

NHS Shetland

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| Meeting: | Shetland NHS Board |
| Meeting date: | 13 December 2022 |
| Agenda reference: | Board Paper 2022/23/52 |
| Title: | Corporate Governance Handbook: Section 5 Scheme of Delegation |
| Responsible Executive/Non-Executive: | Colin Marsland, Director of Finance |
| Report Author: | Colin Marsland, Director of Finance |

1 Purpose

This is presented to the Board/Committee for:

- Decision

This report relates to:

- Board and Audit Committee Business Plan

This aligns to the following NHS Scotland quality ambitions:

- Safe
- Effective
- Person Centred

2 Report summary

2.1 Situation

The purpose of this paper is to present the Board with the proposed revised scheme of delegation for approval.

2.2 Background

The scheme of delegation should be reviewed annually to ensure that proper controls are in place that reflect the management structure of the organisation and allow appropriate delegation of financial resources in-line with approved budgets.

The scheme of delegation changes made by the Endowment Committee and in year changes to the Board's core scheme of delegation was recently approved by the Audit Committee.

2.3 Assessment

In respect of the core scheme of delegation the Chief Executive and Director of Finance scheme of delegation has been increased for payments to Shetland Island Council. This reflects the increase in the monetary value of invoices from Shetland Island Council.

This is due to during 2022-23 a payment to Shetland Island Council had to be processed following the exception route set out in note 4 in the scheme of delegation.

The Endowment Committee agreed the revised scheme of delegation at their October 2022 meeting.

2.3.1 Quality/ Patient Care

Assists in the Board's governance to ensure locally quality of care and patient services.

2.3.2 Workforce

Assists in the Board's governance to ensure staff resources, health and wellbeing are appropriate.

2.3.3 Financial

Ensures effective governance is in place to ensure best value of resources.

2.3.4 Risk Assessment/Management

Ensures effective governance is in place to ensure relevant risk assessment and mitigations are in place.

2.3.5 Equality and Diversity, including health inequalities

Ensures effective governance is in place to support the Public Sector Equality Duty, Fairer Scotland Duty, and the Board's Equalities Outcomes.

An impact assessment has not been completed.

2.3.6 Other impacts

No other material issues.

2.3.7 Communication, involvement, engagement and consultation

The Board has not carried out any involve and engage external stakeholders in respect of this paper.

2.3.8 Route to the Meeting

This has previously considered by:

1. The Endowment Committee at its 25 October 2022 meeting regarding Appendix 2; and
2. The Audit Committee at its 29 November 2022 meeting.

2.4 Recommendation

- **Decision –**

Board members are asked to approve the proposed scheme of delegation.

3 List of appendices

The following appendices are included with this report:

- Appendix No 1, Scheme of Delegation Board
- Appendix No 2, Scheme of Delegation Endowments

| Last Reviewed: Endowments 25/10/2022 | DELEGATED LIMIT OF AUTHORITY FOR INDIVIDUAL INVOICES | | | | | | | | | | | | | | | | |
|--|--|------------------------------|------------------------------------|--|------------|---|--------|--------------------------|----------------------|---------------|--------------|------------------|------------------|-----------------------|---------------------------------|----------------------------|--------------------------------------|
| | ENDOWMENT FUNDS (see ** below) | | | | | | | | | | | | | | | | |
| | General Endowment | GBH General / Equipment Fund | Other Hospital Funds Not Specified | Other Non Hospital Funds not Specified | GBH Cancer | Andrew Smith of Isleburgh House Scholarship & Gilbert Halcrow Memorial Fund £ | Cancer | Daniel Sinclair Hospital | Daniel Sinclair Comm | John Sinclair | Comm Nursing | Brae Garden Fund | Health Education | Ward 3, Renal and A&E | Ward 1, Theatres, Resus and OPD | Maternity and Child Health | MRI Scanner Appeal (note b addition) |
| £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ | £ |
| Chief Exec.(or nominated deputy as approved by Chair) | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 0 | 2,000 | 2,000 | 2,000 | 5,000 | 2,000 | 2,000 | 1,000 | 2,000 | 2,000 | 2,000 | 5,000 |
| Director of Finance | 10,000 | 10,000 | 10,000 | 5,000 | 5,000 | 10,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 | 10,000 |
| Director of Community Health and Social Care | 0 | 0 | 0 | 5,000 | 2,000 | 0 | 2,000 | 0 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 0 | 0 | 0 | 0 |
| Director of Nursing, Acute and Specialist Services | 0 | 5,000 | 5,000 | 0 | 2,000 | 0 | 5,000 | 2,000 | 0 | 5,000 | 0 | 0 | 0 | 2,000 | 2,000 | 2,000 | 5,000 |
| Chief Nurse Community | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,000 | 0 | 2,000 | 2,000 | 0 | 0 | 0 | 0 | 0 |
| Head of Talent Development & Culture (See note a) | 1,000 | 0 | 0 | 0 | 0 | 1,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,000 |
| Learning and Development Manager (See note a) | 1,000 | 0 | 0 | 0 | 0 | 1,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,000 |
| Elective Services Manager: Acute and Specialist Services | 0 | 1,000 | 0 | 0 | 2,000 | 0 | 5,000 | 2,000 | 0 | 0 | 0 | 0 | 0 | 2,000 | 2,000 | 0 | 0 |
| Chief Nursing Acute and Specialist Services | 0 | 1,000 | 0 | 0 | 2,000 | 0 | 0 | 2,000 | 0 | 0 | 0 | 0 | 0 | 2,000 | 2,000 | 0 | 0 |
| Child Health Manager | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,000 | 0 | 0 | 0 | 0 | 0 | 2,000 | 0 |

NOTES:

- All expenditure must be within approved annual budget limits
 - Delegated authority does not negate the need to follow Standing Financial Instructions regarding tender processes, use of national contracts etc (see Standing Financial Instructions on the intranet) Limits for officers can be varied in-year with the agreement of Director of Finance and Chief Executive (then ratified by the Board annually)
 - All delegated staff can nominate a deputy to approve *PECOS orders whilst they are on leave. *(Professional Electronic Commerce Online System).
 - If an invoice is received out with the Director of Finance and Chief Executive standard delegated limit they can in exceptional circumstances jointly authorise the invoice up to their combined delegated limit value but must also inform and advise both the Chair of the Board and Chair of the Audit committee of the proposed action and the reason why this payment was considered an exceptional case.
 - Values can be temporary adjusted during the year to reflect changes in circumstances but formal approval of these changes should be sought at next Endowment Committee Meeting.
- ** All endowment expenditure must be in line with the wishes of the donor or the aims of the endowment fund. CEO and DoF will have additional authority to counter-sign up to £15k for single items that match a specific donation. The Head of Finance and Procurement (or any other supplies officer as nominated by him or the Director of Finance) will have authority to process orders on behalf of the officers listed above.

Note a: Head of Talent Development & Culture and Learning and Development Manager, scheme of delegation solely relates to processing the staff training and travel expenses within these funds that have been approved by the Trustee training review group or Director of Finance.

Note b: Director of Finance and Chief Executive shall be granted delegated authority to approve the preferred tender option for the purchase of the MRI Scanner within the resource envelope of this specific fund.