

Scheme of Reservation and Delegation

Incorporating the Operational Scheme of Delegation

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10 April 2024	2.13	Updated to include The North West Specialised Services Joint Committee
13 November 2024	43	Amended to reflect Provider Selection Regime. and <u>delegated thresholds for</u> investment requirements for in plan versus outside of plan
<u>19 March 2025</u>	<u>5</u>	<u>Amended to reflect revised committee structure and the new Procurement Act 2023</u>

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1.0 INTRODUCTION

- 1.1 The NHS Act 2006, as amended by the Health and Social Care Act 2012 and the Health and Care Act 2022 (“the 2006 Act”) sets out the statutory framework in which the Integrated Care Board (“the ICB”) operates. The ICB’s statutory powers, functions and duties are conferred, in the main, by the 2006 Act; however, additional responsibilities for other functions may be conferred through delegation to the ICB from other bodies (such as NHS England or other ICBs).
- 1.2 Section 65Z5 of the 2022 Act provides new powers for statutory NHS bodies. It creates a defined list of relevant bodies, which are:
- NHS England
 - Integrated care boards (ICBs)
 - NHS trusts, and
 - NHS foundation trusts.
- 1.3 The 2022 Act provides more flexibility for the different NHS bodies to come together to carry out their functions, and to delegate their responsibility for making decisions. Further, this collaboration could be at any level – nationally, regionally, system or place – and relate to individual services or broad categories, such as services for older people.
- 1.4 Therefore, the ICB has three options for ‘exercising’ (carrying out) its functions. The ICB is able to:
- a. **carry the function out themselves**, on their own as they have been able to do previously – including through ‘internal’ delegations to individuals and committees
 - b. **delegate responsibility to one or more** organisations to carry out functions on their behalf, and/or
 - c. **carry out their functions jointly** (jointly exercise) with one or more other organisations, potentially by forming joint committees and pooling funds to do so.
- 1.5 The default arrangement is that functions will be exercised by the ICB unless they are explicitly delegated. The ICB, regardless of any delegation arrangements it has made, remains legally accountable for the exercise of its functions.

2.0 SCHEME OF RESERVATION AND DELEGATION

- 2.1 This Scheme of Reservation and Delegation (SoRD) sets out for NHS Lancashire and South Cumbria ICB:
- a) those functions that are reserved to the board
 - b) those functions that have been delegated to an individual or to committees and sub committees

- c) those functions delegated to another body or to be exercised jointly with another body, under section 65Z5 and 65Z6 of the 2006 Act.
- 2.2 The SoRD reflects the ICB's operating model and committee structure. The following committees have been established to support the board in effectively discharging the ICB's full range of functions:
- Remuneration Committee
 - Audit Committee
 - Quality Committee
 - Finance and Performance Committee
 - Primary Care Commissioning Committee
 - People Board
- 2.3 The ICB will not make use of its powers to delegate its functions to NHS trusts/Foundation Trusts, local authorities, or combined authorities at this time. This is to allow consideration of any secondary legislation and NHSE statutory guidance relating to these new powers (other than formal arrangements already established e.g., Section 75s).
- 2.4 Should any difficulties arise regarding the interpretation or application of the Scheme of Reservation and Delegation then the advice of the ICB's Company Secretary should be sought before acting. The users of this Scheme of Reservation and Delegation should also be familiar with and comply with the provisions of the ICB's Constitution, Standing Orders and Standing Financial Instructions.
- 2.5 All members of the Board, its committees and sub-committees, and the ICB's employees are required to comply with this Scheme of Reservation and Delegation.

3.0 THE GOVERNANCE HANDBOOK

- 3.1 The ICB's Constitution is supported by the ICB's Governance Handbook, which provides further details on how governance arrangements in the ICB will operate by bringing together a number of governance documents, so it is easy for interested people to navigate.
- 3.2 The SoRD, and other key documents within the Governance Handbook may be amended by the board at any time. The Board will approve all amendments to the Scheme of Reservation and Delegation.
- 3.3 The Scheme of Reservation and Delegation will be reviewed at least annually, and remain up-to-date and relevant, and the ICB's Company Secretary will ensure that it reflects any variations to functions reserved to the Board or delegated.
- 3.4 The SoRD (incorporating the Operational Scheme of Delegation), will be published on the ICB's website as a core document within the Governance Handbook.

4.0 OVERARCHING SCHEME OF RESERVATION AND DELEGATION

Reference	Decision/responsibilities	Reserved to the Board	Delegated to Committee or Group	Delegated to Chair or officer
4.1 Regulation and Control				
Constitution 1.6	Consideration and approval of applications to the NHS England on any matter concerning changes to the board's Constitution and standing orders	✓		Variations may be proposed by the Chief Executive or the Chair
Constitution SOs 5	Suspension of any part of standing orders		Reported to the next Audit committee	The Chair in discussion with at least 2 other members
Constitution 2.2.4	Approve the appointment of Board members (other than the Chair)			Chair ¹
Constitution 4.6.4(a)	Establish and approve terms of reference and membership for the ICB committees and sub-committees and consider and approve any changes	✓		
Constitution 4.6.6	Approve members, or any changes to members of committees and sub-committees that exercise commissioning functions			Chair
FoICB 4 ²	Establish governance arrangements to support collective accountability between partner organisations for whole-system delivery and performance, underpinned by the statutory and contractual accountabilities of individual organisations.	✓		Prepared by the Chief Executive
FoICB 4	Establish governance arrangements to support collective accountability between partner organisations for place-based system delivery and performance, underpinned by the statutory and contractual accountabilities of individual organisations.	✓		Prepared by the Chief Executive

¹ The Chief Executive appointment is subject to approval of NHS England in accordance with any procedure published by NHS England (c 3.4.2)

² [functions of the integrated care board](#)

Reference	Decision/responsibilities	Reserved to the Board	Delegated to Committee or Group	Delegated to Chair or officer
Constitution 4.7	Agree any functions delegated to other relevant bodies or exercised jointly with the ICB and another relevant bodies	✓		
Constitution 4.4.2	Approve the ICB overarching scheme of reservation and delegation (SoRD) which sets out those decisions reserved to the Board, committees and sub-committees, individuals, or specified persons	✓		Amendments may be proposed by the Chief Executive or the Chair
Constitution 4.4.2	Approve the ICB operational scheme of delegation, which sets out those key operational decisions and financial limits delegated to individuals or specified persons	✓		Amendments may be proposed by the Chief Executive or Chief Finance Officer
Constitution 5.2	Approve the ICB standing financial instructions.	✓		Prepared by the Chief Finance Officer
Constitution 1.7.3	Approve the ICB Governance Handbook and Functions and Decisions map	✓		Prepared by Chief Finance Officer
Constitution SOs 4.9.5 4.9.6	taking of urgent decisions and extraordinary circumstances on behalf of the Board.		Reported to the next Board for ratification and Audit Committee for oversight	Chair and Chief Executive (or Chair and relevant lead director in the case of committees)
Constitution SOs 6	Use of the seal or execution of a document for signature.	Reported to Board		At least 2 individuals to be the: Chair, Chief Executive or Chief Finance Officer
Constitution 1.4.5	Approve the arrangements for discharging the ICB's statutory functions and general statutory duties which include but are not limited to: a) having regard to and acting in a way that promotes the NHS Constitution b) exercising its functions effectively, efficiently and economically. c) duties in relation to children including safeguarding and promoting welfare.	✓		

Reference	Decision/responsibilities	Reserved to the Board	Delegated to Committee or Group	Delegated to Chair or officer
	d) adult safeguarding and carers (the Care Act 2014) e) equality, including the public-sector equality duty f) Information law (including data protection Act 2018, and Freedom of Information Act 2000) g) provisions of the Civil Contingencies Act 2004. h) improvement in quality of services. i) reducing inequalities. j) obtaining appropriate advice. k) duty to have regard to effect of decisions. l) public involvement and consultation. m) financial duties. n) having regard to assessments of its performance			
Constitution section 4	Determine the arrangements to ensure that the ICB exercises its functions effectively, efficiently and economically and in accordance with the board's principles of good governance, including but not limited to: a) comply with all relevant laws including but not limited to the 2006 Act and the duties prescribed within it and any relevant regulations b) comply with directions issued by the Secretary of State for Health and Social Care c) comply with directions issued by NHS England d) have regard to statutory guidance including that issued by NHS England; and e) take account, as appropriate, of other documents, advice and guidance issued by relevant authorities, including that issued by NHS England. f) respond to reports and recommendations made by local Healthwatch organisations within the ICB area	✓		

Reference	Decision/responsibilities	Reserved to the Board	Delegated to Committee or Group	Delegated to Chair or officer
	Exercise or delegate those functions of the ICB which have not been retained as reserved by the ICB Board or delegated to its committees and sub-committees or delegated to named other individuals as set out in this document.		<u>Executive Committee</u>	Chief Executive
Constitution 4.7 d) 5.2 and 7.3.8	Approve the arrangements for discharging the ICB's statutory financial duties.	✓		Prepared by the Chief Finance Officer Assured by the Audit Committee
Constitution 7.3.8 b)	Approve the ICB full financial plan, as agreed with NHS England that meet the ICB financial duties. This will incorporate all budgets to be delegated to budget holders.	✓	Assured by Finance and Performance <u>Contracting</u> Committee	Prepared by the Chief Finance Officer
4.2 Annual Report and Accounts				
Constitution 7.5 SFIs 3.3	Approve and Publish the ICB Annual Report and Annual Accounts	✓	Audit Committee review prior to submission for audit and Board.	Prepared by the Chief Finance Officer
Constitution 7.5	Approve the timetable for the preparation and approval of the ICB's annual report and annual accounts		Audit Committee	
TOR	Approve the appointment of the ICB's external auditor		Audit Committee	
4.3 Strategic Planning				
Constitution 7.3.8 a) b) Reg s.14Z52	Agree and publish a System Joint Forward Plan at the start of each financial year that sets out how the ICB proposes to exercise its functions during the next five years (covering all functions). The system joint forward plan will be agreed with partner NHS trusts and foundation trusts (those partners included under section 3.5.1 of the constitution)	✓		Prepared by the Chief Executive

Reference	Decision/responsibilities	Reserved to the Board	Delegated to Committee or Group	Delegated to Chair or officer
Reg s.14Z53 clause 19	Agree revisions to the System Joint Forward Plan in agreement with partner NHS trusts and foundation trusts.	✓		
Reg s. 14Z54	Approve the arrangement for consultation of the joint forward plan or when making a change that is deemed significant, conducted jointly with partner NHS trusts and foundation trusts.	✓		
Reg s.14Z56	Agree and publish a Joint Capital Resource Use Plan with partner NHS trusts and foundation trusts (those partners included under section 3.5.1 of the constitution) before the start of each financial year.	✓	Recommended by Finance and Performance <u>Contracting</u> Committee	Prepared by the Chief Finance Officer
Reg s.14Z57	Agree revisions to the Joint Capital Resource Use Plan that are deemed significant in agreement with partner NHS trusts and foundation trusts.	✓	Recommended by Finance and Performance <u>Contracting</u> Committee	
Reg s.116 clause 20(3)	Prepare a Joint Strategic Needs Assessment with each partner local authority (those partners included under section 3.7.1 of the constitution)	✓	agreed by Health and Wellbeing Boards ³	
Reg s.116A clause 20(5)	Prepare a Joint Health and Wellbeing Strategy based on the JSNAs, with each responsible local authority.	✓	exercised by Health and Wellbeing Boards	
7.3.8 c) FoICB 1	Agree a plan to meet the health and healthcare needs of the population (all ages) within Lancashire and South Cumbria, having regard to the Integrated Care Partnership's Strategy.	✓		Prepared by the Chief Executive
FoICB 2	Allocate resources to deliver the plan across the system and in each place, determining what resources should be available to meet population need and setting principles for how they should be allocated across services and providers (both revenue and capital)	✓		Prepared by Chief Finance Officer

1.1 ³ Refer to section 'Decisions and functions delegated to be exercised jointly'.

Reference	Decision/responsibilities	Reserved to the Board	Delegated to Committee or Group	Delegated to Chair or officer
FoICB 5	<p>Arrange for the provision of health services in line with the allocated resources across the ICS through a range of activities including:</p> <ul style="list-style-type: none"> a) putting contracts and agreements in place to secure delivery of its plan by providers b) convening and supporting providers (working both at scale and at place) to lead major service transformation programmes to achieve agreed outcomes. c) support the development of primary care networks (PCNs) as the foundations of out-of-hospital care and building blocks of place-based partnerships. including through investment in PCN management support, data and digital capabilities, workforce development and estates. d) working with local authority and voluntary, community and social enterprise (VCSE) sector partners to put in place personalised care for people, including assessment and provision of continuing healthcare and funded nursing care, and agreeing personal health budgets and direct payments for care 	✓		Chief Executive
FoICB 12	Approve the arrangements for the review, planning and procurement of primary medical care services and appropriate specialised services (to reflect the terms of the delegation agreement with NHS England).	✓	Primary Care Commissioning Executive Committee for the review, planning and procurement of <u>delegated 1 specialised services</u> and primary medical care services. <u>(in line with financial limits).</u>	Prepared by the Chief Operating Officer
	Approve the ICB operating structure	✓		Prepared by the Chief Executive
FoICB 6 PB ToR	Agree system implementation of people priorities including delivery of the People Plan and People Promise by aligning partners across the ICS to develop and support 'one workforce', including through closer	✓	People <u>and Culture</u> Board Committee make recommendations and oversee	Strategy prepared by Chief People Officer

		implementation.	
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Reference	Decision/responsibilities	Reserved to the Board	Delegated to Committee or Group	Delegated to Chair or officer
	collaboration across the health and care sector, with local government, the voluntary and community sector and volunteers.			
FoICB 7	Agree system-wide action on data and digital: working with partners across the NHS and with local authorities to put in place smart digital and data foundations to connect health and care services to put the citizen at the centre of their care.	✓	Assurance through Finance and Contracting Committee	Prepared by Chief Digital Officer
FoICB 10	Agree joint work on estates, procurement, supply chain and commercial strategies to maximise value for money across the system and support wider goals of development and sustainability.	✓	Assurance through Finance and Contracting Committee	Prepared by Medical Director (Estates) and Chief Finance Officer
FoICB 11	Agree arrangements for planning responding to and leading recovery from incidents (EPRR), to ensure NHS and partner organisations are joined up at times of greatest need, including taking on incident coordination responsibilities as delegated by NHS England and NHS Improvement.	✓		Prepared by Chief Operating Officer
4.4 Partnership Working				
FoICB 3	Agree joint working arrangements with partners across Lancashire and South Cumbria that embed collaboration as the basis for delivery within the ICB plan.	✓		
Constitution 4.3.2	Approve arrangements for coordinating the commissioning of services with other ICBs or with local authorities, where appropriate.	✓		Prepared by the Chief Operating Officer
Constitution 4.3.2	Approve arrangements for risk sharing and /or risk pooling with other organisations (for example arrangements for pooled funds with other ICBs or pooled budget arrangements under section 75 of the NHS Act 2006) ⁴	✓ (Joint Committee for S75 arrangements)		
4.5 Employment and Remuneration				

⁴ Awaiting national guidance for approval of s75 arrangements

Reference	Decision/responsibilities	Reserved to the Board	Delegated to Committee or Group	Delegated to Chair or officer
Constitution Section 8	Have oversight of the ICB's responsibilities as an employer including adopting a Standards of Business Conduct for staff	✓		
Constitution section 8.1.6	Approve the terms and conditions, remuneration and travelling or other allowances for Board members, including pensions and gratuities.		Remuneration Committee Remuneration Panel where it relates to a non-executive member of the board ⁵	
Constitution 8.1.6	Approve the terms and conditions, remuneration and travelling or other allowances for employees of the ICB and to other persons providing services to the ICB		Remuneration Committee	
	Approve human resources policies for ICB employees and for other persons working on behalf of the ICB		Remuneration Committee	
Constitution 8.1.1 SFI 8.1	Approve arrangements for staff appointments		Remuneration Committee	
Constitution 3.1.1 TOR	Provide assurance of ICB statutory duties relating to people such as compliance with employment legislation including such as Fit and proper person regulation (FPPR)		Remuneration Committee	
4.6 Operational Business and Risk Management				
SFIs	Approve a comprehensive system of internal control that underpins the effective, efficient and economic operation of the ICB.		Audit Committee, informed by Internal and External Audit	Prepared by Chief Executive and Chief Finance Officer
	Approve arrangements for oversight of strategic risks held on the Board Assurance Framework.	✓	Assured by Audit Committee	

⁵ The remuneration of the chair will be determined by NHS England

Reference	Decision/responsibilities	Reserved to the Board	Delegated to Committee or Group	Delegated to Chair or officer
1.4.5	Approve arrangements to meet the public sector equality duty	✓		Prepared by the Chief People Officer
Constitution 4.4.2	Approve ICB Financial Policies		Finance and Performance-Contracting Committee	
Constitution 4.4.2	Approve Safeguarding, Clinical and Medicines Policies		Quality <u>and Outcomes</u> Committee	
Constitution 4.4.2	Approve HR Policies		Remuneration Committee	
Constitution 1.4.5 1.4.7	Approve system-level arrangements, including policies, to minimise clinical risk, maximise patient safety and to secure continuous improvement in quality and patient outcomes	✓	Quality <u>and Outcomes</u> Committee to recommend to the Board	
1.4.5	Approve ICB risk management policy and framework	✓	Assured by Audit Committee	
Constitution 6	Approve the policy for managing conflicts of interest, including gifts and hospitality and for standards of business conduct.	✓	Assured by Audit Committee	
7.3.4	Approve the policy for handling complaints	✓	Assured by Quality Committee	Prepared by Chief Nurse
7.3.5	Approve the policy for handling freedom of information requests	✓	Assured by Audit Committee	Prepared by the Chief Digital Officer
Constitution 7.4.3	Approve arrangements for complying with existing procurement rules, the Health Care Services (Provider Selection Regime) Regulations 2023, the Public Contracts Regulations 2015 (PCR 2015) and the Procurement Act 2023 (to replace the PCR 2015) as it comes into effect.	✓	<u>Finance and Contracting Committee for Procurement and Contracting Policy</u>	Prepared by Chief Finance Officer

Reference	Decision/responsibilities	Reserved to the Board	Delegated to Committee or Group	Delegated to Chair or officer
Schedule 1, Part 1, para 4B of the Civil Contingencies Act 2004	Approve the policy and arrangements for assessing the risk of an emergency occurring and maintaining plans for the purposes of responding to an emergency as a Category 1 Responder.	✓		Prepared by Chief Operation Officer
4.7 Audit				
Constitution 4.6.8	Report and provide assurance to the Board on the effectiveness of ICB governance arrangements.		Audit Committee	
TOR	Ensure that financial systems and governance are established which facilitate compliance with DHSC's Group Accounting Manual		Audit Committee	
Constitution 4.6.8	Receive the annual governance letter from the External Auditor and advise the Board of proposed action		Audit Committee	
Constitution 4.6.8	Approve the internal audit, external audit and counter-fraud plans and any changes to the provision or delivery of related services		Audit Committee	
Constitution 4.6.8	Approve the appointment (and where necessary change or removal) of the internal audit provider.		Audit Committee	

4.8 Decisions and functions delegated to the board by other organisations

Body making the delegation	Decisions and functions delegated to the ICB	Reference	Delegated to Committee or Group
NHS England	Delegation of commissioning functions as agreed in the delegation agreement between NHS England and the ICB in relation to: <ul style="list-style-type: none"> Primary Medical Services Pharmacy Services Primary Dental Services Primary Ophthalmic services 	Delegation Agreement	Primary Care Commissioning Executive Committee

4.9 Decisions and functions delegated to be exercised jointly

Committee/entity that will exercise the function/ decision	Decisions and functions delegated to the committee/entity Section 75 Partnership arrangements	Legal power	Governing arrangements
Lancashire Health and Wellbeing Board	<ul style="list-style-type: none"> • Agree priorities and Investment plans for the Better Care Fund created jointly by the ICB and Lancashire County Council. • Agree the strategic direction of the Better Care Fund and the delivery of better integrated care, as part of their statutory duty to encourage integrated working between commissioners. • Approve arrangements for risk sharing and/or risk pooling. • Approve quarterly and year-end report against plan for submission. • Agree pooled fund payments schedules. • Approve annual statement of accounts. • Oversight of Regional and National Assurance process 	Section 75	<p>Section 75 Partnership agreement.</p> <p>Lancashire County Council as host of s75 pooled fund.</p>
Blackburn with Darwen Health and Wellbeing Board	<ul style="list-style-type: none"> • Agree priorities and Investment plans for the Better Care Fund created jointly by the ICB and Blackburn with Darwen Borough Council. • Agree the strategic direction of the Better Care Fund and the delivery of better integrated care, as part of the statutory duty to encourage integrated working between commissioners. • Approve arrangements for risk sharing and/or risk pooling. • Approve quarterly and year-end report against plan for submission. • Agree pooled fund payments schedules. • Approve annual statement of accounts. • Oversight of Regional and National Assurance process 	Section 75	<p>Section 75 Partnership agreement.</p> <p>Blackburn with Darwen Council as host of s75 pooled fund.</p>
Blackpool Health and Wellbeing Board	<ul style="list-style-type: none"> • Agree priorities and Investment plans for the Better Care Fund created jointly by the ICB and Blackpool Borough Council. • Agree the strategic direction of the Better Care Fund and the delivery of better integrated care, as part of their statutory duty to encourage integrated working between commissioners. 	Section 75	Section 75 Partnership agreement.

	<ul style="list-style-type: none"> • Approve arrangements for risk sharing and/or risk pooling. • Approve quarterly and year-end report against plan for submission. • Agree pooled fund payments schedules. • Approve annual statement of accounts. • Oversight of Regional and National Assurance process 		Blackpool Council as host of s75 pooled fund.
Cumberland Joint Health and Wellbeing Board	<ul style="list-style-type: none"> • Agree priorities and Investment plans for the Better Care Fund created jointly by the ICB and Cumbria County Council. • Agree the strategic direction of the Better Care Fund and the delivery of better integrated care, as part of their statutory duty to encourage integrated working between commissioners. • Approve arrangements for risk sharing and/or risk pooling. • Approve quarterly and year-end report against plan for submission. • Agree pooled fund payments schedules. • Approve annual statement of accounts. • Oversight of Regional and National Assurance process 	Section 75	<p>Section 75 Partnership agreement.</p> <p>Council as host of s75 pooled fund.</p>
Westmorland and Furness Health and Wellbeing Board	<ul style="list-style-type: none"> • Agree priorities and Investment plans for the Better Care Fund created jointly by the ICB and Westmorland and Furness Council. • Agree the strategic direction of the Better Care Fund and the delivery of better integrated care, as part of their statutory duty to encourage integrated working between commissioners. • Approve arrangements for risk sharing and/or risk pooling. • Approve quarterly and year-end report against plan for submission. • Agree pooled fund payments schedules. • Approve annual statement of accounts. • Oversight of Regional and National Assurance process 	Section 75	<p>Section 75 Partnership agreement.</p> <p>Westmorland and Furness Council as host of s75 pooled fund</p>
North Yorkshire	<ul style="list-style-type: none"> • Agree priorities and Investment plans for the Better Care Fund created jointly by the ICB and North Yorkshire Council. • Agree the strategic direction of the Better Care Fund and the delivery of better integrated care, as part of their statutory duty to encourage integrated working between commissioners. • Approve arrangements for risk sharing and/or risk pooling. 	Section 75	Section 75 Partnership agreement.

	<ul style="list-style-type: none"> • Approve quarterly and year-end report against plan for submission. • Agree pooled fund payments schedules. • Approve annual statement of accounts. • Oversight of Regional and National Assurance process 		North Yorkshire Council as host of s75 pooled fund
The North West Specialised Services Joint Committee_ (Delegated level 2 Services)	<ul style="list-style-type: none"> • Make joint decisions in relation to the planning and commissioning of the relevant Delegated Services, and any associated commissioning or statutory functions • Monitor and delivery of population-based specialised service financial allocation and financial plans for services commissioned by the Partners, including agreeing the annual contribution made by each North West ICB • Agree commissioning intentions for any Pooled Funds or Non-Pooled Funds where these are in use • Identify and set strategic priorities and ensure ongoing assessment and review of Delegated Services within the remit of the Joint Committee, including tackling unequal outcomes and access • Risk and issue management and escalation, and developing the approach to intervention with providers on any contractual issues • Oversee the North West ICB Collaboration Arrangement oversee the development, implementation and review of the North West Specialised Services Target Operating Model 	Section 65Z5 of the National Health Service Act 2006 as amended	Delegation Agreement between NHS England and NHS Lancashire and South Cumbria ICB in relation to <u>North West Level 2</u> Specialised Commissioning Functions
Shaping Care Together Joint Committee	<ul style="list-style-type: none"> • <u>oversee the development, implementation, performance and review of the Shaping care Together Programme</u> • <u>making joint decisions in relation to the planning and commissioning of services, and any associated commissioning or statutory functions, within the scope of the Shaping Care Together programme, for the population of Southport, Formby and West Lancashire</u> • <u>assuring service change for patient's guidance is adhered to, including assurance for each NHSE gateway assurance checkpoints and 5 tests (public and patient engagement, patient choice (and EIA), clinical evidence, support from GP commissioners, NHSE Bed closure test (if applicable) and Finance)</u> • <u>Consider longer-term planning of services within scope of the Shaping Care Together Programme, including the opportunities for transformation and integration of the services and functions</u> • <u>make recommendation to the Boards of each ICB on any changes to the mandate of and scope of the services within the Shaping Care Together programme which impact on any functions, statutory duties, quality and safety of</u> 	Section 65Z5 of the National Health Service Act 2006 as amended	Joint Committee of NHS Cheshire and Mersey ICB and NHS Lancashire and South Cumbria ICB

4.10 Decisions and functions delegated by the board to other statutory bodies

- (a) The ICB will not make use of its powers to delegate its functions to NHS trusts/FT, local authorities, or combined authorities at this time. This is to allow sufficient time to consider any secondary legislation and NHSE statutory guidance relating to these new powers.
- (b) The ICB will continue working with Local Authorities and providers on system plans and collaboration arrangements and consider any plans and aspirations for how delegation can support the delivery of system objectives in future years and begin to put to plans in place.

(does not apply to delegation to committees of the ICB board or existing section 75 arrangements with local authorities or any current lead provider arrangements in which NHS providers have responsibility for re-designing services, such as the NHS-led Mental Health, Learning Disability and Autism Provider Collaborative arrangements)

Body	Decisions and functions delegated from the ICB to the body	Legal power	Governing arrangements
	N/A		

Operational Scheme of Delegation

5.0 OPERATIONAL SCHEME OF DELEGATION

- 5.1 This Operational Scheme of Delegation (OSoD) is derived from the Scheme of Reservation and Delegation (SoRD). It sets out who has 'day to day' operational decision making defining delegated limits and routes of escalation for sign off where appropriate.
- 5.2 The OSoD is a key control document across the Integrated Care Board (ICB) incorporating decisions made for the ICB (equally across the full breadth of the ICB) and those delegated to Place. Where there are specific Place based variations, these are stipulated within the relevant sections.
- 5.3 Other Key Documents
 - (a) ICB Constitution (incorporating Standing Orders)
 - (b) ICB Standing Financial Instructions
 - (c) ICB Losses and Special Payments Policy
 - (d) Department of Health and Social Care - Group Accounting manual (GAM)
- 5.4 All financial limits in this schedule of matters delegated to officers, are subject to sufficient budget being available. The annual financial plan approved by the ICB Board at the start of each financial year (in accordance with NHS England requirements) clearly outlines expected annual contract values -for material contracts in each programme expenditure area and a summary of all contracts with an expected annual value of greater than £10.0m. This then translates into the approved designated budgets. These planned budgets are considered 'Business as Usual' for the ICB. The OSoD makes reference to delegated authority for new investments considered outside plan.
- 5.5 Any decision which results in a material change in strategic direction will be referred to the ICB Board for approval e.g., formal delegation to Place.
- 5.6 Where it is necessary for expenditure to be approved that is outside of an approved budget, either in value or in terms of what the budget was originally intended for, this will need to be escalated to the Chief Finance Officer. Delegation of budgets is intended to be commensurate with the organisational hierarchy and autonomy to make operational decisions effectively.
- 5.7 In most circumstances the ICB's or place based equivalent budget holders are the Executive Director. In accordance with delegated budgetary responsibilities, budgets are held by a single accountable person who is responsible for delivering services or specific objectives and is accountable for the associated expenditure. Budget holders are permitted to delegate responsibilities to other individuals (budget managers and budget supervisors) who can carry out daily tasks on behalf of the budget holder

and have authority to make decisions based on these onward delegations including the approval of invoice payments. All onward delegations must be documented in writing and clearly describe the parameters of the delegations including financial limits and any restrictions for particular types of expenditure and the budget holder will always retain accountability for the budget. These approval limits may vary between teams and team members.

5.8 The ICB's Constitution which incorporate the Standing Orders outlines the process for emergency/urgent decisions in exceptional circumstances.

5.9 In order to ensure effective budgetary control and accountability;

- Officers will only be allowed to approve or incur expenditure against designated budgets.
- All budget holders will need to sign for their respective budgets.
- All budget holders will be given the appropriate financial training and informed of their responsibilities in managing budgets.

6.0 NON-COMPLIANCE WITH THE OPERATIONAL SCHEME OF DELEGATION

6.1 All members of the Board, its committees and sub-committees, the ICB's employees or any individual with delegated spend limits are required to comply with the Operational Scheme of Delegation.

6.2 Failure to comply with this Scheme of Delegation may be regarded as a disciplinary matter that could result in dismissal.

6.3 If for any reason this Scheme of Delegation is not complied with, full details of the non-compliance and any justification for non-compliance and the circumstances around the non-compliance shall be reported to the next formal meeting of the Audit Committee. All individuals as defined at 6.1 have a duty to disclose any non-compliance with this Scheme of Delegation to the Chief Finance Officer as soon as possible. If the Chief Finance Officer is responsible for the non-compliance, then this should instead be reported to the ICB's Company Secretary.

7.0 DELEGATED FINANCIAL LIMITS

7.1 Business cases / proposals (Including change in clinical policies)

- To commit resources for commissioned healthcare and non healthcare services (including decommissioning & disinvestment decisions).
- Financial limits reflect total contract values. If recurrent funding, then 3 times the annual value should be used for the purpose of financial approval limits.

Committee Name or Post holder	Business as Usual expenditure within plan <u>Financial Limits</u>	New Investment outside of planned budget <u>Financial Limits</u>
L&SC ICB Board	n/a	Greater than £10m or 10% of annual contract value where contract is greater than £10m
ICB Executive Team	Greater than £500,000	£500,000 and up to £10m
Primary Care Commissioning Committee	Greater than £500,000	£500,000 and up to £10m
ICB Executive Director and Chief Finance Officer and Chief Executive (All three signatures required)	Up to £500,000	Up to £500,000
Chief Executive	Up to £150,000	Up to £150,000
Chief Finance Officer	Up to £150,000	Up to £150,000
ICB Executive Director or a Director of Health & Care Integration (Only for responsible budget areas assigned)	Up to £100,000	Up to £100,000

- Where the investment increases the total annual contract value to greater than £10m, approval needs to be obtained from L&SC ICB Board.
- The same financial limits apply to any non-recurrent funding received during the financial year, i.e. Strategic Development Funding (SDF) based on total investment proposed.
- Funding received in year in relation to national Cost Uplift Factor (CUF) / pay award can be applied automatically in line with national guidance as is considered to be business as usual expenditure.

7.2 Procurements

7.3 Launching a Procurement Exercise

To commit resources for healthcare and non-healthcare services through launching a procurement exercise (for healthcare services, a procurement exercise will include conducting a competitive process or most suitable provider process in line with the Provider Selection Regime (PSR)).

If the expected financial threshold for the procurement is within the approved planned budget, this is considered to be business as usual. However, if the threshold exceeds planned budget or is in relation to development funding received outside of planned budget this is considered to be a new investment.

Committee Name or Post holder	Business as Usual expenditure within plan Financial Limits	New Investment outside of planned budget Financial Limits
L&SC ICB Board	Greater than £50m	Greater than £10m or 10% of annual contract value where contract is greater than £10m
ICB Executive Team	£500,000 and up to £50m	£500,000 and up to £10m
Primary Care Commissioning Committee	£500,000 and up to £50m	£500,000 and up to £10m
ICB Executive Director and Chief Finance Officer and Chief Executive (All three signatures required)	Up to £500,000	Up to £500,000
Chief Executive	Up to £500,000	Up to £500,000
Chief Finance Officer	Up to £500,000	Up to £500,000
ICB Executive Director or a Director of Health & Care Integration (Only for responsible budget areas assigned)	<u>Up to £100,000</u>	Up to £100,000

- Where the investment increases the total annual contract value to greater than £10m, approval needs to be obtained from L&SC ICB Board.
- The same financial limits apply to any non-recurrent funding received during the financial year, i.e. Strategic Development Funding (SDF) based on total investment proposed.

7.4 The award of contract

To commit resources for healthcare and non-healthcare services as a result of a procurement exercise or a business case which has already been approved in line with the delegated thresholds set out in 7.1 or 7.3.

To commit resources for healthcare services via PSR direct award route A, B or C in line with the ICB's Procurement and Contracting Policy.

All Procurement Decisions are recorded and published on the Procurement Decisions Register and reported to the Audit Committee. For non-healthcare contracts this is in relation to decisions > £20,000.

Committee Name or Post holder	Award of contract under PSR direct award A, B or C Financial Limits	Award following formal procurement Financial Limits
ICB Executive Team <u>Committee</u>	All PSR direct awards	All procurements
Primary Care Commissioning ICB Executive Committee	All Primary Care PSR direct awards	All Primary Care procurements

7.5 Waiver and Urgent Award authorisation

Single Tender Waivers (STW) could be applied to the purchase of goods, the direct award of contract for a new non healthcare service and the extension of an existing non healthcare contract where there is no provision for extension.

For healthcare services, in compliance with the PSR, urgent awards and urgent contract modifications could be applied when all the following are true; 1. The award or modification must be made urgently, 2. The reason for the urgency was not foreseeable by and is not attributable to the ICB, 3. Delaying the award of the contract to conduct a full application of the PSR would be likely to pose a risk to patient or public safety.

All Single Tender Waivers and PSR Urgent Awards and Urgent Modifications are recorded and published on the Procurement Decisions Register and reported to the Audit Committee.

Committee Name or Post holder	PSR Urgent Awards or modifications Financial Limits	Non-healthcare Single Tender Waivers Financial Limits
Chief Executive	All urgent awards or modifications	All waivers
Chief Finance Officer	All urgent awards or modifications	All waivers

7.6 Health service contracts (NHS and non NHS providers)

This section is associated with the signature on contractual documents. Where appropriate governance has been undertaken in respect of a business case, procurement exercise, PSR direct award or waiver / urgent award/modification as detailed above.

7.7 Contract sign off

Committee Name or Post holder	Financial Limits
Chief Executive	All contracts
Chief Finance Officer	All contracts
Designated Officer as nominated in writing by the ICB Chief Finance Officer (VSM)	All contracts

7.8 All contract variations

Committee Name or Post holder	Financial Limits
Chief Finance Officer	All variations
Designated Officer as nominated in writing by the ICB Chief Finance Officer (VSM)	All variations

7.9 Individualised commissioning (LD, MH, CHC, Children's)

Financial limits reflect the expected annual cost of the package.

Individualised commissioning limits are only applicable to designated managers / senior managers / executives with responsibility for mental health (MH), learning disabilities (LD), continuing healthcare (CHC) and children's, including jointly funded packages. Individuals with this responsibility will be recorded (and reviewed periodically).

Packages of care placements are limited to those providers where the ICB has an established contract, compliant with the PSR regulations.

7.10 Individualised commissioning - Non healthcare (eg supported living)

Committee Name or Post holder	Financial Limits
Chief Executive	Up to £100,000
Chief Finance Officer	Up to £100,000
On Call Managers	Up to £5,000

7.11 Individualised commissioning - Healthcare placements/packages

Approval of continuing healthcare, mental healthcare (s117), transforming care, personal healthcare budgets and other miscellaneous individual care packages and incidental expenses (not including individual funding requests).

Committee Name or Post holder	Financial Limits – Annual value	Financial Limits – Equivalent weekly value
Finance & Performance Contracting Committee	Report packages greater than £310,000	Greater than £5,962 per week
Chief Finance Officer	Package agreed greater than £310,000	Greater than £5,962 per week
ICB Executive Director or a Director of Health & Care Integration (Only for responsible budget areas assigned)	Package greater than £310,000	Greater than £5,962 per week
Other Officer Band 9 and VSM (Only for responsible budget areas assigned)	Package greater than £310,000	Greater than £5,962 per week
Other Officer Band 8D (Only for responsible budget areas assigned)	Package agreed up to £310,000	Up to £5,962 per week
Other Officer Band 8C (Only for responsible budget areas assigned)	Package agreed up to £260,000	Up to £5,000 per week
Other Officer Band 8B (Only for responsible budget areas assigned)	Package agreed up to £210,000	Up to £4,038 per week
Other Officer Band 8A (Only for responsible budget areas assigned)	Package agreed up to £160,000	Up to £3,077 per week
Other Officer Band 7 (Only for responsible budget areas assigned)	Package agreed up to £110,000	Up to £2,115 per week
Other Officer Band 6 (Only for responsible budget areas assigned)	Package agreed up to £80,000	Up to £1,539 per week
On Call Managers	Band 8d and above = Package agreed up to £310,000 Band 8c = package agreed up to £260,000.	Up to £5,962 per week Up to £5,000 per week

Retrospective healthcare placements/packages claims over £1.5m must be approved by the ICB Executive Director and the Chief Finance Officer.

7.12 Individual Funding Requests

To commit resources for commissioned healthcare services (including decommissioning & disinvestment decisions).

Financial limits reflect the annual cost.

Committee Name or Post holder	Financial Limits
L&SC ICB Board	Greater than £250,000
Chief Executive	Up to £250,000
Chief Finance Officer	Up to £150,000
Other Officer VSM (Only for responsible budget areas assigned)	Up to £100,000
Other Officer Band 8D and 9 (Only for responsible budget areas assigned)	Up to £100,000

7.13 Authorisation of requisitions and invoices

All expenditure must be in previously approved in accordance with the sections above.

The limits below are the delegated limits for the approval of invoices within the ICB's financial ledger.

Any non-contracted activity invoice approval is as nominated in writing by the ICB Chief Finance Officer.

Committee Name or Post holder	Financial Limits
Chief Executive	Greater than £1m
Chief Finance Officer	Greater than £1m
ICB Executive Director or a Director of Health & Care Integration (Only for responsible budget areas assigned)	Up to £1m
Finance Officer VSM	Up to £1m
Finance Officer Band 9	Up to £750,000
Finance Officer Band 8D	Up to £600,000
Finance Officer Band 8C	Up to £500,000
Finance Officer Band 8B and 8A	Up to £50,000
Finance Officer Band 7	Up to £10,000
Other Officer VSM (Only for responsible budget areas assigned)	Up to £1m

Other Officer Band 9 (Only for responsible budget areas assigned)	Up to £750,000
Other Officer Band 8D (Only for responsible budget areas assigned)	Up to £600,000
Other Officer Band 8C (Only for responsible budget areas assigned)	Up to £500,000
Other Officer Band 8A and 8B (Only for responsible budget areas assigned)	Up to £50,000
Other Officer Band 7 (Only for responsible budget areas assigned)	Up to £10,000

Where transactional services are delivered by the Commissioning Support Unit through formal contracting arrangements, delegated budget responsibility will be compliant with the financial limits above and clearly defined in the service specification and agreed annually.

7.14 Capital Expenditure

Committee Name or Post holder	Financial Limits
Chief Executive	All expenditure
Chief Finance Officer	All expenditure

7.15 Employee costs

Approval of changes to substantive staff costs.

Committee Name or Post holder	Delegated Authority
Remuneration Committee	Sign off all remuneration for VSM
Remuneration Panel for Non-Execs (Requirement to comply with the national framework)	Non-Execs (including ad-hoc payments)
ICB Chair (for supplementary payments in recognition of additional responsibilities)	Discretionary limit of £9,000
Chief Executive	Sign off all changes to employee details
Chief Finance Officer	Sign off all changes to employee details
Finance Officer VSM	Sign off all changes to employee details

7.16 Payroll Financial Approval

All proposed recruitment or changes to workforce establishment requires compliance with the ICB establishment control process.

All amendments to human resources (HR) records are to be submitted to the finance team for approval. These are to be approved by a Senior Finance Officer (Band 8a or above).

7.17 All Losses, Special Payments, Consolatory Payments

All expenditure to be approved must be in line with NHSE guidance and the ICB SFIs.

All cases must be brought to the attention of HM Treasury in advance if they are;

- Losses greater than £300,000 (for consultation)
- Special Payments greater than £95,000 (for approval)
- Consolatory Payments greater than £500 (for approval)
- Any case regardless of value which is 'novel, contentious or repercussive' (for approval)

Losses, special payments and consolatory payments below the MH Treasury thresholds can be approved by the ICB according to the following limits.

In all cases, the loss, special payment or consolatory payments will be reported to Audit Committee and recorded in the ICB Losses and Special Payments register.

Committee Name or Post holder	Financial Limits
L&SC ICB Board	All Losses up to £300,000. Special Payments up to £95,000. Consolatory Payments up to £500. Bad debt write offs greater than £100,000
ICB Executive Team	All Losses and bad debt write offs up to £100,000
Chief Finance Officer	All Losses and bad debt write offs up to £50,000

7.18 NHS Legal Claims

All legal claims must be reviewed in accordance with the ICB Legal Services and Claims Management Policy.

7.19 Travel Expenses

Claims submitted and approved in accordance with the ICB Travel and Expenses Policy.

The financial limit is for an individual monthly claim.

Committee Name or Post holder	Financial Limits
Chief Executive	Up to £1,000
Chief Finance Officer	Up to £1,000
ICB Executive Director or a Director of Health & Care Integration (Only for responsible budget areas assigned)	Up to £1,000
Finance Officer VSM	Up to £1,000
Finance Officer Band 9	Up to £1,000
Finance Officer Band 7 to 8D	Up to £500
Other Officer VSM (Only for responsible budget areas assigned)	Up to £1,000
Other Officer Band 9 (Only for responsible budget areas assigned)	Up to £1,000
Other Officer Band 7 to 8D (Only for responsible budget areas assigned)	Up to £500

7.20 Finance - Cash & other activity (for Finance Use only)

7.21 Sign-Off Regular Contract Invoices (payables)

This section is associated with the sign off of regular contract invoices and monthly payment schedules (as nominated in writing by the L&SC ICB CFO). Where appropriate governance has been undertaken in respect of contract sign off as detailed above.

Committee Name or Post holder	Financial Limits
Chief Finance Officer	Greater than £100m
Finance Officer VSM	Up to £100m
Finance Officer Band 9	Up to £75m
Finance Officer Band 8D	Up to £60m
Finance Officer Band 8C	Up to £50m

7.22 Statement of Financial Position (SoFP) – Statutory payovers

The sign off of statutory pay overs (as nominated in writing by the CFO).

Committee Name or Post holder	Financial Limits
Chief Finance Officer	Greater than £10m
Finance Officer VSM	Up to £10m
Finance Officer Band 9	Up to £5m
Finance Officer Band 8D	Up to £5m
Finance Officer Band 8C	Up to £3m

7.23 Cash drawdowns

Authorisation for cash drawdowns from NHS England (as nominated in writing by the ICB CFO).

Committee Name or Post holder	Financial Limits
Chief Finance Officer	Greater than £700m
Finance Officer VSM	Greater than £700m
Finance Officer Band 9	Up to £700m
Finance Officer Band 8D	Up to £600m
Finance Officer Band 8C	Up to £500m

7.24 Raising Sales invoices

Approval of sales, income and debtor invoices and if required credit note or cancellation requests.

Committee Name or Post holder	Financial Limits
Chief Finance Officer	Greater than £1m
Finance Officer VSM	Up to £1m
Finance Officer Band 9	Up to £750,000
Finance Officer Band 8D	Up to £600,000
Finance Officer Band 8C	Up to £500,000
Finance Officer Band 8A and B	Up to £50,000

7.25 Purchasing

Where appropriate governance has been undertaken in respect of contract sign off as detailed above, the conversion of procurement Requisitions to Purchase Orders is delegated to Finance Officers Band 7 and above. This includes an ability to adjust the value by £200.

The approval of Purchase Order variances:

Committee Name or Post holder	Financial Limits
Finance Officer Band 8B to VSM	Up to £5,000
Finance Officer Band 6 to 8A	Up to £200

7.26 Budget Virements between Cost Centres

The budget transfer (virement) within existing approved pay or non-pay budgets.

Committee Name or Post holder	Financial Limits
L&SC ICB Board	Over £10m
ICB Chief Executive	Up to £10m
Chief Finance Officer	Up to £5m
Finance Officer VSM	Up to £1m
Finance Officer Band 8A to 9	Up to £500,000

7.27 Virements with regards to transfers from reserves (including distribution of new in-year resource / capital allocations).

Committee Name or Post holder	Financial Limits
Chief Finance Officer	Greater than £75m
Finance Officer VSM	Up to £75m
Finance Officer Band 8A to 9	Up to £50m