

Agenda Item 14.0.

NHS MORECAMBE BAY CCG - DELEGATED FINANCIAL LIMITS

Delegated Financial Limits		
Note these delegated limits form part of the Scheme of Reservation and Delegation and detailed financial procedures and should be read together with the Standing Orders, Scheme of Delegation and Prime Financial Policies contained within the CCG's constitution. All thresholds are exclusive of VAT irrespective of recovery arrangements. Where appropriate, these limits apply to the identified officers or, in their absence, their nominated deputies.		
Financial Limits		Notes
1	Signing of contracts – health care contracts (including contract variations):	
CCG Governing Body	Over £250,000,000	
Chief Finance Officer and either the Chief Officer or Chairman	£100,000,001 to £250,000,000	
Chief Finance Officer	Up to £100,000,000	
Chief Operating Officer or Director of Planning and Performance	Up to £250,000	
2	Approving monthly contract payments / service level agreement payments – patient care:	
Chief Officer	Over £20,000,000	
Chief Finance Officer	Up to £20,000,000	
Chief Operating Officer or Director of Planning and Performance	Up to £1,000,000	
Senior Finance Managers (Band 8c)	Up to £250,000	
3	Approving healthcare ad hoc payments – (including Continuing Healthcare, bespoke care, Non Contract Activity etc.):	
Chief Officer or Chief Finance Officer	Over £250,000	
Chief Operating Officer or Director of Planning and Performance or Senior Finance Managers (Band 8c)	Up to £250,000	
Budget holders	Up to £10,000	
Midlands and Lancashire Commissioning Support Unit (M&LCSU)	The Chief Finance Officer will determine, where appropriate, that some or all of the above approval responsibility can be delegated to the M&LCSU.	
4	Signing requisitions for goods and services: non patient care:	
CCG Executive Committee	Over £250,000	
Chief Finance Officer <i>and</i> Chairman	Up to £250,000	
Chief Finance Officer <i>and</i> Chief Officer	Up to £150,000	
Chief Finance Officer	Up to £100,000	
Chief Operating Officer or Director of Planning and Performance or Chief Nurse	Up to £50,000	
Budget holders	Up to £1,000	

5	Approving payments: non patient care:	
Chief Finance Officer <i>and</i> Chairman	Over £300,000	
Chief Finance Officer <i>and</i> Chief Officer	Up to £300,000	
Chief Finance Officer	Up to £200,000	
Chief Operating Officer or Director of Planning and Performance or Chief Nurse	Up to £50,000	
Senior Finance Managers (Band 8c)	Up to £10,000	
Budget holders	Up to £5,000	
6	The requirement to obtain Quotations and Tenders (over lifetime of contract):	
EU limit and over	(in compliance with EU Procurement thresholds:	Obtain a minimum of 3 written competitive tenders
	EU limits in effect at the time	
	http://www.ojec.com/Thresholds.asp X	
£50,000 to EU limit	(in compliance with EU Procurement thresholds:	Obtain a minimum of 3 written competitive tenders
	EU limits in effect at the time	
	http://www.ojec.com/Thresholds.asp X	
£15,000 to £49,999		Obtain a minimum of 3 written quotes
£1,000 to £14,999		Obtain two written quotations
Up to £999		Obtain one verbal quotation
Formal tendering procedures <i>need not be applied where:</i>	a) The estimated expenditure or income does not, or is not reasonably expected to exceed £49,999. b) Where the supply is proposed under special arrangements negotiated by the DoH as part of the NHS Procurement Framework, in which event the said special arrangements must be complied with.	

<p>Formal tendering procedures <i>may be waived</i> in the following circumstances:</p>	<p>a) In very exceptional circumstances where the Chief Officer decides that formal tendering procedures would not be practicable or the estimated expenditure or income would not warrant formal tendering procedures, and the circumstances are detailed in an appropriate CCG record.</p> <p>b) Where the requirement is covered by an existing contract.</p> <p>c) Where PASA agreements are in place and have been approved by the Governing Body.</p> <p>d) Where a consortium agreement is in place and a lead organisation has been appointed to carry out tendering activity on behalf of the consortium members.</p> <p>e) Where the timescale genuinely precludes competitive tendering (but failure to plan the work properly would not be regarded as a justification for a single tender).</p> <p>f) Where specialist expertise is required and is available from only one source.</p> <p>g) When the task is essential to complete the project, and arises as a consequence of a recently completed assignment and engaging different consultants for the new task would be inappropriate.</p> <p>h) Where there is a clear benefit to be gained from maintaining continuity with an earlier project. However, in such cases the benefits of such continuity must outweigh any potential financial advantage to be gained by competitive tendering.</p> <p>i) For the provision of legal advice and services providing that any legal firm or partnership commissioned by the CCG is regulated by the Law Society for England and Wales for the conduct of their business (or by the Bar Council for England and Wales in relation to the obtaining of Counsel's opinion) and are generally recognised as having sufficient expertise in the area of work for which they are commissioned.</p> <p>The Chief Finance Officer will ensure that any fees paid are reasonable and within commonly accepted rates for the costing of such work.</p> <p>j) Where allowed and provided for in the Capital Investment Manual.</p>
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The waiving of competitive tendering procedures should not be used to avoid competition or for administrative convenience or to award further work to a consultant originally appointed through a competitive procedure.

Where it is decided that competitive tendering is not applicable and should be waived, the fact of the waiver and the reasons should be documented and recorded in an appropriate CCG record and reported to the Audit Committee at each meeting.

ALL APPLICATIONS FOR WAIVER MUST BE APPROVED BY THE CHIEF FINANCE OFFICER BEFORE ANY ACTION IS TAKEN.

7	Gifts & hospitality received:	
	Policy follows guidance contained in DH circular HSG(93) 5 Standards of Business Conduct for NHS Staff & the code of conduct for NHS managers	
All NHS Staff	Gifts: up to £10 Hospitality: up to £25	See the Conflicts of Interest policy for further details
8	Litigation claims:	
Chief Officer	Over £250,000	
Chief Finance Officer	Up to £250,000	

9	Losses and special payments - to be reported to CCG Audit Committee:		
CCG Governing Body	Over £100,000		
Chief Finance Officer and Chief Officer	£50,001 to £100,000		
Chief Finance Officer	Up to £50,000		
10	Compensations:		
Any compensation payments shall be authorised by the Chief Finance Officer and Chief Officer, subject to national delegated limits, as appropriate at the time.			
11	Petty cash:		
Chief Finance Officer	Up to £100	See petty cash procedures available from Finance Department	
Budget Holder	Up to £20		
12	Removal expenses:		
Chief Officer	Over £8,500	With approval	Remuneration Committee
Chief Finance Officer	Over £8,500	With approval	Remuneration Committee
Chief Commissioning Officer	Up to £8,500	With approval	Remuneration Committee
13	Disposals and condemnations - all assets at market value:		
CCG Governing Body	Over £100,000 per item	Use of capital receipts must be authorised through the Chief Finance Officer	
Chief Officer	Up to £100,000 per item		
Chief Finance Officer	Up to £100,000 per item		