

## BOARD PAPER - NHS ENGLAND

**Title:**

NHS England Governance Manual Approval

**Lead Director:**

Karen Wheeler, National Director: Transformation and Corporate Operations

**Purpose of Paper:**

To propose changes to the composition of the NHS England Governance Manual as part of the Governance and Assurance Project, and approve amendments to three key elements: the Standing Orders, Scheme of Delegation and Standing Financial Instructions

**The Board is invited to:**

- Approve proposals for the revised contents of the NHS England Governance Manual; and
- Approve recommended changes to the NHS England Standing Orders, Scheme of Delegation and Standing Financial Instructions.

# Governance Manual Approval

Board 26 May 2016

## PURPOSE

1. This paper sets out proposals for the revised content of the NHS England Governance Manual, and proposed changes to the NHS England Standing Orders, Scheme of Delegation and Standing Financial Instructions.

## BACKGROUND

2. As part of its work the Governance and Assurance Project (GAP) has reviewed and revised the contents of the NHS England Governance Manual. The proposed content for the new manual is attached at Appendix 1. This will bring together the key components of the new governance framework supported by implementation of a strengthened process for ensuring its maintenance.
3. The previous governance manual comprised only the Standing Orders (SOs), Scheme of Delegation (SoD) and Standing Financial Instructions (SFIs). These have now been subject to detailed review to align terminology and ensure that all recent Board and Committee changes have been reflected in the respective documents. As part of this process, it was identified that there is an additional need for a nominated employees schedule to underpin a number of authorities. Work is underway to develop this and we expect to submit this to the July Board for approval.

## PROPOSAL

4. The Board is asked to approve the revised content (Appendix 1) for the new NHS England Governance Manual. This was reviewed and approved by the Corporate Executive Group at their meeting on 29 April 2016 and by the Audit and Risk Assurance Committee on 10 May 2016.
5. There are also proposed changes to the SOs, SoD and SFIs. These three significant documents, which were presented to the Audit and Risk Assurance Committee meeting held on 10 May 2016, were recommended for submission for Board approval having undergone senior management review. These are filed in the Board reading room on Boardpad.
6. Key changes to the SOs, SoD and SFIs are summarised below:

### Standing Financial Instructions

- SFI 10.7 – Updated to clarify that we do not hold cash or petty cash. We also propose to remove the provision of depositing unofficial funds in the NHS England safe.
- SFI 17 – Removed. We do not hold petty cash.
- SFI 19 – Proposes to delegate approval of special payments over £20k to Chief Financial Officer rather than the Investment Committee.

These are submitted by the Director of Financial Control. The Board is asked to note that SFI 13 remains under review as a result of proposed changes to our commercial arrangements, and to ensure resulting updated processes are accurately captured and reflected in the Scheme of Delegation. Once finalised, they will be presented to the July Board for approval having been to the June Audit Risk and Assurance Committee (ARAC).

## **Standing Orders**

Updated to provide overall clarity regarding non-executive and executive members of the Board, additional National Directors in attendance at Board meetings and sealing of documents.

- SO 7.4.7 – revised to provide clarity regarding the use of the term nominated employee throughout all the documents.
- SO 10 – Proposals to change the process for official documents to be signed and sealed in order to streamline the system and to ensure that use of the seal is authorised in a timely manner.

## **Scheme of Delegation**

It is proposed to rename the document (currently formally titled Reservation of Powers to the Board and Delegation of Powers) to Scheme of Delegation.

Updated to reflect proposed changes identified in the SFIs and SOs. Sections 18 and 19 will require further updating to reflect anticipated changes from amendments to SFI 13.

An additional piece of work is being undertaken to provide a schedule of 'nominated employees' for all areas of the scheme. This schedule will be reported to the June meeting of ARAC and appended to the Scheme before being presented to the July Board for approval. It is a significant piece of work as part of the GAP project.

7. Arrangements are to be put in place from June 2016 onwards for monthly business meetings, chaired by the Director of Governance, involving colleagues from corporate governance, finance, secretariats and legal team to ensure that decisions and other business conducted in the Board and its Committees is fully reflected in the Governance Manual in a timely manner. It is proposed that revised documents will be sent to ARAC for review on a quarterly basis.

## **IMPLICATIONS**

8. None noted.

## **RECOMMENDATIONS**

9. The Board is asked to:

- Approved the revised content for the NHS England Governance Manual; and
- Approve the recommended changes to Standing Orders, Scheme of Delegation and Standing Financial Instructions

**Author: Steve Verdon, Director of Governance**

**Date: 05/2016**

## NHS England Governance Manual

The table below provides the proposed content of the organisations Governance Manual.

#	Section	Sub-headings
1	Introduction	<ul style="list-style-type: none"> <li>• What is Corporate Governance</li> <li>• Corporate Governance principles</li> </ul>
2	Legal and Regulatory Framework	<ul style="list-style-type: none"> <li>• Statutory duties &amp; powers - NHS Act 2006 &amp; HSC Act 2012</li> <li>• The Government's mandate to NHS England</li> </ul>
3	Board & it's Committees	<ul style="list-style-type: none"> <li>• Scheme of Delegation (SoD)</li> <li>• Standing Orders (SO)</li> <li>• Standing Financial Instructions (SFI)</li> <li>• Organisation governance map</li> </ul>
4	Key Policies	<ul style="list-style-type: none"> <li>• Policy on Policies</li> <li>• Non-clinical procurement policy and procedures</li> <li>• Whistleblowing policies:               <ul style="list-style-type: none"> <li>▪ Voicing your concerns for staff (Whistleblowing)</li> <li>▪ External Whistleblowing Policy (Prescribed Person)</li> </ul> </li> <li>• Standards of Business Conduct (Conflict of Interest)</li> </ul>
5	Assurance	<ul style="list-style-type: none"> <li>• Assurance Framework</li> <li>• 3 Line of Defence model</li> <li>• Third Party Assurance</li> </ul>
6	Risk	<ul style="list-style-type: none"> <li>• Enterprise Wide Risk Management Framework (EWRMF)</li> <li>• Risk Management Policy</li> <li>• Risk Management Manual</li> </ul>
7	Controls	<ul style="list-style-type: none"> <li>• Process Register</li> <li>• Policy Register</li> <li>• Control Framework</li> <li>• Control Register</li> <li>• Programme &amp; Project Management Framework</li> <li>• Managing Organisational Change Framework</li> </ul>
8	Equality & Diversity	<ul style="list-style-type: none"> <li>• Equality &amp; Diversity</li> <li>• NHS Workforce Race Equality Standard</li> </ul>