

10. SUMMARY OF FINANCIAL DELEGATED LIMITS Category of delegation	Director responsible for compliance	DHSC (CO/HMT) External	NHSBT Board	Chief Executive	Directors / Director of Clinical Services / Chief Financial Officer / Other NHSBT (as indicated in the table)	Notes
New policy (inc. VAT) [DHSC v8]	CFO	All (DHSC & HMT)	All			New policy announcements / proposals are all subject to DHSC and HM Treasury approval, via DHSC Sponsor Team and DHSC Finance Business Partner (Five Case Model)

<p><u>Projects (inc. VAT) Projects, Programmes and Commercial Expenditure</u> (Previously titled 'Projects' and 'Commercial Control') (where project contains capital spend also see Capital spend approvals required) [DHSC v8 and DHSC 12 July 2023]</p>	<p>CFO</p>	<p>> £10m (exc. VAT) and ≤ £50m (inc. VAT) DHSC Commercial Assurance Board</p> <p>≥ £50m (inc. VAT) and ≤ £150m (inc. VAT) DHSC Investment Committee</p> <p>> £150m (inc. VAT) DHSC Investment Committee, minister and HMT</p>	<p>More than £3m and up to £50m</p> <p>where external spend with suppliers:</p> <p>> £10m (exc. VAT) (endorsement prior to submission to DHSC)</p> <p>projects / programmes</p> <p>> £10m (exc. VAT) and < £50m (inc. VAT)</p>	<p>Up to £3m > £3m (exc. VAT) and ≤ £10m (exc. VAT)</p>	<p><u>Projects and Programmes:</u></p> <p>≤ £0.5m (exc. VAT) Executive Director</p> <p>plus CDIO approval for IT spend plus where external spend with suppliers, Commercial approval</p> <p>> £0.5m (exc. VAT) and ≤ £3m (exc. VAT) Investment Committee</p> <p>plus CDIO approval for IT spend plus where external spend with suppliers, Commercial approval</p> <p>> £3m (exc. VAT) Investment Committee (endorsement before Chief Executive approval)</p> <p><u>Procurement/contractual agreements (external spend with suppliers):</u></p> <p>≤ £3.0m (exc. VAT) Executive Director</p> <p>plus</p> <p>≤ £0.25m (exc. VAT) Head of Commercial</p> <p>≤ £1m (exc. VAT) Assistant Director Commercial</p> <p>≤ £3m (exc. VAT) Commercial Director</p> <p>> £3m (exc. VAT) Investment Committee (endorsement before Chief Executive approval)</p> <p>plus CDIO approval where contains IT spend</p>	<p>Costs should be on a whole life cost basis, typically based on asset life or contract length but may default to five years in absence of clear alternative.</p> <p>Applies to 'projects and programmes', and external spend with suppliers including new procurements, replacement contracts and call-offs, contract changes or extensions, and MOUs with public sector bodies.</p> <p>'Projects and programmes' are any temporary team and use of resources to deliver change. Larger change projects and programmes will be listed on the NHSBT Portfolio maintained by the Central Portfolio Management Office, and available on the intranet.</p> <p>Where DHSC approval is also required, OBC/FBC to be submitted to DHSC Commercial Assurance Board 'CAB' (commercialassurance@dhsc.gov.uk) or DHSC Investment Committee (IA@dhsc.gov.uk) as appropriate, once all NHSBT internal approval steps have been completed. Where DHSC Investment Committee approval is required the DHSC Sponsor Team and DHSC Finance Business Partner should be kept informed.</p>
--	------------	--	---	--	---	--

10. SUMMARY OF FINANCIAL DELEGATED LIMITS Category of delegation	Director responsible for compliance	DHSC (CO/HMT) External	NHSBT Board	Chief Executive	Directors / Director of Clinical Services / Chief Financial Officer / Other NHSBT (as indicated in the table)	Notes
Capital Expenditure - Spend within Projects (inc. VAT) [DHSC v8]	CFO	<u>> £1m and < £5m</u> DHSC Sponsor Team <u>> £5m and < £50m</u> DHSC Investment Committee <u>>£50m</u> DHSC IC, minister & HMT	<u>> £1m</u> (endorsement prior to submission to DHSC)	<u>≤ £1m</u>	CFO notified of all CDIO approval required for all IT <u>≤ £0.05m Assistant Director</u> <u>≤ £0.25m Director</u> <u>≤ £0.5m CFO</u> plus Director-DDTS (where IT)	<u>All submissions to DHSC must be via DHSC Sponsor Team and DHSC Finance Business Partner</u>
Asset Sales (inc. VAT) [DHSC v8]	CFO	<u>> £5m and < £30m</u> DHSC Sponsor Team <u>> £30m and < £50m</u> DHSC Investment Committee <u>> £50m</u> DHSC IC, minister & HMT	<u>≥ £5m</u> (endorsement prior to submission to DHSC)	<u>≤ £5m</u>	<u>≤ £1m CFO</u>	<u>All submissions to DHSC must be via DHSC Sponsor Team and DHSC Finance Business Partner</u>
Increase in permanent staff above the established whole time equivalent (WTE)⁴ [NHSBT ET 27 June 2023]	CFO			<u>> lower of 2% of WTE and 5 WTE</u>	<u>lower of 2% of WTE of the directorate and 5 WTE - Director</u>	<u>Fixed term appointments and secondees are counted as part of the establishment</u>
Property (acquisition/disposal, new build, new or changes to leases) [DHSC 12 July 2023]	CFO	<u>> £0m</u> DHSC Property ²		<u>£0m</u>		<u>All new or renewal of leases, non-exercise of lease break options, new property acquisitions, new build developments, sale and leaseback, and freehold sales as part of national property controls, regardless of cost require DHSC approval via</u> DHSCProperty@dhsc.gov.uk

⁴ Fixed term appointments and secondees are counted as part of the establishment

² DHSCProperty@dhsc.gov.uk

10. SUMMARY OF FINANCIAL DELEGATED LIMITS Category of delegation	Director responsible for compliance	DHSC (CO/HMT) External	NHSBT Board	Chief Executive	Directors / Director of Clinical Services / Chief Financial Officer Other NHSBT (as indicated in the table)	Notes
Facilities management [DHSC 12 July 2023]	CFO	> £0m reviewed on the pipeline ≥ £0.5m DHSC Property ³ ≥ £10m follow Projects, Programmes and Commercial Expenditure Commercial Control category below above				For approvals contact DHSCProperty@dhsc.gov.uk with the business case
Advertising, marketing and communications [DHSC 12 July 2023]	DDx	> £0m DHSC Director of Comms ⁴	£0 DHSC all			Spend must be approved by DHSC Director of Communications. Proposed activity should be set out using the 'Under £100k comms business case' form available from dhscmarketingcontrols@dhsc.gov.uk
Digital [DHSC 12 July 2023]	CDIO	> £0m (NHSE TD) DHSC Digital and Technology Assurance Team				Pipeline reviewed at monthly NHSBT/DHSC Assurance Board Approvals via dhsc.digitaltechcontrols@nhs.net
Technology [DHSC 12 July 2023]	CDIO	> £0.1m (NHSE TD) DHSC Digital and Technology Assurance Team			≤ £0.1m CDIO	Pipeline reviewed at monthly NHSBT/DHSC Assurance Board Approvals via dhsc.digitaltechcontrols@nhs.net

³ DHSCProperty@dhsc.gov.uk

⁴ dhscmarketingcontrols@dhsc.gov.uk

10. SUMMARY OF FINANCIAL DELEGATED LIMITS Category of delegation	Director responsible for compliance	DHSC (CO/HMT) External	NHSBT Board	Chief Executive	Directors / Director of Clinical Services / Chief Financial Officer / Other NHSBT (as indicated in the table)	Notes
<p>Commercial control (all procurement contracts, OBC approval in advance to award, approval to extend, disputes) (DHSC 12 July 2023)</p> <p>[DN now combined with 'Projects' to form single 'Projects, Programmes and Commercial Expenditure' category]</p>	CFO	More than £10m (exc. VAT)	More than £10m (exc. VAT)	Up to £10m (exc. VAT)	Up to £3m (exc. VAT) Executive Director plus: Up to £0.25m (exc. VAT) Head of Commercial Up to £0.5m Associate Director Commercial Up to £3m (exc. VAT) Commercial Director	
<p>Contingent labour (agency workers) (OBC / FBC approval required in advance and also for extensions) [DHSC 12 July 2023]</p> <p>(see responsibilities and flow chart on page xx40 for further details of the process)</p>	CFO	<p><u>DHSC Professional Services Approval Panel, plus minister:</u></p> <p>≥ £500/day (inc. agency fee and VAT) or duration ≥ 6 months <i>plus</i> SCAP</p> <p>Bulk cases (more than one worker via a single business case) ≥ £100k (inc. agency fee and VAT) or duration ≥ 6 months <i>plus</i> SCAP</p>		<p>≥ £500/day (inc. agency fee and VAT) or duration ≥ 6 months <i>plus</i> SCAP</p> <p>Bulk cases (more than one worker via a single business case) ≥ £100k (inc. agency fee and VAT) or duration ≥ 6 months <i>plus</i> SCAP</p>	<p>< £500/day (inc. agency fee and VAT) and duration < 6 months – Deputy Chief Executive <i>plus</i> SCAP or < £245/day (exc. agency fee and VAT) and duration < 6 months - Directors</p>	<p><u>PSBC approval required in advance for all expenditure, see guidance on Finance intranet page.</u></p> <p><u>Chief Executive endorsement is required for all cases requiring approval by DHSC.</u></p> <p><u>PSBC forms endorsed by the Chief Executive are submitted by SCAP to the DHSC Professional Services Approval Panel via psbc@dhsc.gov.uk.</u></p>

10. SUMMARY OF FINANCIAL DELEGATED LIMITS Category of delegation	Director responsible for compliance	DHSC (CO/HMT) External	NHSBT Board	Chief Executive	Directors / Director of Clinical Services / Chief Financial Officer Other NHSBT (as indicated in the table)	Notes
<p>Consultancy and professional services (OBC / FBC approval required in advance and also for extensions) [DHSC 12 July 2023]</p> <p>(see responsibilities and flow chart on page 9xx for further details of the process)</p>	CFO	<p><u>DHSC Professional Services Approval Panel, plus minister:</u></p> <p>≥ £100k (exc. VAT) or duration ≥ 3 months <i>plus</i> SCAP</p>		<p>≥ £100k (exc. VAT) or duration ≥ 3 months <i>plus</i> SCAP</p>	<p>< £100k (exc. VAT) and duration < 3 months – Deputy Chief Executive <i>plus</i> SCAP</p> <p>< £50k (exc. VAT) and duration < 3 months - Directors</p>	<p>PSBC approval required in advance for all expenditure, see guidance on Finance intranet page.</p> <p>Chief Executive endorsement is required for all cases requiring approval by DHSC.</p> <p>PSBC forms endorsed by the Chief Executive are submitted by SCAP to the DHSC Professional Services Approval Panel via psbc@dhsc.gov.uk.</p>
<p>Execution of supply procurement contract if no material changes from FBC approval [NHSBT internal]</p>	CFO				<p>≤ £0.25m (exc. VAT) Senior Commercial Lead</p> <p>≤ £0.5m (exc. VAT) Head of Commercial</p> <p>≤ £43m (exc. VAT) Assistant Director Commercial</p> <p>£ unlimited Commercial Director</p>	
<p>Control for contracts for R&D (inc. collaborations), and sales (inc. service agreements) [NHSBT internal]</p>	CFO	<p>> £10m (exc. VAT)</p> <p>follow 'Projects, Programmes and Commercial Expenditure' category requirements above</p>	<p>> £10m (exc. VAT)</p> <p>follow 'Projects, Programmes and Commercial Expenditure' category requirements above</p>	<p>≤ £10m (exc. VAT)</p>	<p>≤ £0.54m (exc. VAT) or deviation from standard terms, Head of Contracts</p> <p>≤ £3m (exc. VAT) Director plus CFO</p>	
<p>Sales (inc. service agreements) [NHSBT internal]</p>	CFO		<p>> £10m (exc. VAT)</p>	<p>≤ £10m (exc. VAT)</p>	<p>≤ £0.54m (exc. VAT) or deviation from standard terms, Head of Contracts</p> <p>≤ £3m (exc. VAT) Director plus CFO</p>	

10. SUMMARY OF FINANCIAL DELEGATED LIMITS Category of delegation	Director responsible for compliance	<u>DHSC (CO/HMT) External</u>	NHSBT Board	Chief Executive	<u>Directors / Director of Clinical Services / Chief Financial Officer / Other NHSBT</u> (as indicated in the table)	<u>Notes</u>
Redundancy and compensation [DHSC v8]	CPO	<u>DHSC Governance Assurance Committee (GAC) approval:</u> ≥ £100k (per individual case) or 10 or more cases (as part of one redundancy / restructure programme)				
PILON	CPO	<u>DHSC Governance Assurance Committee (GAC) approval:</u> ≥ £50k (per individual case)			≤ £50k CPO	<u>Where employee's contract includes clause that NHSBT reserves the right to pay employees in lieu of working their notice, this is contractual and not a special severance payment.</u>
Retention payments / Voluntary redundancy schemes/ Confidentiality clauses/ ESM grade changes / Staff Pay (where staff are not on AfC terms) [DHSC v8]	CPO	<u>DHSC Governance Assurance Committee (GAC) approval:</u> ≥ £0				<u>Approvals via DHReward@dhsc.gov.uk</u>
Special severance payments (all severance payments above statutory or contractual requirements) (DN not a new category, but moved here to be alongside other People categories)	CPO	≥ £0 <u>DHSC and HMT pre-approval</u>	<u>People Committee oversight</u>			<u>All special severance and retention payments are subject to DHSC and HMT pre-approval, and require DHSC Sponsor Team approval before submission to HMT. Cases over £20k also require DHSC Governance and Assurance Committee approval. Submission to HMT is via DHReward@dhsc.gov.uk</u>

10. SUMMARY OF FINANCIAL DELEGATED LIMITS Category of delegation	Director responsible for compliance	DHSC (CO/HMT) External	NHSBT Board	Chief Executive	Directors / Director of Clinical Services / Chief Financial Officer / Other NHSBT (as indicated in the table)	Notes
Grant payment (DHSC 12 July 2023)	DDx	> £0.2m (Ministerial approval)			< £0.2m CFO	
Clinical Negligence (DHSC v8)	CMO	More than £20m		Up to £20m	Below £10m CMO	

Category of delegation – losses & special payments	Director responsible for compliance	DHSC (CO/HMT)	NHSBT Board	Chief Executive	Directors / Director of Clinical Services / Chief Financial Officer
<u>Losses</u> (as defined in Managing Public Money) (DHSC v8) (incl VAT). Must be approved promptly as they arise:					
Cash losses/bookkeeping losses/exchange rate fluctuations/overpayment of pay and allowances/ loss of pay other causes (excl fraud)	CFO	More than £300k	ARGC oversight	up to £300k	<p><u>Salary overpayments write-offs:</u> <u>≤ £3k joint approval by Assistant Director Financial Control & Operations and Assistant Director HR Operations</u> <u>> £3,000 and ≤ £200k CFO</u></p> <p><u>All other:</u> <u>≤ £200k CFO</u></p>
Losses of stores (Deliberate e.g. fraud or other e.g. out of date)/ Fruitless Payments/ Constructive Losses/ Losses arising from failure to make charges for use of public property/services/ Claims waived or abandoned (i.e. a valid claim that is not pursued or where settlement is agreed at a reduced amount) <u>Treasury pre-approval is required.</u>	Relevant Director	More than £300k	ARGC oversight	up to £300k	<p><u>Bad debt write-offs:</u> <u>≤ £50 Corporate Financial Accountant</u> <u>< £3,000 Assistant Director Financial Control & Operations</u> <u>≥ £3,000 and ≤ £200k CFO</u></p> <p><u>All other:</u> <u>≤ £100k Directors</u> <u>≤ £200k CFO</u></p>
<u>Special Payments</u> (as defined in Managing Public Money) (DHSC v8) (incl VAT) Must be approved in advance of payment:	<u>CFO/CFO</u>	<u>All payments</u>	<u>ARGC oversight</u>		<u>(DN this is a sub-heading row, so no approval thresholds are relevant, and have therefore been removed)</u>
Donor claims / Extra contractual payments/ Compensation payments / Ex-gratia payments/ Extra statutory, extra-regulatory payments. <u>(non-staff related payments only, for staff related payments see page xx)</u>	Relevant Director	<u>DHSC and HMT pre-approval:</u> ≥ £0k -if NCR ≥ £95k <u>all other cases</u>	ARGC oversight	£0k if NCR ≤ £95k <u>all other</u>	£0k <u>(Novel, Contentious or Repercussive (NCR))</u> ≤ £10k <u>National Clinical Claims Manager</u> <u>All other:</u> ≤ £50k

Special severance payments (All severance payments above statutory or contractual requirements) (excludes PILON/CILON see above) (DN not deleted, but moved to earlier in the document to be alongside other People categories)	CFO	HMT pre-approval ALL	People Committee oversight	0	0
Category of delegation - NHSBT additional internal delegation	Director responsible for compliance	DHSC (CO/HMT)	NHSBT Board	Chief Executive	Directors / Director of Clinical Services / Chief Financial Officer
Approval of donations or gifts (per case per annum).(excludes grants) (MPM A4.12)	CFO	More than £300k	More than £50k	Up to £50k	Up to £1k CFO notified of all
Expenditure which relates to guarantees, indemnities or letters of comfort creating contingent liabilities	CFO	All			
Approval of sponsorship agreements per annum	DDX		More than £50k	Up to £50k	Up to £1k
Items to be purchased from Petty Cash / Imprests to staff	CFO				Up to £100
Loans to staff e.g. in advance of travel expenses / travel loans	CFO				<u>≤ £3k Assistant Director Financial Control & Operations</u> <u>≤ £10k CFO only</u> <u>No loans over £10k will be approved, to avoid beneficial loan tax liabilities arising.</u>
Overseas Travel	CFO			<u>≥ £2k (per individual)</u> <u>or</u> <u>travel by Executive Director outside Europe</u>	<u>≤ £2k (per individual)</u> <u>Executive Director</u> <u>Up to £2k CFO only</u>

Lease agreements (whole life costs) (including fleet and equipment leases) (excl property (see above) and employee car leases – covered by lease car policy)	CFO		Over £1m	Up to £1m	Up to £500k CFO only
Advance Payments (in advance of need which leads to higher financing costs, excluding service, maintenance and licence agreements) (DHSC v8)	CFO				CFO only - approve all
Insurance arrangements (DHSC v8)	CFO				CFO only - approve all

Responsibilities / Flow for Consultancy and Professional Services Approvals

All PSBCs must be endorsed by the relevant SME before being approved by the Director:

- PSBC for Contingent Labour: Commercial Lead, Finance Business Partner, and People and Culture Partner
- PSBC for Consultancy and Professional Services: Commercial Lead and Finance Business Partner

Where the PSBC needs CEO and/or DHSC approval it must then be submitted to the Spend Controls Approval Panel (SCAP) via the following email address: scap@nhsbt.nhs.uk

Budget Holder	Finance Business Partner	Commercial / People	SCAP	CEO	Financial Control	DHSC
<p>PRE-APPROVAL</p> <p>Identifies new or variation requirement where SCAP / DHSC approval is required and completes a PSBC</p>	Reviews and approve PSBC	Is informed about PSBC	<p>Review ≥ £50k (exc. VAT) or duration ≥ 3 months</p> <p>Where ≥ £100k or duration ≥ 3 months recommend to CEO approval, or</p> <p>return to Director, with follow up questions</p>	Receives recommendation from SCAP – where ≥ £100k or duration ≥ 3 months - also confirms approval for submission to DHSC		Approves or rejects business base
<p>POST-APPROVAL</p> <p>Initiates procurement request following approval</p>		Confirms approval from DHSC in place prior to procurement	Following CEO approval – ≥ £100k or duration ≥ 3 months – SCAP secretariat submits to the DHSC Sponsor Team			
<p>POST-AWARD</p> <p>Checks PSBC approvals are not exceeded</p>	FBPs report	Periodic review of spend vs DHSC approvals			Monitor actual spend and report to Commercial and SCAP secretariat	

Responsibilities/ Flow for Temporary Staff Approvals (aligned with HMRC IR35 and DHSC controls)

Budget Holder	Finance Business Partner	People	Commercial	SCAP	CEO	Financial Control	DHSC
<p>PRE-APPROVAL</p> <p>Identifies new or variation requirement where SCAP / DHSC approval is required and completes a PSBC</p> <p><u>Approval to recruit obtained</u></p>	<p>Budget confirmed</p> <p>Tax assurance review - for any outside IR35, send to Financial Control for assessment and approval</p>	<p>Approach agreed by AD P&C</p> <p>DD people approval</p> <p>Review PSBC</p> <p>Adds to log of items to DHSC for approval</p>	<p>Procurement approach agreed if not PSR or CCS framework</p>	<p>Review:</p> <p>≥ £245/day (exc. agency fee and VAT)</p> <p>or bulk case (more than one worker via a single business case) ≥ £100k inc. agency fee and VAT</p> <p>or duration ≥ 6 months</p> <p>Recommend to CEO for approval where required</p> <p>or</p> <p>return to Director, with follow up questions</p>	<p>Receives recommendation from SCAP where:</p> <p>≥ £500/day (inc. agency fee and VAT)</p> <p>or bulk case (more than one worker via a single business case) ≥ £100k inc. agency fee and VAT</p> <p>or duration ≥ 6 months</p> <p>...and confirms approval for submission to DHSC</p>	<p>Tax.assurance@nhsbt.nhs.uk</p> <p>Assess and approve any requests for outside scope of IR35 contracts</p>	<p>Approves or rejects business case</p>
<p>POST-APPROVAL</p> <p>Initiate procurement request following approval</p>			<p>Confirm approvals in place prior to procurement</p>	<p>Following CEO approval, SCAP secretariat submits to DHSC</p>			
<p>POST-AWARD</p> <p>Checks PSBC approvals are not exceeded</p>	<p>FBPs report</p>		<p>Periodic review of spend vs DHSC approvals</p>			<p>Monitor actual spend and report to Commercial and SCAP secretariat</p>	

Delegations Glossary

ARGC	Audit Risk and Governance Committee
AD P&C	Assistant Directors - People and Culture
CDIO	Chief Digital Information Officer
CMO	Chief Medical Officer
CO	Cabinet Office
Constructive losses	Goods services ordered and paid for but later proved to be not needed.
Consultancy and Professional – Services	The Cabinet Office instruct us to use these categories . Services have a Statement of Works agreeing deliverables in the contract. A service contract is primarily for deliverables (not people time).
Consultancy/ Professional paid for time	This category is defined by Cabinet Office . They are also known as temporary workers, contractors or contingent labour.
Compensation payments	A type of special payment . Non-donor related – Personal injury, traffic accidents, damage to property) (excludes severance related payments)
CPO	Chief People Officer
Director	This document uses 'Director' to mean any member of the Executive Team with a Director title. This does not include those outside the Executive Team with a Director title.
DDx	Director Donor Experience
DHSC	Department for Health and Social Care
Digital & Technology	[Nb – confirm definition with Katherine Sowdon / Rachel Hands]
ESM	Executive Senior Managers
Extra contractual payments	A type of special payment . Non-contractual payments but where there is an obligation that may be held up in court. Typically arising from action or inaction with regard to a contract. Includes payments where a settlement is reached without arbitration (excludes severance related payments)
Ex-gratia payments	A type of special payment . e.g. payments to meet hardship, out of court settlements to avoid legal action (excludes severance related payments)
Extra statutory, extra-regulatory payments	Types of special payment – payments within the broad intention of statute or regulation but go beyond a strict interpretation of terms (excludes severance related payments)
FAP	DHSC's Finance Approval Panel
CFO	Chief Financial Officer
Fruitless payments	A type of loss as defined in Managing Public Money . Payments where NHSBT receives nothing useful in return and should not have incurred the liability, or could have taken appropriate action to avoid incurring the liability
HMT	His Majesty's Treasury
Loss	Losses are not anticipated in Parliamentary approvals so need additional approval when they occur. Prior to reporting losses all options to recover should be explored. (A4.10.1 MPM) extract of managing public money examples of losses and special payments . Lessons learned should be considered in each case. These must be approved promptly.
MPM	Managing Public Money – a key HM Treasury finance guide for all public sector bodies
NCR	Novel Contentious Repercussive – a type of special payment which may have consequences or set a precedent for the wider public sector and so for which NHSBT has no delegations to proceed without prior approval
PILON	Pay in Lieu of Notice
Project	[Nb – confirm definition with Simi / TF]
PSBC	Professional Services Business Case
SCAP	Spend Controls Approval Panel
Special Payment	Are payments which are not legally due. They go beyond statute, contracts or policy (see A4.13 MPM) extract of managing public money examples of losses and special payments . Lessons learned should be considered in each case. These must be approved in advance.

Delegations Questions and Answers

Q1	Do Cabinet Office controls spends apply to NHSBT as ONS and our DHSC framework agreement define us as a Public Corporation?
A	CO have confirmed their controls do not apply; however, a Public Corporation's controls are determined by its sponsor department. DHSC have determined that we comply and submit items for approval to DHSC aligned its controls. Separate Cabinet Office approval will not be required for professional / consultancy / contingent labour. These delegations detail the controls NHSBT will apply and are shared and approved by our DHSC sponsor team (NHSBT continues to be apply the 2021-22 controls, updated for changes communicated by DHSC which are applicable from 24 July 2023).
Q2	What does 'New policy' capture. Do DHSC need to approve new HR policies?
A	New Policy is a 'deliberately broad description'. DHSC want to see any proposal for a new business operation, a new activity or a new HR policy where this may create a new precedent or have significant financial impact. DHSC would not expect to see all new HR policies or other NHSBT policies but would for example want to see a policy that approved all colleagues to have 50 days leave as this would be novel have implications for the rest of the NHS and may lead to press headlines. If in doubt, please seek confirmation in writing from the Director responsible for the control.
Q3	When a contract is greater than £3m and needs CEO approval according to Section 10 delegated limits how is this approval obtained? Does it need to be at Executive Team meeting?
A	The contract needs to have an NHSBT business case (5 case model) at the pre-procurement strategy stage to consider what is required and all the options for procuring it. The OBC should be sent to the Chief Executive to approve personally. The Chief Executive may request that the case is considered at Executive team prior to approving. This would typically be where it is a new area which has implications across NHSBT which need consideration and agreement at Executive Team. Where the contract requires signature (execution) this may be done per the execution levels above as long as it is materially in line with the OBC which was approved.
Q4	My new project is valued between £0.1m and £0.5m so requires Director with responsibility for Transformation approval. Do I also need Exec approval?
A	The Executive Team will periodically agree what projects are on the portfolio and in the budget (Including some contingency projects without budgets). If your project is on the portfolio <u>and</u> in the budget the Director for Transformation will be able to approve the project without reference to Executive Team. If your project is not in the portfolio Executive Team will need to re-evaluate the portfolio before the Director for Transformation can approve your project.

Q5	My project is more than £0.5m what approvals do I need?
A	A project over £0.5m needs approval by the Chief Executive (above £3m it also need Board approval). The project first needs to be on the project portfolio. The portfolio is agreed by Executive Team periodically. Prior to budget setting the portfolio will be agreed and then reassessed during the year subject to funding availability or a change in priorities etc. Once on the portfolio a budget will be given to the project. The project will then proceed to the next approval stage (OBC, FBC, Change controls). Project approvals must be obtained to proceed to the next stage. If a full business case needs approval and the project is expected to cost (for example) £600k. The Director must approve the case, the Director responsible for Transformation must approve the case (to vouch this is on the portfolio) and the Chief Executive must approve the case. If the case contains IT spend, marketing spend, professional or consulting spend the relevant pre-approvals must be obtained before any commitments are made.
Q6	Are the delegated values cumulative value or the additional spend being approved at that time?
A	The NHSBT internal approvals are for the spend being approved at that time. The case for approval should also outline the cumulative spend on the same item/contract/agreement and transactions should not be sub-divided to avoid approval requirements. <u>However</u> the DHSC controls are cumulative, and so for example an £1 extension which takes a professional service to £100k would require approval of the whole case.
Q7	Is my contract for Consultancy or Professional Services? And do I need to produce a Professional Service Business Case for DHSC approval?
A	Use the detailed procurement category definitions to determine whether your spend is consultancy, professional services or for example IT support spend. If your spend is consultancy or professional services it will require DHSC approval unless it is Capital (CO controls exclude capital expenditure, except where consultants are producing a business case for the capital) or spend on an ICT project which will be subject to NHSTD approval instead (also see Q8).
Q8	I am getting pure consultancy advice (not delivery support) on an IT project. Do I need to complete a PBSC and obtain DHSC approval?
A	CDIO will make the final determination if a service is pure advice (consultancy) or delivery on any IT related support and obtain approval as necessary.
Q9	DHSC have approved my marketing spend (including some professional and consultancy services) – do I need to gain approval from DHSC for the consultancy and professional service spend?
A	DHSC require us to obtain their approval for consultancy and professional services (including those in marketing spend) where they are in the definition and scope of control.

Q10	I am procuring advice or support from a consultancy firm (e.g. Deloitte/ McKinsey) they are helping us deliver a programme. Do I need to obtain DHSC approval in advance by submitting a PBSC?
A	Cabinet Office have confirmed they use the procurement categories for the professional and consultancy control . It is the type of service being provided that determines if it is consultancy or professional service or another category of spend. If your spend falls under the definition of professional or consultancy it will require approval via a PBSC (see Q7 for exceptions).
Q11	My contract for consultancy or professional services includes day rates for teams delivering the work. Do I need to get this contract approved under the paid for time controls i.e. does the £500 a day threshold apply?
A	Contracts with a statement of works should be considered a service contract (i.e. not paid for time/ contingent labour) and be approved in line professional and consultancy services delegations where applicable. Approval is not required under the contingent labour approvals where there is a statement of works for deliverables.
Q12	I am employing a contractor what do I need to do to comply with IR35?
A	You must instruct the agent and contractor that they will be treated as 'inside scope' of IR35 and their employment taxes must be deducted by the agent prior to payment. Very rarely some arrangements may fall outside of IR35 - you must obtain prior approval from tax assurance before contracting outside of IR35, and the CFO will be the final arbiter on whether a contract is outside of the scope of IR35.
Q13	Does the contingent labour day rate threshold of £500 include VAT and agency fees?
A	Yes.
Q14	When does the time limit apply on contingent labour, consultancy and professional services?
A	Any new contract or extension that will take the supplier over the threshold will be subject to the DHSC approval
Q15	What is a gift or a donation?
	A gift or a donation is something voluntarily donated with no preconditions and no expectation of return (see MPM Annex 4.12). This includes gifts to staff from public money or donations to outside organisations. Managing Public Money requires all donations over £300k to have HMT approval. DHSC delegations V8 is currently silent on this but HMT approval would be sought via the DHSC sponsor team.
Q16	I need to get approval from DHSC or HMT how do I do this?
A	This depends on the nature of the transaction, please speak to your Finance Business Partner.

Q17	I have a loss to declare what do I do?
A	Please complete a loss approval form. This form will require a summary of the circumstances and ask you to consider how this could have been avoided and if there are any lessons to learn from this. Please submit the form for approval by your Director, then to Financial Accounts for submission to DHSC as required. All losses are reported to, and reviewed by, the Audit, Risk and Governance Committee.
Q18	I need to make a special payment what do I do?
A	Special payments are payments that we are not legally required to make and so should be exceptional and usually only originate from legal, HR, transport or health safety and wellbeing teams. They must always follow appropriate legal advice. You must complete an approval form for approval by your Director, then to Financial Accounts for submission to DHSC for approval in advance as required.
Q19	I am dealing with a compensation payment, V8 of DHSC Delegations includes a limit of £500 for a consolatory payment. Are all compensation payments that don't include financial loss consolatory payments? And if so is DHSC approval required for any compensation cases where the recipient had no financial loss?
A	This is being clarified by DHSC sponsor. If in doubt for cases over £500 please draft a loss and special payment approval form , obtain your Director's approval and submit it to Financial Accounts to forward to DHSC.
Q20	Does the Board need to approve the procurement strategy for all commercial contracts
A	No – The Board will consider the OBC for commercial contracts including the procurement options. For contracts below the threshold the Board will review the contract pipeline and could ask to review the strategy by exception. The Board should also approve any contracts which are novel and contentious regardless of value. The OBC and procurement strategy should consider all options for delivering the objectives as well as the various options for procuring the items.
Q21	Can the Commercial Director of the Head of Contracts approve contracts they have been involved in drafting?
A	No, signatories must ensure there is segregation and, where they have been involved in writing the contracts, they should decline to give the final approval – even if this is within their delegations. If in doubt, contact the Director responsible.