

Schedule 1

SCHEME OF RESERVATION AND DELEGATION OF POWERS

This Scheme of Reservation and Delegation of Powers forms part of, and shall have effect as if incorporated in the Standing Orders

Introduction

As set out in Standing Order 2, the Board - subject to any directions that may be given by the Welsh Government - should make appropriate arrangements for certain functions to be carried out on its behalf so that the day to day business of the LHB may be carried out effectively, and in a manner that secures the achievement of the organisations aims and objectives. The Board may delegate functions to:

- i) a committee, e.g., Quality and Patient Safety Committee;
- ii) a sub committee, e.g., a locality based Quality and Patient Safety committee taking forward matters within a defined area. Any such delegation would, subject to the Boards authority, usually be via a main committee of the Board;
- iii) a joint committee or sub committee, e.g., with other LHBs established to take forward matters relating to certain types of specialist services, or a community partnership committee established with local authorities such as that covering Health, Social Care and Well Being; and
- iv) Officers of the LHB (who may, subject to the Board's authority, delegate further to other officers and, where appropriate, other third parties, e.g. shared/support services, through a formal scheme of delegation)

and in doing so, must set out clearly the terms and conditions upon which any delegation is being made. These terms and conditions must include a requirement that the Board is notified of any matters that may affect the operation and/or reputation of the LHB.

The Board's determination of those matters that it will retain, and those that will be delegated to others are set out in the following:

- Schedule of matters reserved to the Board;
- Scheme of delegation to Committees and others; and

- Scheme of delegation to Officers.

all of which form part of the LHB's Standing Orders.

DECIDING WHAT TO RETAIN AND WHAT TO DELEGATE: GUIDING PRINCIPLES

The Board will take full account of the following principles when determining those matters that it reserves, and those which it will delegate to others to carry out on its behalf:

- Everything is retained by the Board unless it is specifically delegated in accordance with the requirements set out in Standing Orders or Standing Financial Instructions
- The Board must retain that which it is required to retain (whether by statute or as determined by the Assembly Government) as well as that which it considers is essential to enable it to fulfil its role in setting the organisation's direction, equipping the organisation to deliver and ensuring achievement of its aims and objectives through effective performance management
- Any decision made by the Board to delegate functions must be based upon an assessment of the capacity and capability of those to whom it is delegating responsibility
- The Board must ensure that those to whom it has delegated powers (whether a committee, partnership or individuals) remain equipped to deliver on those responsibilities through an ongoing programme of personal, professional and organisational development
- The Board must take appropriate action to assure itself that all matters delegated are effectively carried out
- The framework of delegation will be kept under active review and, where appropriate, will be revised to take account of organisational developments, review findings or other changes
- Except where explicitly set out, the Board retains the right to decide upon any matter for which it has statutory responsibility, even if that matter has been delegated to others
- The Board may delegate authority to act, but retains overall responsibility and accountability

- When delegating powers, the Board will determine whether (and the extent to which) those to whom it is delegating will, in turn, have powers to further delegate those functions to others.

HANDLING ARRANGEMENTS FOR THE RESERVATION AND DELEGATION OF POWERS: WHO DOES WHAT?

The Board

The Board will formally agree, review and, where appropriate revise schedules of reservation and delegation of powers in accordance with the guiding principles set out earlier.

The Chief Executive

The Chief Executive will propose a Scheme of Delegation to Officers, setting out the functions they will perform personally and which functions will be delegated to other officers. The Board must formally agree this scheme.

In preparing the scheme of delegation to officers, the Chief Executive will take account of:

- the guiding principles set out earlier (including any specific statutory responsibilities designated to individual roles)
- their personal responsibility and accountability to the Chief Executive, NHS Wales in relation to their role as designated Accountable Officer
- associated arrangements for the delegation of financial authority to equip officers to deliver on their delegated responsibilities (and set out in Standing Financial Instructions).

The Chief Executive may re-assume any of the powers they have delegated to others at any time.

The Director of Corporate Governance/Board Secretary

The Director of Corporate Governance/Board Secretary will support the Board in its handling of reservations and delegations by ensuring that:

- a proposed schedule of matters reserved for decision by the Board is presented to the Board for its formal agreement;
- effective arrangements are in place for the delegation of LHB functions within the organisation and to others, as appropriate; and
- arrangements for reservation and delegation are kept under review and presented to the Board for revision, as appropriate.

The Audit Committee

The Audit Committee will provide assurance to the Board of the effectiveness of

its arrangements for handling reservations and delegations.

Individuals to who powers have been delegated

Individuals will be personally responsible for:

- equipping themselves to deliver on any matter delegated to them, through the conduct of appropriate training and development activity; and
- exercising any powers delegated to them in a manner that accords with the LHB's values and standards of behaviour.

Where an individual does not feel that they are equipped to deliver on a matter delegated to them, they must notify the Chief Executive of their concern as soon as possible in so that an appropriate and timely decision may be made on the matter.

In the absence of an officer to whom powers have been delegated, those powers will normally be exercised by the individual to whom that officer reports, unless the Board has set out alternative arrangements.

If the Chief Executive is absent their nominated Deputy may exercise those powers delegated to the Chief Executive on their behalf. However, the guiding principles governing delegations will still apply, and so the Board may determine that it will reassume certain powers delegated to the Chief Executive or reallocate powers, e.g., to a Committee or another officer.

SCOPE OF THESE ARRANGEMENTS FOR THE RESERVATION AND DELEGATION OF POWERS

The Scheme of Delegation to officers referred to here shows only the "top level" of delegation within the LHB. The Scheme is to be used in conjunction with the system of control and other established procedures within the LHB.

SCHEDULE OF MATTERS RESERVED TO THE BOARD¹

THE BOARD		AREA	DECISIONS RESERVED TO THE BOARD
1	FULL	GENERAL	The Board may determine any matter for which it has statutory or delegated authority, in accordance with Standing Orders ²
3	FULL	OPERATING ARRANGEMENTS	Adopt the standards of governance and performance (including the quality and safety of healthcare, and the patient experience) to be met by the LHB, including standards/requirements determined by professional bodies/others, e.g., Royal Colleges
4	FULL	OPERATING ARRANGEMENTS	<p>Approve, vary and amend:</p> <ul style="list-style-type: none"> ▪ Standing Orders (SOs); ▪ Standing Financial Instructions (SFIs); ▪ Schedule of matters reserved to the Local Health Board; ▪ Scheme of delegation to Committees and others; and ▪ Scheme of delegation to Officers. <p>In accordance with any directions set by the Assembly Government.</p>
6	FULL	OPERATING ARRANGEMENTS	Approve the LHB's framework for performance management, risk and assurance

¹ Any decision to reserve a matter, and the manner in which that retained responsibility is carried out will be in accordance with any regulatory and/or Assembly Government requirements

² Except for those decisions delegated to the Welsh Health Specialised Services Committee (WHSSC)

7	FULL	OPERATING ARRANGEMENTS	Approve the introduction or discontinuance of any significant activity or operation. Any activity or operation shall be regarded as significant if the Board determines it so based upon its contribution/impact on the achievement of the LHB's aims, objectives and priorities
8	FULL	OPERATING ARRANGEMENTS	Ratify any urgent decisions taken by the Chair and the Chief Executive in accordance with Standing Order requirements
9	FULL	OPERATING ARRANGEMENTS	Ratify in public session any instances of failure to comply with Standing Orders
11	FULL	OPERATING ARRANGEMENTS	Approve policies for dealing with complaints and incidents
15	FULL	OPERATING ARRANGEMENTS	Authorise use of the LHB's official seal
16	FULL	ORGANISATION STRUCTURE & STAFFING	Ratify appointment and manage appraisal, discipline and dismissal of the Chief Executive
17	FULL	ORGANISATION STRUCTURE & STAFFING	Approve the appointment, appraisal, discipline and dismissal of the Executive Directors and any other Board level appointments, e.g., the Director of Corporate Governance/Board Secretary
18	FULL	ORGANISATION STRUCTURE & STAFFING	Require, receive and determine action in response to the declaration of Board members' interests, in accordance with advice received, e.g. From Audit Committee
19	FULL	ORGANISATION	Approve, [arrange the] review, and revise the LHB's top level organisation structure

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		STRUCTURE & STAFFING	and corporate policies
20	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, [arrange the] review, revise and dismiss Board committees, including any joint committees directly accountable to the Board
21	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, equip, review and (where appropriate) dismiss the Chair and members of any committee, joint committee or Group set up by the Board
22	FULL	ORGANISATION STRUCTURE & STAFFING	Appoint, equip, review and (where appropriate) dismiss individuals appointed to represent the Board on outside bodies and groups
23	FULL	ORGANISATION STRUCTURE & STAFFING	Approve the terms of reference and reporting arrangements of all committees, joint-committees and groups established by the Board
24	FULL	ORGANISATION STRUCTURE & STAFFING	Approve the arrangements relating to the discharge of the LHB's responsibilities as a corporate trustee for funds held on trust
25	FULL	STRATEGY & PLANNING	Determine the LHB's strategic aims, objectives and priorities
26	FULL	STRATEGY & PLANNING	Approve the LHB's Corporate and Annual Operating/Delivery Plans
27	FULL	STRATEGY & PLANNING	Approve the LHB's Risk Management Strategy and plans
28	FULL	STRATEGY & PLANNING	Approve the LHB's citizen engagement and involvement strategy, including communication
29	FULL	STRATEGY & PLANNING	Approve the LHB's partnership and stakeholder engagement and involvement strategies
30	FULL	STRATEGY &	Approve the LHB's key strategies and programmes related to:

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		PLANNING	<ul style="list-style-type: none"> ▪ The development of clinical services ▪ Quality and patient safety ▪ Workforce and Organisational Development ▪ Infrastructure, including IM &T, Estates and Capital (including major capital investment and disposal plans)
31	FULL	STRATEGY & PLANNING	Approve the LHB's budget and financial framework (including overall distribution of the financial allocation)
32	FULL	STRATEGY & PLANNING	Approve new contracts for the LHB to provide, or to secure provision from providers for Personal Medical; Dental; Pharmacy; Optometry services to some or all of the LHB's population Services
33	FULL	STRATEGY & PLANNING	Approve individual contracts (other than NHS contracts) above the limit delegated to the Chief Executive set out in the Standing Financial Instructions
34	FULL	PERFORMANCE & ASSURANCE	Approve the LHB's audit and assurance arrangements
35	FULL	PERFORMANCE & ASSURANCE	Receive reports from the LHB's Executive on progress and performance in the delivery of the LHB's strategic aims, objectives and priorities and approve action required, including improvement plans
36	FULL	PERFORMANCE & ASSURANCE	Receive assurance reports from the Board's committees, groups and other internal sources on the LHB's performance and approve action required, including improvement plans
37	FULL	PERFORMANCE & ASSURANCE	Receive reports on the LHB's performance produced by external regulators and inspectors (including, e.g., WAO, HIW, etc) that raise issue or concerns impacting on the LHB's ability to achieve its aims and objectives and approve action required, including improvement plans, taking account of the advice of Board Committees (as appropriate)
38	FULL	PERFORMANCE & ASSURANCE	Receive the annual opinion of the LHB's Chief Internal Auditor and approve action required, including improvement plans
39	FULL	PERFORMANCE	Receive the annual management letter from the LHB's external auditor and approve

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		& ASSURANCE	action required, including improvement plans
40	FULL	PERFORMANCE & ASSURANCE	Receive the annual opinion on the LHB's performance against Healthcare Standards for Wales and approve action required, including improvement plans
41	FULL	REPORTING	Approve the LHB's Reporting Arrangements, including reports on activity and performance locally, to citizens, partners and stakeholders and nationally to the Assembly Government
42	FULL	REPORTING	Receive, approve and ensure the publication of LHB reports, including its Annual Report and annual financial accounts

SCHEME OF DELEGATION TO EXECUTIVE DIRECTORS, OTHER DIRECTORS AND OFFICERS

The LHB Standing Orders and Standing Financial Instructions specify certain key responsibilities of the Chief Executive, the Director of Finance and other officers. The Chief Executive's Job Description, together with their Accountable Officer Memorandum sets out their specific responsibilities, and the individual job descriptions determined for Executive Director level posts also define in detail the specific responsibilities assigned to those post holders. These documents, together with the schedule of additional delegations below and the associated financial delegations set out in the Standing Financial Instructions form the basis of the LHB's Scheme of Delegation to Officers.

DELEGATED MATTER	RESPONSIBLE OFFICER(S)	DEPUTY
Agreeing and signing Medium Term Plan / Long Term Agreements	Chief Executive	Acting Chief Executive (in the absence of the Chief Executive)
Authorisation and monitoring of losses and compensations and ex gratia payments.	Chief Executive	Director of Finance
Arrangements for the management of land, buildings, and other assets belonging to or leased by the UHB / Capital Schemes	Chief Executive	Director of Strategy
Arranging Loans	Director of Finance	Deputy Director of Finance
Achievement of the three financial targets.	Chief Executive	Acting Chief Executive (in the absence of the Chief Executive)
Admission to Performers Lists and similar lists	Chief Executive / Medical Director	Director of Primary Care, Community & Mental Health / Deputy Medical Director
Changes to Medical Lists.	Medical Director	Director of Primary Care, Community & Mental Health
Risk Management.	Director of Nursing and Patient Experience	Board Secretary / Director of Corporate Services and Governance

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DELEGATED MATTER	RESPONSIBLE OFFICER(S)	DELEGATED MATTER
Data Protection arrangements	Chief Executive	Board Secretary / Director of Corporate Services and Governance
Debt recovery	Director of Finance	Assistant Director of Finance
Delegation of budgets and approval to spend funds.	Chief Executive	Director of Finance
Development and implementation of Procurement Policy.	Director of Finance	Director of Shared Services
GMS Cash Limited Cost Rent Schemes.	Director of Finance	Assistant Director of Finance
Health and Safety Arrangements.	Director of Nursing and Patient Experience (Subject to changes in portfolios)	Head of Health and Safety
Insurance Arrangements (with approval from the relevant division within NHS Wales department)	Director of Finance	Assistant Director of Finance
Investigate any suspected cases of irregularity not related to fraud and corruption in accordance with government directions.	Director of Finance	Assistant Director of Finance
Single tenders/ issuing tenders and post tender negotiations.	Director of Finance	Assistant Director of Finance

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DELEGATED MATTER	RESPONSIBLE OFFICER(S)	DELEGATED MATTER
Legal Advice.	Director of Nursing and Patient Experience	Deputy Director of Nursing and Patient Experience
NHS Complaints (Concerns) Procedure.	Director of Nursing and Patient Experience	Deputy Director of Nursing and Patient Experience
Obstetric List.	Medical Director	Deputy Medical Director
Operation of detailed financial matters, including bank accounts, and banking procedures.	Director of Finance	Assistant Director of Finance
Workforce	Director of Workforce and OD	Assistant Director of Workforce and OD
Manage central reserves and contingencies.	Director of Finance	Assistant Director of Finance
Management of non-exchequer funds.	Director of Finance	Assistant Director of Finance
Management and control of stocks other than pharmacy stocks.	Medical Director	Deputy Medical Director
Management and control of pharmacy stock.	Medical Director	Deputy Medical Director
Management and control of computer systems and facilities.	Chief Operating Officer	Interim Chief Information Officer
Monitor and achievement of management cost targets.	Director of Finance	Assistant Director of Finance
Recording of payments under the losses and compensations regulations.	Director of Finance	Assistant Director of Finance

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DELEGATED MATTER	RESPONSIBLE OFFICER(S)	DELEGATED MATTER
Special Payments	Director of Finance	Assistant Director of Finance
Sealing and signing of documents.	Director of Corporate Governance/Board Secretary	Executive Director (s)
Work relating to counter fraud and corruption in accordance with Welsh Government directions	Director of Finance	Assistant Director of Finance

This scheme only relates to matters delegated by the Board to the Chief Executive and their Executive Directors, together with certain other specific matters referred to in Standing Financial Instructions. A full list of delegated responsibilities is available from the Director of Corporate Governance/Board Secretary

Each Executive Director is responsible for delegation within their department. They should produce a scheme of delegation for matters within their department, which should also set out how departmental budget and procedures for approval of expenditure are delegated.

Delegated Financial Limits

- 1 Responsibility for authorising contracts for goods and services including capital and Service Level Agreements with non NHS bodies are subject to the delegated level of authority as follows:

Corporate / Unit Service Directors

	Committee / Post	Maximum Financial Limit (exclusive of VAT) £000
1	Board	1,000
2	Chief Executive (CEO)/ Deputy CEO / Chief Operating Officer	500
3	Executive Directors / Board Secretary	250
4	Managers reporting Directly to 3 above (<i>excluding Service Directors whose limits are outlined separately</i>)	75
5	Managers reporting directly to 4 above	25

Service Directors

	Committee / Post	Maximum Financial Limit (exclusive of VAT) £000
1	Service Directors	150
2	Managers reporting directly to 1 above	75
3	Managers reporting directly to 2 above	40
4	Managers reporting directly to 3 above	25

Where new contracts are above £1 million, these must be approved by the Assembly Government (except for those contracts let under Sections 33 and 192 of the NHS (Wales) Act 2006 and those covered by guidance issued by the Assembly Government on “General Consent” (SFI 11.6.3).

Paragraph 13 (3) of the NHS (Wales) Act 2006 places a requirement on UHBs to obtain consent of Welsh Ministers before:

- Acquiring and disposing of property;
- Entering into contracts; and

- Accepting gifts of property.

Examples of areas not requiring consent for contracts exceeding £1m include: -

- i) Supply of goods and services by Local Authorities (excluded as per section 32 of the 2006 Act)
- ii) Payment towards expenditure to community services (excluded as per section 194 of the 2006 Act)
- iii) Payments in connection with services to be provided by a Voluntary Sector organisation (excluded as per section 195 of the 2006 Act).
- iv) Provision of Primary Medical or Dental Services (excluded as per section 14/50/64 of the 2006 Act UHB are obliged to make arrangements for the provision of these services
- v) Procurements of healthcare services as part of the UHB's statutory function such as Continuing Health Care.
- vi) Procurement of NHS services both within Wales and external to Wales.
- vii) Agreement of Individual Patient Placements.
- viii) General Medical Services Out of Hours Service
- ix) Procurement of Drugs

This list is not exclusive but is by way of illustrative examples only. Where the UHB is unsure whether consent is needed, the organisation will need to analyse the statutory basis on which the action is being taken on a case by case basis and seek independent advice where appropriate

- (i) The Finance Directorate is required to maintain a schedule of delegated limits agreed as in 1 above, and to include this schedule within the appropriate Financial Control Procedure.
- (i) The above contract rates must reflect the total price for the goods and services as opposed to requisitions and for the duration of the Contract.

- (ii) This Standing Order excludes the procurement of Pharmaceutical products, which are covered under Schedule 7 of Standing Orders.

- 2 Authorised Officers must sign in their own name.
- 3 Guidance on delegated authority in respect of the write-off of losses and special payments including legal settlements are detailed in SFI.17.
- 4 The delegated limits for authorising contracts for goods and services including capital and Service Level Agreements with other NHS bodies for the UHB's hosted agencies are as follows:

Delivery Unit Director Up to £50,000 exclusive of VAT

Procurement in excess of these delegated limits must be processed in accordance with Section 1