

Appendix B

Briefing on Financial Approvals Processes for all items required related to the Covid 19 Pandemic

1. Capital items

The current scheme of delegation for capital only gives approval authority to ECMG (up to £1m) or the Chair of ECMG in an out of committee decision for sums up to £100K. ECMG itself has approvals authorisation up to £1M with everything above having to go to Board. The following sets out revised processes for all items identified as being required to support Covid 19

It is recognised that these items are required urgently however there still needs to be a degree of control and adherence to current SFIs albeit recognising the extreme time pressures on operational staff.

The following sets out the proposed process for Covid related items depending on their value. Please note any non covid items still need to follow normal capital processes

Items up to £100K – individual values not combined

Usual process (still applicable for non Covid items) – SON to capital team then discussed at CMG and ECMG; urgent items are a chairs action and reported to next ECMG.

COVID 19 PROCESS – emailed list of items confirmed as required for Covid response from relevant manager – either via bronze or outside of bronze meeting structure. To be sent to Head of Capital, Rosie Cavill – rosie.cavill@wales.nhs.uk and copied to Gwyn Thomas in procurement: Gwyn.Thomas@wales.nhs.uk. These can be checked to ensure they are capital and if revenue forwarded to Neil Mahoney (who is the finance lead for revenue costs) without delay.

On receipt the Head of Capital will immediately email ECMG chair, Steve Webster for online authorisation. Approval can be assumed and procurement etc processes can commence with orders placed without delay on approval.

No approval from Silver or Gold is required. This process will be very speedy while retaining control.

Items Over £100K

Usual Process (still applicable for non Covid items) - these would usually require a SON / business case to go to CMG and ECMG and rarely require urgent action which would be an ECMG approvals process (3 Executive Directors). Items over £1m require Business Case to ECMG and Board, possible onward WG submission.

COVID 19 PROCESS – emailed items plus a short justification from ILG Director or ILG Director of Operations if relating to an ILG, or if not relating to ILGs, the Director of Clinical Service Operations Acute and Flow, the Director of Mental Health and Primary Care, or the relevant corporate Executive. To be sent to Head of Capital, Rosie Cavill – rosie.cavill@wales.nhs.uk and copied to

Gwyn Thomas in procurement: Gwyn.Thomas@wales.nhs.uk. The approval process is then dependent on value as outlined below.

Items between £100k and £250k will require 3 Executive Directors' approval – if the request comes through the silver process and is approved by the Director of Public Health and the COO/DCS then an email will only be sent to Director of Finance. In the event of absence or unavailability other Execs can fulfil this role. Otherwise the email will be copied to the 3 execs for an urgent confirmation of approval. Again approval can be assumed in that procurement process can commence with order placed immediately on receipt of 3rd approval

Items over £250k but below £1m will require approval at a Gold meeting.

Items over £1m will require approval at a Gold meeting and then the Health Board Chair's action process to be followed. This can be done quickly.

2. Revenue items

The current revenue scheme of delegation is outlined below. This is for items which are within budget. The situation with Covid19 is different in that the expenditure being committed will be over the existing budget. These commitments may be offset by lower expenditure in other areas from reduced planned care activity, but this will not be known in real time.

ORACLE REQUISITIONS	Authority Delegated to
Below £1,500	Tier 6 – Nominated Budget holder for specific cost centers
£1,500 to £5,000	Tier 5 Head of Department or equivalent
Up to £25,000	Tier 4 Clinical Service Group Manager (or equivalent)
Up to £100,000	Tier 3 – Group/Operations Director for ILGs or Relevant Director
Up to £250,000	Tier 2 -Executive Director
Up to £500,000	Tier 1 – Director of Finance
Over £500,000	Chief Executive

The proposed approval process for Covid related revenue expenditure mirrors the capital process, and is as follows

Commitments (pay or non pay or income losses) which result from Covid actions and are anticipated on an individual basis to have an impact of under £100k can be approved outside budget by

For ILGs - the ILG Director or Director of Operations

Outside ILGs - the Director of Clinical Service Operations Acute and Flow, the Director of Mental Health and Primary Care, or the relevant corporate Executive.

This is subject to the relevant finance business partner being notified by email of the commitment, its purpose and its estimated cost. This will then enable costs to be anticipated and tracked.

Commitments relating to Covid which are estimated to have a financial impact of between £100k and £250k need to be approved by 3 Executive Directors, which will normally be the COO/DCS, Director of Public Health and Director of Finance. This needs to be on the basis of a short but appropriate justification. The relevant finance business partner should be involved in estimating the cost and providing financial advice.

Commitments related Covid which are estimated to exceed £250k need to be approved at a Gold meeting, with the same requirements around justification and involvement of the finance business partner in estimating the cost and providing financial advice.