	Various	Various	Amend job titles following implementation of joint management structure
Budget virement	Introduce virement limits for Heads of Service and Divisional Managers	£0	£5,000	Flexibility to amend budgets to a limited level in line with STFT
Annual pension assurance statement	Recognise requirement for Director of HR and Organisation Development to sign off annual assurance statement	n/a	n/a	To recognise that submission to NHS Pensions must be signed by Director of HR
Non-medical consultancy	Amend Chief Executive limit to reflect requirement for approval from NHSI	£75k	£50k	Approval required from NHSI for consultancy expenditure over £50k
Capital expenditure	Introduce Capital Sub-Group limits	£0	£50k	To recognise capital sub-groups set up in 2018
Non-pay revenue expenditure	Increase Head of Service limits	£10k	£25k	Increase head of service (where reporting to Exec Director) limit to £25k
Non-pay revenue expenditure	Increase Divisional General Manager limit	£10k	£50k	Increase in limit following discussions with Director of Operations
Approval of invoices were call off order exists	Specific delegation of sign off of NHS Professionals invoices to Executive Director of Finance and Deputy Director of Finance	£0	£150k for Deputy DoF over £150k for DoF	Not previously covered. Shifts will already have been authorised upon booking and received via sign-off of time sheet. Invoices are consolidated.
Approval of invoices were call off order exists	Specific delegation of sign off of LET for junior doctors invoices to Executive Director of Finance and Deputy Director of Finance	£0	£150k for Deputy DoF over £150k for DoF	Not previously covered. Spend is already committed as staff are salaried and any additional charge or credit is sent the following week

- 3.3 Aside from correction of minor errors and anomalies there are two main amendments proposed to the version that was presented to the Audit Committee

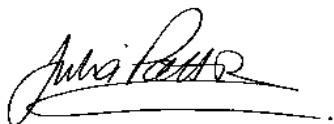
- Removed reference to Estates posts in the SoD as this service is provided by CHOICE. However the section on the requisitioning of building and engineering goods and services has been retained to cover instances where the buildings are not managed by CHOICE.
- Proposed amendment to the value at which written quotations are required from £2,500 to £5,000. This would ensure consistency between the Trust and CHOICE.

4.0 MAINTENANCE OF THE SCHEME OF DELEGATION

- 4.1 The Finance Department will keep a master record of cost centres, the staff who can approve expenditure on those cost centres and their approval limits as per the SoD. This master record be shared departments who require access (such as Procurement) and updated as and when staff leave and join the Trust.
- 4.2 No changes to approval limits for posts can be made without the approval of the Chief Executive.

5.0 RECOMMENDATION

- 5.1 It is recommended that the Board of Directors:
- Review and approve the proposed updates to the Standing Financial Instructions
 - Review and approve the proposed updates to the Scheme of Delegation

A handwritten signature in black ink, appearing to read 'Julia Pattison', with a long horizontal flourish underneath.

Julia Pattison
Executive Director of Finance

November 2018

Policies and Procedures

STANDING FINANCIAL INSTRUCTIONS

Document Title	Standing Financial Instructions
Executive Lead	Julia Pattison, Executive Director of Finance
Authors	Chris Pease, Deputy Director of Finance
Ratified by	
Date Ratified	
Implementation Date	
Review Date	
Version Number	

Procedure/Policy Number	FP0001					
Procedure/Policy type	Finance & Corporate Governance					
Date Equality impact assessment completed:						
CQC Outcomes	Not applicable					

Document Number: FP0001.V1.1

Document Title: **Standing Financial Instructions**

Executive Lead: Executive Director of Finance

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1 INTRODUCTION

1.1 General

- 1.1.1 These Standing Financial Instructions (SFIs) detail the financial responsibilities, policies and procedures to be adopted by the Trust and shall have effect as if incorporated in the Standing Orders (SOs) of the Trust. They are designed to ensure that the Trust's 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 Schedule of Decisions Reserved to the Board and the Scheme of Delegation adopted by the Trust.
- 1.1.2 These SFIs identify the financial responsibilities which apply to everyone working for the Trust and its constituent organisations including Trading Units. They do not provide detailed procedural advice and should therefore be read in conjunction with the detailed departmental and financial procedure notes. **All financial procedures must be approved by the Executive Director of Finance.**
- 1.1.3 Should any difficulties arise regarding the interpretation or application of any of the SFIs then the advice of the Executive Director of Finance **MUST BE SOUGHT BEFORE ACTING.** The user of these SFIs should also be familiar with and comply with the provisions of the Trust's SOs.
- 1.1.4 **FAILURE TO COMPLY WITH SFIs and SOs IS A DISCIPLINARY MATTER WHICH COULD RESULT IN DISMISSAL.**
- 1.1.5 **Overriding Standing Financial Instructions** - If for any reason these Standing Financial Instructions are not complied with, full details of the non-compliance and any justification for non-compliance and the circumstances around the non-compliance shall be reported to the next formal meeting of the Audit Committee for referring action or ratification. All members of the Board of Directors and staff have a duty to disclose any non-compliance with these Standing Financial Instructions to the Executive Director of Finance as soon as possible.

1.2 TERMINOLOGY

- 1.2.1 Any expression to which a meaning is given in the National Health Service Act 1977, National Health Service and Community Care Act 1990, the National Health Service Act 2006 and other Acts relating to the National Health Service or in the Financial or other Regulations made under the Acts or in the Trust's Authorisation or Constitution shall have the same meaning in this interpretation and in addition:

"Accounting Officer" means the Officer responsible and accountable for funds entrusted to the Trust. He/she shall be responsible for ensuring the proper

stewardship of public funds and assets. In accordance with the Act, this shall be the Chief Executive.

“Authorisation” means the authorisation of the Trust by NHS Improvement, the sector regulator for Health Services in England.

“Board of Directors” means the Chair, non-executive directors and the executive directors appointed in accordance with the Trust’s Constitution.

“Budget” means a resource, expressed in financial terms, proposed by the Board for the purpose of carrying out, for a specific period, any or all of the functions of the Trust.

“Budget Holder” means the director or employee with delegated authority to manage finances (Income and Expenditure) for a specific area of the organisation.

“Chair” is the person appointed in accordance with the Constitution to lead the Board of Directors and the Council of Governors. The expression “the Chair” shall be deemed to include the Vice-Chair of the Trust if the Chair is absent from the meeting or is otherwise unavailable.

“Chief Executive” means the chief officer of the Trust.

“Commissioning” means the process for determining the need for and for obtaining the supply of healthcare and related services by the Trust within available resources.

“Committee” means a committee appointed by the Board of Directors.

“Committee Members” means persons formally appointed by the Board of Directors to sit on or to chair specific committees.

“Constitution” means the constitution of the Trust as approved from time to time by NHS Improvement, the sector regulator for Health Services in England.

“Contracting and Procuring” means the system for obtaining the supply of goods, materials, manufactured items, services, building and engineering services, works of construction and maintenance and for disposal of surplus and obsolete assets.

“Council of Governors” means the body of elected and appointed governors constituted in accordance with the Trust’s Constitution

“Executive Director of Finance” means the chief finance officer of the Trust.

“Executive Director” means a director who is an officer of the Trust appointed in accordance with the Constitution. For the purposes of this document, “Director” shall not include an employee whose job title incorporates the word Director but who has not been appointed in this manner.

“Funds Held on Trust” shall mean those funds which the Trust holds at its date of incorporation, receives on distribution by statutory instrument, or chooses subsequently

to accept under powers derived under section 47 of the National Health Service Act 2006. Such funds may or may not be charitable.

"Legal Adviser" means the properly qualified person appointed by the Trust to provide legal advice.

"NHS Improvement" means the sector regulator for Health Services in England.

"NHS Provider Licence" means the licence that all providers of health care services must hold that sets out the conditions that providers must meet to assist NHS Improvement in ensuring that the health sector works for the benefit of patients.

"Nominated Officer" means an officer charged with the responsibility for discharging specific tasks within Standing Orders and Standing Financial Instructions.

"Non-Executive Director" means a director who is not an officer of the Trust and who has been appointed in accordance with the Constitution. This includes the Chair of the Trust.

"Officer" means employee of the Trust or any other person who exercises functions for the purposes of the Trust other than solely as a Staff Governor or non-executive Director of the Trust.

"SFIs" means Standing Financial Instructions.

"SOs" means Standing Orders.

"Trust" means City Hospitals Sunderland NHS Foundation Trust.

"Vice-Chair" means the non-executive director appointed by the Council of Governors to take on the duties of Chair if the Chair is absent for any reason.

1.2.2 Wherever the title Chief Executive, Executive Director of Finance, or other nominated officer is used in these instructions, it shall be deemed to include such other director or employees who have been duly authorised to represent them.

1.2.3 Wherever the term "employee" is used and where the context permits it shall be deemed to include employees of third parties contracted to the Trust when acting on behalf of the Trust.

1.3 RESPONSIBILITIES AND DELEGATION

The Board of Directors

1.3.1 The Board of Directors 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 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 Board of Directors and employees as indicated in the Scheme of Delegation document.
- 1.3.2 The Board of Directors has resolved that certain powers and decisions may only be exercised by the Board of Directors in formal session. These are set out in the 'Reservation of Powers to the Board of Directors' document.
- 1.3.3 The Board of Directors will delegate responsibility for the performance of its functions in accordance with the Scheme of Delegation document adopted by the Trust.

The Chief Executive and Executive Director of Finance

- 1.3.4 Within the SFIs, it is acknowledged that the Chief Executive is ultimately accountable to the Board of Directors, and as Accounting Officer under the NHS Act 2006, for ensuring that the Board of Directors meets its obligation to perform its functions within the available financial resources. The Chief Executive has overall executive responsibility for the Trust's activities, is responsible to the Chairman and the Board of Directors for ensuring that its financial obligations and targets are met and has overall responsibility for the Trust's system of internal control.
- 1.3.5 The Chief Executive and Executive Director of Finance will, as far as possible, delegate their detailed responsibilities but they remain accountable for financial control.
- 1.3.6 It is a duty of the Chief Executive to ensure that existing members of the Board of Directors and employees and all new appointees are notified of and understand their responsibilities within these Instructions.

The Executive Director of Finance

The Executive Director of Finance is responsible for:

- (a) implementing the Trust's financial policies and for co-ordinating any corrective action necessary to further these policies;
- (b) maintaining an effective system of internal 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;

- (c) ensuring that sufficient records are maintained to show and explain the Trust's transactions, in order to disclose, with reasonable accuracy, the financial position of the Trust at any time;

and, without prejudice to any other functions of directors and employees to the Trust, the duties of the Executive Director of Finance include:

- (d) the provision of guidance regarding Trust finance matter to other members of the Board of Directors and employees;
- (e) the design, implementation and supervision of systems of internal financial control; and
- (f) the preparation and maintenance of such accounts, certificates, estimates, records and reports as the Trust may require for the purpose of carrying out its statutory duties.

1.3.7 Board Members and Employees

1.3.8 All members of the Board of Directors and employees, severally and collectively, are responsible for:

- (a) the security of the property of the Trust;
- (b) avoiding loss;
- (c) exercising economy and efficiency in the use of resources; and
- (d) conforming with the requirements of Standing Orders, Standing Financial Instructions, Financial Procedures and the Scheme of Delegation.
- (e) Ensuring that the form in which financial records are kept and the manner in which they discharge their duties are to the satisfaction of the Executive Director of Finance.

1.3.9 Contractors and their employees

1.3.10 Any contractor or employee of a contractor who is empowered by the Trust to commit the Trust to expenditure or who is authorised to obtain income shall be covered by these instructions. It is the responsibility of the Chief Executive to ensure that such persons are made aware of this.

2 AUDIT

The Board of Directors shall establish formal and transparent arrangements for considering how they should apply and the financial reporting and internal control principles and for maintaining an appropriate relationship with the Trusts Auditors. The National Audit Office's (NAO) Code of Audit Practice and NHS Improvement's Code of Governance provide further guidance.

2.1 Audit Committee

2.1.1 In accordance with Standing Orders the Board of Directors shall formally establish an Audit Committee, with clearly defined terms of reference, which will provide an independent and objective view of internal control by:

- (a) reviewing financial and information systems, and monitoring the integrity of the financial statements and any formal announcements relating to the trust's financial performance, reviewing significant financial reporting judgments contained in them prior to adoption of the financial statements by the Board of Directors;
- (b) Monitoring and reviewing the effectiveness of the internal audit function, taking into consideration relevant UK professional and regulatory requirements;
- (c) Review and monitor the work and fees of external audit as required under the NAO's Code of Audit Practice, including their independence and objectivity and the effectiveness of the audit process;
- (d) Developing and implementing a policy on the engagement of the external auditors to supply non-audit services, taking into account relevant ethical guidance regarding the provision of non-audit services by the external audit firm;
- (e) monitoring compliance with Standing Orders and Standing Financial Instructions;
- (f) reviewing schedules of losses and compensations;
- (g) monitoring the implementation of policy on standards of business conduct;
- (h) reviewing the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the Trust's activities (both clinical and non-clinical), that supports the achievement of the organisation's objectives; and advising the Board of Directors accordingly; and

- (i) reviewing the arrangements in place to support the Assurance Framework prepared on behalf of the Board of Directors and advising the Board of Directors accordingly.
- 2.1.2 Where the Audit Committee feel there is evidence of ultra vires transactions, evidence of improper acts, or if there are other important matters that the committee wishes to raise, the chairman of the Audit Committee should raise the matter at a full meeting of the Board of Directors. Exceptionally, the matter may need to be referred to NHS Improvement.
- 2.1.3 It is the responsibility of the Executive Director of Finance to ensure an adequate internal audit service is provided and the Audit Committee shall be involved in the selection process when there is a proposal to review the provision of internal audit services.
- 2.1.4 The Audit Committee will report to the Council of Governors any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.

2.2 **Executive Director of Finance**

- 2.2.1 The Executive Director of Finance 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 NHS mandatory audit standards;
 - (c) deciding at what stage to involve the police in cases of misappropriation, and other irregularities not involving fraud or corruption.
 - (d) ensuring that an annual internal audit report is prepared for the consideration of the Audit Committee and the Board of Directors. The report must cover:
 - (i) a clear opinion on the adequacy and effectiveness of the system of internal control,
 - (ii) major internal financial control weaknesses discovered,
 - (iii) progress on the implementation of internal audit recommendations, and
 - (iv) progress against plan over the previous year,
 - (e) ensuring that there is a strategic audit plan covering the coming three years and a detailed plan for the coming year.

2.2.2 The Executive Director of Finance 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 (in which case, the duty of confidentiality must be upheld);
- (b) access at all reasonable times to any land, premises or employee of the Trust;
- (c) the production of any cash, stores or other property of the Trust under a member of the Board of Directors and employee's control; and
- (d) explanations concerning any matter under investigation.

2.3 **Role of internal Audit**

2.3.1 Internal Audit will review, appraise and report upon:

- (a) the extent of compliance with, and the financial effect of, relevant established policies, plans and procedures;
- (b) the adequacy and application of financial and other related management controls;
- (c) the suitability of financial and other related management data and information;
- (d) the extent to which the Trust's assets and interests are accounted for and safeguarded from loss of any kind, arising from:
 - (i) fraud and other offences,
 - (ii) waste, extravagance, inefficient administration,
 - (iii) poor value for money or other causes;
- (e) the adequacy of follow-up action to audit reports

2.3.2 Internal Audit shall also independently review the Assurance Framework taking into account guidance from the Department of Health, the Care and Quality Commission (CQC) and NHS Improvement.

2.3.3 Whenever any matter arises which involves, or is thought to involve, irregularities concerning payment of staff, payment of suppliers, income, cash, stores, or other property or any suspected irregularity in the exercise of any function of a pecuniary nature, the Executive Director of Finance must be notified immediately.

- 2.3.4 The Head of Internal Audit will normally attend Audit Committee meetings and has a right of access to all Audit Committee members, the Chairman and Chief Executive of the Trust. The Head of Internal Audit has the right to report directly to the Chief Executive if, in his/her opinion, the circumstances warrant this course of action.
- 2.3.5 The Head of Internal Audit will report to the Executive Director of Finance. The reporting system for internal audit shall be agreed between the Executive Director of Finance, the Audit Committee and the Head of Internal Audit. The agreement shall be in writing and shall comply with the guidance on reporting contained in the NHS Internal Audit Standards. The reporting system shall be reviewed at least every 3 years.
- 2.3.6 The Executive Director of Finance will refer audit reports to the appropriate officers designated by the Chief Executive. Failure to take any necessary remedial action within a reasonable period will be reported to the Chief Executive. Where in exceptional circumstances, the use of normal reporting channels could be seen as a possible limitation of the objectivity of the audit, the Head of Internal Audit will seek the advice of the Chairman of the Audit Committee.

2.4 **External Audit**

- 2.4.1 The Council of Governors is responsible for appointing the external auditor. The Audit Committee, through advice to the Council of Governors during the selection and appointment process, will ensure that the appointed auditor meets the criteria in Appendix C of the Audit Code for NHS Foundation Trusts, issued by NHS Improvement.
- 2.4.2 The Audit Committee will assess the external auditor's work and fees as required by the Audit Code and make a recommendation to the Council of Governors with respect to re-appointment.
- 2.4.3 The Chair of the Council of Governors will notify NHS Improvement if the Council of Governors ends an auditor's appointment in disputed circumstances.
- 2.4.4 The Executive Director of Finance will ensure that the external auditor has access at all reasonable times to every document relating to the Trust which appears to them to be necessary for the purposes of their functions under the NHS Act 2006.

2.5 **Fraud and Corruption**

- 2.5.1 In line with their responsibilities, the Chief Executive and Executive Director of Finance will monitor and ensure compliance with the schedules in the legally binding contract with commissioners relating to NHS counter fraud arrangements.

- 2.5.2 The Trust will nominate a suitable person to carry out the duties of the Local Counter Fraud Specialist (LCFS) in accordance with the contract schedules and relevant NHS Protect manuals and guidance.
- 2.5.3 The LCFS will report to the Executive Director of Finance and will work with staff in NHS Protect in accordance with the NHS Counter Fraud and Corruption Manual.
- 2.5.4 The LCFS will provide regular progress reports to the Audit Committee and an annual report complying with the requirements of the NHS Counter Fraud and Corruption Manual.
- 2.5.5 A named Non-Executive Director is appointed to champion fraud and corruption.

2.6 **Security Management**

- 2.6.1 In line with their responsibilities, the Chief Executive will monitor and ensure compliance with the schedules in the legally binding contract with commissioners relating to NHS security management.
- 2.6.2 The Trust will nominate a suitable person to carry out the duties of the Local Security Management Specialist (LSMS) in accordance with the contract schedules and relevant NHS Protect manuals and guidance.
- 2.6.3 The Trust will nominate an Executive Director to be responsible to the Board for NHS security management, and a Non-Executive Director to promote security management measures.
- 2.6.4 The Chief Executive has overall responsibility for controlling and coordinating security. However, key tasks are delegated to the Executive Director with Security Management responsibility and the appointed Local Security Management Specialist.

3 BUSINESS PLANNING, BUDGETS, BUDGETARY CONTROL AND MONITORING

3.1 Preparation and Approval of Plans and Budgets

- 3.1.1 The Executive Director of Finance will on behalf of the Chief Executive, and in consultation with the Chief Executive and other senior Trust staff, compile and submit to the Board of Directors an annual financial business plan in accordance with guidance issued by NHS Improvement. The annual business plan will take into account financial targets and forecast limits of available resources and will contain:
- (a) a statement of the significant assumptions on which the plan is based, including an analysis of associated risks;
 - (b) details of major changes in workload, delivery of services or resources required to achieve the plan; and
 - (c) all other requirements for annual plans issued by NHS Improvement, including Board statements and self-certifications and membership information.
- 3.1.2 The Executive Director of Finance shall report to the Board of Directors any significant in-year variance from the business plan, and shall advise the Board of Directors on action to be taken.
- 3.1.3 The Executive Director of Finance will ensure that the annual plan is submitted to NHS Improvement in accordance with published deadlines.
- 3.1.4 Prior to the start of the financial year the Executive Director of Finance will, on behalf of the Chief Executive, prepare and submit budgets for approval by the Board of Directors. Such budgets will:
- (a) be in accordance with the aims and objectives set out in the annual business plan;
 - (b) accord with workload and manpower plans;
 - (c) be produced following discussion with appropriate budget holders;
 - (d) be prepared within the limits of available funds; and
 - (e) identify potential risks.
- 3.1.5 The Executive Director of Finance shall monitor financial performance against budget and business plan, periodically review them, and report to the Board of Directors.

- 3.1.6 All budget holders must provide information as required by the Executive Director of Finance to enable budgets to be compiled and monitoring reports to be prepared.
- 3.1.7 The Executive Director of Finance has a responsibility to ensure that adequate training is delivered on an on-going basis to budget holders to help them manage successfully.

3.2 **Budgetary Delegation**

- 3.2.1 The Chief Executive 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) authority to exercise virement;
 - (e) achievement of planned levels of service; and
 - (f) the provision of regular reports.
- 3.2.2 The Chief Executive and delegated budget holders must not exceed the budgetary total or virement limits set by the Board of Directors. The Chief Executive may vary the budgetary limit of an office within the Chief Executive's own budgetary or virement limit.
- 3.2.3 Any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Chief Executive, subject to any authorised use of virement.
- 3.2.4 Expenditure for which no provision has been made in an approved budget and not subject to funding under the delegated powers of virement shall only be incurred after authorisation by the Chief Executive or the Board of Directors as appropriate.
- 3.2.5 Non-recurring budgets should not be used to finance recurring expenditure without the authority in writing of the Chief Executive, as advised by the Executive Director of Finance.

3.3 **Budgetary Control and Reporting**

- 3.3.1 The Executive Director of Finance will devise and maintain systems of budgetary control. All officers whom the Board of Directors may empower to

engage staff or otherwise incur expenditure, or to collect or generate income, will comply with the requirements of those systems. These will include:

- (a) monthly financial reports to the Board in a form approved by the Board containing:
 - (i) income and expenditure to date showing trends and forecast year-end position;
 - (ii) balance sheet showing movements from plan and in the month;
 - (iii) Updated on the cash position of the Trust including a rolling cash flow forecast;
 - (iv) capital project spend and projected outturn against plan;
 - (v) explanations of any material variances from plan;
 - (vi) performance against the Continuity of Services Risk Rating issued by NHS Improvement;
 - (vii) progress in implementing cost improvement plans; and
 - (viii) details of any corrective action where necessary and the Chief Executive's and/or Executive Director of Finance's view of whether such actions are sufficient to correct the situation.
- (b) 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, activity and manpower budgets;
- (d) monitoring of management action to correct variances; and
- (e) arrangements for the authorisation of budget transfers.

3.3.2 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 Board of Directors;
- (b) the amount provided in the approved budget is not used in whole or in part for any purpose other than that specifically authorised subject to the rules of virement;
- (c) no permanent employees are appointed without the approval of the Chief Executive other than those provided for in the budgeted establishment as approved by the Board; and
- (d) all appointments to new posts are authorised by specific approval from the vacancy control panel comprising Executive Directors.

3.3.3 The Chief Executive is responsible for identifying and implementing cost improvements and income generation initiatives in accordance with the requirements of the Annual Plan including the target deficit, surplus or break-even position.

3.3.4 The Executive Director of Finance will keep the Chief Executive and the Board of Directors informed of the financial consequences of changes in policy, pay awards, inflation, national tariff and other events and trends affecting budgets and will advise on the financial and economic aspects of future plans and projects.

3.4 **Capital Expenditure**

3.4.1 The general rules applying to delegation and reporting shall also apply to capital expenditure. *(The particular applications relating to capital are contained in Section 9.)*

3.5 **Monitoring Returns**

3.5.1 The Chief Executive is responsible for ensuring that the appropriate monitoring returns are submitted to the requisite monitoring organisation, for example NHS Improvement. Such returns must be formally approved by the Board of Directors prior to submission or by the Executive Director of Finance in the absence of a Board of Directors' meeting or where the timing of a submission falls before the date of the Board of Director's meeting.

4 ANNUAL ACCOUNTS AND REPORTS

- 4.1 The Executive Director of Finance , on behalf of the Trust, will:
- (a) prepare financial returns in accordance with the Foundation Trust Annual Reporting Manual (FT ARM) issued by NHS Improvement, the Trust's accounting policies, and generally accepted accounting practice including International Financial Reporting Standards as adapted for the UK public sector; and
 - (b) prepare and submit financial statements and summarisation schedules to NHS Improvement, certified in accordance with current guidelines and in accordance with the timetable prescribed by NHS Improvement.
- 4.2 The Trust's financial statements must be audited by the external auditor appointed by the Council of Governors, and in accordance with the Audit Code for NHS Foundation Trusts published by NHS Improvement.
- The Audit Committee will review the audited financial statements and the auditors' report and advise the Board of Directors regarding adoption of the financial statements. The audited financial statements must be presented to a public meeting of the Council of Governors and made available to the public.
- 4.3 The Trust will publish an annual report, including summary financial statements, and present it at a public meeting. The document will comply with the Foundation Trust Annual Reporting Manual and copies will be laid before Parliament in accordance with published timetables.

5 BANK AND GOVERNMENT BANKING SERVICE (GBS) ACCOUNTS, INVESTMENT AND EXTERNAL BORROWING

5.1 General

5.1.1 The Executive Director of Finance is responsible for managing the Trust's banking arrangements and for advising the Trust on the provision of banking services and operation of accounts. This advice will take into account guidance/directions issued from time to time by NHS Improvement.

5.2 Banking and OPG Accounts

The Board of Directors shall approve the banking arrangements.**Bank and Government Banking Service Accounts**

5.2.1 The Executive Director of Finance is responsible for:

- (a) bank accounts and GBS accounts;
- (b) establishing separate bank accounts for the Trust's non-exchequer funds;
- (c) ensuring payments made from bank or GBS accounts do not exceed the amount credited to the account except where arrangements have been made; and
- (d) reporting to the Board of Directors all arrangements made with the Trust's bankers for accounts to be overdrawn, together with the remedial action taken.

5.3 Banking and Investment Procedures

5.3.1 The Executive Director of Finance will prepare detailed instructions on the operation of bank and GBS accounts which must include:

- (a) the conditions under which each bank and GBS account is to be operated;
- (b) the limit to be applied to any overdraft; and
- (c) those authorised to sign payment schedules for electronic payments or payable orders drawn on the Trust's accounts

5.3.2 The Executive Director of Finance must advise the Trust's bankers in writing of the conditions under which each account will be operated.

5.3.3 Cheques or other orders drawn upon the Trust's bank and GBS accounts (referred to in 14.3.1 above) shall be signed by officers nominated in writing by the Director of Finance. Payments up to £25,000 may be supported by

one authorised signature; payments above £25,000 shall be supported by two authorised signatures. The Executive Director of Finance shall specify which officers are authorised as second signatories and shall retain a master file of all approved signatories. All cheques will be treated as controlled stationery in the charge of a duly designated officer controlling their issue.

5.3.4 All funds will be held in accounts in the name of the Trust. No officers other than the Executive Director of Finance and Chief Executive acting jointly will open any bank account in the name of the Trust.

5.3.5 The Executive Director of Finance will approve security procedures for payable orders and for electronic payments.

5.3.6 All payable orders shall be treated as controlled stationery, in the charge of a duly designated officer controlling their issue.

5.4 Investments

5.4.1 The Executive Director of Finance will ensure that investment of surplus funds is in accordance with investment and treasury management policies approved by the Board of Directors.

5.4.2 Temporary cash surpluses must be held only in such public or private sector investments meeting the safe haven criteria issued by NHS Improvement and authorised by the Board of Directors.

5.4.3 The Executive Director of Finance will prepare a policy on the investment of temporary cash surpluses including details of the limits on his/her authority for the approval of the Board of Directors.

5.4.4 The Executive Director of Finance is responsible for advising the Board of Directors on investments and shall report periodically to the Board of Directors concerning the performance of investments held.

5.4.5 The Executive Director of Finance will prepare detailed procedural instructions on the operation of investment accounts and on the records to be maintained.

5.5 External Borrowing

5.5.1 The Executive Director of Finance will advise the Board of Directors concerning the Trust's ability to pay interest on, and repay, both Public Dividend Capital and any proposed new borrowings.

5.5.2 Borrowings undertaken with the Department of Health to support capital development, interim deficit support or other approved reason will be approved by the Board in line with NHS Improvement loan guidance.

- 5.5.3 Any application for a loan or overdraft will only be made by the Executive Director of Finance or by an employee so delegated by him/her.
- 5.5.4 The Executive Director of Finance must prepare detailed procedural instructions concerning applications for loans and overdrafts.
- 5.5.5 All short term borrowings should be kept to the minimum period of time possible, consistent with the overall cash flow position. Any short term borrowing requirement in excess of one month must be authorised by the Executive Director of Finance.
- 5.5.6 All long term borrowings must be consistent with the plans outlined in the current Business Plan.
- 5.5.7 If required, the Executive Director of Finance will ensure that the Trust has in place a working capital facility that meets the requirements of NHS Improvement, and that appropriate renewal arrangements are in place.

5.6 **Banking Services tendering and review**

- 5.6.1 The Executive Director of Finance will review the commercial banking arrangements of the Trust at regular intervals to ensure they reflect best practice and represent best value for money by periodically seeking competitive tenders for the Trust's commercial banking business.
- 5.6.2 Competitive tenders should be sought at least every 5 years. The results of the tendering exercise should be reported to the Board of Directors.

6 INCOME, FEES AND CHARGES AND SECURITY OF CASH, CHEQUES AND OTHER NEGOTIABLE INSTRUMENTS

6.1 Income Systems

- 6.1.1 The Executive Director of Finance is responsible for designing, maintaining and ensuring compliance with systems for the proper recording, invoicing, collection and coding of all monies due.
- 6.1.2 In relation to business case e.g. income generation schemes, the Executive Director of Finance shall issue procedural instructions to ensure that all potential costs and revenues attributable to each scheme are identified prior to contracts being signed. The Executive Director of Finance shall also ensure that there are systems in place to identify all actual costs and revenues attributed to each scheme and that individual memorandum accounts are drawn up to reflect the results of scheme activities.
- 6.1.3 The Executive Director of Finance is also responsible for the prompt banking of all monies received.

6.2 Fees and Charges

- 6.2.1 The Trust shall follow NHS Improvement guidance on Payment by Results when entering into contracts for the provision of services for patients.
- 6.2.2 The Executive Director of Finance is responsible for approving and regularly reviewing the level of all fees and charges other than those determined by statute. Independent professional advice on matters of valuation shall be taken as necessary.
- 6.2.3 All employees must inform the Executive Director of Finance promptly of money due arising from transactions which they initiate/deal with, including all contracts, leases, tenancy agreements, private patient undertakings and other transactions.
- 6.2.4 The Executive Director of Finance will ensure that the correct treatment of VAT is applied to fees and charges.

6.3 Private Health Care

- 6.3.1 The Trust will ensure that the proportion of relevant income of the Trust in any financial year derived from providing goods and services for the NHS (its principal purpose) is greater than income from other sources.
- 6.3.2 The Trust is obliged to publish information on all non-NHS work. In addition, the Trust must obtain prior approval from the Council of Governors to increase the share of its income from non-NHS sources (including private work) by more than five percentage points in any one year.

6.3.3 The Executive Director of Nursing, Midwifery and Allied Health Professionals in conjunction with the Medical Director and the Executive Director of Finance shall be responsible for the maintenance and operation of procedures for the management of private practice in the Foundation Trust. The procedures shall also cover fee paying work, overseas visitors and amenity beds.

6.3.4 All consultants and associate specialists undertaking private practice and Category II work within the Trust shall be responsible for informing the responsible officer(s) as nominated by the Trust when private / fee paying patients are seen, to ensure that the Trust receives all amounts due to it.

6.4 Debt Recovery

6.4.1 All staff have an over-riding responsibility to collect fees due for the provision of chargeable services thus ensuring the minimisation of debts

6.4.2 The Executive Director of Finance is responsible for the appropriate recovery action on all outstanding debts.

6.4.3 No monies due to the Trust will be written off except with the authority of the Executive Director of Finance or as delegated by him/her.

6.4.4 Income not received should be dealt with in accordance with losses procedures (see section 12).

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

6.5 Security of cash, cheques and other Negotiable Instruments.

6.5.1 All cash held on Trust premises must be kept to a minimum and income and lodgements banked as frequently as is necessary and at intervals of not more than seven days.

6.5.2 All cheques, postal orders, cash etc. will be recorded and banked or remitted to the Executive Director of Finance . No disbursements will be made from such cash received unless expressly authorised by the Executive Director of Finance.

6.5.3 The Executive Director of Finance 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 Trust.
- 6.5.4 Safes or lockable cash boxes will be the only approved method of retaining cash and cheques prior to banking or transmission to the Executive Director of Finance.
- 6.5.5 Official money shall not under any circumstances be used for the encashment of private cheques or IOUs.
- 6.5.6 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 Trust is not to be held liable for any loss, and written indemnities must be obtained from the organisation or individuals absolving the Trust from responsibility for any loss.
- 6.5.7 Any loss or shortfall of cash, cheques or other negotiable instruments, however occasioned, will be monitored and recorded within the Finance Department. Any significant trends will be reported to the Executive Director of Finance. Where there is prima facie evidence of fraud or corruption, this process will follow the form of the Trust's Fraud and Corruption Response Plan and the guidance provided by NHS Counter Fraud Authority. Where there is no evidence of fraud or corruption, the loss will be dealt with in line with the Trust's Losses and Compensations procedures.

7 CONTRACTS FOR PROVISION OF NHS SERVICES

- 7.1 The Chief Executive, as accountable officer, is responsible for ensuring the Trust enters into suitable legally binding contracts with commissioners for the provision of NHS services and for establishing the arrangements for providing non-contractual services. In discharging these responsibilities, the Chief Executive should take into account the advice of the Executive Director of Finance regarding:
- (a) costing and pricing of services;
 - (b) payment terms and conditions; and
 - (c) amendments to contracts and extra-contractual arrangements.
- 7.2 Contracts for the provision of NHS services shall comply with the NHS Standard Contract or a local authority specific contract.
- 7.3 From a legal perspective should a service continue to be provided past the end date of the existing contract the legal view is that a court would look at the actions and communications of the parties to decide what a reasonable person would have understood the parties intentions to be. If the parties continue to do business in a way which is consistent with the terms of the expired contract, it will support the argument that their relationship is still dictated by its terms. Under these circumstances the Executive Director of Finance shall ensure that active negotiations are ongoing with respect to signing updated contracts, with constant communication and logging of actions to remove barriers to signing. These actions would be usually considered sufficient to conclude that the old contract has been continued.
- 7.4 The Executive Director of Finance shall produce regular reports detailing actual and forecast contract income and with a detailed assessment of the impact of the variable elements of income.
- 7.5 The Executive Director of Finance will maintain accurate schedules for all contracts agreed by the Trust including levels of workload and price.
- 7.6 The Executive Director of Finance will provide regular workload progress reports for all contracted activity to ensure the satisfactory monitoring of all contracts.

8 TERMS OF SERVICE, ALLOWANCE AND PAYMENT OF MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE AND EMPLOYEES

8.1 Remuneration and Terms of Service

8.1.1 In accordance with Standing Orders the Board of Directors shall establish a Remuneration and Terms of Service Committee, with clearly defined terms of reference, specifying which posts fall within its area of responsibility, its composition, and the arrangements for reporting.

8.1.2 The Remuneration Committee will:

- (a) advise the Board about appropriate remuneration and terms of service for the Chief Executive and other executive directors (and other senior employees), including:
 - (i) all aspects of salary (including any performance-related elements/bonuses);
 - (ii) provisions for other benefits, including pensions and cars;
 - (iii) arrangements for termination of employment and other contractual terms;
- (b) make such recommendations to the Board of Directors on the remuneration and terms of service of executive directors (and other senior employees) to ensure they are fairly rewarded for their individual contribution to the Trust - having proper regard to the Trust's circumstances and performance and to the provisions of any national arrangements for such staff where appropriate;
- (c) review the performance evaluation by the Chief Executive of individual executive directors (and other senior employees);
- (d) review the performance evaluation by the Chair of the Chief Executive; and
- (e) 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.

8.1.3 The remuneration/terms of service of other senior employees accountable to an Executive Director, shall be decided by the Chief Executive, after discussion with the Chairman.

8.1.4 The Committee shall report in writing to the Board of Directors the basis for its recommendations. The Board of Directors shall use the report as the basis for their decisions, but remain accountable for taking decisions on the

remuneration and terms of service of executive directors. Minutes of the Board of Director's meetings should record such decisions.

- 8.1.5 The Board of Directors will, after due consideration and amendment if appropriate, approve proposals presented by the Chief Executive for setting of remuneration and conditions of service for those employees not covered by the Remuneration Committee.
- 8.1.6 The remuneration of the Chairman and Non-Executive Directors will be determined by the Council of Governors, based on remuneration data available through the Foundation Trust Network.
- 8.1.7 Governors are not to receive remuneration. The Remuneration Committee will set rates for travelling and other reasonable expenses for the Board of Governors, after having taken independent financial advice (where necessary and justified) or the advice of the Chief Executive. The Board of Directors will approve any such amounts.

8.2 **Funded Establishment**

- 8.2.1 The manpower plans incorporated within the annual budget will form the funded establishment.
- 8.2.2 The funded establishment of any department may not be varied without the approval of the relevant Executive Director via the Trust's funded establishment change process.

8.3 **Staff Appointments**

- 8.3.1 No director or employee may engage, re-engage, or regrade employees, either on a permanent or temporary nature, or hire agency staff, or agree to changes in any aspect of remuneration:

- (a) unless authorised to do so by the Chief Executive ; and

- (b) within the limit of his/her approved budget and funded establishment.

other than as specified under the Trust's scheme of delegation.

- 8.3.2 The Board of Directors will approve procedures presented by the Chief Executive for the determination of commencing pay rates, condition of service, etc., for employees.

8.4 **Processing of Payroll**

- 8.4.1 The Chief Executive, or nominated officer, is responsible for:

- (a) specifying timetables for submission of properly authorised time records and other notifications;
- (b) the final determination of pay and allowances including starting salaries;
- (c) making payment on agreed dates; and
- (d) agreeing method of payment.

8.4.2 The Chief Executive, or nominated officer, will issue instructions regarding:

- (a) verification and documentation of data;
- (b) the 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) authority to release payroll data under the provisions of the Data Protection Act;
- (g) methods of payment available to various categories of employee;
- (h) procedures for payment by bank credit to employees;
- (i) procedures for the recall of 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 making payments; and
- (m) a system to ensure the recovery from employees leaving the Trust of sums of money and property due by them to the Trust.

8.4.3 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 Executive, or nominated officer, instructions and in the form prescribed by the Chief Executive, or nominated 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 Executive Director of Finance must be informed immediately.

8.4.4 Regardless of the arrangements for providing the payroll service, the Chief Executive, or nominated officer, shall ensure that the chosen method is supported by appropriate (contracted) terms and conditions, adequate internal controls and audit review procedures and that suitable arrangements are made for the collection of payroll deductions and payment of these to appropriate bodies.

8.4.5 Payments will not be made in advance of the normal pay day determined by The Chief Executive, or nominated officer, resources except:

- (a) in special cases authorised by The Chief Executive, or nominated officer, and limited to the net pay earned at the time of payment;
- (b) as authorised by Agenda for Change terms and conditions; and
- (c) as authorised by any Trust Policy.

8.4.6 The Chief Executive, or nominated officer, will be informed within 24 hours of any action to suspend an employee from duty with pay and he will similarly be informed promptly in writing of any case where an employee's contract of employment has been terminated with payment in lieu of notice.

8.5 **Contracts of employment**

8.5.1 The Board of Directors shall delegate responsibility to the Chief Executive, or nominated officer, for:

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

9 CAPITAL INVESTMENT, PRIVATE FINANCING, FIXED ASSET REGISTERS AND SECURITY OF ASSETS

9.1 Capital Investment

9.1.1 The Chief Executive:

- (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 business 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 the availability of resources to finance all revenue consequences, including capital charges.

9.1.2 For every capital expenditure proposal exceeding £50,000 the Chief Executive shall ensure:

- (a) that a business case is produced setting out:
 - (i) an option appraisal of potential benefits compared with known costs to determine the option with the highest ratio of benefits to costs;
 - (ii) appropriate project management and control arrangements; and
 - (iii) the involvement of appropriate Trust personnel and external agencies; and
- (b) that the Executive Director of Finance has certified professionally to the costs and revenue consequences detailed in the business case.

9.1.3 For capital schemes where the contracts stipulate stage payments, the Chief Executive will issue procedures for their management.

9.1.4 The Executive Director of Finance shall issue procedures for the regular reporting of expenditure and commitment against authorised expenditure.

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

9.1.6 The Chief Executive shall issue to the manager responsible for any scheme:

- (a) specific authority to commit expenditure;
- (b) authority to proceed to tender;

(c) approval to accept a successful tender.

9.1.7 The Chief Executive will issue a scheme of delegation for capital investment management in accordance with NHS Estate code guidance and the Trust's Standing Orders.

9.1.8 The Executive Director of Finance shall issue procedures governing the financial management, including variations to contract, of capital investment projects and valuation for accounting purposes. These procedures will:

- (a) be designed to ensure that each project stays within estimated/budgeted costs at each milestone;
- (b) be issued to project managers and other employees/persons involved in capital projects;
- (c) incorporate simple checklists designed to ensure that important requirements are complied with on each project.

9.2 **Private Finance (Including Leasing)**

9.2.1 When the Trust proposes to use finance the following procedures shall apply:

- (a) The Executive Director of Finance shall demonstrate that the use of private finance represents value for money and genuinely transfers significant risk to the private sector;
- (b) The proposal must be specifically agreed by the Board of Directors; and
- (c) Any finance or operating lease must be agreed and signed by the Executive Director of Finance.
- (d) Consideration should be given to accounting treatment of each lease in line with the NHS Annual Reporting Manual.

9.3 **Asset Registers**

9.3.1 The Chief Executive is responsible for the maintenance of registers of assets, taking account of the advice of the Executive Director of Finance concerning the form of any register and the method of updating, and arranging for a physical check of assets against the asset register to be conducted once a year.

- 9.3.2 The Trust shall maintain an asset register recording fixed assets. The minimum data set to be held within these registers shall be as specified in the Foundation Trust Annual Reporting Manual issued by NHS Improvement.
- 9.3.3 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, architects' certificates, suppliers' invoices and other documentary evidence in respect of purchases from third parties;
 - (b) stores, requisitions and payroll records for own materials and labour including appropriate overheads; and
 - (c) lease agreements in respect of assets held under a finance lease and capitalised.
- 9.3.4 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 (where appropriate).
- 9.3.5 The Executive Director of Finance shall approve procedures for reconciling balances on property, plant and equipment and intangible asset accounts in ledgers against balances on the asset register.
- 9.3.6 Property assets shall be revalued periodically in accordance with accounting standards and the Foundation Trust Annual Reporting Manual issued by NHS Improvement.
- 9.3.7 The value of each asset excluding land shall be depreciated using methods and rates as specified in the Foundation Trust Annual Reporting Manual issued by NHS Improvement.
- 9.3.8 The Executive Director of Finance shall calculate and pay dividends on Public Dividend Capital as specified in the Foundation Trust Annual Reporting Manual issued by NHS Improvement.

9.4 **Security of Assets**

- 9.4.1 The overall control of property, plant and equipment and intangible assets is the responsibility of the Chief Executive.
- 9.4.2 Asset control procedures (including property, plant and equipment, intangible assets, cash, cheques and negotiable instruments, and also including donated assets) must be approved by the Executive Director of Finance. 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.
- 9.4.3 All discrepancies revealed by verification of physical assets to the asset register shall be notified to the Executive Director of Finance .
- 9.4.4 Whilst each employee has a responsibility for the security of property of the Trust, it is the responsibility of the Board of Directors and senior employees in all disciplines to apply such appropriate routine security practices in relation to NHS Foundation Trust property as may be determined by the Board of Directors. Any breach of agreed security practices must be reported in accordance with instructions.
- 9.4.5 Any damage to the Trust's premises, vehicles and equipment, or any loss of equipment, stores or supplies must be reported by directors and employees in accordance with the procedure for reporting losses. Inventories will be maintained, and appropriate receipts obtained, for:
- (a) expensive equipment loaned to patients; and
 - (b) equipment loaned out with the Trust.
- 9.4.6 In the event of the permanent closure, in whole or in part, of any hospital or clinic or other premises, or of a temporary closure likely to extend over a period of three months, the appropriate registers will be checked by the responsible officer in the manner prescribed and a certified list of equipment indicating the manner of disposal of the equipment, if appropriate, submitted to the Executive Director of Finance.

The Chief Executive should ensure that satisfactory insurance arrangements are made to protect the assets of the Trust, taking account of the advice of the Executive Director of Finance.

- 9.4.7 Where practical, assets should be marked as Trust property.

10 NON-PAY EXPENDITURE

10.1 Delegation of Authority

10.1.1 As part of the approval of annual budgets, the Board of Directors will approve the level of non-pay expenditure and the Chief Executive will determine the level of delegation to budget managers as part of the budget management framework.

10.1.2 The Chief Executive, supported by the Executive Director of Finance 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.

10.1.3 The Chief Executive, supported by the Executive Director of Finance shall set out procedures on the seeking of professional advice regarding the supply of goods and services.

10.2 CHOICE, Requisitioning, Ordering, Receipt and Payment for Goods and Services.

10.2.1 The requisitioner, in choosing the item to be supplied (or the service to be performed) shall always obtain the best value for money for the Trust. In so doing, the advice of the Procurement department (provided under contract by City Hospitals Independent Commercial Enterprises Limited (CHOICE)) shall be sought. Goods or Services may be procured under a Facilities Management arrangement. In this circumstance the requisitioner will make the requisition out as normal however, the goods or services may be procured via CHOICE. Where procurement advice is not acceptable to the requisitioner, the Executive Director of Finance (and/or the Chief Executive) shall be consulted.

10.2.2 The Executive Director of Finance shall be responsible for the prompt payment of accounts and claims. Payment of contract invoices shall be in accordance with contract terms, or otherwise, in accordance with national guidance.

10.2.3 The Executive Director of Finance will:

- (a) advise the Board regarding the setting of thresholds above which quotations (competitive or otherwise) or formal tenders must be obtained; and, once approved, the thresholds should be incorporated in standing orders and regularly reviewed;

- (b) prepare procedural instructions (where not already provided in the Scheme of Delegation or procedure notes for budget holders) on the obtaining of goods, works and services incorporating the thresholds;
- (c) be responsible for the prompt payment of all properly authorised accounts and claims;
- (d) be responsible for designing and maintaining a system of verification, recording and payment of all amounts payable. The system shall provide for:
 - (i) A list of directors/employees (including specimens of their signatures) authorised to certify invoices.
 - (ii) Certification that:
 - * goods have been duly received, examined and are in accordance with specification and the prices are correct;
 - * work done or services rendered have been satisfactorily carried out in accordance with the order, and, where applicable, the materials used are of the requisite standard and the charges are correct;
 - * in the case of contracts based on the measurement of time, materials or expenses, the time charged is in accordance with the time sheets, the rates of labour are in accordance with the appropriate rates, the materials have been checked as regards quantity, quality, and price and the charges for the use of vehicles, plant and machinery have been examined;
 - * where appropriate, the expenditure is in accordance with regulations and all necessary authorisations have been obtained;
 - * the account is arithmetically correct;
 - * the account is in order for payment;
 - * the account has not previously been paid.
 - (iii) A timetable and system for submission to the Executive Director of Finance of accounts for payment; provision shall be made for the early submission of accounts subject to cash discounts (where providing good value for money) or otherwise requiring early payment.
 - (iv) Instructions to employees regarding the handling and payment of accounts within the Finance Department.

- (e) be responsible for ensuring that payment for goods and services is only made once the goods and services are received, (except as below).

10.2.4 Prepayments are only permitted where exceptional circumstances apply. In such instances:

- (a) the appropriate Executive 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 Trust if the supplier is at some time during the course of the prepayment agreement unable to meet his/her commitments;
- (b) the Executive Director of Finance will need to be satisfied with the proposed arrangements before contractual arrangements proceed, taking into account relevant procurement rules and legislation where the contract is above a stipulated financial threshold; and
- (c) the budget holder is responsible for ensuring that all items due under a prepayment contract are received and he/she must immediately inform the appropriate Executive Director or Chief Executive if problems are encountered.

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

10.2.6 In the case of contracts for building or engineering works which require payment to be made on account during progress of the works, the Executive Director of Finance will make payment on receipt of a certificate from the appropriate technical consultant or officer. Without prejudice to the responsibility of any consultant or estates officer appointed to a particular contract, a contractor's account will be subjected to such financial examination by the Executive Director of Finance and such general examination by the appropriate Director as may be considered necessary, before the person responsible to the Trust for the contract issues the final certificate.

10.2.7 Before making payment of rendered accounts the Executive Director of Finance will, through his/her staff:

- (a) check that they have been duly certified;
- (b) test check that the accounts are arithmetically correct; and
- (c) make such other checks as he considers desirable.

10.2.8 The Executive Director of Finance or his/her nominated officer will certify on each Schedule of Payments that the duties placed upon him/her by these instructions have been properly discharged.

10.2.9 The Executive Director of Finance may make payments either by payable order or other instrument as permitted by the Trust's banking regulations.

10.2.10 Official Orders must:

- (a) be consecutively numbered;
- (b) be in a form approved by the Executive Director of Finance;
- (c) include information concerning prices and costs;
- (d) state the Trust's terms and conditions of trade; and
- (e) only be issued to, and used by, those duly authorised by the Chief Executive.

10.2.11 Order/requisition books will only be issued to officers so authorised by the Chief Executive. Alternatively electronic requisitions will be made available within the Trusts Financial System to those offices who have the appropriate authority. Orders and requisitions will be signed/approved only by officers so authorised by the Chief Executive. Lists of authorised officers will be maintained and a copy of each list will be supplied to the Executive Director of Finance and Head of Procurement. To ensure segregation of duties the person raising the requisition must be different to the authoriser.

10.2.12 Duties of Managers and Officers; Managers must ensure that they comply fully with the guidance and limits specified by the Executive Director of Finance and that:

- (a) all contracts (other than for a simple purchase permitted within the Scheme of Delegation or delegated budget), leases, tenancy agreements and other commitments which may result in a liability are notified to the Executive Director of Finance in advance of any commitment being made;
- (b) contracts above specified thresholds are advertised and awarded in accordance with current rules and legislation on public procurement;
- (c) where consultancy advice is being obtained, the procurement of such advice must be in accordance with guidance issued by NHS Improvement.
- (d) no order shall be issued for any item or items to any firm which has made an offer of gifts, reward or benefit to directors or employees, other than:

- (i) isolated gifts of a trivial character or inexpensive seasonal gifts, such as calendars; and
- (iii) conventional hospitality, such as lunches in the course of working visits.

Officers receiving such offers shall notify their senior officers as soon as practicable; details of hospitality received shall be entered in a register maintained by the Company Secretary / Head of Corporate Governance. Visits at suppliers expense to inspect equipment, etc., must not be undertaken without prior approval of the Chief Executive.

- (e) no requisition/order is placed for any item or items for which there is no budget provision unless authorised by the Executive Director of Finance on behalf of the Chief Executive;
- (f) all goods, services, or works are ordered on an official order except works and services executed in accordance with a contract and purchases from petty cash;
- (g) verbal orders must only be issued very exceptionally - by an employee designated by the Chief Executive and only in cases of emergency or urgent necessity. These must be confirmed by an official order and clearly marked "Confirmation Order";
- (h) orders are not split or otherwise placed in a manner devised so as to avoid the financial thresholds;
- (i) goods are not taken on trial or loan in circumstances that could commit the Trust to a future uncompetitive purchase;
- (j) changes to the list of directors/employees authorised to certify requisitions, orders or invoices are notified to the Executive Director of Finance;
- (k) no person or organisation are provided with, other than for official use, goods of any description from the Trust, either free or on payment, except in such circumstances that the transaction forms part of a normal trading activity of the Trust or else part of an approved system of disposal.
- (l) claims from contractors in respect of matters not clearly within the terms of an existing contract will be referred to the Executive Director of Finance for consideration as to the legal liability and for financial assessment before any settlement of the claim is reached.
- (m) Any purchase made direct with the supplier i.e. not on a purchase order, without procurement intervention, will be at the employees risk.

If ultimately the purchase proves to be unfit for purpose then the employee may be liable for any costs.

10.3 Petty Cash

10.3.1 Purchases from petty cash are restricted in value and by type of purchase in accordance with instructions issued by the Executive Director of Finance.

10.3.2 All reimbursements must be supported by receipts and certified by an authorised signatory.

10.3.3 Petty cash records are maintained in a form as determined by the Executive Director of Finance.

10.4 Building and Engineering Transactions

10.4.1 The Executive Director of Finance 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 the Department of Health Capital Investment Manual and NHS Estatecode. The technical audit of these contracts shall be the responsibility of the relevant Executive Director. Some of these contracts may form part of a Managed Facilities service.

10.4.2 The Executive Director of Finance will, where appropriate, maintain a register showing all payments made against each contract.

10.5 Bankruptcies, Liquidations and Receiverships

10.5.1 The Executive Director of Finance should make every effort to appraise himself/herself, at the earliest point possible, of the bankruptcy, liquidation or receivership of any supplier.

10.5.2 When a bankruptcy, liquidation or receivership is discovered, all payments should be ceased pending confirmation of the bankruptcy, etc. As a matter of urgency, a statement must be prepared listing the amounts due to and from the Trust.

10.5.3 The Executive Director of Finance must ensure that any payments due by the Trust are made to the correct person.

10.5.4 The Executive Director of Finance must ensure that any claim by the Trust is properly lodged with the correct party and without delay.

10.5.5 If the Trust has a contract with a person or body which is bankrupt, etc., it normally has the right to summarily terminate the contract. However, there are ramifications arising from this and, in any case, it will probably be prudent to take legal advice.

10.6 **Tendering and Contracting Procedure**

10.6.1 **Duty to comply with Standing Financial Instructions** - The procedure for making all contracts by or on behalf of the Trust shall comply with Standing Orders and these Standing Financial Instructions. Further detail is provided in the Scheme of Delegation.

10.6.2 **EU Directives Governing Public Procurement** - Directives by the Council of the European Union promulgated by the Department of Health (DH) prescribing procedures for awarding all forms of contracts shall have effect as if incorporated in Standing Orders and Standing Financial Instructions.

10.6.3 **Reverse eAuctions** -The Trust should have policies and procedures in place for the control of all tendering activity carried out through Reverse eAuctions.

10.6.4 **Department of Health Guidance** – In the case of management consultancy contracts the Trust shall comply as far as is practicable with Department of Health guidance "The Procurement and Management of Consultants within the NHS".

10.6.5 **Formal Competitive Tendering**

10.6.6 The Trust shall ensure that competitive tenders are invited for transactions at a cost of £75,000 or above (excluding VAT) and in respect of:-

- the supply of goods, materials and manufactured articles
- the tendering of services including all forms of management consultancy services (other than specialised services sought from or provided by the DH); and
- for the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens); and for disposals.

The detailed procedures provided in Annex 1 must be followed where competitive tendering is required.

10.6.7 **Exceptions and instances where formal quotation, tendering and contract procedures need not be applied or may be waived.**

Formal quotation, tendering and contract procedures **need not be applied** where:-

- (a) the estimated expenditure or income does not, or is not reasonably expected to, exceed £10,000, ; or
- (b) where the supply is proposed under special arrangements negotiated by the DH in which event the said special arrangements must be complied with; or
- (c) regarding disposals as set out in SFI 12

Formal quotation, tendering and contract procedures **may be waived** by officers to whom powers have been delegated by the Chief Executive without reference to the Chief Executive (except in (c) to (f) below) where:

- (a) in very exceptional circumstances, in the opinion of the Chief Executive and the Executive Director of Finance, the estimated expenditure or income would not warrant formal quotation, tendering and contract procedures, or competition would not be practicable taking into account all of the circumstances and the circumstances are detailed in an appropriate Trust record;
- (b) the requirement is covered by an existing contract;
- (c) NHS Supply Chain (NHSSC)/ Government Purchasing Agency agreements are in place and have been approved by the Board of Directors
- (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) the time scale genuinely precludes competitive tendering. Failure to plan the work properly is not a justification for single tender;
- (f) specialist expertise is required and is available from only one source;
- (g) 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; or
- (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 service providing that any legal firm or partnership commissioned by the Trust is regulated by the Law Society for England and Wales for the conduct of their business and are generally recognised as having sufficient expertise in the area of work for which they are commissioned.

The Executive Director of Finance will ensure any fees paid are reasonable and within the commonly accepted rates for the costing of such work.

- 10.6.8 Competitive Tendering cannot be waived for building and engineering construction works and maintenance (other than in accordance with the Department of Health Capital Investment Manual).
- 10.6.9 The limited application of the single tender rules 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.
- 10.6.10 Where it is decided that competitive tendering is not applicable and should be waived by virtue of (a) to (h) above the fact of the waiver and the reasons should be documented and recorded in an appropriate Trust record and reported to the Audit Committee.
- 10.6.11 Except where SFI 10.6.6, or a requirement under SFI 10.6.2, applies, the Board of Directors shall ensure that invitations to tender are sent to a sufficient number of firms/individuals to provide fair and adequate competition as appropriate, and in no case less than the requirements within the Scheme of Delegation, having regard to their capacity to supply the goods or materials or to undertake the services or works required.
- 10.6.12 The Board of Directors shall ensure that normally the firms/individuals invited to tender (and where appropriate, quote) are among those on approved lists (see Annex 1). Where in the opinion of the Executive Director of Finance it is desirable to seek tenders from firms not on the approved lists, the reason shall be recorded in writing to the Chief Executive.

10.7 **Quotations**

- 10.7.1 Quotations are required where formal tendering procedures are not adopted and where the intended expenditure or income exceeds, or is reasonably expected to exceed £5,000 but not exceed £74,999

10.7.2 **Competitive Quotations**

- 10.7.3 The number and form of quotations is documented within the Scheme of Delegation.
- 10.7.4 Quotations over £2,500 should be in writing unless the Executive Director of Finance or nominated officer determines that it is impractical to do so in which case quotations may be obtained by telephone. Confirmation of telephone quotation should be obtained as soon as possible and the reasons why the telephone quotation was obtained should be set out in a permanent record.

10.7.5 All quotations should be treated as confidential and should be retained for inspection.

10.7.6 The Head of Procurement, Finance and Clinical Business Managers where appropriate should evaluate the quotations and select the one which gives the best value for money. If this is not the lowest then this fact and the reasons why the lowest quotation was not chosen should be in a permanent record. The Head of Estates or the Head of Capital projects should carry out the evaluation for Building and Engineering and the Chief Pharmacist should carry out the evaluation for Pharmacy where the ordering process is outside of the Oracle Financial System. Where services are provided under a fully managed service contract; this review will be undertaken by the service provider.

10.7.7 **Non Competitive Quotations**

10.7.8 Non-competitive quotations in writing may be obtained for the following purposes:

- (a) the supply of goods/services of a special character for which it is not, in the opinion of the nominated officer, possible or desirable to obtain competitive quotations;
- (b) the goods/services are required urgently and are not obtainable under existing contracts

Non-competitive quotations must be reported to the Audit Committee.

10.7.9 **Where tendering or competitive quotation is not required** - The Trust shall use NHS Supply Chain for procurement of all goods and services unless the Chief Executive or nominated officers deem it inappropriate. The decision to use alternative sources must be documented.

10.7.10 The Chief Executive shall be responsible for ensuring that best value for money can be demonstrated for all services provided under contract or in-house. The Board of Directors may also determine from time to time that in-house services should be market tested by competitive tendering.

10.8 **Contracts**

10.8.1 The Trust may only enter into contracts within its statutory powers and shall comply with:

- (a) Standing Orders;
- (b) the Trust's SFIs;

- (c) EU Directives and other statutory provisions;
 - (d) any relevant Department of Health or NHS Improvement guidance;
 - (e) the NHS Standard Contract Conditions as are applicable.
- 10.8.2 Where appropriate contracts shall be in or embody the same terms and conditions of contract as was the basis on which tenders or quotations were invited.
- 10.8.3 In all contracts made by the Trust, the Board of Directors shall endeavour to obtain best value for money. The Chief Executive shall nominate an officer who shall oversee and manage each contract on behalf of the Trust.
- 10.8.4 **Personnel and Agency or Temporary Staff Contracts** - the Chief Executive shall nominate officers with delegated authority to enter into contracts for the employment of other officers, to authorise regrading of staff, and enter into contracts for the employment of agency staff or temporary staff.
- 10.8.5 **Healthcare Services Contracts** - made between two NHS organisations for example with primary care commissioners for the supply of healthcare services, will include dispute resolution procedures.
- 10.8.6 The Chief Executive shall nominate officers with power to negotiate legally binding contracts for the provision of healthcare services with purchasers of healthcare.
- 10.8.7 **Cancellation of Contracts** - except where specific provision is made in model Forms of Contracts or standard Schedules of Conditions approved for use within the National Health Service and in accordance with Standing Financial Instructions 10.6.2 and 10.6.3, there shall be inserted in every written contract a clause empowering the Trust to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation, if the contractor shall have offered, or given or agreed to give, any person any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to do any action in relation to the obtaining or execution of the contract or any other contract with the Trust, or for showing or forbearing to show favour or disfavour to any person in relation to the contracts or any other contract with the Trust, or if the like acts shall have been done by any person employed by him/her or acting on his/her behalf (whether with or without the knowledge of the contractor), or if in relation to any contract with the Trust the contractor or any person employed by him/her or acting on his/her behalf shall have committed any offence under the Prevention of Corruption Acts 1889 and 1916 and other appropriate legislation.
- 10.8.8 **Determination of Contracts for Failure to Deliver Goods or Material** - there shall be inserted in every written contract for the supply of goods or materials a clause to secure that, should the contractor fail to deliver the

goods or materials or any portion thereof within the time or times specified in the contract, the Trust may without prejudice determine the contract either wholly or to the extent of such default and purchase other goods, or material of similar description to make good (a) such default, or (b) in the event of the contract being wholly determined the goods or materials remaining to be delivered. The clause shall further secure that the amount by which the cost of so purchasing other goods or materials exceeds the amount which would have been payable to the contractor in respect of the goods or materials shall be recoverable from the contractor.

10.8.9 Contracts Involving Funds Held on Trust - shall do so individually to a specific named fund. Such contracts involving charitable funds shall comply with the requirements of the Charities Acts.

10.8.10 In-House Services

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

10.8.10.2 Where appropriate the Board of Directors will determine whether in-house services should be subject to competitive tendering the following groups shall be set up:

- (a) Specification group, comprising the Chief Executive or nominated officer/s and specialist.
- (b) In-house tender group, comprising a nominee of the Chief Executive and technical support.
- (c) Evaluation team, comprising normally a specialist officer, a supplies officer and a representative of the Executive Director of Finance. For services having a likely annual expenditure exceeding £500,000, a non-Executive Director should be a member of the evaluation team.

10.8.10.3 All groups should work independently of each other and individual officers may be a member of more than one group but no member of the in-house tender group may participate in the evaluation of tenders.

10.8.10.4 The evaluation team shall make recommendations to the Board.

10.8.10.5 The Chief Executive shall nominate an officer to oversee and manage the contract on behalf of the Trust.

11 STORES AND RECEIPT OF GOODS

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

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

11.2 Control of Stores, Stocktaking, Condemnations and Disposals

11.2.1 Subject to the responsibility of the Executive Director of Finance for the systems of control, overall responsibility for the control of stores shall be delegated to a nominated Officer by the Chief Executive. The day-to-day responsibility may be delegated by him/her to departmental employees and stores managers/keepers, subject to such delegation being entered in a record available to the Executive Director of Finance. The control of Pharmaceutical stocks shall be the responsibility of a designated Pharmaceutical Officer; the control of estate stores, fuel oil and coal will be the responsibility of the relevant Executive Director.

11.2.2 The responsibility for security arrangements and the custody of keys for all stores and locations shall be clearly defined in writing by the nominated Officer and agreed in writing by the Executive Director of Finance. Wherever practicable, stocks should be marked as health service property.

11.2.3 The Executive Director of Finance shall set out procedures and systems to regulate the stores including records for receipt of goods, issues, and returns to stores and losses of stock.

11.2.4 Stocktaking arrangements shall be agreed with the Executive Director of Finance and there shall be a physical check covering all items in store at least once a year at which a representative of the Executive Director of Finance may be present. The record will be signed by the officers undertaking the check. Any surplus or deficiencies revealed will be promptly reported to the Executive Director of Finance who may investigate as necessary.

11.2.5 Materials management operates on wards and in Theatres and stock levels are checked on a regular basis for these areas in accordance with a programme agreed with the Ward/Theatre Manager.

11.2.6 Where a complete system of stores control is not justified, alternative arrangements shall require the approval of the Executive Director of Finance.

11.2.7 The designated Officer shall be responsible for a system approved by the Executive Director of Finance 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 Executive Director of Finance any evidence of significant overstocking and of any negligence or malpractice (*see also SFI 12, 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.

- 11.2.8 All goods received will be checked as regards quantity and/or weight and inspected as to quality and specification. A delivery note will be obtained from the supplier at the time of delivery and will be signed by the person receiving the goods. Instructions will be issued to staff covering the procedure to be adopted in those cases where a delivery note is not available. Particulars of all goods received will be entered on a goods received record on the day of receipt and if goods received are unsatisfactory the goods received record will be marked accordingly.
- 11.2.9 For goods supplied via the NHS Supply Chain central warehouses, the Chief Executive shall identify those authorised to requisition and accept goods from the store. The authorised person shall check receipt against the delivery note before forwarding this to the Executive Director of Finance who shall satisfy him/herself that the goods have been received before accepting the recharge.

12 DISPOSALS AND CONDEMNATIONS, LOSSES AND SPECIAL PAYMENTS

12.1 Disposals and Condemnations

12.1.1 The Executive Director of Finance must prepare detailed procedures for the disposal of assets, including condemnations, and ensure that these are notified to managers.

12.1.2 When it is decided to dispose of a Trust asset, the head of department or authorised deputy will determine and advise the Executive Director of Finance of the estimated market value of the item, taking account of professional advice where appropriate. The Executive Director of Finance shall ensure that the arrangements for the sale of disposable assets maximise the income to the Trust.

12.1.3 All unserviceable articles shall be:

- (a) condemned or otherwise disposed of by an employee authorised for that purpose by the Executive Director of Finance; and
- (b) recorded by the Condemning Officer in a form approved by the Executive Director of Finance 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 Executive Director of Finance.

12.1.4 The Condemning Officer shall satisfy himself/herself as to whether or not there is evidence of negligence in use and shall report any such evidence to the Executive Director of Finance, who will take the appropriate action.

12.2 Losses and Special Payments

12.2.1 The Executive Director of Finance must prepare procedural instructions on the recording of and accounting for condemnations, losses and special payments.

12.2.2 Any employee discovering or suspecting a loss of any kind must either immediately inform his/her head of department, who must immediately inform the Chief Executive and the Executive Director of Finance or inform an officer charged with responsibility for responding to concerns involving loss confidentially. This officer will then appropriately inform the Executive Director of Finance and/or Chief Executive. Where a criminal offence is suspected, the Executive Director of Finance must immediately inform the police if theft or arson is involved. In cases of fraud and corruption or of anomalies that may indicate fraud or corruption, the Executive Director of Finance must inform the relevant LCFS and NHS Protect.

- 12.2.3 The Executive Director of Finance must notify the Local Counter Fraud Service and both the Internal and External Auditor of all frauds.
- 12.2.4 For losses apparently caused by theft, arson, neglect of duty or gross carelessness, except if trivial and where fraud is not suspected, the Executive Director of Finance must immediately notify:
- (a) the Board, and
 - (b) the External Auditor, and
 - (c) the Head of Internal Audit
- 12.2.5 The Board of Directors shall approve the writing-off of losses. The delegated limits for approval of all losses and special payments are set out in the Scheme of Delegation. Authorising officers must undertake fuller reviews of systems to reduce the risk of similar losses occurring in the future and seek advice where they believe a particular case raises issues of principle.
- 12.2.6 The Executive Director of Finance shall be authorised to take any necessary steps to safeguard the Trust's interests in bankruptcies, company liquidations and receiverships. When a bankruptcy, liquidation or receivership is discovered, all payments should cease pending confirmation of the bankruptcy etc. As a matter of urgency, a statement must be prepared listing the amounts due to and from the Trust
- 12.2.7 For any loss, the Executive Director of Finance should consider whether any insurance claim can be made.
- 12.2.8 The Executive Director of Finance shall maintain a Losses and Special Payments Register in which write-off action is recorded. All losses and special payments must be reported to the Audit Committee at each meeting.
- 12.2.9 No special payment exceeding delegated limits shall be made without the prior approval of the Board of Directors.
- 12.2.10 HM Treasury must be consulted on any proposal to make a special payment which is novel, contentious or repercussive, whether or not the payment falls within delegated limits, in accordance with guidance in Managing Public Money (annex 4.13). No such payments must be made without formal approval by HM Treasury.

13 COMPUTERISED FINANCIAL SYSTEMS

- 13.1 The Executive Director of Finance, who is responsible for the accuracy and security of the computerised financial data of the Trust, shall:
- (a) devise and implement any necessary procedures to ensure adequate protection of the Trust's data, programs and computer hardware for which he/she is responsible from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the General Data Protection Act 2018;
 - (b) ensure that adequate (reasonable) controls exist over data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;
 - (c) ensure that adequate controls exist such that the computer operation is separated from development, maintenance and amendment; and
 - (d) ensure that an adequate management (audit) trail exists through the computerised system and that such computer audit reviews as he/she may consider necessary are being carried out.
- 13.2 The Executive Director of Finance shall satisfy him/herself that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by another organisation, assurances of adequacy will be obtained from them prior to implementation.
- 13.3 In the case of computer systems which are proposed General Applications (i.e. including those applications which the majority of NHS bodies in the locality/region wish to sponsor jointly) all responsible directors and employees will send to the Executive Director of Finance:
- (a) details of the outline design of the system; and
 - (b) in the case of packages acquired either from a commercial organisation, from the NHS, or from another public sector organisation, the operational requirement.
- 13.4 The Executive Director of Finance shall ensure that contracts for computer services for financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes.
- 13.5 Where another health organisation or any other agency provides a computer service for financial applications, the Executive Director of Finance shall periodically seek assurances that adequate controls are in operation.

- 13.6 Where computer systems have an impact on corporate financial systems the Executive Director of Finance shall satisfy him/herself that:
- (a) systems acquisition, development and maintenance are in line with corporate policies such as an Information Technology Strategy;
 - (b) data produced for use with financial systems is adequate, accurate, complete and timely, and that a management (audit) trail exists;
 - (c) finance staff have access to such data; and
 - (d) such computer audit reviews as are considered necessary are being carried out.
- 13.7 The Executive Director of Finance shall ensure that risks to the Trust arising from the use of IT are effectively identified and considered and appropriate action taken to mitigate or control risk. This shall include the preparation and testing of appropriate disaster recovery plans.
- 13.8 The Trust shall publish and maintain a Freedom of Information (FOI) Publication Scheme, or adopt a model Publication Scheme approved by the Information Commissioner.

14 PATIENT'S PROPERTY

- 14.1 The Trust has a responsibility to provide safe custody for money and other personal property (hereafter referred to as "property") handed in by patients, in the possession of unconscious or confused patients, or found in the possession of patients dying in hospital or dead on arrival.
- 14.2 The Chief Executive is responsible for ensuring that patients or their guardians, as appropriate, are informed before or at admission by:
- (a) notices and information booklets;
 - (b) hospital admission documentation and property records;
 - (c) the verbal advice of administrative and nursing staff responsible for admissions, and
 - (d) that the Trust will not accept responsibility or liability for patients' property brought into Health Service premises, unless it is handed in for safe custody and a copy of an official patients' property record is obtained as a receipt.
- 14.3 Staff should be informed, on appointment, by the appropriate departmental or senior manager of their responsibilities and duties for the administration of the property of patients.
- 14.4 The Executive Director of Finance must provide detailed written instructions on the collection, custody, investment, recording, safekeeping and disposal of patients' property (including instructions on the disposal of the property of deceased patients and of patients transferred to other premises) for all staff whose duty is to administer, in any way, the property of patients. Due care should be exercised in the management of a patient's money in order to maximise the benefits to the patient.
- 14.5 Where Department of Health instructions require the opening of separate accounts for patients' monies, these shall be opened and operated under arrangements agreed by the Executive Director of Finance.
- 14.6 On the death of a patient, any property held by the Trust will be administered in accordance with the specific Financial Procedure Notes.
- 14.7 In all cases where property of a deceased patient is of a total value in excess of £5,000 (or such other amount as may be prescribed by any amendment to the Administration of Estates, Small Payments, Act 1965), the production of Probate or Letters of Administration shall be required before any of the property is released. Where the total value of property is £5,000 or less, forms of indemnity shall be obtained.

- 14.8 Where a patient, dying intestate and without lawful kin, leaves property in the hands of the Trust, the Executive Director of Finance will report the facts to the Treasury Solicitor. Where the net estate, after payment of all known liabilities and collection of all known assets, amounts to £250 or less, the money can be retained as a contribution towards expenses. The Trust will not accept responsibility for any assets in the hands of any other person or organisation.
- 14.9 The burial or cremation of deceased patients for whom no other arrangements are possible will be undertaken by the Trust and the cost thereof recovered as a first charge against the patient's property, if any.
- 14.10 Where patient's property or income is received for specific purposes and held for safekeeping the property or income shall be used only for that purpose, unless any variation is approved by the donor or patient in writing.

15 CHARITABLE FUNDS

15.1 Introduction

- 15.1.1 The Trust is responsible as a corporate trustee for the management of funds it holds on trust. For charitable funds, the Trust must comply with the latest guidance from the Charities Commission and best practice.
- 15.1.2 The discharge of the Trust's corporate trustee responsibilities are distinct from its responsibilities for exchequer funds and may not necessarily be discharged in the same manner, but there must still be adherence to the overriding general principles of financial regularity, prudence and propriety. Trustee responsibilities cover both charitable and non-charitable purposes. The trustee responsibilities must be discharged separately and full recognition given to the Trust's dual accountabilities to the Charity Commission for charitable funds held on trust and to the Secretary of State for all funds held on trust.
- 15.1.3 The Schedule of Matters Reserved to the Board and the Scheme of Delegation make clear where decisions regarding the exercise of discretion regarding the disposal and use of the funds are to be taken and by whom. All members of the Board of Directors and Trust officers must take account of that guidance before taking action.
- 15.1.4 As management processes overlap most of the sections of these SFIs will apply to the management of funds held on trust. This section covers those instructions which are specific to the management of funds held on trust.
- 15.1.5 The over-riding principle is that the integrity of each trust must be maintained and statutory and trust obligations met. Materiality must be assessed separately from Exchequer activities and funds.
- 15.1.6 Within this section of Standing Financial Instructions "charitable funds" are those gifts, donations, legacies and endowments made under the relevant charities legislation and held on trust for purposes relating to the National Health Service, the objects of which are for the benefit of the National Health Service in England. They are administered by the Board of Directors acting as trustees.
- 15.1.7 Individual funds are held within one "umbrella registration" with the Charities' Commission. Executive Director of Finance will ensure that each individual fund is managed appropriately with regard to its purpose and to its requirements.
- 15.1.8 The Board of Directors hereby nominates the Executive Director of Finance to have primary responsibility to the Board for ensuring that these SFIs are applied.
- 15.1.9 The Executive Director of Finance will seek legal advice when necessary from the Trust's Legal Adviser.

15.2 Existing Charitable Funds

- 15.2.1 The Executive Director of Finance will arrange for the administration of all existing endowment funds. He/she will ensure that detailed codes of procedures covering every aspect of the financial management of funds held on trust are produced, for the guidance of directors and employees. Such guidelines will identify the restricted nature of certain funds.
- 15.2.2 The Executive Director of Finance will periodically review the funds in existence and will make recommendations to the Board of Directors regarding the potential for rationalisation of such funds within statutory guidelines.
- 15.2.3 The Executive Director of Finance may recommend an increase in the number of funds where this is consistent with the Trust's policy for ensuring the safe and appropriate management of restricted funds, e.g. designation for specific wards or departments.

15.3 New Charitable Funds

- 15.3.1 The Executive Director of Finance will arrange for the creation of a new endowment fund where funds and/or other assets, received in accordance with the Trust's policies, cannot adequately be managed as part of an existing endowment fund.
- 15.3.2 A pro-forma will be completed which will clearly identify the name of the fund, its specific charitable purpose, and the names and sample signatures of those authorised to commit expenditure up to £500 as determined in the scheme of delegation.

15.4 Sources of New Funds

- 15.4.1 In respect of **Donations**, the Executive Director of Finance will:
- (a) provide guidelines to officers of the Trust as to how to proceed when offered funds. These to include:
 - (i) the identification of the donors intentions;
 - (ii) where possible, the avoidance of new funds;
 - (iii) the avoidance of impossible, undesirable or administratively difficult objects;
 - (iv) sources of immediate further advice; and
 - (v) treatment of offers for personal gifts; and
 - (b) provide secure and appropriate receipting arrangements which will indicate that funds have been accepted directly into the Trust's

endowment funds and that the donor's intentions have been noted and accepted.

15.4.2 In respect of **Legacies and Bequests**, the Executive Director of Finance will:

- (a) provide guidelines to officers of the Trust covering any approach regarding:
 - (i) the wording of wills; and
 - (ii) the receipt of funds/other assets from executors;
- (b) where necessary, obtain grant of probate, or make application for grant of letters of administration, where the Trust is the beneficiary;
- (c) be empowered, on behalf of the Trust, to negotiate arrangements regarding the administration of a will with executors and to discharge them from their duty; and
- (d) be directly responsible, in conjunction with the Legal Adviser, for the appropriate treatment of all legacies and bequests.

15.4.3 In respect of **Fundraising**, the Executive Director of Finance will:

- (a) after consultation with the Legal Adviser, deal with all arrangements for fund-raising by and/or on behalf of the Trust and ensure compliance with all statutes and regulations;
- (b) be empowered to liaise with other organisations/persons raising funds for the Trust and provide them with an adequate discharge. The Executive Director of Finance will be the only officer empowered to give approval for such fund-raising subject to the overriding direction of the Board of Directors;
- (c) be responsible, along with the Legal Adviser, for alerting the Board to any irregularities regarding the use of the Trust's name or its registration numbers; and
- (d) be responsible, after due consultation with the Legal Adviser, for the appropriate treatment of all funds received from this source.

15.4.4 All fundraising activities by employees of the Trust, for the benefit of this Trust or undertaken in time at work, must be approved by the Chief Executive.

15.4.5 In respect of **Trading Income**, the Executive Director of Finance will:

- (a) be primarily responsible, along with the Legal Adviser and other designated officers, for any trading undertaken by the Trust as corporate trustee; and

- (b) be primarily responsible, along with the Legal Adviser, for the appropriate treatment of all funds received from this source.

15.4.6 In respect of **Investment Income**, the Executive Director of Finance will be responsible for the appropriate treatment of all dividends, interest and other receipts from this source (see below).

15.4.7 Where any gift to the Trust could entail either body in incurring consequential capital or revenue expenditure the Chief Executive and the Executive Director of Finance must be informed and their approval obtained before the gift is accepted.

15.5 **Investment Management**

15.5.1 The Executive Director of Finance will be responsible for all aspects of the management of the investment of endowment funds held on trust. The issues on which he will be required to provide advice to the Board will include:-

- (a) in conjunction with the Legal Adviser, the formulation of investment policy within the powers of the Trust under statute and within governing instruments to meet its requirements with regard to income generation and the enhancement of capital value;
- (b) the appointment of advisers, brokers, and, where appropriate, fund managers and:
 - (i) the Executive Director of Finance will agree, in conjunction with the Legal Adviser, the terms of such appointments; and for which
 - (ii) written agreements will be signed by the Chief Executive;
- (c) pooling of investment resources and the preparation of a submission to the Charity Commission for them to make a scheme;
- (d) the participation by the Trust in common investment funds and the agreement of terms of entry and withdrawal from such funds;
- (e) that the use of endowment fund assets will be appropriately authorised in writing and charges raised within policy guidelines;
- (f) the review of the performance of brokers and fund managers; and
- (g) the reporting of investment performance.

15.6 Use of Endowment Funds

15.6.1 Expenditure out of endowment funds will be managed by the Executive Director of Finance in conjunction with the Charitable Funds committee and the Board of Directors. In so doing he/she will be aware of the following:

- (a) the objects of the various funds and the designated objectives;
- (b) the availability of liquid funds within each endowment fund;
- (c) the powers of delegation available to commit resources;
- (d) the avoidance of the use of exchequer funds to discharge endowment fund liabilities (except where administratively unavoidable), and to ensure that any indebtedness to the Exchequer will be discharged by endowment funds at the earliest possible time;
- (e) that funds are to be spent rather than preserved, subject to the wishes of the donor and the needs of the Trust; and
- (f) the definitions of "charitable purposes" as agreed by the Department of Health with the Charity Commission.

15.7 Banking Services

15.7.1 The Executive Director of Finance will advise the Board of Directors and, with its approval, will ensure that appropriate banking services are available to the Trust as corporate trustee. These bank accounts should permit the separate identification of liquid funds to each endowment fund where this is deemed necessary by the Charity Commission.

15.8 Asset Management

15.8.1 Assets in the ownership of or used by the Trust as corporate trustee, will be maintained along with the general estate and inventory of assets of the Trust. The Executive Director of Finance will ensure:

- (a) in conjunction with the Legal Adviser, that appropriate records of all assets owned by the Trust as corporate trustee are maintained, and that all assets, at agreed valuations, are brought to account;
- (b) that appropriate measures are taken to protect and/or to replace assets. These to include decisions regarding insurance, inventory control and the reporting of losses;
- (c) that donated assets received on trust rather than into the ownership of the Foundation Trust will be accounted for appropriately; and

- (d) that all assets acquired from funds held on trust which are intended to be retained within the endowment funds are appropriately accounted for, and that all other assets so acquired are brought to account in the name of the Foundation Trust.

15.9 Reporting

- 15.9.1 The Executive Director of Finance will ensure that regular reports are made to the Charitable Funds committee with regard to, inter alia, the receipt of funds, investments, and the disposition of resources.
- 15.9.2 The Executive Director of Finance will prepare annual accounts in the required manner which will be submitted to the Charitable Funds committee within agreed timescales.
- 15.9.3 The Executive Director of Finance will prepare an annual trustees' report (separate reports for charitable and non-charitable trusts) and the required returns to the Charity Commission for adoption by the Board.

15.10 Accounting and Audit

- 15.10.1 The Executive Director of Finance will maintain all financial records to enable the production of reports as above and to the satisfaction of internal and external audit.
- 15.10.2 The Executive Director of Finance will ensure that the records, accounts and returns receive adequate scrutiny by internal audit during the year. He will liaise with external audit and provide them with all necessary information.
- 15.10.3 The Audit Committee will be responsible for determining whether a full audit or an independent examination should be carried out by external audit, subject to income being below the threshold to enable an independent examination to be permitted.
- 15.10.4 The Board of Directors will be advised by the Executive Director of Finance on the outcome of the annual audit or independent examination. The Chief Executive will submit the Management Letter to the Board.

15.11 Administration Costs

- 15.11.1 The Executive Director of Finance will identify all costs directly incurred in the administration of funds and, in agreement with the Board, will charge such costs to the appropriate endowment accounts.

15.12 Taxation and Excise Duty

15.12.1 The Executive Director of Finance will ensure that this Body's liability to taxation and excise duty is managed appropriately, taking full advantage of available concessions, through the maintenance of appropriate records, the preparation and submission of the required returns and the recovery of deductions at source.

16 ACCEPTANCE OF GIFTS BY STAFF

- 16.1 The Executive Director of Finance shall ensure that all staff are made aware of the Trust policy on acceptance of gifts and other benefits in kind by staff.

17 RETENTION OF DOCUMENTS

- 17.1 The Chief Executive shall be responsible for maintaining archives for all documents required to be retained in accordance with Department of Health guidelines and relevant legislation.
- 17.2 The documents held in archives shall be capable of retrieval by authorised persons.
- 17.3 Documents held under latest Department of Health guidance shall only be destroyed at the express instigation of the Chief Executive, and records shall be maintained of documents so destroyed.
- 17.4 All the above shall be in compliance with the requirements of the Freedom of Information act and the Trust's policy for document management and retention.

18 RISK MANAGEMENT AND INSURANCE

- 18.1 The Chief Executive shall ensure that the Trust has a programme of risk management, in accordance with the terms of the NHS provider licence issued by NHS Improvement. This programme will be approved and monitored by the Board of Directors.
- 18.2 The programme of risk management shall include:
- (a) a process for identifying and quantifying principal risks and potential liabilities, existing controls and additional controls as identified in the corporate risk register;
 - (b) engendering among all levels of staff a positive attitude towards the control of risk as described in the Trust's Risk Management Strategy;
 - (c) management processes to ensure all significant risks and potential liabilities are addressed including effective systems of internal control, cost effective insurance cover and decisions on the acceptable level of retained risk;
 - (d) contingency plans to offset the impact of adverse events;
 - (e) review arrangements including; external audit, internal audit, clinical audit, health and safety review;
 - (f) arrangements to review the risk management programme.
- 18.3 The existence, integration and evaluation of the above elements will provide a basis to make a statement on the effectiveness of Internal Control within the Annual Report and Accounts as required by the guidance issued by NHS Improvement.
- 18.4 The Board of Directors shall review insurance arrangements for the Trust. The Executive Director of Finance shall ensure that documented procedures cover these arrangements.

19 CORPORATION TAX

- 19.1 The Executive Director of Finance shall ensure that policies and procedures are in place to review the Trust's liability to corporation tax in accordance with guidance issued by HM Revenue and Customs.

Annex 1. Detailed tendering procedures.

1. A. Invitation to tender – Paper based tenders

- (i) All invitations to tender shall state the date and time as being the latest time for the receipt of tenders.
- (ii) All invitations to tender shall state that no tender will be accepted unless:
 - (a) submitted in a plain sealed package or envelope bearing a pre-printed label supplied by the Trust (or the word "tender" followed by the subject to which it relates) and the latest date and time for the receipt of such tender addressed to the Chief Executive or nominated Manager;
 - (b) that tender envelopes/ packages shall not bear any names or marks indicating the sender. The use of courier/postal services must not identify the sender on the envelope or on any receipt so required by the deliverer.
- (iii) Every tender for goods, materials, services or disposals shall embody such of the NHS Standard Contract Conditions as are applicable unless other government body Contracts or Frameworks are being utilised.
- (iv) Every tender for building or engineering works shall embody or be in the terms of the current edition of one of the "Industry's" standard forms of Contract such as, but not exclusively, Joint Contracts Tribunal (JCT) or New Engineering Contract (NEC). These documents shall be modified and/or amplified to accord with Department of Health guidance and be appropriately selected on the basis of works content.

B. Invitation to tender electronically

- (i) All invitations to tender shall state the date and time as being the latest time for the receipt of tenders.
- (ii) The Contracts Manager will securely log into the Crown Commercial Services (CCS) e-sourcing suite and upload the tender specification along with the required information.
- (iii) Every tender for goods, materials, services or disposals shall embody such of the CCS Standard Contract Conditions as are applicable.

2. Receipt and safe custody of tenders

- (i) The Chief Executive or his/her nominated representative will be responsible for the receipt, endorsement and safe custody of tenders received until the time appointed for their opening.

- (ii) The date and time of receipt of each tender shall be endorsed on the tender envelope/package.
- (iii) In the event of an electronic tender being issued via the Crown Commercial Services e-sourcing suite, the Contracts Manager in Procurement will be notified by email once the closing date and time has elapsed and will be able to securely log in and view the tender responses.

3. Opening tenders and Register of tenders

- (i) As soon as practicable after the date and time stated as being the latest time for the receipt of tenders, they shall be opened by two senior officers/managers designated by the Chief Executive and not from the originating department.

Electronic responses are downloaded in a PDF format after the closing date and forwarded to the originator for the evaluation process to be completed with Procurement/Finance support.

The rules relating to the opening of tenders will need to be read in conjunction with any delegated authority set out in the Trust's Scheme of Delegation.

- (ii) The 'originating' Department will be taken to mean the Department sponsoring or commissioning the tender.
- (iii) The involvement of Finance Directorate staff in the preparation of a tender proposal will not preclude the Executive Director of Finance or any approved Senior Manager from the Finance Directorate from serving as one of the two senior managers to open tenders.
- (iv) All Executive Directors/members will be authorised to open tenders regardless of whether they are from the originating department provided that the other authorised person opening the tenders with them is not from the originating department.
- (v) Every tender received shall be marked with the date of opening and initialled by those present at the opening.
- (vi) A register shall be maintained by the Chief Executive, or a person duly authorised, to show for each set of competitive tender invitations dispatched:
 - the name of all firms individuals invited;
 - the names of firms individuals from which tenders have been received;
 - the date the tenders were opened;
 - the persons present at the opening;
 - the price shown on each tender;

- a note where price alterations have been made on the tender.

Each entry to this register shall be signed by those present.

A note shall be made in the register if any one tender price has had so many alterations that it cannot be readily read or understood.

- (vii) Incomplete tenders, i.e. those from which information necessary for the adjudication of the tender is missing, and amended tenders i.e., those amended by the tenderer upon his/her own initiative either orally or in writing after the due time for receipt, but prior to the opening of other tenders, should be dealt with in the same way as late tenders.

4. Admissibility

- i) If for any reason the designated officers are of the opinion that the tenders received are not strictly competitive (for example, because their numbers are insufficient or any are amended, incomplete or qualified) no contract shall be awarded without the approval of the Chief Executive.
- (ii) Where only one tender is sought and/or received, the Chief Executive and Director of Finance shall, as far practicable, ensure that the price to be paid is fair and reasonable and will ensure value for money for the Trust.

5. Late tenders

- (i) Tenders received after the due time and date, but prior to the opening of the other tenders, may be considered only if the Chief Executive or nominated officer decides that there are exceptional circumstances i.e. dispatched in good time but delayed through no fault of the tenderer.
- (ii) Only in the most exceptional circumstances will a tender be considered which is received after the opening of the other tenders and only then if the tenders that have been duly opened have not left the custody of the Chief Executive or his/her nominated officer or if the process of evaluation and adjudication has not started.
- (iii) While decisions as to the admissibility of late, incomplete or amended tenders are under consideration, the tender documents shall be kept strictly confidential, recorded, and held in safe custody by the Chief Executive or his/her nominated officer.

6. Acceptance of formal tenders

- (i) Any discussions with a tenderer which are deemed necessary to clarify technical aspects of his/her tender before the award of a contract will not disqualify the tender.
- (ii) The lowest tender, if payment is to be made by the Trust, or the highest, if payment is to be received by the Trust, shall be accepted unless there are good and sufficient reasons to the contrary. Such reasons shall be set out in either the contract file, or other appropriate record.

It is accepted that for professional services such as management consultancy, the lowest price does not always represent the best value for money. Other factors affecting the success of a project include:

- (a) experience and qualifications of team members;
- (b) understanding of client's needs;
- (c) feasibility and credibility of proposed approach;
- (d) ability to complete the project on time.

Where other factors are taken into account in selecting a tenderer, these must be clearly recorded and documented in the contract file, and the reason(s) for not accepting the lowest tender clearly stated.

- (iii) No tender shall be accepted which will commit expenditure in excess of that which has been allocated by the Trust and which is not in accordance with these Instructions except with the authorisation of the Chief Executive.
- (iv) The use of these procedures must demonstrate that the award of the contract was:
 - (a) not in excess of the going market rate / price current at the time the contract was awarded;
 - (b) that best value for money was achieved.
- (iv) All tenders should be treated as confidential and should be retained for inspection.
- (v) Where the number of tenders is less than the recommended minimum, the Chief Executive and./or Executive Director of Finance shall decide whether re-tendering is desirable.

7. Authorisation of Tenders and Competitive Quotations

Providing all the conditions and circumstances set out in these Standing Financial Instructions have been fully complied with, formal authorisation and awarding of a contract may be decided in line with the Scheme of Delegation.

Sign off will require any two from Divisional Director, Director of Operations, Executive Committee member up to their respective limits in the Scheme of Delegation. Where the two signatories are none financial, the relevant Divisional Finance Manager shall in addition, counter sign the order for Competitive Tendering Sub Committee. High value orders in line with the Scheme of Delegation will need to be signed off by the Board of Directors. Formal authorisation must be put in writing. In the case of authorisation by the Board of Directors this shall be recorded in their minutes.

8. Tender reports to the Trust Board

Reports to the Trust Board will be made on an exceptional circumstance basis only.

9. List of approved firms (see SFI 9.6.11)

(a) Responsibility for maintaining list

A manager nominated by the Chief Executive shall on behalf of the Trust maintain lists of approved firms from who tenders and quotations may be invited. These shall be kept under frequent review. This shall include all firms who have applied for permission to tender and as to whose technical and financial competence the Trust is satisfied. All suppliers must be made aware of the Trust's terms and conditions of contract.

(b) Building and Engineering Construction Works

(i) Invitations to tender shall be made only to firms included on the approved list of tenderers compiled in accordance with this Instruction or on the separate maintenance lists compiled in accordance with Estmancode guidance (Health Notice HN(78)147).

ii) Firms included on the approved list of tenderers shall ensure that when engaging, training, promoting or dismissing employees or in any conditions of employment, shall not discriminate against any person because of colour, race, ethnic or national origins, religion or sex, and will comply with the provisions of the Equal Pay Act 1970, the Sex Discrimination Act 1975, the Race Relations Act 1976, and the Disabled Persons (Employment) Act 1944 and any amending and/or related legislation.

- iii) Firms shall conform at least with the requirements of the Health and Safety at Work Act and any amending and/or other related legislation concerned with the health, safety and welfare of workers and other persons, and to any relevant British Standard Code of Practice issued by the British Standard Institution. Firms must provide to the appropriate manager a copy of its safety policy and evidence of the safety of plant and equipment, when requested.
- (c) Financial Standing and Technical Competence of Contractors

The Executive Director of Finance may make or institute any enquiries he deems appropriate concerning the financial standing and financial suitability of approved contractors. The Director with lead responsibility for clinical governance will similarly make such enquiries as is felt appropriate to be satisfied as to their technical / medical competence.

10. Exceptions to using approved contractors

If, in the opinion of the Chief Executive and the Executive Director of Finance or the Director with lead responsibility for clinical governance, it is impractical to use a potential contractor from the list of approved firms/individuals (for example where specialist services or skills are required and there are insufficient suitable potential contractors on the list), or where a list for whatever reason has not been prepared, the Chief Executive should ensure that appropriate checks are carried out as to the technical and financial capability of those firms that are invited to tender or quote.

An appropriate record in the contract file should be made of the reasons for inviting a tender or quote other than from an approved list.

STANDING FINANCIAL INSTRUCTIONS

This sheet should be used to record the names of staff members who have read and understood the above policy document.

Name (please print)	Job Title	Date	Signature

Policies and Procedures

SCHEME OF DELEGATION

Date Approved by Trust Board	Version	Issue Date	Review Date	Executive Lead	Information Asset Owner	Author
By Executive	1			Executive Director of Finance		Deputy Director of Finance
Procedure/Policy Number						
Procedure/Policy type		Finance & Corporate Governance				
Date Equality impact assessment completed:						
CQC Outcomes						

Document Number: FP0002.V1.2

Document Title: **Scheme of Delegation**

Executive Lead: Executive Director of Finance & Corporate Governance

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SECTION 1

1 Introduction

- 1.1 Under the NHS Foundation Trust Code of Governance issued by Monitor (subsequently adopted by NHS Improvement), there should be a formal schedule of matters specifically reserved for decision for the Board of Directors, complemented with a clear statement detailing the roles and responsibilities of the Council of Governors. A high level statement on which types of decisions are to be taken by each of the Boards and which decisions are to be delegated to management by the Board of Directors should be included in the Annual Report.
- 1.2 Collectively the Standing Financial Instructions, Scheme of Delegation and Trust policies and procedures cover all aspects of (financial) management and control and set out the business rules which directors and employees (including employees of third parties contracted to the Trust) must follow when taking action on behalf of the Board.

SECTION 2

2 Aim and Purpose

- 2.1 The purpose of the Scheme of Delegation document is to allow the Board of Directors to exercise financial supervision and control by delegating specific responsibilities for the performance of its functions to members of the Board of Directors and employees. The aim of this document is assist staff in identifying their delegated responsibilities.

SECTION 3

3 Duties and Responsibilities

- 3.1 The Trust's Standing Financial Instructions (SFIs) detail the financial responsibilities, policies and procedures to be adopted by the Trust and shall have effect as if incorporated in the Standing Orders (SOs) of the Trust. They are designed to ensure that the Trust's 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 Scheme of Delegation adopted by the Trust.
- 3.2 The Board of Directors is responsible for approving the Scheme of Delegation for use under normal circumstances. In certain situations the Board will issue temporary variations to part of or the entire scheme, which will supersede any relevant delegations either for a specified period, or until revoked by the Board.
- 3.3 The scheme will be subject to review and update every three years, and will be also reviewed in-year following major changes to any relevant guidance or legislation.

- 3.4 It is the responsibility of all managers to ensure that staff with financial responsibilities read and comply with the full Scheme of Delegation together with supporting documents such as Standing Orders, Standing Financial Instructions and Financial Procedure Notes. **Failure to comply with SFIs and SOs may lead to disciplinary action (including dismissal) and/or criminal action (including prosecution) under the relevant legislation. In some cases prosecution, disciplinary and civil action to recover any monies may be pursued concurrently.**
- 3.5 All delegated officers must ensure that they document arrangements to cover their delegations in circumstances where they are absent for more than 48 hours. The cover arrangements must be with another appropriate officer with either the same delegations or delegations at a higher level. When determining the appropriate officer due consideration should be given to the individual's ability and knowledge of the service being covered.
- 3.6 It should be emphasised that the financial delegations in themselves give no power to act. The power to act up to the limits prescribed derives from approved annual plans and budgets and, where applicable, authorised capital and revenue business cases. These financial authorities form part of the Trust's overall financial control framework as set out in the Standing Financial Instructions and other procedural guidance notes.

SECTION 4

4 Equality, Diversity and Human Rights Statement

- 4.1 The Trust is committed to promoting human rights and providing equality of opportunity; not only in our employment practices but also in the way we provide services. The Trust also values and respects the diversity of our employees and the communities we serve. In applying this policy, the Trust will have due regard for the need to:

Promote human rights
Eliminate unlawful discrimination
Promote equality of opportunity
Provide for good relations between people of diverse groups
Consider providing more favourable treatment for people with disabilities.

- 4.2 This policy aims to be accessible to everyone regardless of age, disability (physical, mental health or learning disability), gender (including transgender) race, sexual orientation, religion or belief or any other factor which may result in unfair treatment or inequalities in health or employment.

5 Scheme of Delegation

- 5.1 The tables that follow in Sections 6 to 16 outline the major delegations of authority which have been approved for operation within City Hospitals Sunderland NHS Foundation Trust. They are designed to facilitate devolved decision making and personal accountability.
- 5.2 All projects are bound by these schemes of delegation even where funded partly or wholly from charitable or third party funds. Approval for business cases, and subsequent approval to commit expenditure must be in strict accordance with the Scheme of Delegation.
- 5.3 **The delegation shown is the lowest level to which authority is delegated.** Delegation to lower levels is only permitted with written approval of the Chief Executive who will, before authorising such delegation, consult with other Senior Officers as appropriate. Written approval includes by email. All delegated responsibilities concerning Finance must be carried out in accordance with Standing Financial Instructions and Standing Orders.
- 5.4 Delegations may not exceed the limits set out in this framework but individual services may decide to restrict delegation further.
- 5.5 All values used in the Schemes of Delegation are total values and include VAT where this is not recoverable.
- 5.6 Due to variability of the services across the Trust it may be necessary to delegate some authority to employees below budget holder level. A separate schedule will be maintained by the Finance Department of named individuals who have been approved to carry out these tasks. Maintenance by the Finance Department will include updating for starters and leavers in accordance with the delegated limit assigned to the post. Changes to structures and cost centres will also be made as required. Changes to delegated limits are only permitted with written approval of the Chief Executive.
- 5.7 Due to the volume and value of transactions in clinical areas DGMs have additional delegations to other Heads of Services reporting directly to an Executive Director. A separate column is therefore included in the Scheme of Delegation for DGMs' delegations. Delegations for other Heads of Services, for example in Corporate Services, are aligned to the same level as Business Managers unless otherwise expressly outlined.
- 5.8 Where more than one person is listed as a delegated officer then the column headed "Any/All of delegated" specifies whether any delegated officer can approve or whether approval requires all identified delegated officers.
- 5.9 Section 17 includes a list of abbreviations used within this document.

6 Business Planning, Budgets, Budgetary Control and Monitoring (SFI Section 3)

		SFI Ref	Any or all of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGMs	DM/HoS reporting to Exec Director	Budget Manager	Other
i	Preparation & approval of business plans and budgets	3.1	Any - relevant to service	✓ Board of Directors								
ii	Delegation of budgets	3.2	All		✓							
iii	Budget Management	3.3	Any - relevant to service			✓ All other areas	✓ Services in Directorate	✓ Services in Directorate	✓ Services in Division/ Department	✓ Services in Clinical area	✓ Individual budget	
iv	Monitoring Returns	3.5	All			✓						
v	Cost Improvement Programme - Approval of schemes to be included within the Cost Improvement Programme and monitoring against achievement		All	✓ Board of Directors								
	- Increases to Cost Improvement Programme as a result of budget virements due to new approved business cases, major revenue etc.		As limits	✓ Programme Management Group £100,000 up to £250,000 Board of Directors Workshop £250,000 & above		✓ Up to £100,000	✓ Up to £100,000					

7 Bank and GBS Accounts, Investment and External Borrowing (SFI Section 5)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
i	Bank Account Maintenance & Operation	5.2 & 5.3	All			✓						
ii	Investment of Funds (including Charitable & Endowment Funds)	5.4 & 15.5	All			✓						
iii	External Borrowing Application for loan or overdraft	5.5	All		✓	✓						

8 Income, Fees and Charges and Security of Cash, Cheques and Other Negotiable Instruments (SFI Section 6)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
i	Setting of Fees and Charges Private Patient, Overseas Visitors, Trading Agencies, Income Generation and other patient related services	6.2 & 6.3	All			✓						
ii	Granting and termination of all property leases & extensions to existing leases		As limits		✓ £100,000 & over	✓ Up to £100,000						
iii	Approval of rent based on professional assessment		All			✓	✓	✓				
iv	Business Development and Income Generation Approval for funding new developments, responding to contract renewals and service developments funded from general growth.		As delegated limits		✓ Over £500,000	✓ Up to £500,000	✓ £100,000 to £250,000	✓ Up to £100,000	✓ Up to £100,000			

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
v	Service Review & Remodelling											
	Core/non-core business Approval of Trust's strategy on core/ non-core business		All	✓ Board of Directors								
	Core/non-core business Making recommendations, based upon agreed review criteria, on core/ non-core business to inform decisions about the strategy for the future		All	✓ Exec Committee		✓ Preparation for Exec Committee review						
	- approval of business cases for strategically important service redesign projects such as clinical service reviews		All	✓ Board of Directors								

9 NHS Contracts for Provision of Services (SFI Section 7)





		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
i	Setting of Fees and Charges Price of NHS Contracts Charges for all NHS Contracts	7	All			✓						
ii	Monitor Proposals for Contractual Arrangements between the Trust and Outside Bodies	7 & 9	All			✓						

10 Terms of Service and Payment of Directors and Employees (SFI Section 8)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
i	Make recommendations to the Board of Directors on the remuneration & terms & conditions for the Chief Executive, Exec Directors & other senior managers	8.1	All	✓ Remuneration Committee								
ii	Authority to fill funded post on the establishment with permanent staff	8.2 & 8.3	Any		✓	✓	✓	✓	✓	✓		
iii	Authority to appoint staff to posts at variance to formal establishment but within resources available	8.2 & 8.3	Any		✓	✓	✓	✓	✓			
iv	Authority to appoint staff to post not on the formal establishment in excess of available resources	8.3	Any				✓ Director of HR and Org Development					
v	Additional Increments – granting of additional increments to staff over and above normal progression but within budget (Exceptional circumstances only)	8.3	All				✓	✓		✓ Deputy Director of HR		
vi	Upgrading and Regrading – to be dealt with in accordance with Trust Job Evaluation Policy	8.3	Any							✓ Deputy Director of HR		

Terms of Service and Payment of Directors and Employees (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other	
vii	Establishment – Agreement of initial establishment	8.2	Any	✓ Board of Directors - via budget setting									
	– increases to the agreed establishment with specifically allocated finance		All		✓		✓ Director of HR and Org Development						
viii	Pay - Authority to complete standing data forms affecting pay, new starters and leavers	8.2	Any							✓ Deputy Director of HR	✓	✓ Divisional Personnel Manager and Assistant Divisional Personnel Manager	
	- Authority to complete standing data forms affecting variations		Any							✓ Deputy Director of HR	✓	✓ Divisional Personnel Manager and Assistant Divisional Personnel Manager	
	- Authority to authorise overtime		Any										
	- Authority to authorise travel & subsistence expenses (note limit relates to each		Any										✓ As per Appendix 1

	individual claim made. Staff should submit one claim per month)										
	- Allocation of Clinical Excellence Awards to Consultant staff		Any								 Clinical Excellence Awards Group
	- Variations to Consultants job plans		All			 Director of HR and Org Development and Medical Director		 DGMs	 Deputy Director of HR		

Terms of Service and Payment of Directors and Employees (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other	
ix	Renewal of Fixed Term Contract	8.5	As relevant to service						✓	✓ HoS			
x	Settlement payments associated with redundancy	8.5	All			✓	✓ Director of HR and Org Development						
xi	Leave Approval of annual leave	8.5	Any									✓ Line/ Departmental Manager	
	- Approval in exceptional circumstances of carry forward of up to 5 days annual leave		Any							✓			
	Special Leave paid & unpaid		Any								✓		
	Medical Staff Leave of Absence paid & unpaid Relates to time off over and above special leave which will only be considered in exceptional circumstances		All				✓ Medical Director			✓ DGM			
	Time off in lieu		Any								✓		
Maternity, paternity & adoption leave - paid & unpaid	All										✓ Section Manager & Divisional HR Manager		

Terms of Service and Payment of Directors and Employees (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM/	DM/HoS reporting to Exec Director	Budget Manager	Other
xii	Sick Leave - extension of sick leave on half pay up to 3 months	8.5	All				✓ Director of HR and Org Development	✓	✓ DD or Exec Director for other departments			
	- return to work part-time on full pay to assist recovery		All							✓		✓ DPM on advice from Occ Health
xiii	Temporary Injury Allowance (TIA) Approval of TIA		All							✓ DM/HoS & Deputy Director of HR		✓ Advice from Occ Health
	Hearing appeals where not agreed		Any				✓	✓				
xiv	Study Leave Study leave outside the UK	8.5	All				✓ In conjunction with Director of HR and Org Development		✓ DD clinical or Exec Director for other departments			
	Medical staff study leave (UK)		All						✓ DD	✓ CBMs		
	All other study leave (UK)		Any				✓	✓	✓ DD clinical areas	✓		

Terms of Service and Payment of Directors and Employees (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
xv	Removal Expenses, Excess Rent and House Purchases Authorisation of payment of removal expenses incurred by officers taking up new appointments (<i>providing consideration was promised at interview</i>)	8.5	All as per limits		✓ Over £8,000	✓ Up to £8,000	✓ Up to £8,000 Director of HR and Org Development					
xvi	Grievance Procedure All grievance cases must be dealt with strictly in accordance with the Grievance Procedure and the advice of a Divisional Personnel Manager must be sought when the grievance reaches the level of DGM	8.5	All				✓ Director of HR and Org Development					
xvii	Staff retirement policy Approval of flexible retirement	8.5	All						✓	✓ HoS		✓ Divisional HR Manager
xviii	Ill Health Retirement Decision to pursue retirement on the grounds of ill health	8.5	All							✓ Deputy Director of HR		✓ Divisional HR Manager
xix	Dismissal Dismissal with notice	8.5	Any member of Exec Committee with DPM				✓					✓ Divisional HR Manager
	Summary Dismissal without notice						✓					✓ Divisional HR Manager

Terms of Service and Payment of Directors and Employees (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other	
xx	Payroll processing - Submission of BACS payment and other payroll processing in accordance with evidence of approved documentation.	8.4	All									✓ Employee RB Manager	
	- Payment to HM Revenue & Customs in relation to payroll as reconciled back to monthly P35 reports		All									✓ Assistant RB Manager	
	- Payment to NHS Pensions in relation to payroll as reconciled back to NHS monthly summary for pension reports		All										✓ Assistant RB Manager
	Payroll processing (cont.) - Payment of other pensions as reconciled to Gross to Net Reports		All										✓ Assistant RB Manager
	- Payment for other third party payovers identified from Gross to Net Reports		All										✓ Assistant RB Manager
	- Submission of monthly/annual RTI to HMRC		All										✓ Assistant RB Manager
	- Annual pensions assurance statement		All					✓ Director of HR and Org Development			✓ Deputy Director of HR		✓ Employee RB Manager

Terms of Service and Payment of Directors and Employees (continued)








		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
xxi	Authorised Mobile Device Users Mobile phones/smart phones Mobile phones will be supplied based upon the post rather than the post holder. With the exception of senior management in the Trust, staff moving to a new post within the Trust will need to return the phone to their manager for the new post holder. Requests for new contracts to be authorised for mobile device users Requests for replacement handsets to be issued	8.5	As relevant to service				✓ Non-clinical areas	✓	✓ DD clinical areas			
	Ipads Requests for the issue of ipads to staff					✓ non-clinical areas	✓					
	Huddle Requests for staff to have access to application (Note: There is an annual cost of allocating licences for this app)									✓		

Terms of Service and Payment of Directors and Employees (continued)









		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
xxii	Lease car applications - Approval of employee application (will be subject to checking by Finance Department)	8.5	Any									✓ As per Appendix 1
	- Approval of orders to be placed		All							✓ Deputy Director of Finance	✓	
xxiii	Engagement of Non- Medical Consultancy Staff Note approval required from NHS Improvement for engagements over £50,000	8.3	Aggregate commitment in 1 year As per limits	✓ £50,000 to £250,000 EB and over £250,000 BoD	✓ £20,000 to £50,000	✓ Up to £20,000						
xxiv	Booking of bank or agency Staff * Nursing and other clinical Staff <i>To be booked through centralised bank</i>	8.3	Any								✓	
	Medical staff <i>To be booked through the Recruitment team using the Medical Rostering Team wherever possible</i> <i>The timesheet should be authorised by the Supervising Consultant or a designated person who has evidenced the shift being worked</i>		Any						✓			
	Clerical and other non-clinical staff		Any							✓		
xxv	Engagement of Trust's Solicitors	8.3	All		✓		✓					

* The use of existing resources to provide cover should always be reviewed prior to booking of agency staff. Supply of agency staff should be made through NHS Professionals. Where this is not possible advice should be sought from the Recruitment team or the Head of Procurement & Supplies.

11 Capital Investment, Private Financing, Fixed Asset Registers & Security of Assets (SFI Section 9)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
i	Capital Expenditure											
	- Approving expenditure against capital programme approved by the Board of Directors		As delegated limits	 CDSG £50,000 to £1,000,000 BoD >£1,000,000								 Capital sub group chair <£50,000
	- Approving expenditure in excess of that included in approved capital programme		As delegated limits	 CDSG £50,000 to £1,000,000 BoD >£1,000,000								 Capital sub group chair <£50,000 schemes must be reprioritised to stay within approved programme
	- Approving expenditure not included in approved capital programme	10.1	As delegated limits	 CDSG £50,000 to £1,000,000 BoD >£1,000,000								 Capital sub group chair <£50,000 schemes must be reprioritised to stay within approved programme
- Approving overall increase in total approved capital programme		All	 CDSG <£1,000,000 BoD >£1,000,000									

Capital Investment, Private Financing, Fixed Asset Registers & Security of Assets (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
ii	Revenue Consequences of Capital Schemes	10	Any - relevant to service	 Exec Committee <£1,000,000 BoD >£1,000,000			 Up to £100,000 to be funded from increase in Directorate CIP target	 Up to £50,000 to be funded from increase in Directorate CIP target	 Up to £10,000 to be funded from increase in Divisional CIP target			
iii	Capital Schemes											
	Financial monitoring and reporting on all capital scheme expenditure		All			 Or Nominated Deputy						 Chair of Capital sub group
iv	Leasing/rental agreements - Approval of leases <i>Finance leases must be approved in line with capital expenditure</i>	10.2	All			 Or Nominated Deputy						
v	Asset Register Reconciliation and maintenance procedures		All									

12 Non Pay Revenue and Capital Expenditure (SFI Section 10)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other		
i	Requisitioning for goods & services through Procurement Department * - where a budget is established (manual & electronic) - Revenue excluding NHS SLAs and NHSSC products & subject to EU procurement limits	9	As limits	Exec Director on behalf of BoD £500,000 and over based on approval	Up to £500,000	Up to £500,000	Up to £250,000 (2 Directors signatures required for over £100,000 one of which must be an Executive Director)	Up to £250,000 (2 Directors signatures required for over £100,000 one of which must be an Executive Director)	£10,000 to £50,000	£5,000 to £10,000 Business Managers £5,000 to £25,000 HoS	Up to £5,000 As per Appendix 1			
	- Requisitioning NHS Supply Chain products by individual department against annual order		As limits									Up to £5,000 As per Appendix 1		
	- Catering products – regular consumables (refer to revenue if >£2,500)		As limits										Up to £2,500 as per Appendix 1	
	- Requisitioning under control of materials management													Automatic based upon stock levels & range of products agreed with Budget Manager
	- Online requisitioning non materials managements (controlled range of products to be agreed with Head of Procurement & Supplies) (refer to revenue if >£5k)		As limits										Up to £5,000 As per Appendix 1	

	- Capital ** – following approval & in accordance with contract documentation where applicable	9&10	Any - relevant to limits		✓ £250,000 and over	✓ £250,000 and over	✓ Up to £250,000 (2 Directors signatures required for over £100,000 one of which must be an Executive Director)	✓ Up to £250,000 (2 Directors signatures required for over £100,000 one of which must be an Executive Director)	✓ £10,000 to £50,000	✓ £5,000 to £10,000 Business Managers £5,000 to £25,000 HoS		
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*** To ensure all procurement is carried out in accordance with Standing Financial Instructions and ensures value for money for the Trust all requisitions should be raised through the Procurement Department with the exception of pharmaceuticals and purchases related to building or engineering works. Purchases of furniture, transport or plant and equipment that form part of a capital project must be procured through the Procurement Department. To ensure segregation of duties the requisitioner must not also be the authoriser.**

**** Where the purchase has a cost of at least £5,000 advice should be sought from the Finance Department as to whether this is a capital purchase and should therefore be approved through the relevant Capital Sub Group. Capital requisitions must include the approved Proposal Form number and the meeting and date at which it was approved.**

Non Pay Revenue and Capital Expenditure (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
ii	Requisitions for annual call off orders for contracts >£250k	10	All			✓						
	- NHSSC annual order requisition		Any			✓	✓	✓				
	- NHSPS – in accordance with approved SLA		Any - relevant to service			✓	✓	✓				
	- Other NHS – in accordance with approved SLA		Any			✓	✓	✓				
	- Continance Products - in accordance with approved contract		Any			✓						
	- Telecoms – in accordance with approved contract		Any			✓	✓	✓				
- Other – in accordance with approved contracts	Any				✓	✓	✓					
iii	Approval of invoices where annual call off order exists (delegated value is per invoice)	10	As limits			✓ £150,000 and over				✓ Deputy Director of Finance to £150,000		
	- NHSSC		Any			✓	✓	✓		✓		
	- NHSPS		As limits			✓ £150,000 and over				✓ Deputy Director of Finance to £150,000		
	- NHS Professionals		As limits			✓ £150,000 and over				✓ Deputy Director of Finance to		
- Junior Doctors LET invoices	As limits				✓ £150,000 and over				✓ Deputy Director of Finance to			

	- Other NHS in accordance with approved SLA - Other goods/services - in accordance with approved contract		Any - relevant to delegated limits			✓ £100,000 and over	✓ £100,000 and over	✓ £100,000 and over	✓ £25,000 to £100,000	✓ £150,000 Up to £25,000		
iv	Approval of invoice where goods not ordered directly by the Trust Where goods are ordered directly by patients or another member of the health profession not directly employed by the Trust then appropriate procedures must be in place to validate the invoice. This should include verification of patient or sample thereof subject to volumes.	10	As limits	✓ Exec Director on behalf of Board of Directors £500,000 and over based on approval	✓ £100,000 to £500,000	✓ £100,000 to £500,000	✓ £100,000 to £250,000 (two directors' signatures required one of which must be an Executive Director)	✓ £100,000 to £250,000 (two directors' signatures required one of which must be an Executive Director)	✓ £10,000 to £50,000	✓ £5,000 to £10,000 Business Managers £5,000 to £25,000 HoS	✓ Up to £5,000 As per Appendix 1	
v	Confirmation of receipt of goods to the Supplies Department	10	Any								✓ Authorised requisitioner as above	

Non Pay Revenue and Capital Expenditure (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
vi	Requisitioning of Building or Engineering goods & services - where a budget is established (RELATES ONLY TO BUILDINGS OR SERVICES NOT COVERED BY A FULLY MANAGER SERVICE CONTRACT) - Authorising a requisition	10	As delegated limits		✓ over £250,000 or nominated Deputy	✓ over £250,000	✓ £100,000 to £250,000	✓ £25,000 to £100,000		✓ Up to £25,000		
	- Approving order to be raised		As delegated limits		✓ over £250,000 or nominated Deputy	✓ over £250,000	✓ £100,000 to £250,000	✓ £25,000 to £100,000		✓ Up to £25,000		
	- Approving invoice to be paid		As delegated limits		✓ over £250,000 or nominated Deputy	✓ over £250,000	✓ £100,000 to £250,000	✓ £25,000 to £100,000		✓ Up to £25,000		
vii	Requisitioning of Pharmaceutical goods & services - where a budget is established and approval of invoices	10	As delegated limits		✓ £500,000 and over	✓ £150,000 to £500,000				✓ Head of Pharmacy up to £150,000		✓ See Appendix 1

Note - To ensure segregation of duties the requisitioner must be different to the person approving the invoice to be paid.

Non Pay Revenue and Capital Expenditure (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
viii	Non-Pay Expenditure for which No specific budget has been set up and which is not subject to funding under delegated powers of virement		As delegated limits	BoD £500,000 and over ✓	£100,000 to £500,000 ✓	£100,000 to £500,000 ✓	£5,000 to £100,000 ✓	£5,000 to £100,000 ✓	£1,000 to £5,000 ✓	Up to £1,000 ✓		
ix	Non budgeted expenditure to be met by virement of non-staff budgets between cost centres		As delegated limits	BoD £500,000 and over ✓	£100,000 to £500,000 ✓	£100,000 to £500,000 ✓	£5,000 to £100,000 ✓	£5,000 to £100,000 ✓	£5,000 to £100,000 ✓	Up to £5,000 ✓		
x	Orders exceeding a 12 month period		All			✓						
xi	Petty Cash	10.3	As delegated limits									✓ See Appendix 1
	Reimbursement of patients' monies		All			Over £250 ✓			Up to £250 ✓			
xii	Property Leases Approval of property leases in accordance with Estates Strategy		All			✓	✓					
xiii	Approving expenditure >tender price (limits refer to variance from tender price)	10.6	As delegated limits	CDSG £25,000 and over	Up to £25,000 ✓	Up to £25,000 ✓	Up to £25,000 ✓					

Non Pay Revenue and Capital Expenditure (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
xiv	Quotation, Tendering and Contract Procedures (excluding Estates) <i>In all cases to be actioned by Head of Procurement and Supplies or authorised officers in Pharmacy, contracts to be signed off according to the following limit (excluding the impact of VAT):</i> - Request to obtain 3 minimum verbal quotations for goods/ services up to £5,000	10.6 10.7	Any							✓		
	- Request to obtain 3 minimum written quotations for goods/services from £5,000 to £9,999		Any			✓ Or nominated deputy	✓	✓	✓			
	- Request to obtain 4 minimum written quotations for goods/ services from £10,000 to £74,000		Any				✓	✓				
	- Request to obtain 4 minimum written competitive tenders for goods/services from £75,000 to £249,999 subject to EU procurement limits		All		✓							
	- Request to obtain 5 minimum written competitive tenders for goods/services from £250,000 subject to EU procurement limits		All		✓							

Non Pay Revenue and Capital Expenditure (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
xiv	Quotation, Tendering and Contract Procedures – Estates <i>In all cases to be actioned by authorised officers in Estates, contracts to be signed off according to the following limit (excluding the impact of VAT):</i> - Request to obtain 3 minimum verbal quotations for goods/ services up to £5,000 (to be followed up in writing within 48 hours)		As limits								✓	
	- Request to obtain 4 minimum written quotations for goods/ services from £5,000 to £74,999									✓		
	- Request to obtain 4 minimum written competitive tenders for goods/services from £75,000 to £249,999 subject to EU procurement limits				✓						✓	
	- Request to obtain 6 minimum written competitive tenders for goods/services from £250,000 subject to EU procurement limits				✓							

Non Pay Revenue and Capital Expenditure (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
xv	Wavering of quotations and tenders subject to SFIs		Any		✓	✓						
xvi	Opening tenders and quotations Annex 1 of SFIs		Any									✓ Per detailed procedure notes





















13 Disposals and Condemnations, Losses & Special Payments (SFI Section 12)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Executive Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other	
i	Condemning & Disposal <£15k- Items obsolete, obsolescent, redundant, irreparable or cannot be repaired cost effectively -written down value on asset register or a disposal value of less than £15,000 - Engineering or Building up to £15,000	12.1	All				✓	✓		✓			
	- Biomedical Engineering up to £15,000		All							✓			
	- Furniture, Goods, Stock up to £15,000		All								✓		
	- Pharmacy Stock up to £15,000		All								✓ Head of Pharmacy		
	- Disposal of x-ray films up to £15,000 (subject to estimated income of up to £1,000 per sale)		All								✓		
	- Disposal of x-ray films up to £15,000 (subject to estimated income exceeding £1,000 per sale)		All							✓	✓		
	- Disposal of IT equipment		All								✓ Director of Information		

Disposals and Condemnations, Losses & Special Payments (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other				
i	Condemning & Disposal (cont.) - Disposal of mechanical and engineering plant up to £15,000 (subject to estimated income of less than £1,000 per sale)		All							✓						
	- Disposal of mechanical and engineering plant up to £15,000 (subject to estimated income exceeding £1,000 sale)	12.1	All				✓	✓		✓						
ii	Condemning & Disposal >£15k Items with written down value in excess of £15,000. Delegation as per section a above plus:	12.1	Any			✓	✓	✓								
iii	Losses, Write-off and Compensation Items below £2,500 to be reported in summary to Audit Committee; above £2,500 to be reported in detail to Audit Committee	12.2	As limits					Up to £5,000								
	- Losses including cash due to theft, fraud, overpayment and others												✓ Over £100,000	✓ Up to £100,000	✓ Up to £100,000	✓ Up to £5,000
	- Fruitless Payments (including abandoned Capital Schemes)															
- Non NHS Bad Debts and Claims Abandoned. Private Patients, Overseas Visitors and Other																

Disposals and Condemnations, Losses & Special Payments (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other								
iii	Losses, Write-off and Compensation (continued) - 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	12.2	As limits	Over  £200,000	£50,000 to  £200,000	£5,000 to  £200,000	Up to  £5,000	Up to  £5,000												
	- Extra Contractual payments to contractors																			
iv	Ex-Gratia Payments Items below £2,500 to be reported in summary to Audit Committee: above £2,500 to be reported in detail to Audit Committee - Patients and staff for loss of personal effects	12.2	As delegated limits	Over  £100,000	£50,000 to  £100,000	£15,000 to  £100,000	Up to  £15,000	Up to  £15,000	 <£1,000 Director of Estates and Facilities											
	Personal injury claims involving negligence where legal advice has been obtained and guidance applied from NHS Resolution. Excess up to £10,000.												As delegated limits	Over  £100,000	£50,000 to  £100,000	Up to  £100,000		 Director of Estates and Facilities up to £50,000		
	Other, except cases of maladministration where there was no financial loss ¹ by claimant												As delegated limits	Over  £200,000	£50,000 to  £200,000	£5,000 to  £200,000	Up to  £5,000	Up to  £5,000		




Disposals and Condemnations, Losses & Special Payments (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
iv	Ex-Gratia Payments (continued) Cancellation of Invoices to other NHS Debtors	12.2	As delegated limits			Over £10,000 ✓	Up to £10,000 ✓	Up to £10,000 ✓		Deputy Director of Finance - up to £10,000 ✓		
v	Reporting of Incidents to the Police Where a criminal offence is suspected other than fraud	2 & 12.2	As appropriate to offence									Duty Manager/ Security Officer for criminal ✓
	Where a fraud is involved	2 & 12.2	All			✓						Local Counter Fraud Specialist ✓

14 Computerised Financial Systems (SFI Section 13)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
i	Review of Trust's Compliance with the General Data Protection Regulations Designated Data Protection Officer	13	All			✓						✓ Info. Govern. Manager
ii	Review of Trust's Compliance with Freedom of Information Act Designated Freedom of Information Officer		All		✓							✓ Private Office Manager
iii	Designated Caldicott Guardian <i>HSC1999/012</i>		All				✓ Executive Director of Nursing, Midwifery and AHPs					
iv	Information Exchange Involving Persons Posing an Active or Potential Threat of Serious Harm (Caldicott Guardian) <i>Crime & Disorder Act 1998</i>		All				✓ Executive Director of Nursing, Midwifery and AHPs					
v	Review of the Trust's Compliance on Data Security and Confidentiality		All				✓					
vi	Maintenance and Enforcement of IM&T Security Policy Designated IM&T Security Officer		All				✓					

15 Funds Held on Trust (SFI Section 15)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
i	Expenditure on Charitable and Endowment Funds	15	As delegated limits	 Charitable Funds Committee £5,000 to £50,000 Board of Trustees >£50,000		 <£5,000						 <£500 Two authorised signatories in line with original purpose of fund

16 Other Delegated Matters

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
i	Maintenance and Update of Trust Financial Procedures	1	All			✓						
ii	Monitoring of Implementation of Internal Audit and External Audit Recommendations	2	All	✓ Audit Committee								
iii	Retention of Records	17	All	✓ Information Strategy Group								
iv	Review the Trust's Compliance with the Access to Records Act /	17	All			✓	✓ Director of HR and Org Development					
v	Receiving Hospitality Declaration required in Trust's Hospitality Register	16	All		✓							✓
vi	Insurance Policies	18	All						✓			
vii	Risk Management	18	All				✓ Dir of Nursing & Patient Experience					
viii	The Keeping of a Declaration of Interests Register	-	All		✓							
ix	Attestation of Sealings in Accordance with Standing Orders	-	All		✓	✓						

Other Delegated Matters (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
x	The Keeping of a Register of Sealings	-	All			✓						
xi	The Keeping of the Hospitality Register	-	All		✓							
xii	Clinical Audit	-	All				✓ Director of Nursing and Patient Experience					
xiii	Dissemination of Hazard Notices	-	All					✓				
xiv	Dissemination of Chief Medical Officer Cascades	-	All				✓ Medical Director					
xv	Authorisation of Removal of Internal Organs and Cornea for Transplantation <i>Human Tissue Act</i>	-	All									✓ Designated Individual under Human Tissue Act
xvi	Designated Accountable Officer for Safety of Controlled Drugs	-	All				✓ Director of Nursing and Patient Experience					
xvii	Authorisation of New Drugs		As delegated limits	✓ Exec Committee - Annual spend over £5,000								✓ Chair of Drug Committee up to £5,000

Other Delegated Matters (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
xviii	Authorisation of Sponsorship Deals		All		✓							
xix	Authorisation of Research Projects		All				✓ Medical Director & Director of Nursing & Patient Experience					
xx	Authorisation of Clinical Trials		All				✓ Medical Director & Director of Nursing & Patient Experience					
xxi	Authorisation of medical equipment trials as part of approved procurement process		All						✓	✓		
xxii	Review of Fire Procedures		All				✓ Director of HR and Org Development					
xxiii	Review of All Statutory Compliance Legislation and Health and Safety Requirements including Control of Substances Hazardous to Health Regulations		All				✓ Director of HR and Org Development			✓		

Other Delegated Matters (continued)

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
xxiv	Patients & Relatives Complaints - overall responsibility for ensuring all complaints are dealt with effectively		All						✓			
	- responsibility for ensuring complaints relating to a department are investigated thoroughly		Any				✓	✓	✓ (with either Member of Exec Committee of Executive Director)			
	- Medico-Legal Complaints, coordination of their management		All						✓			
xxv	Relationships with Press - Non Emergency General Enquiries		Any									✓ Within hours: Public Relations Officer Outside hours: Duty Officer/Exec Director
	- Emergency		Any				✓ Within hours: Director of HR and Org Development					✓ Outside hours: Duty Officer/Exec Director

	- Condition Checks		Any							✓ CBM or Duty Officer		
xxvi	Infectious Disease and Notifiable Outbreaks – reporting to the Health Protection Agency		All									✓ Microbiologist on call
xxvii	Extended Role Activities Approval of Nurses to undertake duties/procedures which can properly be described as beyond the normal scope of Nursing Practice		All				✓ Director of Nursing and Patient Experience					
xxviii	Patient Services											
	- Variation of operating and clinic sessions		All							✓ BM		
	- All proposed changes in bed allocation and use		All					✓ Director of Operations		✓ Temporary changes - BM		
xxix	Facilities for Staff Not Employed by the Trust to Gain Practical Experience											
	- Professional Recognition, Honorary Contracts and Insurance of Medical Staff		All				✓ Medical Director			✓ Deputy Director of HR		
	- Work experience students		All							✓ Head of Learning & Development		
xxx	Review of Medicines Inspectorate Regulations		All				✓ Medical Director					
xxxi	Review of Compliance with Environmental Regulations, for example those relating to Clean Air and Waste Disposal		All				✓ Director of HR and Org Development					

17 Transactions with Subsidiaries

		SFI Ref	Any/All of delegated	Board of Directors/ Exec Committee/ Other Boards	Chief Executive	Executive Director of Finance	Executive Director	Members of Exec Committee	DGM	DM/HoS reporting to Exec Director	Budget Manager	Other
i	<p>Unitary charge A monthly value for the unitary charge will be agreed at the beginning of the financial year based on the contract value. This value + £250,000 can be approved by the Contracts and Finance Manager - Outsourced Services on a monthly basis only if the total value for the financial year is not expected to exceed the contract value</p> <p>Where the value is either > £250,000 or where the total unitary charge is expected to exceed the contract value this must be approved by the Executive Director of Finance or Chief Executive</p>		Any as per delegated limits		✓	✓						✓ Contracts and Finance Manager – Outsourced Services
iii	<p>Minor works An additional minor works form must be completed and approved by the Contracts and Finance Manager – Outsourced Services</p>		As limits Contracts and Finance Manager – Outsourced Service must approve the form		✓ Up to £500,000	✓ Up to £500,000	✓ Up to £250,000 (2 Directors signatures required over £100,000 one of which must be an Executive Director)	✓ Up to £250,000 (2 Directors signatures required over £100,000 one of which must be an Executive Director)	✓ £10,000 to £50,000	✓ Up to £10,000 Business Managers Up to £25,000 HoS	✓ Up to £5,000 As per Appendix 1 As limits	✓ Must also be approved by Contracts and Finance Manager – Outsourced Services

Transactions with Subsidiaries (continued)

Transactions between the Trust and subsidiaries should be treated in the same way as they would between the Trust and an external organisation. As such processes described within the Scheme of Delegation for non-pay revenue and capital expenditure apply to all transactions between the Trust and subsidiaries and must comply with the limits set out in Section 12 'Non-Pay Revenue and Capital Expenditure'.

18 Abbreviations Used in this Document

ADPM	Assistant Divisional Personnel Manager
BoD	Board of Directors
BME	Biomedical Engineering
CDSG	Capital Development Steering Group
DOO	Director of Operations
DDoF	Deputy Director of Finance
DGM	Divisional General Manager
DPM	Divisional Personnel Managers
DM	Divisional Manager
EC	Exec Committee
Exec Director of Finance	Executive Director of Finance
Exec Committee	Executive Committee
Head of L&D	Head of Learning and Development
Head of Proc & Supplies	Head of Procurement & Supplies
HoS	Head of Service
Info Goven Manager	Information Governance Manager
NHSPS	NHS Property Services
NHSSC	NHS Supply Chain
Non Exec	Non-Executive Director
Occ Health	Occupational Health
SLA	Service Level Agreement
SFI	Standing Financial Instructions

Appendix 1 – Delegations to Named Individuals below Business Manager/Head of Service

Due to variability of the services across the Trust it is necessary to delegate some authority to employees below budget holder level. A separate schedule (Appendix 1) will be maintained by the Finance Department of named individuals who have been approved to carry out these tasks.

This schedule is not included within this document due to data protection issues and the requirement to regularly update. Each Department's delegations have been approved by the relevant DGM, Head of Service or Clinical Business Manager prior to approval by the Board of Directors. The Finance Department will review starter/leavers on a quarterly basis to identify changes required to this document and will obtain the necessary approval. Changes to delegated limits are only permitted with written approval of the Chief Executive.

Changes made will be circulated to the following:

- Relevant department/service
- Finance
- HR
- Procurement Department
- Learning & Development

A specimen signature will be required from all authorised signatories. The master copy will be held by Finance and a copy sent to the relevant departments for validation.

	Note	SoD Ref	Board of Directors	Chief Executive	Executive Director of Finance	Executive Director	Members of Executive Committee	Divisional General Managers	Heads of Service	Divisional Managers	Budget Manager
Non-Pay Expenditure											
Non stock items	2	12 i	> £500,000	< £500,000	< £500,000	< £250,000 (> £100,000 Requires two directors signatures)	< £250,000 (> £100,000 Requires two directors signatures)	< £50,000	< £25,000	< £10,000	< £5,000
Stock items	2	12 i	> £500,000	< £500,000	< £500,000	< £250,000 (> £100,000 Requires two directors signatures)	< £250,000 (> £100,000 Requires two directors signatures)	< £50,000	< £25,000	< £10,000	< £5,000
Drugs	3	12 i	> £500,000	< £500,000	< £500,000	< £250,000 (> £100,000 Requires two directors signatures)	< £250,000 (> £100,000 Requires two directors signatures)	< £50,000	< £25,000	< £10,000	< £5,000
Contracts											
Approving new developments	4	8 iv	> £500,000	< £500,000	< £500,000	< £250,000	< £100,000	< £100,000	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

	Note	SoD Ref	Board of Directors	Chief Executive	Executive Director of Finance	Executive Director	Members of Executive Committee	Divisional General Managers	Heads of Service	Divisional Managers	Budget Manager
Loss and Special Payments											
Loss of cash	5	13 iii	> £100,000	< £100,000	< £100,000	< £5,000	< £5,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overpayments	5	13 iii	> £100,000	< £100,000	< £100,000	< £5,000	< £5,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fruitless payments	5	13 iii	> £100,000	< £100,000	< £100,000	< £5,000	< £5,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Write off of bad debt	5	13 iii	> £100,000	< £100,000	< £100,000	< £5,000	< £5,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Loss or damage to buildings or equipment	5	13 iii	> £200,000	< £200,000	< £200,000	< £15,000	< £15,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Extra contractual payments to contractors	5	13 iii	> £200,000	< £200,000	< £200,000	< £15,000	< £15,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Extra contractual payments to staff	6	10	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Personal injury to staff or patients	7	13 iv	> £100,000	< £100,000	< £100,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Patients/staff loss of personal effects	5	13 iv	> £100,000	< £100,000	< £100,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other		13 iv	> £200,000	< £200,000	< £200,000	< £5,000	< £5,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1 - Any regrading must be signed off by the Deputy Director of Human Resources and Organisational Development

2 - Non-pay expenditure between £100,000 and £250,000 can be signed off by two members of Executive Committee (one of whom must be an Executive Director)

3 - Where expenditure has been approved through the budget setting process, payments of up to £150,000 per invoice can be authorised by the Chief Pharmacist

4 - The detailed scheme of delegation provides further information around approvals required for contracts and decisions made around core services

5 - All losses and special payments must be held on a losses register and reported to the Trust's Audit Committee

6 - Payments to staff outwith of normal terms and conditions of employment must be formally agreed with The Treasury

7 - Sign off of personal injury expenditure to staff or patients is subject to advice and guidance having been taken from NHS Resolution