

AGENDA ITEM

3.1.5

CTM BOARD

MODEL STANDING FINANCIAL INSTRUCTIONS

Date of meeting	25/11/2021
FOI Status	Open/Public
If closed please indicate reason	Not Applicable - Public Report
Prepared by	Owen James – Head of Corporate Finance
Presented by	Sally May – Director of Finance
Approving Executive Sponsor	Executive Director of Finance
Report purpose	FOR APPROVAL

Engagement (internal/external) undertaken to date (including receipt/consideration at Committee/group)

Committee/Group/Individuals	Date	Outcome
<p>The Model Standing Financial Instructions are issued by Welsh Ministers to NHS Trusts using powers of direction provided in section 19 (1) of the National Health Service (Wales) Act 2006.</p> <p>All documents have recently been reviewed by officials in association with representatives of the Board Secretaries and Directors of Finance Peer Groups.</p>	N/A	ENDORSED FOR APPROVAL
Audit & Risk Committee	04/10/2021	ENDORSED FOR APPROVAL



ACRONYMS

SFI	STANDING FINANCIAL INSTRUCTIONS
CTMUHB	CWM TAFF MORGANNWG UNIVERSITY HEALTH BOARD

1. SITUATION/BACKGROUND

- 1.1 The purpose of this paper is to bring to the attention of CTM Board the revised Model Standing Financial Instructions and recommend that they are adopted and incorporated into Cwm Taff Morgannwg UHB Standing Financial Instructions (SFIs). The Model SFIs were taken to the Audit & Risk Committee in October and they have endorsed the adoption for approval.
- 1.2 In accordance with the SFIs, all Health Board members and officers must be made aware of these Standing Financial Instructions and, where appropriate, should be familiar with their detailed content.
- 1.3 The Model Standing Financial Instructions are issued by Welsh Ministers to Local Health Boards using powers of direction provided in section 12 (3) of the National Health Service (Wales) Act 2006. Local Health Boards (LHBs) in Wales must agree Standing Financial Instructions (SFIs) for the regulation of their financial proceedings and business. They shall have effect as if incorporated in the Standing Orders (SOs) (incorporated as Schedule 2.1 of SOs).
- 1.4 The SFIs detail the financial responsibilities, policies and procedures adopted by Cwm Taff Morgannwg UHB. They are designed to ensure that the Health Board's financial transactions are carried out in accordance with the law and with Welsh Government policy in order to achieve probity, accuracy, economy, efficiency, effectiveness and sustainability. They should be used in conjunction with the Schedule of decisions reserved to the Board and the Scheme of delegation adopted by the LHB.
- 1.5 The SFIs identify the financial responsibilities which apply to everyone working for the Health Board and its hosted organisations. They do not provide detailed procedural advice and should be read in conjunction with the detailed departmental and Financial Control Procedure notes. All financial procedures must be approved by the Director of Finance and Audit & Risk Committee.
- 1.6 The Model Standing Orders (SOs), Standing Financial Instructions (SFIs) and associated documents for Local Health Boards and NHS Trusts were last issued by WG and updated in March 2014. The main amendments actioned in that update covered changes in the statutory financial duties as per the NHS Finance (Wales) Act 2014.

However, there is a requirement to keep the SFIs under review to ensure they remain accurate and current, and this is the latest update to the Model SFIs.

2. SPECIFIC MATTERS FOR CONSIDERATION BY THIS MEETING (ASSESSMENT)

- 2.1 Directors of Finance initiated work, via the DoF Governance Sub Group, to review and update the Model SFIs. DoFs recognised that the SFIs had not been updated for some time, with specific concerns that the procurement section did not reflect latest legislation, regulations and procurement processes and practice. The DoF Sub Group included input from finance and procurement staff, Board Secretaries and WG officials.
- 2.2 A detailed breakdown of the amendments has been provided in appendix A and an updated version of the reviewed Model SFIs is provided in appendix B.
- 2.3 A full review of Financial Control Procedures will be carried out by Finance to ensure that the requirements of the revised Model SFIs are reflected in these procedures.

3. KEY RISKS/MATTERS FOR ESCALATION TO BOARD/COMMITTEE

- 3.1 The CTM Board are asked to approve:
- the adoption of the latest review of the Model Standing Financial Instructions into Cwm Taf Morgannwg UHB Standing Financial Instructions.

4. IMPACT ASSESSMENT

Quality/Safety/Patient Experience implications	There are no specific quality and safety implications related to the activity outlined in this report.
Related Health and Care standard(s)	Governance, Leadership and Accountability If more than one Healthcare Standard applies please list below:



<p>Equality Impact Assessment (EIA) completed - Please note EIAs are required for <u>all</u> new, changed or withdrawn policies and services.</p>	<p>No (Include further detail below)</p> <p>If yes, please provide a hyperlink to the location of the completed EIA or who it would be available from in the box below.</p> <p>If no, please provide reasons why an EIA was not considered to be required in the box below.</p>
<p>Legal implications / impact</p>	<p>There are no specific legal implications related to the activity outlined in this report.</p>
<p>Resource (Capital/Revenue £/Workforce) implications / Impact</p>	<p>There is no direct impact on resources as a result of the activity outlined in this report.</p>
<p>Link to Strategic Goals</p>	<p>Sustaining Our Future</p>

5. RECOMMENDATION

5.1 The CTM Board are asked to **APPROVE**:

- the adoption of the latest review of the Model Standing Financial Instructions into Cwm Taf Morgannwg UHB Standing Financial Instructions.