



NHS Bath and North East Somerset,  
Swindon and Wiltshire Integrated Care  
Board

NHS Dorset Integrated Care Board

NHS Somerset Integrated Care Board

## **Standing Financial Instructions**

## Review Log

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# 1 Purpose and statutory framework

- 1.1 These Standing Financial Instructions (SFIs) shall have effect as if incorporated into the integrated Care Board's (ICB) constitution. In accordance with the National Health Service Act 2006, as amended by the Health and Care Act 2022, the ICB must publish its constitution.
- 1.2 The purpose of these SFIs is to ensure that the ICB fulfils its statutory duty to carry out its functions effectively, efficiently and economically. The SFIs are part of the ICB's control environment for managing the organisation's financial affairs as they are designed to ensure regularity and propriety of financial transactions.
- 1.3 These SFIs help the Accountable Officer and Chief Officer Strategic Finance and Resources to effectively perform their responsibilities. They define the purpose, responsibilities, legal framework and operating environment of the ICB. They enable sound administration, lessen the risk of irregularities and support commissioning and delivery of effective, efficient and economical services.
- 1.4 Should any difficulties arise regarding the interpretation or application of any of these SFIs, the advice of the Chief Executive or the Chief Officer Strategic Finance and Resources must be sought before acting. The user of these SFIs should also be familiar with and comply with the provisions of the ICB's constitution, standing orders and scheme of reservation and delegation.
- 1.5 Failure to comply with the SFIs may result in disciplinary action in accordance with the ICBs applicable disciplinary policy and procedure in operation at that time.

## 2 Scope

- 2.1 All officers of the ICB and all members of the ICB board and committees are within the scope of these SFIs, without exception or limitation. The term officer includes permanent employees, secondees, contract workers, hosted workers. If for any reason these SFIs are 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 ICB Audit Committee for referring action or ratification.
- 2.2 Within this document, words imparting any gender include any other gender. Words in the singular include the plural and words in the plural include the singular.
- 2.3 Any reference to an enactment is a reference to that enactment as amended.
- 2.4 Unless a contrary intention is evident, or the context requires otherwise, words or expressions contained in this document, will have the same meaning as set out in the applicable Act.

## 3 Roles and responsibilities

### 3.1. Staff

3.1.1. All ICB Officers are severally and collectively, responsible to their respective employer(s) for:

- abiding by all conditions of any delegated authority;
- the security of the statutory organisation's property and avoiding all forms of loss;
- ensuring integrity, accuracy, probity and value for money in the use of resources; and
- conforming to the requirements of these SFIs.

### 3.2. The ICB Board

3.2.1. The ICB Board exercises financial supervision and control by:

- formulating the financial strategy;
- requiring the submission and approval of budgets within approved allocations/overall income;
- defining and approving essential features in respect of important procedures and financial systems (including the need to obtain value for money); and
- defining specific responsibilities placed on members of the ICB Board and employees as indicated in the Scheme of Reservations and Delegations, and in the Scheme of Financial Delegations.

### 3.3. Accountable Officer and Chief Officer Strategic Finance and Resources

3.3.1. The ICB constitution provides for the appointment of the Chief Executive by the ICB Chair. The Chief Executive is the Accountable Officer for the ICB and is personally accountable to NHS England for the stewardship of the ICB's allocated resources.

3.3.2. The ICB Chief Officer Strategic Finance and Resources reports directly to the ICB Chief Executive and is professionally accountable to the NHS England regional finance director.

3.3.3. The Chief Executive will delegate to the Chief Officer Strategic Finance and Resources the following responsibilities in relation to the ICB:

- preparation and audit of annual accounts, ensuring that annual report, annual accounts and the governance statement are signed;
- adherence to the directions from NHS England in relation to accounts preparation;
- ensuring that the allocated annual revenue and capital resource limits are not exceeded,;
- ensuring that there is an effective financial control framework in place to support accurate financial reporting, safeguard assets, and minimise risk of financial loss through robust counter-fraud measures and consistent Value for Money considerations in decision-making;
- meeting statutory requirements relating to taxation;
- ensuring that there are suitable financial systems in place (see Section 6)
- ensuring that the ICB meets the financial targets set for it by NHS England;
- ensuring that planned budgets are approved by the Board;
- use of incidental powers such as management of ICB assets, entering commercial agreements;
- developing the funding strategy for the ICB to support it in achieving ICB objectives, including consideration of place-based budgets;
- making use of benchmarking to make sure that funds are deployed as effectively as possible;
- ensuring that all Board members – executive members, partner members and non-executive members – and all ICB officers are notified of and understand their responsibilities within the SFIs;
- ensuring that specific responsibilities and delegation of authority to specific job titles are confirmed;
- provide financial leadership of the ICB;
- identify key financial risks and issues relating to robust financial performance and leadership and working with relevant providers and partners to enable solutions.

3.3.4 The Chief Officer Strategic Finance and Resource will support a strong culture of public accountability, probity, and governance, ensuring that appropriate and compliant structures, systems, and process are in place to minimise risk.

### **3.4. ICB Board Members, committee members and employees**

- 3.4.1. All members of the ICB Board and employees, severally and collectively, are responsible for
- the security of the property of the ICB
  - avoiding loss
  - exercising economy and efficiency in the use of resources
  - conforming with the requirements of the ICB's Standing Orders, Standing Financial Instructions, Scheme of Reservations and Delegations, and Scheme of Financial Delegations
- 3.4.2. For all members of the ICB Board, committees and any employees who carry out a financial function, the form in which financial records are kept and the manner in which these individuals discharge their duties must be to the satisfaction of the Chief Officer Strategic Finance and Resources.

### **3.5. Contractors and their Employees**

- 3.5.1. Any contractor or employee of a contractor who is empowered by NHS Somerset ICB to commit the organisation to expenditure or who is authorised to obtain income shall be covered by these instructions. It is the responsibility of the Accountable Officer to ensure that such persons are made aware of this.

### **3.6. Audit Committee**

- 3.6.1. The Board and Accountable Officer will be supported by the ICB's Audit Committee, which provides proactive support to the Board and the Accountable Officer by advising on:
- the management of key risks;
  - the strategic processes for risk;
  - the operation of internal controls;
  - control and governance and the governance statement;
  - the accounting policies, the accounts, and the annual report of the ICB;
  - the process for reviewing of the accounts prior to submission for audit, management's letter of representation to the external auditors; and the planned activity and results of both internal and external audit.

## 4 Annual operating plan and budget setting

- 4.1. The Accountable Officer will compile and submit to the ICB Board an annual operating plan which considers financial targets and forecast limits of available resources.
- 4.2. Prior to the start of the financial year the Chief Officer Strategic Finance and Resources will, on behalf of the Accountable Officer, prepare and submit budgets for approval by the ICB Board.
- 4.3. The Chief Officer Strategic Finance and Resources shall monitor financial performance against budget and plan, periodically review them, and report to the ICB Board. This report should include explanations for variances. These variances must be based on any significant departures from agreed financial plans or budgets.
- 4.4. The Accountable Officer is responsible for ensuring that information relating to the ICB's accounts or to its income or expenditure, or its use of resources is provided to NHS England as requested.
- 4.5. Budgets will:
  - be in accordance with the aims and objectives set out in the plan
  - accord with activity and workforce plans
  - be prepared within the limits of available funds
  - identify potential risks
  - be allocated additional funding as it is received in year
- 4.6. Annual budget books will be produced for discussion and agreement with appropriate budget holders.
- 4.7. All budget holders must provide information as required by the Chief Officer Strategic Finance and Resources to enable budgets to be compiled.
- 4.8. Any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Accountable Officer, subject to any authorised use of virement.
- 4.9. Non-recurring budgets should not be used to finance recurring expenditure without the authority in writing of the Accountable Officer, as advised by the Chief Officer Strategic Finance and Resources.

## 5 Allotments

5.1. The Chief Officer Strategic Finance and Resources will:

- periodically review the basis and assumptions used by NHS England for distributing allotments and ensure that these are reasonable and realistic and secure the ICB's entitlement to funds.
- prior to the start of each financial year submit to the ICB Board for approval a report showing the total allocations received and their proposed distribution including any sums to be held in reserve.
- regularly update the ICB Board on significant changes to the initial allocation and the uses of such funds.

## 6 Budgetary Control and Reporting

6.1. The Chief Officer Strategic Finance and Resources will devise and maintain systems of budgetary control. These will include:

- regular financial reports to the ICB Board and relevant committees in a form approved by the ICB Board containing:
  - income and expenditure to date showing trends and forecast year-end position
  - balance sheet and cash flow statement
  - capital project spend and projected outturn against plan
  - explanations of any material variances from plan
  - details of any corrective action where necessary and the Accountable Officer's and/or Chief Officer Strategic Finance and Resources view of whether such actions
  - are sufficient to correct the situation
- the issue of timely, accurate and comprehensible advice and financial reports to each budget holder, covering the areas for which they are responsible:
  - investigation and reporting of variances from financial, workload and manpower budgets
  - monitoring of management action to correct variances
  - arrangements for the authorisation of budget transfers

6.2. Each Budget Holder is responsible for ensuring that:

- they sign off their budget, as approved through the approved annual plan, at the start of the year, and any additional in-year allocations, and help provide accurate forecasts of out-turn during the course of the year;
- any likely overspending or reduction of income which cannot be met by virement is not incurred without the prior consent of the ICB Board ;

- the amount provided in the approved budget is not used in whole or in part for any purpose other than that specifically authorised, subject to the rules of virement;
- no permanent employees are appointed without the approval of the Accountable Officer other than those provided for within the available resources and manpower establishment as approved by the ICB Board;
- they participate in finance training to develop the skills and knowledge necessary to discharge their financial management duties;
- they use the ICB's finance systems as required;
- where matters of financial control risk are identified, they are communicated to the ICB finance team as a matter of urgency;
- they are accountable for their budgets and financial performance;
- they take responsibility for ensuring that new members of staff are paid the correct salary and for making sure that final payments to and from employees are correct;
- ensuring that the prices paid for goods are correct, represent value for money, that procedures are followed to prevent fraud and that all invoices are appropriately authorised and that the goods and services received are correct;
- aware of the ICB's medium term plan and the impact of in year commitments on future years' planning assumptions;
- they are available to work with the auditors and respond to questions or recommendations.

6.3. The Executive Team is responsible for identifying and implementing cost improvements and income generation initiatives in accordance with the requirements of the Annual Operating Plan and a balanced budget.

6.4. The Accountable Officer is responsible for ensuring that the appropriate monitoring forms are submitted to the requisite monitoring organisation.

## **7 Management accounting and business management**

7.1. The Chief Officer Strategic Finance and Resources is responsible for maintaining policies and processes relating to the control, management and use of resources across the ICB.

7.2. The Chief Officer Strategic Finance and Resources will delegate the budgetary control responsibilities to budget holders through a formal documented process.

7.3. The Chief Officer Strategic Finance and Resources will ensure:

- the promotion of compliance to the SFIs through an assurance certification process;
- the promotion of long-term financial health for the ICB and the NHS within the ICB's footprint;

- that budget holders are accountable for obtaining the necessary approvals and oversight of all expenditure incurred on the cost centres they are responsible for;
- the improvement of financial literacy of budget holders with the appropriate level of expertise and systems training;
- that the budget holders are supported in proportion to the operational risk; and
- that the implementation of financial and resources plans supports the NHS 10-year plan objectives.

7.4. In addition, the Chief Officer Strategic Finance and Resources has financial leadership responsibility for the following statutory duties:

- the duty of the ICB, in conjunction with its partner NHS trusts and NHS foundation trusts, to exercise its functions with a view to ensuring that, in respect of each financial year:
  - local capital resource use does not exceed the limit specified in a direction by NHS England;
  - local revenue resource use does not exceed the limit specified in a direction by NHS England;
- the ICB's duty to ensure that its expenditure does not exceed the aggregate of its allotment from NHS England and its other income; and
- the ICB's duty, in conjunction with NHS trusts and NHS foundation trusts, to achieve any joint financial objectives set by NHS England for the ICB and the trusts.

7.5. The Chief Officer Strategic Finance and Resources and any senior officer responsible for finance within the ICB will promote a culture where budget holders and decision makers consult finance in key strategic decisions that carry a financial impact.

## 8 Income, banking arrangements and debt recovery

### 8.1 Income

8.1.1. An ICB has power to do anything specified in section 7(2)(a), (b) and (e) to (h) of the Health and Medicines Act 1988 for the purpose of making additional income available for improving the health service.

8.1.2. The Chief Officer Strategic Finance and Resources is responsible for:

- ensuring order to cash practices are designed and operated to support, efficient, accurate and timely invoicing and receipting of cash. The processes and procedures should be standardised and harmonised across the NHS System by working cooperatively with the Shared Services provider; and
- ensuring the debt management strategy reflects the debt management objectives of the ICB and the prevailing risks.

### 8.2 Banking

8.2.1. The Chief Officer Strategic Finance and Resources is responsible for ensuring the ICB complies with any directions issued by the Secretary of State with regards to the use of specified banking facilities for any specified purposes.

8.2.2. The Chief Officer Strategic Finance and Resources will ensure that:

- the ICB holds the minimum number of bank accounts required to run the organisation effectively. These should be raised through the government banking services contract; and
- the ICB has effective cash management policies and procedures in place.

### 8.3 Bank Accounts

8.3.1. The Chief Officer Strategic Finance and Resources is responsible for:

- The ICB's bank accounts
- ensuring payments made from the ICB's bank accounts do not exceed the amount credited to the account except where arrangements have been made
- reporting to the ICB Board all arrangements made with the ICB's bankers for accounts to be overdrawn.

8.3.2. The Chief Officer Strategic Finance and Resources will prepare detailed instructions on the operation of bank accounts which must include:

- the conditions under which each bank account is to be operated
  - those authorised to sign cheques or other orders drawn on the ICB's account
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8.3.3. The Chief Officer Strategic Finance and Resources must advise the ICB's bankers in writing of the conditions under which each account will be operated.

## **8.4 ICB Corporate Credit Cards**

8.4.1. The Chief Officer Strategic Finance and Resources is responsible for agreeing ICB Corporate Credit Card cardholders and credit limits.

## **8.5 Debt management**

8.5.1. The Chief Officer Strategic Finance and Resources is responsible for the ICB debt management strategy. This includes:

- a debt management strategy that covers end-to-end debt management from debt creation to collection or write-off in accordance with the losses and special payment procedures;
- ensuring the debt management strategy covers a minimum period of 3 years and must be reviewed and endorsed by the ICB Board every 12 months to ensure relevance and provide assurance;
- accountability to the ICB Board that debt is being managed effectively;
- accountabilities and responsibilities are defined with regards to debt management to budget holders;
- responsibility to appoint a senior officer responsible for day to day management of debt;
- approval of write-off of balances below £250 where the Chief Officer Strategic Finance and Resources, or their deputy, is satisfied that there is no realistic prospect of recovery or it would not be cost effective to take further recovery action;

8.5.2. Debtors' balances of £5 or below will automatically be written off in line with NHS England Best Practice.

8.5.3. Amount below £250 written off following approval of the Chief Officer Strategic Finance and Resources or Deputy Chief Officer Strategic Finance and Resources , or any automatic write-offs below £5 will be reported to Audit Committee on at least an annual basis.

## 9 Financial systems and processes

### 9.1 Provision of finance systems

- 9.1.1. The Chief Officer Strategic Finance and Resources is responsible for ensuring systems and processes are designed and maintained for the recording and verification of finance transactions such as payments and receivables for the ICB.
- 9.1.2. The systems and processes will ensure, inter alia, that payment for goods and services is made in accordance with the provisions of these SFIs, related procurement guidance and prompt payment practice.
- 9.1.3. As part of the contractual arrangements for ICBs, officers will be granted access where appropriate to the Integrated Single Financial Environment (“ISFE”). This is the required accounting system for use by ICBs. Access is based on single access log on to enable users to perform core accounting functions such as transacting and coding of expenditure/income in fulfilment of their roles.
- 9.1.4. The Chief Officer Strategic Finance and Resources will, in relation to financial systems:
- promote awareness and understanding of financial systems, value for money and commercial issues;
  - ensure that transacting is carried out efficiently in line with current best practice – e.g. e-invoicing
  - ensure that the ICB meets the required financial and governance reporting requirements as a statutory body by the effective use of finance systems;
  - enable the prevention and the detection of inaccuracies and fraud, and the reconstitution of any lost records;
  - ensure that the financial transactions of the authority are recorded as soon as, and as accurately as, reasonably practicable;
  - ensure publication and implementation of all ICB business rules and ensure that the internal finance team is appropriately resourced to deliver all statutory functions of the ICB;
  - ensure that risk is appropriately managed;

- ensure identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers;
- ensure the ICB has suitable financial and other software to enable it to comply with these policies and any consolidation requirements of the ICB;
- ensure that contracts for computer services for financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes; and
- where another health organisation or any other agency provides a computer service for financial applications, the Chief Officer Strategic Finance and Resources shall periodically seek assurances that adequate controls are in operation.

## 10 Procurement and purchasing

### 10.1 Principles

- 10.1.1. The Chief Officer Strategic Finance and Resources will take a lead role on behalf of the ICB to ensure that there are appropriate and effective financial, contracting, monitoring and performance arrangements in place to ensure the delivery of effective health services.
- 10.1.2. The ICB must ensure that procurement activity is in accordance with the Public Contracts Regulations 2015 (PCR), the Health Care Services (Provider Selection Regime) Regulations 2023, the Procurement Act 2023 and associated statutory requirements whilst securing value for money and sustainability.
- 10.1.3. The ICB must consider, as appropriate, any applicable NHS England guidance that does not conflict with the above.
- 10.1.4. The ICB must have a procurement policy which sets out all of the legislative requirements.
- 10.1.5. All revenue and non-pay expenditure must be approved, prior to an agreement being made with a third party that enters a commitment to future expenditure.
- 10.1.6. All officers must ensure that any conflicts of interest are identified, declared and appropriately mitigated or resolved in accordance with the ICB standards of business conduct policy.
- 10.1.7. Budget holders are accountable for obtaining the necessary approvals and oversight of all expenditure incurred on the cost centres they are responsible for. This includes obtaining the necessary internal and external approvals which vary based on the type of spend, prior to procuring the goods, services or works.
- 10.1.8. Undertake any contract variations or extensions in accordance with Public Contracts Regulation (PCR) 2015, the Health Care Services (Provider Selection Regime) Regulations 2023, the Procurement Act 2023, and the ICB procurement policy.
- 10.1.9. Retrospective expenditure approval should not be permitted. Any such retrospective breaches require approval from any committee responsible for approvals before the liability is settled. Such breaches must be reported to the Audit Committee.

## 11 Staff costs and staff related non pay expenditure

### 11.1 Deputy Chief People Officer

- 11.1.1. The Deputy Chief People Officer will lead the development and delivery of the long-term people strategy of the ICB ensuring this reflects and integrates the strategies of all relevant partner organisations within the ICS.
- 11.1.2. Operationally, the Deputy Chief People Officer will be responsible for;
- defining and delivering the organisation's overall human resources strategy and objectives; and
  - overseeing delivery of human resource services to ICB employees.
- 11.1.3. The Deputy Chief People Officer will ensure that the payroll system has adequate internal controls and suitable arrangements for processing deductions and exceptional payments.
- 11.1.4. Where a third-party payroll provider is engaged, the Deputy Chief People Officer shall closely manage this supplier through effective contract management.
- 11.1.5. The Deputy Chief People Officer is responsible for management and governance frameworks that support the ICB employees' life cycle.
- 11.1.6. The Deputy Chief People Officer is responsible for:
- specifying timetables for submission of properly authorised time records and other notifications;
  - making payment on agreed dates;
  - agreeing method of payment.
- 11.1.7. The Deputy Chief People Officer will issue instructions regarding:
- verification and documentation of data;
  - the timetable for receipt and preparation of payroll data and the payment of employees and allowances;
  - maintenance of subsidiary records for superannuation, income tax, social security, and other authorised deductions from pay;
  - security and confidentiality of payroll information;
  - checks to be applied to completed payroll before and after payment;
  - authority to release payroll data under the provisions of the Data Protection Act;
  - methods of payment available to various categories of employee and officers;
  - procedures for payment to employees and officers;
  - procedures for the recall of cheques and bank credits;
  - pay advances and their recovery;
  - maintenance of regular and independent reconciliation of pay control

- accounts;
- a system to ensure the recovery from those leaving the employment of the ICB of sums of money and property due by them to the ICB.

## 12 Annual Reporting and Accounts

### 12.1 Annual report

12.1.1 The Chief Officer Strategic Finance and Resources will ensure, on behalf of the Accountable Officer and ICB Board, that:

- the ICB is in a position to produce its required monthly reporting, annual report and accounts that meet the requirements set out in DHSC and NHSE guidance and directions; and
- the ICB, in each financial year, prepares a compliant report on how it has discharged its functions in the previous financial year;

12.1.2. An annual report must, in particular, explain how the ICB has:

- discharged its duties in relating to improving quality of services, reducing inequalities, the triple aim and public involvement;
- review the extent to which the board has exercised its functions in accordance with its published 5 year forward plan and capital resource use plan; and
- review any steps that the board has taken to implement any joint local health and wellbeing strategy.

12.1.3 NHS England may give directions to the ICB as to the form and content of an annual report.

12.1.4 The ICB must give a copy of its annual report to NHS England by the date specified by NHS England in a direction and publish the report.

### 12.2 Internal audit

12.2.1. The Chief Executive, as the Accountable Officer, is responsible for ensuring there is appropriate internal audit provision in the ICB. For operational purposes, this responsibility is delegated to the Chief Officer Strategic Finance and Resources to ensure that:

- all internal audit services provided under arrangements proposed by the Chief Officer Strategic Finance and Resources are approved by the Audit Committee, on behalf of the ICB Board;
- the ICB must have an internal audit charter. The internal audit charter must be prepared in accordance with the Public Sector Internal Audit Standards

(PSIAS);

- the ICB internal audit charter and annual audit plan must be endorsed by the ICB accountable officer, Audit Committee and Board;
- the Head of Internal Audit must provide an annual opinion on the overall adequacy and effectiveness of the ICB Board's framework of governance, risk management and internal control as they operated during the year, based on a systematic review and evaluation;
- the Head of Internal Audit should attend Audit Committee meetings and have a right of access to all Audit Committee members, the Chair and chief executive of the ICB.
- the appropriate and effective financial control arrangements are in place for the ICB and that accepted internal and external audit recommendations are actioned in a timely manner.

## 12.3 External audit

12.3.1. The Chief Officer Strategic Finance and Resources is responsible for:

- liaising with external audit colleagues to ensure timely delivery of financial statements for audit and publication in accordance with statutory, regulatory requirements;
- ensuring that the ICB appoints an auditor in accordance with the Local Audit and Accountability Act 2014; in particular, the ICB must appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding financial year; the ICB must appoint a local auditor at least once every 5 years (ICBs will be informed of the transitional arrangements at a later date); and
- ensuring that the appropriate and effective financial control arrangements are in place for the ICB and that accepted external audit recommendations are actioned in a timely manner.

## 13 Losses and special payments

- 13.1 HM Treasury approval is required if a transaction exceeds the delegated authority, or if transactions will set a precedent, are novel, contentious or could cause repercussions elsewhere in the public sector.
- 13.2 The Chief Officer Strategic Finance and Resources will support a strong culture of public accountability, probity, and governance, ensuring that appropriate and compliant structures, systems, and process are in place to minimise risks from losses and special payments.
- 13.3 A loss refers to any case where full value has not been obtained for money spent or committed. Examples of types of losses which cannot be treated as business as usual are cash losses, bookkeeping losses, fruitless payments and claims waived or abandoned.
- 13.4. Special Payments relate to the following;
- any compensation payments;
  - extra-contractual or ex-gratia payments; and
  - any payment made without specific identifiable legal power In accordance with the National Health Service Act 2006, as amended by the Health and Care Act 2022.
- 13.5 NHS England has the statutory power to require an ICB to provide NHS England with information. The information is not limited to losses and special payments, must be provided in such form, and at such time or within such period, as NHS England may require.
- 13.6 As part of the compliance and control procedures, ICBs must submit an annual assurance statement confirming the following:
- details of all exit packages (including special severance payments) that have been agreed and/or made during the year;
  - that NHS England and HMT approvals have been obtained before any offers, whether verbally or in writing, are made; and
  - adherence to the special severance payments guidance as published by NHS England.
- 13.7 All losses and special payments (including special severance payments) must be reported to the ICB Audit Committee and NHS England, noting that ICBs do not have a delegated limit to approve losses or special payments.
- 13.8 For detailed operational guidance on losses and special payments, please refer to the ICB losses and special payment guide.

## 14 Fraud, bribery and corruption (Economic crime)

- 14.1. The ICB is committed to identifying, investigating and preventing economic crime.
- 14.2. The ICB Chief Officer Strategic Finance and Resources is responsible for ensuring appropriate arrangements are in place to provide adequate counter fraud provision which should include reporting requirements to the board and the Audit Committee, and defined roles and accountabilities for those involved as part of the process of providing assurance to the ICB Board.
- 14.3. These arrangements should comply with the NHS Requirements the [Government Functional Standard 013 Counter Fraud](#) as issued by NHS Counter Fraud Authority and any guidance issued by NHS England and NHS Improvement.
- 14.4. In line with their responsibilities, the Accountable Officer and Chief Officer Strategic Finance and Resources shall monitor and ensure compliance with guidance issued by the NHS Counter Fraud Authority and NHS England on fraud and corruption
- 14.5. The ICB shall nominate a suitable person to carry out the duties of the Local Counter Fraud Specialist as specified by Government Functional Standard 013 Counter Fraud
- 14.6. The Local Counter Fraud Specialist shall report to the Chief Officer Strategic Finance and Resources and shall work with staff in the NHS Counter Fraud Authority in accordance with the Government Functional Standard 013 Counter Fraud.
- 14.7. The Local Counter Fraud Specialist will provide a written report, at least annually, on counter fraud work within the ICB.
- 14.8. The ICB's Anti-fraud, -bribery and -corruption policy sets out the ICB's approach, processes and procedures to prevent, identify and investigate fraud, bribery or corruption.

## 15 Capital Investments & security of assets and Grants

### 15.1 Capital investments

15.1.1 The Chief Officer Strategic Finance and Resources is responsible for:

- ensuring that at the commencement of each financial year, the ICB prepares a plan setting out their planned capital resource use;
- ensuring that the ICB exercise its functions with a view to ensuring that, in respect of each financial year local capital resource use does not exceed the limit specified in a direction by NHS England;
- ensuring the ICB has a documented property transfer scheme for the transfer of property, rights or liabilities from ICB's predecessor clinical commissioning group(s);
- ensuring that there is an effective appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon business plans;
- ensuring that there are processes in place for the management of all stages of capital schemes, that will ensure that schemes are delivered on time and to cost;
- ensuring that capital investment is not authorised without evidence of availability of resources to finance all revenue consequences; and
- for every capital expenditure proposal, the Chief Officer Strategic Finance and Resources is responsible for ensuring there are processes in place to ensure that a business case is produced.

15.1.2 Capital commitments typically cover land, buildings, equipment, capital grants to third parties and IT, including:

- authority to spend capital or make a capital grant;
- authority to enter into leasing arrangements.

15.1.3 Advice should be sought from the Chief Officer Strategic Finance and Resources or nominated officer if there is any doubt as to whether any proposal is a capital commitment requiring formal approval.

15.1.4 For operational purposes, the ICB shall have nominated senior officers accountable for ICB property assets and for managing property.

15.1.5 ICBs shall have a defined and established property governance and management framework, which should:

- ensure the ICB asset portfolio supports its business objectives; and
- comply with NHS England policies and directives and with this standard

15.1.6 Disposals of surplus assets should be made in accordance with published guidance and should be supported by a business case which should contain an appraisal of the options and benefits of the disposal in the context of the wider public sector and to secure value for money.

## **15.2. Grants**

15.2.1 The Chief Officer Strategic Finance and Resources is responsible for providing robust management, governance and assurance to the ICB with regards to the use of specific powers under which it can make capital or revenue grants available to;

- any of its partner NHS trusts or NHS foundation trusts; and
- to a voluntary organisation, by way of a grant or loan.

15.2.2 All revenue grant applications should be regarded as competed as a default position, unless there are justifiable reasons why the classification should be amended to non-competed.

## 16 Legal and insurance

- 16.1 So that the ICB has appropriate oversight and manages appropriately any legal cases threatened or instituted by or against the ICB, the Chief Officer Strategic Finance and Resources will ensure that the ICB has in place arrangements for the:
- engagement of solicitors / legal advisors;
  - approval and signing of documents which will be necessary in legal proceedings; and
  - identification of officers who can commit or spend ICB revenue resources in relation to settling legal matters.
- 16.2 The Chief Officer Strategic Finance and Resources will ensure that the ICB has in place appropriate insurance, noting that ICBs are advised not to buy commercial insurance to protect against risk unless it is part of a risk management strategy that is approved by the accountable officer.