

**BOARD PAPER - NHS ENGLAND**

**Title:** Procurement controls committee (PCC) report

**Clearance:** Paul Baumann: Chief Financial Officer

**Purpose of paper:**

- Report from the Procurement Controls Committee (PCC), in accordance with its terms of reference

**Key issues and recommendations:**

The committee met six times in the period, approving 34 business cases without conditions and 34 with conditions prior to submission to the Department of Health (DH) for onward approval.

Work with DH to streamline approval procedures, and thus ensure an appropriate balance of tight control and responsiveness to need is continuing.

**Actions required by Board Members:**

- The Board is asked to note the work of the committee

## Procurement controls committee Report

1. The objective of the procurement controls committee (PCC) is to approve expenditure and procurement issues on activities relating to NHS England's functions that are subject to DH and Cabinet Office controls utilising, where appropriate, the delegated financial limits set out in the Standing Financial Instructions for members in attendance (the committee has no delegated budgetary authority of its own).
2. Following the establishment of the finance & investment committee (FIC), the PCC is focused on approval of short term revenue business cases, with FIC scrutinising long term commitments, capital and property related business cases as well as wider issues of financial policy, performance and budgetary control.

The number of cases considered at each meeting, and their outcome is as follows:

Dates	Number Cases on Agenda	Number of Cases Approved	Number of Cases with Conditions	Number of Cases Rejected
04/07/2013	5	0	5	0
11/07/2013	12	8	1	3
18/07/2013	18	1	17	0
01/08/2013	31	17	8	6
08/08/2013	6	3	2	1
15/08/2013	7	5	1	1
Total	79	34	34	11

Dates	Value of Cases on Agenda	Value of Cases Approved	Value of Cases Conditions	Value of Cases Rejected
04/07/2013	£941,680	£0	£941,680	£0
11/07/2013	£4,588,564	£4,157,464	£96,660	£334,440
18/07/2013	£2,586,892	£200,000	£2,386,892	£0
01/08/2013	£5,709,040	£1,178,560	£823,980	£3,706,500
08/08/2013	£944,986	£158,500	£596,486	£190,000
15/08/2013	£2,880,134	£2,674,774	£109,360	£96,000
Total	£17,651,296	£8,369,298	£4,955,058	£4,326,940

Please note cases approved with conditions may then have been reconsidered at a subsequent meeting.

3. Work is ongoing with the DH to ensure a consistent and efficient application of the controls appropriate to a major Arms Length Body (and specifically the requirements for NHS England, DH, Ministerial and/or Cabinet Office approval). This has shown dividends, with welcome steps to rationalise key processes and approval flows. A revised draft of these processes with some minimal changes has been received and is currently being considered with the DH. DH are also considering a process for granting earned autonomy which NHS England will pursue.

**Paul Baumann**  
**Chief Financial Officer**  
**September 2013**