

NHS DORSET CLINICAL COMMISSIONING GROUP
GOVERNING BODY MEETING
GOVERNANCE ARRANGEMENTS

Date of the meeting	16/09/2020
Author	H Morris - Assistant Director of Finance - Operations
Sponsoring Board member	N Rowland - Chief Finance Officer
Purpose of Report	To seek Governing Body approval for removal of the Prime Financial Policies (PFPs) from the Dorset CCG Governance Handbook, with a move to Standing Financial Instructions (SFIs) as the primary and sole point of reference for financial issues in the Handbook to avoid the duplication and overlapping guidance in different sections of the handbook.
Recommendation	The Governing Body is asked to approve the removal of the PFPs from the Dorset CCG Governance Handbook .
Previous GB date	N/A

Monitoring and Assurance Summary

This report links to the following Strategic Objectives	<ul style="list-style-type: none"> • Prevention at Scale • Integrated Community and Primary Care Services • One Acute Network • Digitally Enabled Dorset • Leading and Working Differently 		
	Yes [e.g. ✓]	Any action required?	
		Yes Detail in report	No
All three Domains of Quality (Safety, Quality, Patient Experience)	✓		✓
Board Assurance Framework Risk Register	✓		✓
Budgetary Impact	✓		✓
Legal/Regulatory	✓	✓	
People/Staff	✓		✓
Financial/Value for Money/Sustainability	✓		✓
Information Management & Technology	✓		✓
Equality Impact Assessment	✓		✓
Freedom of Information	✓		✓
I confirm that I have considered the implications of this report on each of the matters above, as indicated		✓	

Initials : HM

1. Introduction

- 1.1 Since inception in 2013, the CCG has used its Standing Financial Instructions (SFIs) as the main record and reference point for its financial framework and governance arrangements.
- 1.2 It has recently been identified that the existence of ‘Prime Financial Policies’ (PFPs) deriving from NHS England model documents alongside the SFIs in the CCG’s Governance Handbook, leads to duplication and potential confusion.
- 1.3 Both PFPs and SFIs cover broadly the same ground, but the SFIs provide more in-depth guidance. SFIs run to 57 pages whereas the PFPs run only to 11 pages.
- 1.4 In practice at NHS Dorset CCG, Standing Financial Instructions are used as the reference point for guidance and are updated regularly, whereas PFPs remain at the 2013 version.

2. Report

- 2.1 It is proposed that to avoid duplication and potential confusion, the Prime Financial Policies are removed from the CCG Governance Handbook.
- 2.2 One of the CCG’s legal advisors, Browne Jacobson LLP, has advised that the PFPs were originally included as part of the suite of documents that CCGs needed to have at the time of inception. Over time, many CCGs have consolidated this content into the SFIs. The key is to ensure that the SFIs set out the required content from a financial accountability perspective and include the delegated financial limit and controls, to ensure probity around spending.
- 2.3 NHS Dorset CCG has a full set of SFIs containing comprehensive guidance on financial matters. All CCG employees positively confirm understanding of the SFIs as part of their biennial completion of the CCG Finance Governance Assurance Module.
- 2.4 A review has been carried out to ensure that no stand-alone guidance will be lost as a result of removal of the PFPs and whether any amendment to SFIs is required if they were to be removed.
- 2.5 The table below provides a list of the sections within the PFPs and assurance that the content is covered within the CCG’s current SFIs:

PFP section	Assurance that covered in SFIs?	Action required?
2. Internal Control – including establishment of Audit Committee	Covered in ‘responsibilities and delegation’ and ‘audit’ sections of SFIs	None

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3. Audit	Covered in 'audit' section of SFIs	None
4. Fraud and corruption	Covered in 'audit' section of SFIs	None
5. Expenditure control	Covered in 'responsibilities and delegation' and 'allocations, local delivery plan, budgets, budgetary control and monitoring' section of SFIs	None
6. Allotments	Covered in 'allocations, local delivery plan, budgets, budgetary control and monitoring' section of SFIs	None
7. Commissioning strategy, budgets, budgetary control and monitoring	Covered in 'allocations, local delivery plan, budgets, budgetary control and monitoring' section of SFIs	None
8. Annual accounts and reports	Covered in 'annual accounts and reports' section of SFIs	None
9. Information technology	Covered in 'information technology' section of SFIs	None
10. Accounting systems	CCG accounting system is mandated by NHS England and NHS Improvement and so this is mostly not applicable. The applicable aspects are covered in 'information technology' section of SFIs	None
11. Bank accounts	Covered in 'bank accounts' section of SFIs	None
12. Income, fees and charges and security of cash, cheques and other negotiable instruments	Covered in 'Income, fees and charges and security of cash, cheques and other negotiable instruments' section of SFIs	None
13. Tendering and contracting procedure	Covered in 'tendering and contracting procedure' section of SFIs	None
14. Commissioning	Covered in 'commissioning' section of SFIs	None
15. Risk management and insurance	Covered in 'risk management and insurance' section of SFIs	None

16. Payroll	Covered in 'terms of service, allowances and payment of members of the CCG Governing Body and Executive Committee and Employees' section of SFIs	None
17. Non-pay expenditure	Covered in 'non-pay expenditure' section of SFIs	None
18. Capital investment, fixed asset registers and security of assets	Covered in 'capital investment, fixed asset registers and security of assets' section of SFIs	None
19. Retention of records	Covered in 'retention of records' and 'information technology' sections of SFIs	None
20. Trust funds and trustees	Covered in 'funds held on trust' section of SFIs	None

3. Conclusion

- 3.1 The content of the PFPs is either not applicable or fully covered within the CCG Standing Financial Instructions.
- 3.2 The Governing Body is asked to **approve** removal of PFPs from the CCG Governance Handbook to provide clarity and focus on one version of financial guidance in the form of the Standing Financial Instructions.

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