

Standing Financial Instructions Summary

Index:

| | |
|---|---|
| 1. <i>Policy Summary</i> _____ | 1 |
| 2. <i>Duties and Responsibilities</i> _____ | 1 |
| 3. <i>Thresholds Tender Guide</i> _____ | 2 |
| Table 1 – Thresholds for Quotations and Tenders _____ | 2 |
| <i>Appendix 1: Authorisation Limits</i> _____ | 4 |

1. Policy Summary

- 1.1 The Standing Financial Instructions (SFIs) are rules to ensure our financial governance is robust. They form detailed guidance for all Trust staff about what financial decisions or commitments can be made at which levels of materiality. They apply to all staff members, regardless of role.
- 1.2 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 Audit, Risk and Assurance Committee for referring action or ratification. All members of the Board and staff have a duty to disclose any non-compliance with these SFIs to the Chief Financial Officer, as soon as possible.

2. Duties and Responsibilities

- 2.1 Essentially, the Trust must provide value for taxpayer money, and safeguard its assets from loss or damage. Anyone involved with creating cost or using the property of the Trust is responsible for ensuring that they use the resources wisely, and following related policies and procedures.
- 2.2 Overall, the Chief Executive Officer is ultimately accountable to the Board of Directors, and as accounting officer, to the Secretary of State, for ensuring that the Board meets its obligation to perform its functions within the available financial resources. The Chief Executive has overall executive responsibility for GWH's activities; is responsible to the Chair and members of the Board for ensuring that its financial obligations and targets are met and has overall responsibility for GWH's system of internal control.

- 2.3 The Chief Financial Officer is responsible for ensuring that the SFIs are relevant and policies and processes are in place to provide instruction and control to spend our resources well, and to report on what we have done with our money.
- 2.4 The Council of Governors are responsible for holding the Non-Executive Directors individually and collectively to account for the performance of the Board of Directors, and representing the interest of the members of the Trust as a whole and the interests of the public.

3. Thresholds Tender Guide

- 3.1 The Trust shall ensure that competitive tenders or quotations are invited for the supply of goods and services.
- 3.2 The following tables outline the correct procurement process to be followed relative to value and the type of product or service being purchased.

Table 1 – Thresholds for Quotations and Tenders

| Contract Value (Excluding VAT) | Quotations/Tenders | Min number invited to Quote/Tender where available | Form of Contract |
|---|---|---|--|
| <£10,000 | Single Quotation may be obtained by end user | 1 | Purchase Order |
| £10,000 - £24,999 | Quotation Authorisation required from Procurement prior to obtaining quotes | 2 | Purchase Order |
| £25,000- £75,000 | Quotation To be obtained by Procurement with appropriate advertising and market engagement | 3 | Contract and Purchase Order |
| £75,001 – Public Contract Regulations threshold | Tender by Procurement | 4 | Contract as specified in Tender and Purchase Order |
| > Public Contract Regulations threshold | Tender by Procurement | 4 | Contract as specified in Tender and Purchase Order |

- 3.3 Where the opportunity has been advertised the Trust may shortlist suppliers, via a transparent supplier selection process, to take forward to the next stage of the procurement process.
- 3.4 Threshold limits represent the contract's lifetime value (e.g. a 5 year contract of £25,000 per year requires £125,000 method, sign off and authorisation).
- 3.5 The cumulative amount spent with the supplier over a rolling 12-month period (e.g. 5 separate spends of £5k each will trigger the appropriate procurement process in line with the values above).

Appendix 1: Authorisation Limits

Revenue and Capital Authorisation Limits – Values exclude VAT

| | Expenditure & Non-SLA Sales Orders (Income*) Revenue / Capital | Investment Approvals | Tender Waivers | Sign Expenditure Contracts** & Recommendation Reports*** | Disposal / Write off of Physical Assets | Losses & Special Payments / Debt Write-Off | Charitable Funds |
|--------------------------------|---|---------------------------|----------------|--|---|--|------------------|
| Board of Directors | £1m + | £1m + | £300k + | £1m + | £500k + | | £500k + |
| Chief Executive | £1m | | £300k | £1m | £500k | | |
| Chief Financial Officer | £1m | | £200k | £1m | £150k | | |
| Executive Director | £250k | | | | | | |
| Deputy Director | £100k | | | | | | |
| Deputy Chief Financial Officer | | | £50k | £100k-£350k | £10k | £10k | £5k |
| Director of Procurement | | | | £100k-£350k | | | |
| Deputy Director of Procurement | | | | £100k | | | |
| Charitable Funds Committee | | | | | | | £5k |
| Trust Management Committee | | £1m | | | | | |
| | | | | | | | |
| Clinical Divisions | | | | | | | |
| Clinical Triumvirate / Quad | | <£50k and neutral overall | | | | | |

| | | | | | | | |
|--|-------|---------------------------|--|--|-----|-----|-----|
| Clinical Divisional Director | £100k | | | | | | |
| Budget Holder / General Manager / Matron | £50k | | | | £5k | £5k | |
| Budget Manager | £5k | | | | £1k | £1k | £5k |
| | | | | | | | |
| Support Divisions | | | | | | | |
| Executive Director | £250k | <£50k and neutral overall | | | | | |
| Deputy Director | £100k | | | | | | |
| Budget Holder / Head of Service | £50k | | | | £5k | £5k | |
| Budget Manager | £5k | | | | £1k | £1k | £5k |

All values exclude VAT.

* The Income and Contracts Accountant to authorise provider to provider sales order following the signing of contracts which will be authorised in accordance with the above limits.

** For contracts that cover more than one financial year this includes the total value of contracts, not just the annual charge.

*** Recommendation reports all go to FIDC, with >£1m also going to Trust Board for approval