NHS
Eileanan Siar
Western Isles

Code of Corporate Governance

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Document Control

NHS Western Isles uses best practice in its approach to Corporate Governance as set out in the Cadbury, Nolan and other reports, and guidance issued by the Scottish Government Health and Social Care Directorates, as well as legislation.

The Board reviews and approves the Code of Corporate Governance (known as The Code) on a five-year cycle, and each year reviews specific aspects of The Code.

The Boards Standing Orders are made in accordance with the Health Board (Membership and Procedure) (Scotland) Regulations 2001. Statutory provision, legal requirement, regulation or direction set by Scottish Government Ministers take precedence over The Code if any conflict arises.

For any queries in relation to The Code please contact:
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Section
A

Introduction

Role of the Board



1. NHS WESTERN ISLES

1.1 NHS Western Isles Board, 'The Board', means Western Isles Health Board.

1.2 The common name of Western Isles Health Board as an organisation is "NHS Western Isles".

1.3 The Board is a single legal entity, accountable to the Scottish Government Health and Social Care Directorate and to Scottish Ministers for the functions and performance of NHS Western Isles.

1.4 The Board will not concern itself with day-to-day operational matters, except where they have an immediate and significant impact on the overall performance of the system.

1.5 The Board consists of the Chair, Non-Executive and Executive Members appointed by Scottish Ministers to constitute Western Isles Health Board. (National Health Services (Scotland) Act 1978 as amended).

1.6 Remuneration will be paid as determined by Scottish Ministers to the Chair and other Non-Executive Board Members.

1.7 Any Non-Executive Director of the Board may, on reasonable cause shown, be suspended or removed or disqualified from membership of the Board in accordance with the Regulations identified in Section H – Members Code of Conduct.

1.8 A member of the Board may resign office at any time by giving notice in writing to Scottish Ministers to that effect.

2. PURPOSE OF WESTERN ISLES NHS BOARD

2.1 The overall purpose of Western Isles NHS Board is to:

- Review and ensure the efficient, effective and accountable governance of the NHS Western Isles;
- Provide strategic leadership and direction;
- Focus on agreed outcomes;
- Protect and improve the population's health, deliver frontline healthcare services, and ensure the efficient, effective and accountable governance of the local health system; and
- Work in partnership with the Cùrum Is Slàinte Nan Eilean Siar Integration Joint Board to support the delivery of the Strategic Commissioning Plan and associated outcomes.

3. FUNCTIONS OF THE BOARD

The Functions of the Board are to:

- Set the strategic direction of NHS Western Isles within the overall policies and priorities of the Scottish Parliament and Scottish Government, defining its annual and longer-term objectives, and agreeing plans to achieve them;
- Delegate functions and related resources to the Cùrum Is Slàinte Na Eilean Siar Integration Joint Board in line with legislation (Public Bodies (Joint Working) (Scotland) Act 2014)
- Deliver services as commissioned by the Cùrum Is Slàinte Na Eilean Siar Integration Joint Board in line with the agreed Cùrum Is Slàinte Na Eilean Siar Joint Strategic Plan.
- Approve resource allocation to address local priorities;

- Ensuring effective financial stewardship through value for money, financial control and financial planning and strategy;

- Oversee implementation and delivery of the Annual Operational Plan;

- Manage the performance of NHS Western Isles, including risk management, by monitoring performance against objectives and ensuring corrective action is taken when necessary;

- Focuses clearly on patient safety, risk, health outcomes, and improving the patient's experience of NHS services, promotes and safeguards high standard of care;

- Appoint, appraise and remunerate senior executives;

- Be responsible for the recruitment, and authorise the appointment of, consultants as required under The National Health Service (Appointment of Consultants) (Scotland) Regulations 2009 and Scottish Government circular CEL 25 (2009).

- Approve the governance arrangements for NHS Western Isles which the Board will discharge including through the Standing Committees:

    - Audit & Risk Committee
    - Finance, Performance and Resource Committee
    - Clinical Governance Committee
    - Staff Governance Committee
    - Population Health and Wellbeing Committee

- Setting the corporate objectives, values and standards for NHS Western Isles and ensuring that its obligations to patients, the local community, and the Cabinet Secretary for Health and Wellbeing are understood and met.

4. RESPONSIBILITIES OF MEMBERS OF THE BOARD

4.1 Responsibilities of Members of NHS Western Isles include:

- Shared responsibility for the discharge of the functions of the Board;
- Exercise independent, impartial judgement on issues of strategy, resource allocation, performance management, key appointments and accountability, to Scottish Ministers and to the local community;
- Responsible and accountable for the overall performance of NHS Western Isles.

5. ACCOUNTABLE OFFICER

5.1 Under the terms of Sections 14 and 15 of the Public Finance and Accountability (Scotland) Act 2000, the Principal Accountable Officer for the Scottish Administration has designated the Chief Executive of Western Isles NHS Board as Accountable Officer. The Chief Executive of NHS Western Isles is accountable to the Board for clinical, corporate and staff governance.

5.2 Accountable Officers must comply with the terms of the Memorandum to Accountable Officers for Other Public Bodies and any updates to the Memorandum issued by the Principal Accountable Officer for the Scottish Administration.

5.3 In connection with Section 7 of the Memorandum, the Nurse/AHP Director and Chief Operating Officer has been designated as Deputy Chief Executive of NHS Western Isles.

6. DEFINITIONS

Any expressions to which a meaning is given in the Health Service Acts or in the Regulations or Orders made under the Acts shall have the same meaning in this interpretation and in addition:

The Act means the National Health Service (Scotland) Act 1978 as amended.

The 1960 Act means the Public Bodies (Admission to Meetings) Act 1960, as amended. The Joint Working Act means the Public Bodies (Joint Working) (Scotland) Act 2014.

The 2001 Regulations means the Health Board's (Membership and Procedure) (Scotland) Regulations 2001.

The Joint Working Act means the Public Bodies (Joint Working) (Scotland) Act 2014.

Western Isles NHS Board comprises 10 Non-Executives Directors and 6 Executive Directors, all appointed by Scottish Ministers. Three of the Non-Executive Directors are stakeholder members. The Chair and 7 other Non-Executive Directors are recruited through an open public appointment process.

Budget means a financial resource proposed by the Board for the purpose of carrying out, for a specific period, any or all of the functions of the Board.

Chair means the person appointed by the Scottish Ministers to lead the Board and to ensure it discharges its responsibilities as determined by Government Ministers. The expression 'the Chair of the Board' is deemed to include the Vice Chair of the Board if the Chair is absent from the meeting or is otherwise unavailable. The Chair of a Committee is responsible for fulfilling the duties of a Chair in relation to that Committee only.

Chief Executive means the Accountable Officer of NHS Western Isles.

Committee means a committee established by the Board and includes 'Sub-Committee'.

Committee Members are people appointed by the Board to sit on or to chair specific committees. All references to members of a committee is as 'member' and when the reference is to a member of the Board it is 'Board Member'.

Contract includes any arrangement including an NHS Service Level Agreement.

Director of Finance means the Chief Finance Officer of the Board.

Executive Directors Group (EDG) is the executive arm of NHS Western Isles Board. Members of the EDG are the Chief Executive, Nurse / AHP Director and Chief Operating Officer (Deputy Chief Executive), Medical Director, Director of Finance and Procurement, Director of Human Resources and Workforce Development and Director of Public Health and Chief Officer IJB.

Ex-officio means "from the office of," intending to convey that something is by virtue of holding office. Any Board members who are "ex officio" (i.e. the Chair for the purposes of all Committees except the Audit & Risk Committee) is entitled to attend those Committee meetings, debate items, and vote at these meetings. They are also counted as part of the quorum at those Committee meetings.

Health & Social Care Partnership means the strategic direction by Scottish Government given to Statutory Organisations (Comhairle nan Eilean Siar and NHS Western Isles) for the provision of integrated services across health and social care in the Western Isles.

Meeting means a meeting of the Board or of any Committee.

Member means a person appointed as a Member of the Board by Scottish Ministers, and who is not disqualified from membership. This definition includes the Chair and other Executive and Non-Executive Members (Health Boards (Membership and Procedure) (Scotland) Regulations 2001 (legislation.gov.uk)

Motion means proposal.

Nominated Officer means an individual charged with the responsibility for discharging specific tasks within the Code of Corporate Governance.

Non-Executive Member means any Member appointed to the Board in terms of the 2001 Regulations and who is not listed under the definition of an Executive Member above.

Scheme of Integration means the Health and Social Care partnership agreements with the statutory organisations (Comhairle nan Eilean Siar and NHS Western Isles) for the delivery of delegated functions.

Scottish Government means the Scottish Government and is its legal name. All references in this document are to the legal name.

SFIs means Standing Financial Instructions.

SOs means Standing Orders.

Standards Officer means the Board Secretary

Strategic Commissioning Plan means the Health & Social Care Integration Strategic Commissioning Plan as agreed by the Cùrum Is Slàinte Nan Eilean Siar Integration Joint Board.

The **Code** means the Code of Corporate Governance.

Vice Chair means the Non-Executive Member appointed by the Board to take on the Chair's duties if the Chair is absent for any reason.

7. CORPORATE GOVERNANCE

Corporate Governance is the term used to describe our overall internal control system. It details how we direct and control our functions and how we relate to our communities and covers the following dimensions:

- Service delivery arrangements
- Structures and processes
- Risk Management
- Community focus and communication
- Systems of internal control
- Standards of conduct

NHS Western Isles Board is responsible for:

- Giving leadership and strategic direction
- Putting in place controls to safeguard public resources
- Supervising the overall management of its activities
- Reporting on performance and delivery

8. CONDUCT, ACCOUNTABILITY AND OPENNESS

Members of the Board are required to comply with the Members' Code of Conduct and the Standards of Business Conduct for NHS staff.

Board Members and staff are expected to promote and support the principles in the Members' Code of Conduct and to promote by their personal conduct the values of:

- Public service
- Leadership
- Selflessness
- Integrity
- Objectivity
- Openness
- Accountability and stewardship
- Honesty
- Respect

9. UNDERSTANDING RESPONSIBILITIES ARISING FROM THE CODE OF CORPORATE GOVERNANCE

It is the duty of the Chair and the Chief Executive to ensure that Board Members and staff understand their responsibilities. Board Members shall receive copies of the Code of Corporate Governance. The Code of Corporate Governance is made available to the organisation via electronic means on both the internal intranet and external website.

Managers are responsible for ensuring their staff understand their responsibilities.

10. ENDOWMENT FUNDS

The principles of this Code of Corporate Governance apply equally to Members of the Board who have distinct legal responsibilities as Trustees of the Endowment Funds.

11. ADVISORY AND OTHER COMMITTEES

The principles of this Code of Corporate Governance apply equally to all Board Advisory Committees and all committees and groups which report directly to a Board Committee.

12. REVIEW

The Board will keep the Code of Corporate Governance under review and undertake an annual review within the approved five-year cycle. The Board may, on its own or if directed by the Scottish Ministers, vary and revoke Standing Orders for the regulation of the procedure and business of the Board and of any Committee. The Audit and Risk Committee is responsible for advising the Board on these matters

APPENDIX 1

MEMORANDUM TO ACCOUNTABLE OFFICERS FOR OTHER PUBLIC BODIES

1. INTRODUCTION

1.1 Section 14 of the Public Finance and Accountability (Scotland) Act 2000 (PFA Act) makes provision for my appointment as Principal Accountable Officer for the Scottish Administration and specifies my functions as such. Section 15(1) and (3) of the PFA Act provide for me to designate Accountable Officers for parts of the Scottish Administration and for other bodies the accounts of which are required by statute to be audited by or under the control of the Auditor General for Scotland.

1.2 Accountable Officers are personally answerable to the Scottish Parliament in accordance with section 15 of the PFA Act. In this Memorandum, reference to the Parliament and Ministers should be interpreted as the Scottish Parliament and the Scottish Ministers. References to the Board are to the statutory Board, or other ruling entity, of the body, or if there is no Board to the senior appointee of the body.

1.3 This Memorandum determines the responsibilities that are common to all Accountable Officers that I may designate under section 15(3) of the PFA Act.

2. GENERAL RESPONSIBILITIES OF ACCOUNTABLE OFFICERS

2.1 The essence of your role as Accountable Officer is, subject to section 5 below, a **personal** responsibility for the propriety and regularity of the public finances for the body for which you are answerable and ensuring that the resources of the body are used economically, efficiently and effectively.

2.2 It is incumbent on you to combine your duties as an Accountable Officer with your duty to serve the body to whom you are responsible and from whom you derive your authority. The body is in turn responsible to the Parliament in respect of its actions and conduct.

2.3 You may be called to give evidence before the Public Audit Committee. You will be expected to deal with questions arising from the accounts of the body or, more commonly, from reports made to the Parliament by the Auditor General for Scotland on examinations into the economy, efficiency and effectiveness with which

the body has used its resources in discharging its functions. More detailed guidance is provided in paragraph 6 below and in the Scottish Public Finance Manual.

2.4 You must make sure that arrangements for delegation promote good management and that you are supported by the necessary staff with an appropriate balance of skills. The latter requires careful selection and development of staff and the sufficient provision of special skills and services (scientific, economic, statistical, accountancy, inspection and review etc.). You should ensure that the body's staff are conscientious in their approach to costs, whether or not borne directly on the body's budget.

3. SPECIFIC RESPONSIBILITIES OF ACCOUNTABLE OFFICERS

3.1 As Accountable Officer you must, in relation to the body for which you are designated:

3.1.1 ensure that appropriate financial systems are in place and applied and that procedures and controls are reviewed from time to time to ensure their continuing relevance and reliability, especially at times of major changes;

3.1.2 sign the accounts – and the associated Statements on Internal Control – for the body, and in doing so accept personal responsibility for their proper presentation as prescribed in legislation or in the relevant Accounts Direction issued by the Scottish Ministers;

3.1.3 ensure that proper financial procedures are followed and that accounting records are maintained in the form prescribed for published accounts;

3.1.4 ensure that the public funds for which you are responsible are properly managed and safeguarded, including independent and effective checks of any cash balances in the hands of an official;

3.1.5 ensure that assets for which you are responsible such as land, buildings or other property, including stores and equipment, are controlled and safeguarded with similar care, and with checks as appropriate;

3.1.6 ensure that, in the consideration of policy proposals relating to the resources for which you have responsibilities as Accountable Officer, all relevant financial considerations, including any issues of propriety, regularity or value for money, are taken into account, and where appropriate brought to the attention of the body;

3.1.7 ensure that delegation of responsibility is accompanied by clear lines of control and accountability together with reporting arrangements;

3.1.8 ensure that effective management systems appropriate for the achievement of the body's objectives, including financial monitoring and control systems, have been put in place;

3.1.9 ensure that risks, whether to achievement of business objectives, regularity, propriety or value for money, are identified, that their significance is assessed and that systems appropriate to the risks are in place in all relevant areas to manage them;

3.1.10 ensure that arrangements have been made to secure Best Value as set out in the Scottish Public Finance Manual;

3.1.11 ensure that managers at all levels have a clear view of their objectives, and the means to assess and measure outputs, outcomes and performance in relation to those objectives;

3.1.12 ensure managers at all levels are assigned well defined responsibilities for making the best use of resources (both those consumed by their own commands and any made available to third parties) including a critical scrutiny of outputs, outcomes and value for money;

3.1.13 ensure managers at all levels have the information (particularly about costs), training and access to the expert advice which they need to exercise their responsibilities effectively.

4. REGULARITY AND PROPRIETY

4.1 You must ensure that the body achieves high standards of regularity and propriety in the consumption of resources. Regularity involves compliance with relevant legislation (including the annual Budget Act), relevant guidance issued by the Scottish Ministers – in particular the Scottish Public Finance Manual – and any framework document (e.g. Management Statement / Financial Memorandum) setting out the accountability arrangements and other relevant matters. Propriety involves respecting the Parliament's intentions and conventions and adhering to values and behaviours appropriate to the public sector.

4.2 You have a particular responsibility for ensuring compliance with parliamentary requirements in the control of expenditure. A fundamental requirement is that funds should be applied only to the extent and for the purposes authorised by the Parliament in Budget Acts (or otherwise authorised by section 65 of the Scotland

Act 1998). The Parliament's attention must be drawn to losses or special payments, by appropriate notation of the relevant account. In the case of expenditure approved under the Budget Act any payments made must be within the scope and amount specified in that Act.

4.3 In your stewardship of public funds all actions must be able to stand the test of parliamentary scrutiny, public judgements on propriety and professional codes of conduct. You must not misuse your official position to further your private interests and care should be taken to avoid actual, potential, or perceived conflicts of interest.

5. ADVICE TO THE BODY

5.1 In accordance with section 15(8) of the PFA Act you have particular responsibility to ensure that, where you consider that any action that you are required to take is inconsistent with the proper performance of your duties as Accountable Officer, you obtain written authority from the body for which you are designated and to send a copy of this as soon as possible to the Auditor General. A copy of such written authority should also be sent to the Clerk to the Public Audit Committee. You should ensure that appropriate advice is tendered to the body on all matters of financial propriety and regularity and on the economic, efficient and effective use of resources. You will need to determine how and in what terms such advice should be tendered, and whether in a particular case to make specific reference to your own duty as Accountable Officer to seek written authority and notify the Auditor General.

5.2 You have particular responsibility to see that appropriate advice is tendered to the body on all matters of financial propriety and regularity and on the economic, efficient and effective use of resources. If you consider that the body is contemplating a course of action which you consider would infringe the requirements of financial regularity or propriety or that you could not defend as representing value for money within a framework of Best Value, you should set out in writing the objection to the proposal and the reasons for this objection. If the body decides to proceed, you should seek written authority to take the action in question. In the case of a body sponsored by the Scottish Government the sponsor Directorate should be made aware of any such request in order that, where considered appropriate, it can inform the relevant Scottish Government Accountable Officer and Cabinet Secretary / Minister. Having received written authority, you must comply with it, but should then, without undue delay, pass copies of the request for the written authority and the written authority itself to the Auditor General and the Clerk to the Public Audit Committee.

5.3 If because of the extreme urgency of the situation there is no time to submit advice in writing to the body in either of the eventualities referred to in paragraph 5.2

before the body takes a decision, you must ensure that, if the body overrules the advice, both your advice and the body's instructions are recorded in writing immediately afterwards.

5.4 If you are also a member of the Management Board of the body, you should ensure that your responsibilities as Accountable Officer do not conflict with those as a Board member. For example, if the body proposes action which as Accountable Officer you could not endorse, and would therefore advise against, you should, as a Board member, vote against such action, or ensure that your opposition as a Board member as well as Accountable Officer is clearly recorded if no formal vote is taken. It will not be sufficient to protect your position as a Board member merely by abstaining from a decision which cannot be supported.

6. APPEARANCE BEFORE THE PUBLIC AUDIT COMMITTEE

6.1 Under section 23 of the PFA Act the Auditor General may initiate examinations into the economy, efficiency and effectiveness with which any part of the Scottish Administration, or certain other bodies, have used their resources in discharging their functions. You may expect to be called upon to appear before the Public Audit Committee to give evidence on reports arising from any such examinations involving your body. You will also be expected to answer the questions of the Committee concerning resources and accounts for which you are Accountable Officer and on related activities. You may be supported by other officials who may, if necessary, join in giving evidence or the Committee may agree to hear evidence from other officials in your absence.

6.2 You will be expected to furnish the Committee with explanations of any indications of weakness in the matters covered by paragraphs 3 above, to which their attention has been drawn by the Auditor General or about which they may wish to question you.

6.3 In practice, you will have delegated authority widely, but cannot on that account disclaim responsibility. Nor, by convention, should you decline to answer questions where the events took place before your designation.

6.4 You must make sure that any written evidence or evidence given when called as a witness before the Public Audit Committee is accurate. You should also ensure that you are adequately and accurately briefed on matters that are likely to arise at the hearing. You may ask the Committee for leave to supply information not within your immediate knowledge by means of a later note. Should it be discovered subsequently that the evidence provided to the Committee has contained errors, you should let this be made known to the Committee at the earliest possible moment.

6.5 In general, the rules and conventions governing appearances of officials before Committees of the Scottish Parliament apply, including the general convention that officials do not disclose the advice given to the body. Nevertheless, in a case where you were overruled by the body on a matter of propriety or regularity, your advice would be disclosed to the Committee. In a case where you were overruled by the body on the economic, efficient and effective use of resources the Auditor General will have made clear in the report to the Committee that you were overruled. You should, however, avoid disclosure of the precise terms of the advice given to the body or disassociation from the decision. Subject, where appropriate, to the body's agreement you should be ready to discuss the costs, benefits and risks of options considered and explain the reasoning for the decision taken. You may also be called on to satisfy the Committee that all relevant financial considerations were brought to the body's attention before the decision was taken.

7. ABSENCE OF ACCOUNTABLE OFFICER

7.1 You should ensure that you are generally available for consultation, and that in any temporary period of unavailability due to illness or other cause, or during the normal period of annual leave, there will be a senior officer in the body who can act on your behalf if required.

7.2 If it becomes clear to the body that you are so incapacitated that you will not be able to discharge these responsibilities over a period of four weeks or more, it should notify me so that I can appoint an Accountable Officer, pending your return. The same applies if, exceptionally, you plan an absence of more than four weeks during which you cannot be contacted.

7.3 Where you are unable by reason of incapacity or absence to sign the accounts in time for them to be submitted to the Auditor General the body may submit unsigned copies pending your return.

Section
B

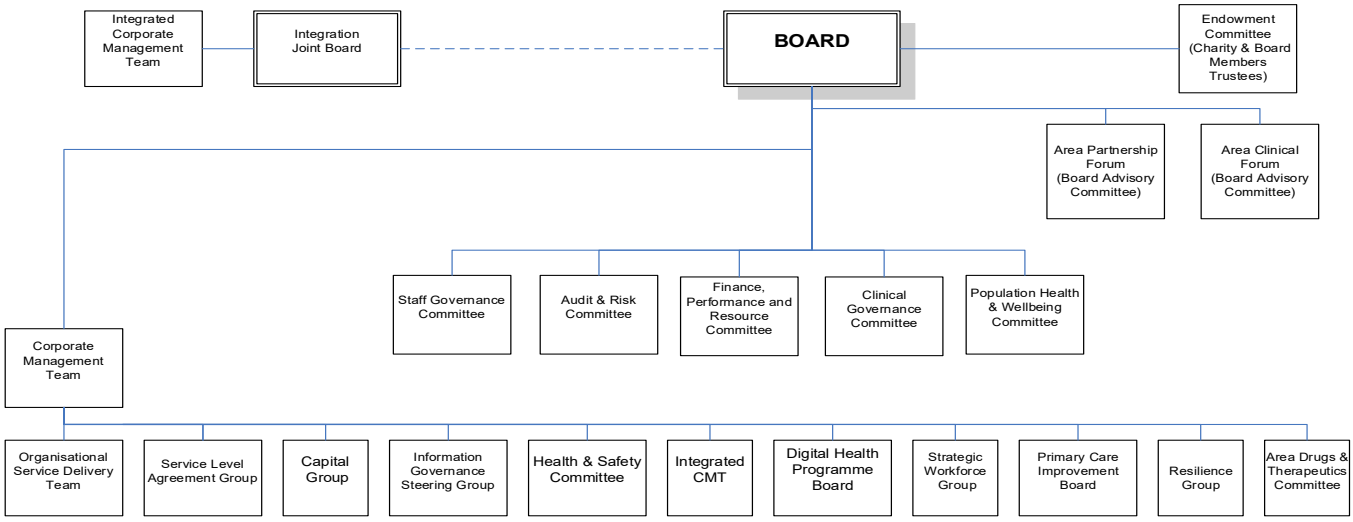
Regulations of Meetings and Proceedings of the Board and its Committees

How the Board organises and carries out its business



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1. THE BOARD AND ITS COMMITTEE



2. GENERAL

This section regulates how the meetings and proceedings of the Board and its Committees will be conducted and are referred to as "Standing Orders". The Health Boards (Membership and Procedure) (Scotland) Regulations 2001 confirms the matters to be included in the Standing Orders. This is attached for reference at Appendix 1 of this section. The following is NHS Western Isles' practical application of these Regulations.

STANDING ORDERS FOR THE PROCEEDINGS AND BUSINESS OF WESTERN ISLES NHS BOARD

2.1 These Standing Orders for regulation of the conduct and proceedings of Western Isles NHS Board, the common name for NHS Western Isles Health Board, [the Board] and its Committees are made under the terms of The Health Boards (Membership and Procedure) (Scotland) Regulations 2001 (2001 No. 302), as amended up to and including The Health Boards (Membership and Procedure) (Scotland) Amendment Regulations 2016 (2016 No. 3).

Healthcare Improvement Scotland and NHS National Services Scotland are constituted under a different legal basis, and are not subject to the above regulations. Consequently, those bodies will have different Standing Orders.

The NHS Scotland Blueprint for Good Governance (issued through DL 2019) 02) has informed these Standing Orders. The Blueprint describes the functions of the Board as:

- Setting the direction, clarifying priorities and defining expectations.
- Holding the executive to account and seeking assurance that the organisation is being effectively managed.
- Managing risks to the quality, delivery and sustainability of services.
- Engaging with stakeholders.
- Influencing the Board's and the organisation's culture.

Further information on the role of the Board, Board members, the Chair, Vice-Chair, and the Chief Executive is available on the NHS Scotland Board Development website (https://learn.nes.nhs.scot/17367/board-development)

2.2 The Scottish Ministers shall appoint the members of the Board. The Scottish Ministers shall also attend to any issues relating to the resignation and removal, suspension and disqualification of members in line with the above regulations. Any member of the Board may on reasonable cause shown be suspended from the Board or disqualified for taking part in any business of the Board in specified circumstances.

2.3 Any statutory provision, regulation or direction by Scottish Ministers, shall have precedence if they are in conflict with these Standing Orders.

2.4 Any one or more of these Standing Orders may be varied or revoked at a meeting of the Board by a majority of members present and voting, provided the notice for the meeting at which the proposal is to be considered clearly states the extent of the proposed repeal, addition or amendment. The Board will annually review its Standing Orders.

2.5 Any member of the Board may on reasonable cause shown be suspended from the Board or disqualified for taking part in any business of the Board in specified circumstances. The Scottish Ministers may by determination suspend a member from taking part in the business (including meetings) of the Board. Paragraph 5.4 sets out when the person presiding at a Board meeting may suspend a Board member for the remainder of a specific Board meeting. The Standards Commission for Scotland can apply sanctions if a Board member is found to have breached the Board Members' Code of Conduct, and those include suspension and disqualification. The regulations

(see paragraph 1.1) also set out grounds for why a person may be disqualified from being a member of the Board.

Board Members – Ethical Conduct

2.6 Members have a personal responsibility to comply with the Code of Conduct for Members of the Western Isles NHS Board. The Commissioner for Public Standards can investigate complaints about members who are alleged to have breached their Code of Conduct. The Board will have appointed a Standards Officer. This individual is responsible for carrying out the duties of that role, however he or she may delegate the carrying out of associated tasks to other members of staff. The Board's appointed Standards Officer shall ensure that the Board's Register of Interests is maintained. When a member needs to update or amend his or her entry in the Register, he or she must notify the Board's appointed Standards Officer of the need to change the entry within one month after the date the matter required to be registered.

2.7 The Board's appointed Standards Officer shall ensure the Register is available for public inspection at the principal offices of the Board at all reasonable times and will be included on the Board's website.

2.8 Members must always consider the relevance of any interests they may have to any business presented to the Board or one of its committees. Members must observe paragraphs 5.6 - 5.10 of these Standing Orders and have regard to Section 5 of the Code of Conduct (Declaration of Interests).

2.9 In case of doubt as to whether any interest or matter should be declared, in the interests of transparency, members are advised to make a declaration.

2.10 Members shall make a declaration of any gifts or hospitality received in their capacity as a Board member. Such declarations shall be made to the Board's appointed Standards Officer who shall make them available for public inspection at all reasonable times at the principal offices of the Board and on the Board's website. The Register of Interests includes a section on gifts and hospitality. The Register may include the information on any such declarations or cross-refer to where the information is published.

2.11 The Board's Corporate Business Manager shall provide a copy of these Standing Orders to all members of the Board on appointment. A copy shall also be held on the Board's website.

3. CHAIR

3.1 The Scottish Ministers shall appoint the Chair of the Board.

4. VICE-CHAIR

4.1 The Chair shall nominate a candidate or candidates for vice-chair to the Cabinet Secretary. The candidate(s) must be a non-executive member of the Board. A member who is an employee of a Board is disqualified from being Vice-Chair. The Cabinet Secretary will in turn determine who to appoint based on evidence of effective performance and evidence that the member has the skills, knowledge and experience needed for the position. Following the decision, the Board shall appoint the member as Vice-Chair. Any person so appointed shall, so long as he or she remains a member of the Board, continue in office for such a period as the Board may decide.

4.2 The Vice-Chair may at any time resign from that office by giving notice in writing to the Chair. The process to appoint a replacement Vice-Chair is the process described at paragraph 3.1.

4.3 Where the Chair has died, ceased to hold office, or is unable for a sustained period of time to perform his or her duties due to illness, absence from Scotland or for any other reason, then the Board's Corporate Business Manager should refer this to the Scottish Government. The Cabinet Secretary will confirm which member may assume the role of interim chair in the period until the appointment of a new chair, or the return of the appointed chair. Where the Chair is absent for a short period due to leave (for whatever reason) the Vice-Chair shall assume the role of the Chair in the conduct of the business of the Board. In either of these circumstances references to the Chair shall, so long as there is no Chair able to perform the duties, be taken to include references to either the interim chair or the Vice-Chair. If the Vice-Chair has been appointed as the Interim Chair, then the process described at paragraph 3.1 will apply to replace the Vice-Chair.

5. CALLING AND NOTICE OF BOARD MEETINGS

5.1 The Chair may call a meeting of the Board at any time and shall call a meeting when required to do so by the Board. The Board shall meet at least six times in the year and will annually approve a forward schedule of meeting dates.

5.2 The Chair will determine the final agenda for all Board meetings. The agenda may include an item for any other business, however this can only be for business which the Board is being informed of for awareness, rather than being asked to make a decision. No business shall be transacted at any meeting of the Board other than that specified in the notice of the meeting except on grounds of urgency.

5.3 Any member may propose an item of business to be included in the agenda of a future Board meeting by submitting a request to the Chair. If the Chair elects to agree to the request, then the Chair may decide whether the item is to be considered at the Board meeting which immediately follows the receipt of the request, or a future Board meeting. The Chair will inform the member which meeting the item will be discussed. If any member has a specific legal duty or responsibility to discharge which requires that member to present a report to the Board, then that report will be included in the agenda.

5.4 In the event that the Chair decides not to include the item of business on the agenda of a Board meeting, then the Chair will inform the member in writing as to the reasons why.

5.5 A Board meeting may be called if one third of the whole number of members signs a requisition for that purpose. The requisition must specify the business proposed to be transacted. The Chair is required to call a meeting within 7 days of receiving the requisition. If the Chair does not do so, or simply refuses to call a meeting, those members who presented the requisition may call a meeting by signing an instruction to approve the notice calling the meeting provided that no business shall be transacted at the meeting other than that specified in the requisition.

5.6 Before each meeting of the Board, a notice of the meeting (in the form of an agenda), specifying the time, place and business proposed to be transacted at it and approved by the Chair, or by a member authorised by the Chair to approve on that person's behalf, shall be circulated to every member so as to be available to them at least three clear days before the meeting. The notice shall be distributed along with any papers for the meeting that are available at that point.

5.7 With regard to calculating clear days for the purpose of notice under 4.6 and 4.9, the period of notice excludes the day the notice is sent out and the day of the meeting itself. Additionally, only working days (Monday to Friday) are to be used when calculating clear days; weekend days and public holidays should be excluded.

Example: If a Board is meeting on a Wednesday, the notice and papers for the meeting should be distributed to members no later than the preceding Thursday. The three clear days would be Friday, Monday and Tuesday. If the Monday was a public holiday, then the notice and papers should be distributed no later than the preceding Wednesday.

5.8 Lack of service of the notice on any member shall not affect the validity of a meeting.

5.9 Board meetings will be in public and may be in person, on line or hybrid in nature. A public notice of the time and place of the meeting shall be provided at least three clear days before the meeting is held. The notice and the meeting papers shall also be placed on the Board's website. The meeting papers will include the minutes of committee meetings which the relevant committee has approved. The exception is that the meeting papers will not include the minutes of the Remuneration Committee. The Board may determine its own approach for committees to inform it of business which has been discussed in committee meetings for which the final minutes are not yet available. For items of business which the Board will consider in private session (see paragraph 5.22), only the Board members will normally receive the meeting papers for those items, unless the person presiding agrees that others may receive them.

Deputations and petitions

5.10 Any individual or group or organisation which wishes to make a deputation to the Board must make an application to the Chair's Office at least 21 working days before the date of the meeting at which the deputation wish to be received. The application will state the subject and the proposed action to be taken.

5.11 Any member may put any relevant question to the deputation, but will not express any opinion on the subject matter until the deputation has withdrawn. If the subject matter relates to an item of business on the agenda, no debate or discussion will take place until the item is considered in the order of business.

5.12 Any individual or group or organisation which wishes to submit a petition to the Board will deliver the petition to the Chair's Office at least 21 working days before the meeting at which the subject matter may be considered. The Chair will decide whether or not the petition will be discussed at the meeting.

6. CONDUCT OF MEETINGS

Authority of the Person Presiding at a Board Meeting

6.1 The Chair shall preside at every meeting of the Board. The Vice-Chair shall preside if the Chair is absent. If both the Chair and Vice Chair are absent, the members present at the meeting shall choose a Board member who is not an employee of a Board to preside.

6.2 The duty of the person presiding at a meeting of the Board or one of its committees is to ensure that the Standing Orders or the committee's terms of reference are observed, to preserve order, to ensure fairness between members, and to determine all questions of order and competence. The ruling of the person presiding shall be final and shall not be open to question or discussion.

6.3 The person presiding may direct that the meeting can be conducted in any way that allows members to participate, regardless of where they are physically located, e.g. video-conferencing, teleconferencing. For the avoidance of doubt, those members using such facilities will be regarded as present at the meeting. Board Members and members of the public and media are required to adhere to the NHS Boards on-line etiquette.

6.4 In the event that any member who disregards the authority of the person presiding, obstructs the meeting, or conducts himself/herself inappropriately the person presiding may suspend the member for the remainder of the meeting. If a person so suspended refuses to leave when required by the person presiding to do so, the person presiding will adjourn the meeting in line with paragraph 5.12. For paragraphs 5.5 to 5.20, reference to 'Chair' means the person who is presiding the meeting, as determined by paragraph 5.1.

Quorum

6.5 The Board will be deemed to meet only when there are present, and entitled to vote, a quorum of at least one third of the whole number of members, including at least two members who are not employees of a Board. The quorum for committees will be set out in their terms of reference, however it can never be less than two Board members.

6.6 In determining whether or not a quorum is present the Chair must consider the effect of any declared interests.

6.7 If a member, or an associate of the member, has any pecuniary or other interest, direct or indirect, in any contract, proposed contract or other matter under consideration by the Board or a committee, the member should declare that interest at the start of the meeting. This applies whether or not that interest is already recorded in the Board Members' Register of Interests. Following such a declaration, the member shall be excluded from the Board or committee meeting when the item is under consideration, and should not be counted as participating in that meeting for quorum or voting purposes.

6.8 Paragraph 6.7 will not apply where a member's, or an associate of their interest in any company, body or person is so remote or insignificant that it cannot reasonably be regarded as likely to affect any influence in the consideration or discussion of any question with respect to that contract or matter. In March 2015, the Standards Commission granted a dispensation to NHS Board members who are also voting members of integration joint boards. The effect is that those members do not need to declare as an interest that they are a member of an integration joint board when taking part in discussions of general health & social care issues. However, members still have to declare other interests as required by Section 5 of the Board Members' Code of Conduct.

6.9 If a question arises at a Board meeting as to the right of a member to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting be referred to the Chair. The Chair's ruling in relation to any member other than the Chair is to be final and conclusive. If a question arises with regard to the participation of the Chair in the meeting (or part of the meeting) for voting or quorum purposes, the question is to be decided by the members at that meeting. For this latter purpose, the Chair is not to be counted for quorum or voting purposes.

6.10 Paragraphs 6.6-6.9 shall equally apply to members of any Board committees, whether or not they are also members of the Board, e.g. stakeholder representatives.

6.11 When a quorum is not present, the only actions that can be taken are to either adjourn to another time or abandon the meeting altogether and call another one. The quorum should be monitored throughout the conduct of the meeting in the event that a member leaves during a meeting, with no intention of returning. The Chair may set a time limit to permit the quorum to be achieved before electing to adjourn, abandon or bring a meeting that has started to a close.

Adjournment

6.12 If it is necessary or expedient to do so for any reason (including disorderly conduct or other misbehaviour at a meeting), a meeting may be adjourned to another day, time and place. A meeting of the Board, or of a committee of the Board, may be adjourned by the Chair until such day, time and place as the Chair may specify.

Business of the Meeting

The Agenda

6.13 If a member wishes to add an item of business which is not in the notice of the meeting, he or she must make a request to the Chair ideally in advance of the day of the meeting and certainly before the start of the meeting. The Chair will determine whether the matter is urgent and accordingly whether it may be discussed at the meeting.

6.14 The Chair may change the running order of items for discussion on the agenda at the meeting. Please also refer to paragraph 4.2.

Decision-Making

6.15 The Chair may invite the lead for any item to introduce the item before inviting contributions from members. Members should indicate to the Chair if they wish to contribute, and the Chair will invite all who do so to contribute in turn. Members are expected to question and challenge proposals constructively and carefully to reach and articulate a considered view on the suitability of proposals.

6.16 The Chair will consider the discussion, and whether or not a consensus has been reached. Where the Chair concludes that consensus has been reached, then the Chair will normally end the discussion of an item by inviting agreement to the outcomes from the discussion and the resulting decisions of the Board.

6.17 As part of the process of stating the resulting decisions of the Board, the Chair may propose an adaptation of what may have been recommended to the Board in the accompanying report, to reflect the outcome of the discussion.

6.18 The Board may reach consensus on an item of business without taking a formal vote, and this will be normally what happens where consensus has been reached.

6.19 Where the Chair concludes that there is not a consensus on the Board's position on the item and/ or what it wishes to do, then the Chair will put the decision to a vote. If at least two Board members ask for a decision to be put to a vote, then the Chair will do so. Before putting any decision to vote, the Chair will summarise the outcome of the discussion and the proposal(s) for the members to vote on.

6.20 Where a vote is taken, the decision shall be determined by a majority of votes of the members present and voting on the question. In the case of an equality of votes, the Chair shall have a second or casting vote. The Chair may determine the method for taking the vote, which may be by a show of hands, or by ballot, or any other method the Chair determines.

6.21 While the meeting is in public the Board may not exclude members of the public and the press (for the purpose of reporting the proceedings) from attending the meeting.

Board Meeting in Private Session

6.22 The Board may agree to meet in private in order to consider certain items of business. The Board may decide to meet in private on the following grounds:

- The Board is still in the process of developing proposals or its position on certain matters and needs time for private deliberation.
- The business relates to the commercial interests of any person and confidentiality is required, e.g. when there is an ongoing tendering process or contract negotiation.

- The business necessarily involves reference to personal information and requires to be discussed in private in order to uphold the Data Protection Principles.
- The Board is otherwise legally obliged to respect the confidentiality of the information being discussed.

6.23 The minutes of the meeting will reflect when the Board has resolved to meet in private.

Minutes

6.24 The names of members present at a meeting of the Board, or of a committee of the Board, shall be recorded in the minute of the meeting. The names of other persons in attendance shall also be recorded.

6.25 The Board's Corporate Business Manager (or his/her authorised nominee) shall prepare the minutes of meetings of the Board. The Board committees administration is supported by the Lead Executive Director's PA. The Board or the committee shall review the draft minutes at the following meeting. The person presiding at that meeting shall sign the approved minute which will be held electronically.

7. MATTERS RESERVED FOR THE BOARD

Introduction

7.1 The Scottish Government retains the authority to approve certain items of business. There are other items of the business which can only be approved at an NHS Board meeting, due to either Scottish Government directions or a Board decision in the interests of good governance practice.

7.2 This section summarises the matters reserved to the Board:

a) Standing Orders
b) The establishment and terms of reference of all its committees, and appointment of committee members
c) Organisational Values and Objectives
d) The strategies for all the functions that it has planning responsibility for, subject to any provisions for major service change which require Ministerial approval.

e) The Operational Improvement Plan for submission to the Scottish Government for its approval. (Note: The Board should consider the draft for submission in private session. Once the Scottish Government has approved the Operational Improvement Plan, the Board should receive it at a public Board meeting.)
f) Corporate objectives or corporate plans which have been created to implement its agreed strategies.
g) Risk Management Policy and Risk Appetite.
h) Financial plan for the forthcoming year, and the opening revenue and capital budgets.
i) Standing Financial Instructions and a Scheme of Delegation.
j) Annual accounts and report. (Note: Note: This must be considered when the Board meets in private session. In order to respect Parliamentary Privilege, the Board cannot publish the annual accounts or any information drawn from it before the accounts are laid before the Scottish Parliament. Similarly, the Board cannot publish the report of the external auditors of their annual accounts in this period.)
k) Any business case item that is beyond the scope of its delegated financial authority before it is presented to the Scottish Government for approval. The Board shall comply with the Scottish Capital Investment Manual.
l) The Board shall approve the content, format, and frequency of performance reporting to the Board.
m) The appointment of the Board's chief internal auditor. (Note: This applies either when the proposed chief internal auditor will be an employee of the Board, or when the chief internal auditor is engaged through a contract with an external provider. The Audit and Risk Committee should advise the Board on the appointment, and the Board may delegate to the audit committee oversight of the process which leads to a recommendation for appointment.)
n) The contribution to Community Planning Partnerships through the associated improvement plans.
o) Arrangements for the approval of all other policies.
p) The system for responding to any civil actions raised against the Board.
The system for responding to any occasion where the Board is being investigated and / or prosecuted for a criminal or regulatory offence

Within the above the Board may delegate some decision making to one or more executive Board members.

7.3 The Board may be required by law or Scottish Government direction to approve certain items of business, e.g. the integration schemes for a local authority area.

7.4 The Board itself may resolve that other items of business be presented to it for approval.

8. DELEGATION OF AUTHORITY BY THE BOARD

8.1 Except for the Matters Reserved for the Board, the Board may delegate authority to act on its behalf to committees, individual Board members, or other Board employees. In practice this is achieved primarily through the Board's approval of the Standing Financial Instructions and the Scheme of Delegation. (located in Section G of this document.)

8.2 The Board may delegate responsibility for certain matters to the Chair for action. In such circumstances, the Chair should inform the Board of any decision or action subsequently taken on these matters.

8.3 The Board and its officers must comply with the NHS Scotland Property Transactions Handbook, and this is cross-referenced in the Scheme of Delegation.

8.4 The Board may, from time to time, request reports on any matter or may decide to reserve any particular decision for itself. The Board may withdraw any previous act of delegation to allow this.

9. EXECUTION OF DOCUMENTS

9.1 Where a document requires to be authenticated under legislation or rule of law relating to the authentication of documents under the Law of Scotland, or where a document is otherwise required to be authenticated on behalf of the Board, it shall be signed by an executive member of the Board or any person duly authorised to sign under the Scheme of Delegation in accordance with the Requirements of Writing (Scotland) Act 1995. Before authenticating any document, the person authenticating the document shall satisfy themselves that all necessary approvals in terms of the Board's procedures have been satisfied. A document executed by the Board in accordance with this paragraph shall be self-proving for the purposes of the Requirements of Writing (Scotland) Act 1995.

9.2 Scottish Ministers shall direct which officers of the Board can sign on their behalf in relation to the acquisition, management and disposal of land.

9.3 Any authorisation to sign documents granted to an officer of the Board shall terminate upon that person ceasing (for whatever reason) from being an employee of the Board, without further intimation or action by the Board.

10. COMMITTEES

10.1 Subject to any direction issued by Scottish Ministers, the Board shall appoint such committees (and sub-committees) as it thinks fit. NHS Scotland Board Development website will identify the committees which the Board must establish. (https://learn.nes.nhs.scot/17367/board-development)

10.2 The Board shall appoint the chairs of all committees. The Board shall approve the terms of reference and membership of the committees. The Board shall review these as and when required, and shall review the terms within 2 years of their approval if there has not been a review.

10.3 The Board shall appoint committee members to fill any vacancy in the membership as and when required. If a committee is required by regulation to be constituted with a particular membership, then the regulation must be followed.

10.4 Provided there is no Scottish Government instruction to the contrary, any non-executive Board member may replace a Committee member who is also a non-executive Board member, if such a replacement is necessary to achieve the quorum of the committee.

10.5 The Board's Standing Orders relating to the calling and notice of Board meetings, conduct of meetings, and conduct of Board members shall also be applied to committee meetings where the committee's membership consist of or include all the Board members. Where the committee's members include some of the Board's members, the committee's meetings shall not be held in public and the associated committee papers shall not be placed on the Board's website, unless the Board specifically elects otherwise. Generally, Board members who are not members of a committee may attend a committee meeting and have access to the meeting papers. However, if the committee elects to consider certain items as restricted business, then the meeting papers for those items will normally only be provided to members of that committee. The person presiding the committee meeting may agree to share the meeting papers for restricted business papers with others.

10.6 The Board shall approve a calendar of meeting dates for its committees. The committee chair may call a meeting any time, and shall call a meeting when requested to do so by the Board.

10.7 The Board may authorise committees to co-opt members for a period up to one year, subject to the approval of both the Board and the Accountable Officer. A committee may decide this is necessary to enhance the knowledge, skills and experience within its membership to address a particular element of the committee's business. A co-opted member is one who is not a member of the Western Isles NHS Board and is not to be counted when determining the committee's quorum. At the point of authorised approval, the Co-opted member is required to sign a confidentiality compliance document which will be addressed by the Corporate Business Manager and held within the Office of the Chair.

11. REMOTE PARTICIPATION IN BOARD MEETINGS

11.1 In line with the Health Boards (Membership & Procedures) (Scotland) Amendment Regulations 2005, meetings of the Board, or any of its Standing Committees or Sub-Committees, may be conducted in any other way in which each Member is enabled to participate although not present with other Members in a pre-determined place (e.g. through use of video-conferencing / Teams facilities).

11.2 A Board meeting shall be conducted in the above manner only on the direction of the Chairperson / Vice Chairperson of the Board.

11. FREEDOM OF INFORMATION (SCOTLAND) ACT 2002

11.1 The Freedom of Information (Scotland) Act 2022 (FOI(S)A) was introduced by the Scottish Parliament to ensure that people have the right to access information held by Scottish public authorities. The Act states that any person can received information that they request from a public authority, subject to certain exemptions such as protection of personal data and commercial interests or national security. It came into force on 01 January 2005 and is retrospective, so that it includes all records held by the Board prior to 2005 as well as since that date.

11.2 Under FOI(S)A NHS Western Isles is required to:

- Provide applicants with help and assistance in finding the information they require within a given timescale;
- Maintain a publication scheme of information to be routinely published;
- Put in processes for responding to enquiries and undertaking appeals against decisions to withhold information.

11.3 Information as defined under FOI(S)A includes copies or extracts, including drafts, of any documents such as:

- reports and planning documents;
- committee minutes and notes;
- correspondence including e-mails; and
- statistical information

11.4 The FOI(S)A provides a range of exemptions which may be applied allowing the public authority to withhold information. Exemptions must be considered on a case by case basis and may be applied to all or only part of the information requested.

11.5 All documents will be scrutinised for information which may be withheld under an exemption to the Act prior to release.

11.6 Full details of FOI(S)A exemptions and how to apply them can be found in the Freedom of Information (Scotland) Act 2022.

11.7 Briefings on how to apply exemptions can be found on the Scottish Information Commissioners website | Scottish Information Commissioner (itspublicknowledge.info)

Section
C

Scheme of Administration

Rules regarding committee membership and how the committees function



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1 APPOINTMENT OF COMMITTEES

1.1 The Board on the recommendation of the Chair shall create such Committees, as required by statute, regulation or Ministerial direction and as are necessary for the economical efficient and effective governance of the Boards' business.

1.2 The Board shall delegate or refer to such Committees such matters they consider appropriate. The matters delegated shall be set out in the Terms of Reference of those Committees as detailed in Section 4 of this Code of Corporate Governance.

1.3 The Chair may vary the number, constitution and functions of Committees at any meeting by specifying the proposed variation.

2. STANDING COMMITTEES

2.1 The Standing Committees and Sub-Committees of the Board shall be

- Finance, Performance and Resource Committee
- Audit and Risk Committee
- Clinical Governance Committee
- Staff Governance Committee
- Population Health and Wellbeing Committee
- Remuneration Committee
- Endowments Committee (see 2.2 below)

2.2 The Endowments Committee (established and will function within the parameters of Charitable status of The Office of the Scottish Charity Regulator ~ OSCR) shall consist of ***Trustees*** of the Western Isles NHS Board Endowment Funds. All Board Members are Trustees.

The functions of Research and Development Ethics is carried out by the North of Scotland Research Ethics Service, on behalf of the Board, by NHS Grampian in Aberdeen. Before approaching NHS Grampian individuals must obtain Health Board Research and Development approval.

3. MEMBERSHIP OF COMMITTEES

3.1 The Board, on the recommendation of the Chair shall appoint the membership of Committees on an annual basis. By virtue of their appointment the Chair of the Board shall be an ex-officio member of all Committees and Sub-Committees except the Audit and Risk Committee.

The definition of ex-officio means "by virtue of the office"

The Board on the recommendation of the Chair shall appoint the Chairs of the Governance Committees of NHS Western Isles Board.

3.2 Any Committee shall include at least three Non-Executive Members of the Board and may include persons who are co-opted and may consist wholly or partly of Members of the Board.

3.3 Any Sub-Committee may include persons who are co-opted and may consist wholly or partly of Members of the Board, or wholly of persons who are not Members of the Board.

3.4 In determining the membership of Committees, the Chair shall have due regard to the Committee purpose, role and remit, and accountability requirements as well as the skills and experience of individual Non-Executive and any requirement associated with their recruitment. Certain Members may not be appointed to serve on particular Committees as a consequence of their positions. Specific **exclusions** are:

- **Audit and Risk Committee**
  The Chair of the Board, together with Non-Executive Member of the Board who is employed by the Board in an operational matter, nor will the appointed representative of the Local Authority be permitted to be a member of or attend the committee meetings.

- **Remuneration Committee**
  Any Executive Member of the Board will not be permitted to attend, with the exception of the Chief Executive, who will present the performance details of those Executives within his team. The Director of Human Resources and Workforce Development will attend the meeting in support of the employment legality. The Chief Executive will leave the meeting when their performance is discussed. Any further exemptions will be noted in the Terms of Reference.

3.5 The Board on the recommendation of the Chair has the power to vary the membership of Committees at any time, provided that this is not contrary to statute, regulation or direction by Scottish Ministers and is in accordance with the paragraph 3.4 above.

3.6 The Board on the recommendation of the Chair shall appoint Vice-Chairs of Committees. In the case of Board Members, appointments shall be dependent upon their continuing membership of the Board.

3.7 The persons appointed as Chairs of Committees shall be Non-Executive Members of the Board. In exceptional circumstances the Board can appoint a Chair of a Committee who is not a Non-Executive Member, this fact to be recorded in the Minutes of the Board meeting making the appointment.

3.8 Casual vacancies occurring in any Committee shall be filled as soon as may be practical by the Chair after the vacancy takes place.

3.9 The Chief Executive shall have the right of attendance at all Committees of which he/she is not a member, with the exception of the Remuneration Committee re: Chief Executive performance appraisal.

3.10 The acts, meetings or proceedings of a Board Standing Committee or Sub-Committee shall not be invalidated by any vacancy in its membership or by any defect in the appointment of any member.

3.11 Standing Committees shall be reviewed annually by the Board Chair, and as and when required. New Standing Committees shall be appointed initially at any time of the year, and reviewed after the first year of operation, and then annually in line with the other Committees.

4. FUNCTIONING OF COMMITTEES AND WORKING GROUPS

4.1 An Executive Member or another specified Lead Officer shall be appointed to support the functioning of each Standing Committee.

4.2 Committees may seek the approval of the Board Chair to appoint Sub-Committees for such purposes as may be necessary.

4.3 Where the functions of the Board are carried out by Committees, the membership, including those co-opted members who are not Members of the Board, are deemed to be acting on behalf of the Board.

4.4 During intervals between meetings of the Board or its Committees, the Chair of the Board or the Chair of a Committee, or in their absence, the Vice Chair shall, in conjunction with the Chief Executive and the Lead Executive concerned, have powers to deal with matters of urgency which fall within the terms of reference of the Committee and require a decision which would normally be taken by the Committee. , All decisions so taken should be reported to the next full meeting of the relevant Committee.

5. MINUTES OF MEETINGS OF COMMITTEES AND SUB-COMMITTEES

5.1 The approved Minute of each Committee of the Board shall be submitted as soon as is practicable to an ordinary meeting of the Board for awareness, and for the consideration of any recommendations having been made by the Committee concerned. Specifics are noted with the Terms of Reference Section D.

5.2 The Minute of each Sub-Committee, if authorised, shall be submitted to its parent Committee's next meeting for approval as a correct record.

5.3 Minutes of the proceedings at a special meeting of a Committee shall be produced but these minutes may be reported to the Board or to any Committee of the Board.

6. SCHEME OF DELEGATION TO COMMITTEES

6.1 The Committees of the Board shall meet no fewer than four times a year.

6.2 Each Committee shall have delegated authority to determine any matter within its Terms of Reference, with the exception of any specific restrictions contained in Reservation of powers and delegation of authority – Matters reserved for Board agreement only.

6.3 Committees shall conduct their business within its Terms of Reference, and in exercising the authority, shall do so in accordance with the following provisions. However, in relation to any matter either not specifically referred to in the Terms of Reference, or in these Standing Orders, it shall be competent for the Committee, whose remit the matter most closely resembles, to consider such a matter and to make any appropriate recommendations to the Board.

6.4 Committees shall conduct all business in accordance with NHS Western Isles policies and the Code of Corporate Governance.

6.5 The Chair may deal with any matter falling within the Terms of Reference of any Committee without the requirement of receiving a report or minute of that Committee referring to that matter.

6.6 The Chair may at any time vary, add to, restrict or recall any reference or delegation to any Committee. Specific direction by the Chair in relation to the remit of a Committee shall take precedence over the terms of any provision in the Terms of Reference.

6.7 If a matter is of common or joint interest to a number of Committees, and is a delegated matter, no action shall be taken until all Committees have considered the matter.

6.8 In the event of a disagreement between Committees in respect of any such proposal or recommendation which falls within the delegated authority of one Committee, the decision of that Committee shall prevail. If the matter is referred but not delegated to any Committee, a report summarising the views of the various Committees shall be prepared by the appropriate officer and shall appear as an item of business on the agenda of the next convenient meeting of the Board.

7. REPORTS BY EXECUTIVE DIRECTORS AND OTHER SENIOR OFFICERS

7.1 Reports to the Board and Committees shall be submitted by the appropriate Executive Director of the Board, when requested by the Board or Committee or when, in the professional opinion of such officer, a report is required to enable the Board to comply with any statute, regulation or Ministerial direction, or other rule of law, or where the exigencies of the service under his / her control so requires.

7.2 Any observation by those officers on matters within their professional remit shall be incorporated into the report.

7.3 All Board and Committee reports shall be submitted in advance to the Board's Corporate Management Team for review and corporate consideration other than in exceptional circumstances.

7.4 Board reports must be compiled in line with the current agreed content, style and format template.

8. REPORTS TO THE BOARD or COMMITTEES

8.1 Only those reports which require a decision to be taken by the Board or a Committee of the Board or are necessary to enable the Board or Committee to discharge its business to exercise its monitoring role, will normally be included on the Agenda of the Board or any Committee. The Chief Executive shall have delegated authority to make the final determination on whether or not an item of operational business should be included on Board Agenda.

9. CONTRACTS

9.1 The Director of Finance and Procurement shall be responsible for maintaining a register of officers authorised to sign documents on behalf of the Board in accordance with the provisions of Standing Financial Instructions. An officer's authority to sign documents shall automatically cease on a change of post within the Board or ceasing for whatever reason to be an employee. Such events must be reported immediately to the Director of Finance and Procurement so that the register can be amended accordingly and financial system controls amended.

9.2 Contracts shall be executed on behalf of the Board as follows:

A contract which is executed in the form of an attested deed shall be subscribed on behalf of the Board by the Chairperson or Vice-Chairperson and Chief Executive

- A contract in writing but not in deed form shall be executed on behalf of the Board by the Chief Executive or other officer acting on his authority.

- A contract which may be validly made by parole may be made on behalf of the Board by the Chief Executive or other officer acting on his authority, but shall be confirmed in writing.

- A building, engineering, property or capital contract shall be signed by the Chief Executive or other officer acting on his authority.

- Any document required to be completed on behalf of the Board in connection with legal proceedings, including the acquisition and disposal of property, shall be signed in accordance with Ministerial Direction.

Section
D

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Finance, Performance and Resource Committee
Term of Reference

Committee / Remit	**FINANCE, PERFORMANCE & RESOURCE COMMITTEE**
Composition	3 NXD, one from the IJB Appropriate training and development will be provided to ensure that members of the Committee have the skills and knowledge to carry out this role.
In attendance	❖ Chief Executive – Accountable Officer ❖ Director of Finance & Procurement – Executive Lead ❖ Medical Director ❖ Nurse Director ❖ Director of Public Health ❖ Director of Human Resources and Workforce Planning ❖ IT and Digital Health Manager
Attendance as required	Other appropriate staff may attend a meeting, at the request of the Committee Chair in relation to the presentation of information or reports. All Board Members have the right to attend meetings and have access to all papers, except where the committee determines otherwise. Board Members should make a request to the Chair of the Committee if wishing to attend a meeting. Attendees or Non-Executive Directors, who are not part of the composition, who wish to observe the meeting do not have the right to intervene during the meeting and should make any comments in relation to the discussion to the Committee Chair following the meeting.
Executive Lead & their role	Director of Finance and Procurement will be responsible for the delivery of the remit and accountable to the Chief Executive and in turn to the Board. The Executive Lead will: • Support the Chair in ensuring that the Committee Remit is based on the latest guidance and relevant legislation, and the Board's Best Value framework;

	• Liaise with the Chair and Corporate Business Manager in agreeing a programme of meetings for the business year, as required by its remit; • Oversee the development of an Annual Work plan for the Committee, in conjunction with the Corporate Business Manager, which is congruent with its remit and the need to provide appropriate assurance at the year end, for endorsement by the Committee and approval by the Board; • Agree with the Chair an agenda for each meeting, having regard to the Committee's Remit and Work plan; • Conduct an annual review of the Committee Terms of Reference, in conjunction with the Corporate Business Manager and progress against the Annual Work plan, as part of the process to ensure that the Work plan is fulfilled; and • Oversee the production of a Committee Annual Report, informed by self-assessment of performance on the delivery of the Committee's Remit, Work plan and key performance indicators for endorsement by the Committee and submission to the Board
Admin Support	The PA to the Executive Lead
Quorum	2 NXD + Director of Finance & Procurement
No of Meetings	Minimum of 4 meetings per year
Reporting / Accountability	The Board delegates and authorises the Committee, noted within its Terms of Reference, to investigate any activity undertaken by NHS Western Isles. It is authorised to seek and obtain any information it requires from any employee, and all employees of NHS Western Isles are directed to co-operate with any request made by the Committee. The Committee is authorised by the Board to obtain Central Legal Office (CLO) or other independent professional advice and to secure the assistance of people from outside NHS Western Isles or the wider NHS, with relevant expertise, if it is considered necessary. The External and Internal Auditors shall have the right of direct access to the Chair of the Committee for audit purposes. The Committee will have the ability to approve committee only functions, endorsement of issues requiring formal Board wide approval will be escalated to the Board as approval is a decision delegated for the Board.

Appropriate Strategic direction links	NHS WI Annual Delivery Plan NHS WI Financial Strategy NHS Scotland Performance Framework Capital Plan Workforce Plan NHS WI Property Asset Management Strategy (PAMS) NHS WI Code of Corporate Governance
Purpose	The purpose of the Finance and Performance Resource Committee is to review, based on evidence gained, the financial and non-financial performance of the Board, to ensure that appropriate arrangements are in place to deliver against statutory financial obligations, organisational performance measures, to secure economy, efficiency, and effectiveness in the use of all resources, and provide assurance that the arrangements are working effectively. These arrangements will include procedures for: i. Planning, appraisal, control accountability and evaluation of the use of resources; ii. Reporting and reviewing performance and managing performance issues as they arise in a timely and effective manner. In particular, the Committee will review action (proposed and underway) to ensure that the Board achieves financial balance in line with statutory requirements. The committee will provide cross committee assurance to the Integration Joint Board in relation to performance on delegated functions via NHS Western Isles Assurance Statement.
Remit	**Corporate Planning** 1. The committee will: a) Ensure the production of an Annual Plan including incorporating the Board's Financial Plan / Workforce Plan / Capital Plan / Annual Operational Plan, setting out the overall direction; b) Monitor progress against that plan, to ensure delivery against plan is achieved; and c) Develop a Finance and Performance annual business outlying cycle of work.

Performance Management

2. The committee will:
    a) Oversee and monitor the Board's performance against the prevailing NHS Scotland and others performance measurement framework, and other local and national targets as required, and ensure that corrective management actions plans are being implemented including the healthcare services delegated to the Integration Joint Board;
    b) Support the development of a finance and performance culture within the Board which will drive continuous quality improvement;
    c) Adopt a risk-based approach to financial performance through routine review focussing on areas of corporate concern identified as requiring an additional strategic and collective approach to ensure delivery against performance targets; and
    d) Provide assurance to the Board on achievement and maintenance of Best Value standards, relevant to the Committee's area of governance as set out in Audit Scotland's baseline report "developing Best Value Arrangements".

Financial Strategy

3. The committee will have responsibility for:
    a) Oversee development of the Board's Financial Strategy in support of the Annual Operational Plan, including aligning services and financial planning arrangements with community planning priorities;
    b) Examining in detail the financial plan to ensure that planning assumptions are soundly based and reflect known pressures, potential investments and opportunities for better use of resources leading to cost reduction;
    c) Recommend for approval to the Board it annual financial plan that is consistent with statutory financial responsibilities.

	Financial Management 4. The committee will: a) Receive and consider reports on the Board's revenue performance to ensure appropriate scrutiny and ensure corrective management action plans are in place to address emerging issues; b) Monitor the deliverability of the overall efficiency programme reflecting on both the in-year delivery and also longer-term underlying financial sustainability through delivery of recurring savings target; c) Review and consider management action plans to address services longer term sustainability and reducing reliance on temporary staff outside standard NHS terms and conditions of employment; and d) The impact of planned future policies and know or foreseeable future developments on the underlying financial position of the Board. **Capital Investment** 5. The committee will: a) Ensure robust appraisal around business case development and delivery; b) Scrutinise business cases for proposed major capital investment ensuring that outcomes and benefits are clearly defined, are measureable and support key objectives delivery; and c) Monitor delivery of approved investment projects against agreed outcomes and benefits; and d) Ensure appropriate management action is taken to address any shortcomings. **Strategic Development and Capital Projects** 6. The committee will: a) Review the development of the Board's Strategic Plan, ensuring that strategic planning objectives are aligned with the Boards overall strategic vision, aims and objectives with the Board having sight of the reports before submissions to Scottish Government or other external organisations; b) Scrutinise the development of all strategies which require approval by the Board, including the Annual Delivery Plan;

	c) Ensure that strategies are compliant with the duties of the Board in respect of meeting legislative and good practice requirements; d) Ensure that there is an integrated approach to planning ensuring that workforce, finance and service planning are linked; e) Ensure appropriate inclusion of National and Regional Planning requirements and monitor overall progress with the North and West of Scotland planning agenda; f) Ensure NHS Western Isles' responds to consultation relating to the draft IJB Strategic Plan, and promote consistency and coherence across the system highlighting issues and risks which may impact the delivery of NHS Board aims and objectives; g) Have oversight of the Board's Capital Programme and the review of the Property Strategy / Property and Asset Management Strategy (PAMS, including the acquisition and disposal of property); and h) Provide assurance to the Board on its annual capital budget and plans, which are consistent with statutory financial responsibilities. **Digital Technology, Cyber Security Information and Governance** 7. The committee will: a) Have oversight of the Board's Digital Programme which will include review of the annual operating plan and receive an bi-annual report on the digital programme; b) Review the Board's progress in respect of addressing Cyber Security via the Network and Information (NIS) audit programme; c) Have oversight of the Board's Information Governance annual work programme and review and receive an annual report on the information governance programme; and d) Review the Board's progress in respect of implementing the National Records Scotland Public Records (Scotland) Act obligations via local annual work plan and annual report.

	Environmental Sustainability 8. The committee will: a) Ensure robust arrangements are in place in relation to Board's planning to meet its climate change and sustainability as directed by Scottish Government policy; and b) Review the annual operating plan and receive an annual report on the Board's performance against our net zero route map and other sustainability KPIs. In relation to the Remit of the Committee, it will present to the Board, in public, any annual plans, as appropriate, to ensure that the Boards processes are open and transparent.

Audit & Risk Committee
Term of Reference

Committee / Remit	AUDIT & RISK COMMITTEE
Composition	3 NXD The Chair of the Audit & Risk Committee shall not be a chair of any other Board Committee. The following Board Members are **NOT** permitted to sit on the Committee: ❖ Chair of the Board ❖ Employee Director ❖ Chair of the Area Clinical Forum ❖ Local Authority Member Appropriate training and development will be provided to ensure that members of the Committee have the skills and knowledge to carry out this role.
In attendance	❖ Chief Executive ~ Accountable Officer ❖ Director of Finance and Procurement – Lead Director ❖ Director of Public Health ❖ Nurse / AHP Director ❖ Medical Director ❖ Director of Human Resources and Workforce Planning ❖ Chief Internal Auditor ❖ Chief External Audit ❖ Head of Clinical Governance and Professional Practice
Attendance as required	Other appropriate staff may attend a meeting, at the request of the Committee Chair in relation to the presentation of information or reports. All Board Members have the right to attend meetings and have access to all papers, except where the committee determines otherwise. Board Members should make a request to the Chair of the Committee if wishing to attend a meeting. Attendees or Non-Executive Directors, who are not part of the composition, who wish to observe the meeting, do not have the right to intervene during the meeting and should make any comments in relation to the discussion to the Committee Chair following the meeting.

Executive Lead & their role	Director of Finance and Procurement will be responsible for the delivery of the remit and accountable to the Chief Executive and in turn to the Board The designated Executive Lead will support the Chair of the Committee in ensuring that the Committee operates according to / in fulfilment of its agreed Terms of Reference. Specifically they will: • Support the Chair in ensuring that the Committee Remit is based on the latest guidance and relevant legislation, and the Board's Best Value framework; • Liaise with the Chair/Corporate Business Manager in agreeing a programme of meetings for the business year, as required by its remit; • Oversee the development of an Annual Workplan for the Committee which is congruent with its remit and the need to provide appropriate assurance at the year end, for endorsement by the Committee and approval by the Board; • Agree with the Chair an agenda for each meeting, having regard to the Committee's Remit and Workplan; • Lead an annual review of the Committee Terms of Reference, in conjunction with the Corporate Business Manager and progress against the Annual Workplan, as part of the process to ensure that the Workplan is fulfilled; • Oversee the production of a Committee Annual Report, informed by self-assessment of performance on the delivery of the Committee's Remit, Workplan and key performance indicators for endorsement by the Committee and submission to the Board.
Admin Support	PA to the Executive Lead
Quorum	2 NXD plus the Executive Lead
No of Meetings	Quarterly minimum of 4 times a year 1 Special meeting will be arranged to enable the committee to review and discuss the Annual Accounts. The Members of the Committee will meet in a closed session with the External and Internal Auditors, at least once per calendar year, no attendees will be permitted to attend the session.
Reporting / Accountability	The Committee is authorised by the Board, within its Terms of Reference, to investigate any activity undertaken by NHS Western Isles.

	It is authorised to seek and obtain any information it requires from any employee and all employees of NHS Western Isles are directed to co-operate with any request made by the Committee. The Committee is authorised by the Board to obtain Central Legal Office (CLO) or other independent professional advice and to secure the assistance of people from outside NHS Western Isles or the wider NHS, with relevant expertise, if it is considered necessary. The External and Internal Auditors shall have the right of direct access to the Chair of the Committee for audit purposes. The Committee will have the ability to approve committee only functions, endorsement of issues requiring formal Board wide approval will be escalated to the Board as approval is a decision delegated for the Board.
Appropriate Strategic direction links	Annual Delivery Plan Financial Strategy Clinical Strategy Risk Management Plan Scottish Government Audit & Assurance Handbook, dated April 2018 NHS WI Code of Corporate Governance
Purpose	1. The Audit and Risk Committee is established by the Board to provide assurance to the Board, based on evidence gained from reviews, on the adequacy, efficiency and effectiveness of NHS Western Isles' governance, risk management and internal control framework within the law and regulations governing the NHS in Scotland and that an effective system of internal control is maintained. 2. Audit and Risk Committee is to support the Accountable Officer and Western Isles NHS Board in meeting their assurance needs. This includes: a. Helping the Accountable Officer and Western Isles NHS Board formulate their assurance needs, via the creation and operation of a well-designed assurance framework, with regard to risk management, governance and internal control; b. Reviewing and challenging constructively any issues arising out of the assurances that have been provided based on reliable evidence.

	c. Drawing attention to possible weaknesses in systems of risk management, governance and internal control, and making suggestions as to how those weaknesses can be addressed; d. Commissioning future assurance work for areas that are not being subjected to significant review; and e. Seeking assurance and evidence that previously identified areas of weakness and subsequently agreed corrective action have been delivered. 3. The Committee has no executive authority and is not charged with making or endorsing any decisions. The only exception to this principle is the approval of the Board's accounting policies and audit plans. 4. The Committee exists to advise the Board or Accountable Officer who, in turn, makes the decision.
Remit	**Internal Control, Corporate Governance and Risk Management** The Committee will: 1. Evaluate the framework of internal control and corporate governance comprising of the following components, as recommended by the Turnbull Report: a. control environment; b. risk management; c. information and communication; d. control procedures; and e. monitoring and corrective action. 2. To review the system of internal financial control which includes: a. The safeguarding of assets against unauthorised use and disposition; b. The maintenance of proper accounting records and the reliability of financial information used within the organisation or for publication. 3. To ensure that the activities of Western Isles NHS Board are within the law and regulations governing the NHS. 4. To monitor performance and best value by reviewing the economy, efficiency and effectiveness of operations 5. To review the disclosures included in the Governance Statement on behalf of the Board. In considering the disclosures, the Committee will review as necessary and seek confirmation on the information provided to the Chief Executive in support of the Governance

	Statement including the following: a. Annual Statements of Assurance from the main Governance Committees and the conclusions of the other sub-Committees, confirming whether they have fulfilled their remit and that there are adequate and effective internal controls operating within their particular area of operation; b. Annual Statement of Assurance from the Integration Joint Board, confirming all aspects of clinical, financial and staff governance have been fulfilled, with appropriate and adequate controls and risk management in place; c. Details from the Chief Executive on the operation of the framework in place to ensure that they discharge their responsibilities as Accountable Officer as set out in the Accountable Officer Memorandum; d. Confirmation from Executive Directors that there are no known control issues nor breaches of Standing Orders/Standing Financial Instructions other than any disclosed within the Governance Statement; and e. Summaries of any relevant significant reports by Healthcare Improvement Scotland (HIS) or other external review bodies. 6. To present an annual statement of assurance on the above to the Board, to support the NHS Western Isles Chief Executive's Governance Statement. **Internal Audit** 7. To review, discuss and approve the Internal Audit Strategic and Annual Plans 8. To monitor audit progress and review audit reports. 9. To monitor the management action taken in response to the audit recommendations and closure of those recommendations based on internal audit acceptance of achievement 10. To consider the Chief Internal Auditor's annual report and assurance statement. 11. To review the operational effectiveness of Internal Audit by considering the audit standards, progress against agreed plan, acceptance and quality of reports 12. To ensure that there is direct contact between the Audit and Risk Committee and Internal Audit and that the opportunity is given for discussions with the Chief Internal Auditor at least once per year (scheduled within the timetable of business) and, as required, without the presence of the Executive Directors.

13. To review the terms of reference and appointment of the Internal Auditors, even when co-ordinated by another NHS Board as a collective appointment, and to examine any reason for the resignation of the Auditors or early termination of contract/service level agreement.
14. To appraise annually the performance of the Statutory and Internal Auditors and to examine any reason for the resignation or dismissal of the Internal Auditors.

External Audit

15. To note the appointment of the Statutory Auditor and to approve the appointment and remuneration of the Internal Auditors for the NHS Western Isles Annual Accounts.
16. To review the Audit Strategy and Plan, including the Best Value and Performance Audits programme.
17. To consider all statutory audit material, in particular:
    a. Audit Reports;
    b. Annual Reports; and
    c. Management Letters relating to the certification of Western Isles NHS Board's Annual Accounts.
18. To monitor management action taken in response to all External Audit recommendations, including Best Value and Performance Audit Reports.
19. To hold meetings with the Statutory Auditor at least once per year and as required, without the presence of the Executive Directors.
20. To review the extent of co-operation between External and Internal Audit.

Risk Management

21. The Committee has no executive authority, and has no role in the executive decision-making in relation to the management of non-clinical risk. The Committee is charged with ensuring that there is an appropriate publicised Risk Management Framework with all roles identified and fulfilled. The Committee shall seek specific assurance that:

    a. There is an effective risk management system in place to identify, assess, mitigate and monitor risks at all levels of the organisation;
    b. There is appropriate ownership of risk in the organisation at Executive level, and that there is an open and effective

culture of proactively monitoring and managing risk.

c. The Board has clearly defined its risk appetite (i.e. the level of risk that the Board is prepared to accept, tolerate, or treat at any time), and that the executive's approach to risk management is consistent with that appetite; and assurance with evidence that those systems are working effectively.

d. A robust and effective Risk Assurance Framework is in place.

22. In order to discharge its advisory role to the Board and Accountable Officer, and to inform its assessment on the state of corporate governance, internal control and risk management, the Committee shall:

a. Receive and review a quarterly report summarising any significant changes to the Board's Corporate Risk Register, and what plans are in place to mitigate them;

b. Assess whether the Corporate Risk Register is an appropriate reflection of the key risks facing the Board and advise accordingly

c. Consider the impact of changes to the risk register on the assurance needs of the Board and the Accountable Officer, and communicate any issues when required;

d. Receive an annual report on risk management, which should advise on whether or not there have been adequate and effective risk management arrangements throughout the year, and highlighting any material areas of risks for the Annual Accounts;

e. The Committee has the right to request information on risks held on any risk registers within the organisation.

Business Continuity

23. The committee will:

a) Ensure robust arrangements are in place in relation to Business Continuity and Emergency Planning; and

b) Review the annual operating plan and receive an annual report on the Board's business continuity activities.

Standing Orders and Standing Financial Instructions

24. To review annually the Standing Orders and associated appendices of the Western Isles NHS Board and advice the Board of any amendments required.

25. To examine the circumstances associated with any occasion when Standing Orders of the Western Isles NHS Board have been waived or suspended.

Annual Accounts and Governance Statement

26. To review and recommend approval of draft the Western Isles NHS Board Annual Accounts
27. To review the draft Annual Report and Performance Review of the Western Isles NHS Board within the Annual Accounts.
28. Agree and endorse the Annual Governance Statement in conjunction with the Chair of other Governance Committee.
29. To review annually (and recommend Board approval to any changes in) the accounting policies of the Western Isles NHS Board.
30. To review schedules of losses and compensation (Claims) payments, bi-annually, where the amounts exceed the delegated authority of the Board prior to being referred to the Scottish Government for approval.

Counter Fraud

31. The Committee shall review regular reports on Fraud and potential Frauds as presented by the Fraud Liaison Officer (FLO).
32. A Counter Fraud Champion will be selected from the Non-Executive Directors to support the work of the Fraud Liaison Officer. The Counter Fraud Champion will provide an annual report to the Committee advising on the work undertaken to raise awareness of Fraud amongst employees of the Board.

The Committee will:

33. Approve the Counter Fraud policies and arrangements for special investigations; and
34. The Board Chair will appoint a Counter Fraud Champion to support Audit and Risk Committee. The Counter Fraud Champion will have a direct influence on the agenda when fraud is discussed.

35. The Committee shall review the Board's arrangements to prevent bribery and corruption within its activities. This includes the systems to support Board members' compliance with the NHS Western Isles Board Code of Conduct (Ethical Standards in Public Life Act 2000), the systems to promote the required standards of

	business conduct for all employees and the Board's procedure to prevent Bribery (Bribery Act 2000). **Other Matters** 36. The Committee has a duty to review its own performance, effectiveness, and terms of reference on an annual basis. 37. The Committee has a duty to keep up-to-date by having mechanisms to ensure topical legal and regulatory requirements are brought to Members' attention. 38. The Chairperson of the Committee will submit an Annual Report of the work of the Committee to the Board following consideration by the Audit and Risk Committee annually. 39. The Chairperson of the Committee should be available at the Western Isles NHS Board meetings to answer questions about the work of the Committee 40. The Committee shall prepare and approve, before the start of each financial year, an Annual Workplan for the Committee's planned work during the forthcoming year. 41. The Committee shall provide assurance to the Board on achievement and maintenance of Best Value standards, relevant to the Committee's area of governance as set out in Audit Scotland's baseline report "Developing Best Value Arrangements". 42. The Committee shall seek assurance that the Board has systems of control to ensure that it discharges its responsibilities under the Freedom of Information (Scotland) Act 2002. **Annual Accounts and Governance Statement** The Committee will: 43. Review the annual accounts prior to submission to the Board for approval; 44. Agree and endorse the Annual Governance Statement in conjunction with the Chair of other Governance Committees; 45. Review schedules of losses and compensations; and 46. Approve changes in accounting policies.

Staff Governance Committee
Term of Reference

Committee / Remit	**STAFF GOVERNANCE**
Composition	3 NXD+ Employee Director
In attendance	❖ Chief Executive ❖ Director or Head of Human Resources ❖ Nurse / AHP Director & Chief Operating Officer ❖ Director of Finance & Procurement ❖ 2 x Staff side representative member of the APF ❖ Organisational Development & Learning Manager ❖ Health, Safety and Fire Lead ❖ Head of Communication, Claims & Patient Information ❖ Chief Officer, Integration Joint Board Other relevant individuals can attend the meeting at the request of the Committee Chair, depending on the issues being discussed.
Attendance as required	Other appropriate staff may attend a meeting, at the request of the Committee Chair in relation to the presentation of information or reports. All Board Members have the right to attend meetings and have access to all papers, except where the committee determines otherwise. Board Members should make a request to the Chair of the Committee if wishing to attend a meeting. Attendees or Non-Executive Directors, who are not part of the composition, who wish to observe the meeting do not have the right to intervene during the meeting and should make any comments in relation to the discussion to the Committee Chair following the meeting.
Executive Lead & their role	Director of Human Resources and Workforce Development. The Executive Lead for the Staff Governance Committee shall be the Director of Human Resources and Workforce Development. Generally the designated Executive Lead will support the Chair of the Committee in ensuring that the Committee operates according to / in fulfilment of its

	agreed Terms of Reference. Specifically they will: • Support the Chair in ensuring that the Committee Terms of Reference is based on the latest guidance and relevant legislation, and the Board's Best Value framework; • Agreeing a programme of meetings for the year, in liaison with the Chair and Corporate Business Manager; • Oversee the development of an Annual Work plan for the Committee; • Agree with the Chair an agenda for each meeting, having regard to the Committee's Remit and Work plan; • Lead an annual review of the Committee Terms of Reference, in conjunction with the Corporate Business Manager and progress against the Annual Work plan, as part of the process to ensure that the Work plan is fulfilled; Oversee the production of a Committee Annual Report, informed by self-assessment of performance on the delivery of the Committee's Remit, Work plan and key performance indicators for endorsement by the Committee and submission to the Board.
Admin Support	PA to the Director of Human Resources
Quorum	2 NXD + Executive Lead
No of Meetings	Minimum 4 times a year
Reporting / Accountability	The Committee is authorised by the Board, within its Terms of Reference, to investigate any activity undertaken by NHS Western Isles. It is authorised to seek and obtain any information it requires from any employee and all employees of NHS Western Isles are directed to co-operate with any request made by the Committee. The Committee is authorised by the Board to obtain external legal or other independent professional advice and to secure the assistance of people from outside NHS Western Isles or the wider NHS, with relevant expertise, if it is considered necessary. The External and Internal Auditors shall have the right of direct access to the Chair of the Committee for audit purposes. The Committee will have the ability to approve committee only functions, endorsement of issues requiring formal Board wide approval will be escalated to the Board as approval is a decision delegated for the Board.

Appropriate Strategic direction links	NHS W I Annual Delivery Plan NHS W I Workforce Plan NHS Scotland Staff Governance Standards NHS WI Wellbeing Strategy National Whistleblowing Standards NHS WI Code of Corporate Governance
Purpose	To ensure and advise the Board as of whether it is meeting its statutory responsibilities in relation to the NHS Scotland Staff Governance Standards, Workforce Planning and development requirements and associated targets through • Scrutiny of performance against individual elements of the Staff Governance Standards; • Data collected during the staff surveys conducted under the auspices of the Area Partnership Forum; • The action plans submitted to, and approved by, the Staff Governance Committee; • Forms of feedback such as Staff Surveys, imatter; • Data and information provided in statistical returns reports to the Committee. To escalate any issues to the NHS Western Isles Board if serious concerns are identified regarding staff governance issues within services, including those devolved to the Integration Joint Board. To evaluate agreed plans that have relevance to staff governance matters in the development and implementation of the Population Health & Wellbeing Strategy
Remit	Consider NHS Western Isles' performance in relation to its achievements of effective Staff Governance and its compliance with the Staff Governance Standard; 1. Review action taken on recommendations made by the Committee, NHS Board, or the Scottish Ministers on Staff Governance matters; 2. Give assurance to the Board on the operation of Staff Governance systems within NHS WI, identifying progress, issues and actions being taken, where appropriate; 3. Provide assurance to the Board on: a. Statutory and Mandatory Training b. Whistleblowing Processes c. Recruitment & Retention

	4. Support the operation of the Area Partnership Forum and the Local Partnership Forums in their Staff Governance monitoring role and the appropriate flow of information to facilitate this; 5. Encourage the further development of mechanisms for engaging effectively with all members of staff within the NHS in the Western Isles; 6. Contribute to the development of the Annual Operational Plan, in particular but not exclusively, around issues affecting staff; 7. Support the continued development of personal appraisal professional learning and performance; 8. Review regularly the sections of the NHS Western Isles Integrated Performance & Quality Report relevant to the Committee's responsibility; 9. Undertake an annual self-assessment of the Committee's work and effectiveness. The Committee is also required to carry out a review of its function and activities and to provide an Annual Report incorporating a Statement of Assurance. This will be submitted to the Board via the Audit and Risk Committee. The Annual Report will be presented to the first Committee meeting in the new financial year or agreed with the Chairperson of the respective Committee by the end of May each year for presentation to the Audit and Risk Committee in June. The Committee shall draw up and approve, before the start of each financial year, an Annual Workplan for the Committee's planned work during the forthcoming year. The Committee shall provide assurance to the Board on achievement and maintenance of Best Value standards, relevant to the Committee's area of governance as set out in Audit Scotland's baseline report "Developing Best Value Arrangements".

Clinical Governance Committee
Term of Reference

Committee / Remit	CLINICAL GOVERNANCE COMMITTEE
Composition	3 NXD ❖ Non-Executive Director as Chair ❖ Non-Executive Director, Whistle Blowing Champion ❖ Chair, Area Clinical Forum Chair, Area Partnership Forum
In attendance	❖ Chief Executive ❖ Medical Director ❖ Nursing / AHP Director and Chief Operating Officer (Executive Lead) ❖ Director of Public Health ❖ Chief Officer, Integration Joint Board ❖ Clinical Governance & Professional Development Manager ❖ Infection Control Manager Other relevant individuals can attend the meeting at the request of the Committee Chair, depending on the issues being discussed.
Attendance as required	Other appropriate staff may attend a meeting, at the request of the Committee Chair in relation to the presentation of information or reports. All Board Members have the right to attend meetings and have access to all papers, except where the committee determines otherwise. Board Members should make a request to the Chair of the Committee if wishing to attend a meeting. Attendees or Non-Executive Directors, who are not part of the composition, who wish to observe the meeting do not have the right to intervene during the meeting and should make any comments in relation to the discussion to the Committee Chair following the meeting.

Executive Lead & their role	Nurse / AHP Director & COO, is designated lead Executive is responsible for the delivery of the remit, agreed workplans and reporting framework The Executive Lead for the Clinical Governance Committee shall be the Nurse / AHP Director & COO. Generally, the designated Executive Lead will support the Chair of the Committee in ensuring that the Committee operates according to / in fulfilment of its agreed Terms of Reference. Specifically, they will: • Support the Chair in ensuring that the Committee Terms of Reference is based on the latest guidance and relevant legislation, and the Board's Best Value framework; • Agreeing a programme of meetings for the year, in liaison with the Chair and Corporate Business Manager; • Oversee the development of an Annual Work plan for the Committee; • Agree with the Chair an agenda for each meeting, having regard to the Committee's Remit and Work plan; • Lead an annual review of the Committee Terms of Reference, in conjunction with the Corporate Business Manager and progress against the Annual Work plan, as part of the process to ensure that the Work plan is fulfilled; • Oversee the production of a Committee Annual Report, informed by self-assessment of performance on the delivery of the Committee's Remit, Work plan and key performance indicators for endorsement by the Committee and submission to the Board.
Admin Support	PA to the Executive Lead
Quorum	2 NXD + Executive Lead
No of Meetings	Minimum of 4 times a year
Reporting / Accountability	The Committee is authorised by the Board, within its Terms of Reference, to investigate any activity undertaken by NHS Western Isles. It is authorised to seek and obtain any information it requires from any employee and all employees of NHS Western Isles are directed to co-operate with any request made by the Committee. The Committee is authorised by the Board to obtain Central Legal Office (CLO) or other independent professional advice and to secure the assistance of people from outside NHS Western Isles or the wider NHS, with relevant expertise, if it is considered necessary. The External and Internal Auditors shall have the right of direct access to the Chair of the Committee for audit purposes.

	The Committee will have the ability to approve committee only functions, endorsement of issues requiring formal Board wide approval will be escalated to the Board as approval is a decision delegated for the Board.
Appropriate Strategic direction links	NHS WI Annual Delivery Plan NHS Scotland Performance Framework NHS WI Adverse Event Report NHS WI Duty of Candour NHS WI Complaints Policy & Procedure NHS WI Code of Corporate Governance
Purpose	To provide the Board with the assurance that clinical governance controls are in place and working effectively across NHS Western Isles.
Remit	The main duties of the Clinical Governance Committee are to receive assurances that clinical governance controls are in place and effective across NHS Western Isles, on behalf of NHS Western Isles Board; and that the principles of clinical governance are applied to the health improvement activities of the Board. **1. General** Assure the Board that appropriate structures are in place to ensure robust links to the Clinical Strategy and undertake activities which underpin clinical governance; a. review the systems of clinical governance, monitoring that they operate effectively and that action is being taken to address any areas of concern; b. review the mechanisms which exist to engage effectively with healthcare partners and the public; c. encourage a continuous improvement in service quality; d. ensure that an appropriate approach is in place to deal with clinical risk management, including patient safety, across the NHS Board system; e. review performance in management of clinical risk. f. monitor complaints response performance on behalf of the Board; g. promote positive complaints handling, advocacy and feedback including learning from adverse events; h. regularly review reports and the assurances contained therein that appropriate action(s) and learning have taken place; i. monitor mortality in and out of hospital with specific reference to unexpected or unusual deaths; j. receive reports on child and adult protection activities; k. Discuss and approve an Annual Clinical Governance Report; l. ensure that appropriate action plans are developed, implemented and monitored as a result of published national reports and inquiries; and

	m. assure the Board that appropriate structures are in place to ensure robust links to the Healthcare Quality Strategy **2. Internal Monitoring** a. Establish and review the Internal Clinical Governance audit priorities. The process will provide the Board with assurance of how well its clinical function is performing. b. In review of the outcome of the internal clinical governance audit results, the Committee may wish to seek non-clinical auditing support by making formal recommendations to the NHS Western Isles Audit & Risk Committee to obtain the support of review by the Board Internal Auditors. All Clinical review should be addressed via the Committee internally or if appropriate by another NHS Board peer review, e.g. HIS. c. review the Management Responses made by the Chief Executive, Medical Director and Nurse / AHP Director and Chief Operating Officer on any recommendations or issues arising from Internal auditing processes; and d. review the effectiveness of the Clinical Audit Programme. **3. External Monitoring** a. review Audit Reports from external monitoring bodies in relation to clinical governance assessing the recommendations in relation to NHS Western Isles; and b. monitor and report to the Board that appropriate actions in relation to external review and monitoring of clinical governance are being taken. 4. **Risk** a. The Clinical Governance Committee will agree a workplan of clinical audits to be undertaken in conjunction with the Chief Executive and the Nurse / AHP Director. b. Any risk reporting and outcomes of clinical audits should be presented to the Committee by the appropriate lead, providing assurance. c. Where an audit outcome requires further review the Committee can obtain the support of another NHS Board for peer review. If the audit relates to an issue which is non-clinical and the Committee requires further scrutiny, it should obtain the support of the Boards Audit & Risk Committee and the support of the Board Internal Auditors.

Remuneration Committee
Constitution and Term of Reference

Committee / Remit	Remuneration Committee
Composition	❖ Western Isles NHS Board Chairperson; ❖ The Chair of the Staff Governance Committee; ❖ The Chair of the Clinical Governance Committee; ❖ The Chair of the Audit & Risk Committee; ❖ The Chair of the Finance, Performance and Resource Committee; and ❖ Employee Director. Appropriate training and development will be provided to ensure that members of the Committee have the skills and knowledge to carry out this role.
In attendance	• Chief Executive • Director Human Resources and Workforce Development The Chief Executive shall normally attend meetings. He/she will not be present when the performance objectives and Terms and Conditions of their own post are being discussed. The Director of Human Resources and Workforce Development will attend meetings of the Remuneration Committee as an Advisor. He/she will not be present when the performance objectives and Terms and Conditions for their own post is being discussed. The Director of Human Resources will not be present when the Chief Executive's performance is being discussed but will be available in a professional advisory capacity. He/she shall attend all meetings to ensure that professional advice is available at every stage.
Attendance as required	Other appropriate staff may attend a meeting, at the request of the Committee Chair in relation to the presentation of information or reports. All Board Members have the right to attend meetings and have access to all papers, except where the committee determines otherwise. Board Members should make a request to the Chair of the Committee if wishing to attend a meeting.

	Attendees or Non-Executive Directors, who are not part of the composition, who wish to observe the meeting do not have the right to intervene during the meeting and should make any comments in relation to the discussion to the Committee Chair following the meeting.
Executive Lead & their role	Director of Human Resources and Workforce Development
Admin Support	PA to the Director of Human Resources and Workforce Development
Quorum	2 NXD + Executive Lead
No of Meetings	Minimum of 3 times per calendar year The Chair of the Committee can convene additional meetings to consider business, which may require urgent consideration.
Reporting / Accountability	The Committee is authorised by the Board to investigate any activity within its terms of reference, and in so doing, is authorised to seek any information it requires from any employee. The Committee is authorised by the Board to obtain external legal or other independent professional advice and to secure the assistance of people from outside NHS Western Isles or from the wider NHS, with relevant expertise, if deemed necessary.
Appropriate Strategic direction links	Scottish Government Remuneration Standards NHS WI Code of Corporate Governance Executive & Senior Manager Pay & Conditions Medical & Dental Discretionary Points
Purpose	The Remuneration Committee is a standing committee of Western Isles NHS Board and reports directly to the Board on its work. The role of the Remuneration Committee is to ensure the application and implementation of fair and equitable pay systems on behalf of the Board as determined by the relevant Scottish Government circulars. The Committee is also responsible for conducting a performance assessment of the Executive Management Team and other senior managers in the light of guidance issued by the Scottish Government Health Directorates (SGHD)
Remit	1. In relation to Executive Directors, to: a. Approve and review all Terms and Conditions of Employment, including executive job descriptions and Agenda for Change job descriptions with a salary level exceeding £80,000, terms of employment, basic pay, performance pay (if applicable) and all benefits associated with each post (relocation costs / enhanced

	costs etc.); b. Approve and review annual performance objectives, including overseeing the review of performance against these objectives at the mid-year point and agreeing any revisions to the objectives during the course of the year; and c. consider and approve the assessment of performance at the year-end and any changes to the remuneration or the Terms and Conditions of Employment arising from this assessment of performance during the review period. 2. In relation to any other staff employed under Executive Director, Senior Manager or Medical Consultants' pay arrangements to maintain an overview of remuneration arrangements for staff falling within these categories. 3. To comply with any Scottish Government Health Directorate directions and take into consideration any relevant guidance on remuneration or terms and conditions of employment. 4. To provide assurance to the Board that systems and procedures are in place to manage the issues set out in Scottish Government. 5. The Committee shall consider proposals presented by the Chief Executive for the terms of any settlement agreement - the departure by voluntary redundancy, early retiral or termination of any staff whose departure will trigger a significant financial commitment, and approve these or refer the matter to the Board as it sees fit. To review submissions from the Chief Executive for the terms of any Settlement Agreement. Such agreements may also require the approval of the Scottish Government, in accordance with procedures applicable across the public sector. 6. The Remuneration Committee shall note the awarding of discretionary points to eligible specialist medical and dental staff based on competent recommendations from the appropriate advisory body (Discretionary Points Panel). 7. The Remuneration Committee shall consider and endorse draft policies for Relocation Expenses and Leased Cars and recommend their approval to the Board.

Population Health & Wellbeing Committee
Term of Reference

Committee	Population Health and Wellbeing Committee
Composition	3 Non-Executive Directors Appropriate training and development will be provided to ensure that members of the Committee have the skills and knowledge to carry out this role
In attendance	• Director of Public Health • Nurse / AHP Director and Chief Operating Officer • Consultant in Public Health Medicine • Public Health Manager • Head of Health Intelligence • IJB Member • Health & Social Care Partnership Member • Chief Pharmacist • Equality & Diversity Representative • Locality Representative Lewis & Harris • Locality Representative Southern Isles
Attendance as required	Other appropriate staff may attend a meeting, at the request of the Committee Chair in relation to the presentation of information or reports. All Board Members have the right to attend meetings and have access to all papers, except where the committee determines otherwise. Board Members should make a request to the Chair of the Committee if wishing to attend a meeting. Attendees or Non-Executive Directors, who are not part of the composition, who wish to observe the meeting do not have the right to intervene during the meeting and should make any comments in relation to the discussion to the Committee Chair following the meeting.
Executive Lead & their role	Director of Public Health Their role is to determine the overall vision and objectives for public health across the Western Isles and advise on the necessary public health priorities.

Admin Support	PA to the Director of Public Health
Quorum	2 Non-Executive Directors +1 Executive Lead
No of Meetings	3 per calendar year
Document presentation	1. The Chair will set the agenda in conjunction with the Executive Leads 2. The agenda and supporting papers will be sent out at least five clear working days in advance of the meetings. 3. Notice of each meeting will confirm the venue, time and date, utilising the corporate document template for the agenda. The agenda and shall be made available to each member of the committee sharing documents via Teams. 4. All papers will clearly state the agenda reference, the author, the purpose of the paper and the action the Committee is asked to consider, utilising the corporate document template for the Executive Summary. 5. Formal minutes shall be taken of the proceedings of the Committee. Draft Minutes and Action Plan/Log shall be distributed for consideration and review to the Chair of the Meeting within 5 working days of the meeting except in exceptional circumstances. 6. The draft approved minute will be presented at the subsequent Committee meeting for formal approval. 7. Approved minutes will be included in subsequent Board Meeting papers following approval by the Population Health Committee. 8. An action point or action tracker report arising from the Committee business shall be kept to record, identify and ensure actions are carried out. 9. The Committee Chair will bring to the Board Chair's attention any issues which require escalation. This may include the committee's inability to provide assurance about an area of delegated responsibility, or flag attendance concerns.
Reporting / Accountability	NHS Western Isles Board
Appropriate Strategic direction links	NHS Western Isles Public Health Strategy 2025/26 NHS Diversity & Equality Framework NHS Western Isles Health Needs Assessment 2025 NHS Western Isles Health Intelligence Workplan NHS WI Health & Social Care Strategic Framework 2024-27 NHS Western Isles Anchor Strategy

	National Population Health Framework
Purpose	To provide oversight and governance to the population health activity undertaken by NHS Western Isles.
Remit	1. The health and wellbeing challenges facing the Western Isles population are complex. Poor health has significant impacts on the quality of life of individuals and translates into additional demand on our health and social care system, a demand which is forecast to increase over the next decade. 2. Increasing healthy life expectancy and reducing health inequalities are two of the biggest challenges we face. The Public Health Reform programme jointly led by Scottish Government and COSLA has recognised the need for collective leadership and a system wide approach to tackle these challenges. There are now strong expectations that robust assurance mechanisms are in place to ensure delivery of actions to improve public health. 3. It must be recognised that much activity, which supports Population / Public Health is undertaken by or in partnership with other public sector, Third Sector organisations and with local communities and such activities should also report into the relevant governance structure with joint working reporting to the appropriate Community Planning Partnerships. 4. The Population Health and Wellbeing Committee will provide assurance that NHS Western Isles meets its obligations across a range of activities including: a. providing assurance to the NHS Board that public health governance is being discharged in relation to the Board's statutory duty for quality of care and protection and improvement of the health of the population. b. ensuring there is development and implementation of work at strategic and operational levels to underpin a system wide approach to addressing the Public Health Priorities, with a specific focus on improving population health and wellbeing and addressing inequalities. c. ensuring there is development and implementation of work that relates to the health protection, immunisation and screening functions of public health.

	d. monitoring key public health measures with a clear focus on inequalities. e. providing leadership to reshape NHS Western Isles services to have a greater emphasis on prevention, early intervention and tackling inequalities. f. promoting effective partnership working arrangements ensuring a whole a whole systems approach between NHS Western Isles, the Health and Social Care Partnership, the Local Authority, the Community Planning Partnership, Third Sector and local Communities to improve population health and wellbeing and reduce health inequalities. g. providing leadership and advocacy for public health work in the Western Isles. 5. The Population Health and Wellbeing Committee will: a. Receive reports on regional work plans for key population health improvement areas including health inequalities led by NHS Western Isles and Health and Social Care Partnership. b. Scrutinise and discuss key population health indicators, particularly in relation to population harms. c. Consider national developments in Public Health and their implementation in the Western Isles. d. Receive and discuss reports relating to emerging threats to public health in the Western Isles and their mitigations e. Receive reports relating to: ▪ Health Protection Incidents ▪ Immunisation Programmes ▪ Screening Programmes ▪ Work led by the Public Health Directorate to support provision of high quality, efficient health and social care services, such as Needs Assessments. f. Scrutinise significant strategic change programmes in order to ensure there is an adequate focus on achieving a positive impact on health and wellbeing, and a positive impact (where possible) on health inequalities. g. Review and constructively challenge the assurances that have been provided, as to whether their scope meets the needs of the population of the Western I and that community involvement and engagement actively informs planning and delivery of public health action. h. Commission further assurance work for areas that are not

	being subjected to sufficient review. i. Seek assurance that management are taking action to address key issues relating to Public Health. j. Escalate, where necessary, key public health issues to the NHS Board for consideration of raising in other relevant partners/agencies. k. Engage with the Community Planning Partnership about whole systems approaches and regional planning and key Public Health issues.

Endowment Committee
Constitution and Term of Reference

1. INTRDUCTION

1.1 Under Section 1 (7) of the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 as amended Western Isles NHS Board Endowment Fund is entitled to describe itself as a Scottish Charity.

1.2 Under charity law, NHS Endowment Funds in Scotland are defined as "unincorporated charities" which are recognised by HM Revenue and Customs as charities for the purposes of Section 505, Income and Corporation Taxes Act 1988.

1.3 The Endowment Trustees have separate statutory responsibilities from those of the NHS Board Members and consequently, the Board of Trustees shall be constituted separately from Western Isles NHS Board.

2. PURPOSE

2.1 The Endowments Committee is a standing committee of Western Isles NHS Board. The purpose of the Endowments Committee is to

- Keep under review the management and performance of NHS Western Isles Endowment Funds;
- Provide assurance that funds are used in accordance with donors' wishes;
- Confirm that the Committee complies with the Charities and Trustee Investment (Scotland) Act 2005 and any other statutory regulations; and
- Ensure that the activities of the Endowment Fund adhere to the Code of Corporate Governance approved by Western Isles NHS Board.

3. COMPOSTITION AND TERM OF OFFICE

3.1 By virtue of their appointment by Scottish Ministers, all Executive and Non – executive Members of Western Isles NHS Board are *ex officio* Trustees of Western Isles NHS Board Endowment Fund.

3.2 The Chairperson of the Endowments Committee shall be the Chairperson of the Board and the Vice Chairperson shall be the Vice Chairperson of the

Board. In the absence of both the Chairperson and the Vice Chairperson another Non-Executive Member will be appointed as Acting Chairperson.

3.3 Membership of the Committee shall be for the duration of a Trustee's appointment as a Board Member.

3.4 The Trustees are responsible for the Endowment Investment portfolio taking account of the following statutory and other provisions

- Charities Act 1992
- Trustee Investment Act 1961
- Trustee Act 2000
- Charities and Trustee (Scotland) Act 2005
- NHS Western Isles Code of Corporate Governance, including Standing Financial Instructions.

4. REMIT

4.1 To ensure that monies received for specific purposes are used in accordance with the expressed wishes of the legato or donor so far as is reasonably practical and to accept, hold and administer any property on trust for purposes related to health service or research, subject to any specified directions prohibiting such expenditure which may have been issued by Scottish Ministers.

5. FUNCTIONS AND OBJECTIVES

5.1 The core functions of the Endowments Committee will be to

- Appoint an Investment Adviser to the Fund as necessary and to review their performance over the agreed contract period and in accordance with the AICPA's Statement on Auditing Standards No. 70, Service Organizations (SAS 70), which contains the professional standards for auditors to report on the controls of a service organisation.
- Determine the investment policy, taking cognisance of the capital value required to generate the required level of income and monitor the performance of the investments within that policy on a regular basis.
- Ensure that proper financial records are maintained to manage the Endowment Fund and to comply with statutes and regulations.
- Review and approve the Annual Accounts of the Endowment Fund and to authorise the Chairperson of the Board of Trustees, Chief Executive and Director of Finance and Procurement to sign the Annual Accounts on behalf of the Trustees. The Director of Finance and Procurement shall ensure that annual accounts are prepared as soon as possible after the year end and in accordance with the Charities (Scotland) Act 1992.
- Approve an Endowment budget annually.
- Consider expenditure proposals in respect of specific endowments.
- Consider fund raising proposals.

- Ensure that monies received for specific purposes are used in accordance with the expressed wishes of the legato or donor so far as is reasonably practical.
- Taking account of advice of the Investment Adviser (if appointed), authorise investment and disinvestment decisions. The Investment Portfolio shall be reviewed with the Investment Adviser at least twice per annum.
- Appoint an External Auditor to the Endowment Fund.
- Authorise the Director of Finance and Procurement, following discussion with the Chairperson of the Board of Trustees and the Investment Adviser, to act on behalf of the Trustees on any urgent purchases or sales of investments.

5.2 The Committee shall draw up and approve, before the start of each financial year, an Annual Workplan / Calendar of Business for the Committee's planned work during the forthcoming year. This document shall stipulate the dates of all meetings.

6. AUTHORITY

6.1 The Committee is authorised by the Board to investigate any activity within its terms of reference, and in so doing, is authorised to seek any information it requires from any employee. Any amendments should be notified to the Business Manager.

6.2 In order to fulfil its remit, the Endowments Committee may obtain whatever professional advice it requires, and require Directors or other officers of the Board to attend its meetings.

7. MEETINGS

7.1 The Endowments Committee shall meet as necessary and not less than twice in each financial year.

7.2 Meetings will be quorate when at least five Trustees are present. In the absence of the Chairperson the Vice Chairperson shall preside. In the absence of both the Chairperson and the Vice Chairperson, Trustees will nominate another Non-Executive Member as Chairperson for the meeting. Deputies will not count towards the quorum.

7.3 The proceedings of the Committee shall not be invalidated by any vacancy in membership or by any defect in the appointment of any Member.

7.4 All elements of the Committee's business relating to

- Investment of Endowment Funds; and
- Donations where the Donor has requested anonymity

shall be considered in Private Session, and all associated reports marked as *in Confidence* or *Commercially Sensitive* as appropriate.

7.5 The Director of Finance and Procurement shall serve as Lead Director in support of the Committee and ensure that all financial reports, records and accounts are made available to the Committee to allow the Trustees to discharge their duties.

7.6 The general obligation on Board and Committee members to declare an interest in an agenda item applies to Trustees. In line with advice from the NHS Scotland Central Legal Office, the following also applies to Trustees

- Holding any investment in areas included in the Investment Portfolio does not require any declaration by Trustees;
- Being in a position of influence in any company or investment vehicle which features in the Portfolio does require a Declaration of Interest and a withdrawal from discussion on that item of business;
- Trustees must also make a Declaration if they hold a position of authority or influence in any other organisation with which the Investment Fund might have a financial relationship.

8. SUB-COMMITTEES

8.1 Not Applicable.

9. MINUTES AND REPORING ARRANGEMENTS

9.1 The Minutes of the meetings of the Endowment Committee will be approved and signed by the Chairperson at the next formal meeting of the Committee.

9.2 Draft minutes will normally be e-mailed to the Chairperson and Lead Director no later than one calendar week following the date of the meeting.

9.3 Within 48 hours of each meeting an Action List arising from the meeting will be issued to all Trustees.

9.4 As a Standing Committee, the Endowments Committee is directly accountable to the Board. As a Board of Trustees, the Committee is accountable to the Office of the Scottish Charities Regulator.

9.5 As the Health Board should not be seen as controlling or influencing the activities of the Trustees, it is not appropriate that the Endowments Committee submits an Annual Report to the Board. The review of the Annual Accounts by, and the Report by the External Auditors to, the Healthcare Governance and Audit Committee shall be held to be an appropriate substitute.

Area Clinical Forum
Constitution and Term of Reference

1. INTRODUCTION

1.1 The Area Clinical Forum (ACF) is constituted under the Rebuilding Our Health Service National Framework 2001, which emphasised that each NHS Board should draw on the full range of professional skills and expertise that exists in all parts of its local NHS system for advice on clinical and other professional matters.

2. PURPOSE

2.1 To provide NHS Western Isles with coordinated, multidisciplinary clinical and professional advice in addition to that provided by the Board's designated advisors, supporting strategic planning, service redesign, and system wide change across health and care services

3. COMPOSITION AND TERM OF OFFICE

3.1 Membership of the Area Clinical Forum is for a period of four years.

3.2 The composition of the ACF comprises Chairs of the clinical professional bodies as formal members. Membership is intended to reflect the breadth of senior clinical and professional leadership across NHSWI, ensuring nursing, midwifery, medical, allied health, pharmaceutical, dental, scientific, and optometry perspectives are represented.

3.3 The membership of the Area Clinical Forum shall comprise

- Chair of the Area Nursing and Midwifery Advisory Committee
- Chair of the Allied Health Professionals Advisory Committee
- Chair of the Area Medical Committee
- Chair of the Area Dental Committee
- Chair of the Area Pharmaceutical Committee
- Chair of the Area Drugs and Therapeutics Committee
- Optometrist
- Healthcare Scientist

3.4 Board members are able to attend meetings because of their roles within the organisation. They are not formal members of the committee but contribute to discussions by offering advice, support and oversight, and by helping to address issues within their areas of responsibility. They are not eligible as Chair or Vice Chair.

3.5 Selection of the Chair of the ACF should be an open process. The Forum shall also appoint a Vice Chair. Only appointed members of the ACF can hold this role. Any member of the Area Clinical Forum may put themselves forward as candidates for either position. Both the Chair and the Vice Chair shall hold office for four years.

3.6 The Forum may co-opt additional members on a time-limited basis where specific expertise is required, for example in digital health, informatics, service integration, or other specialist areas relevant to the business under discussion.

4. REMIT

4.1 The Forum shall draw up and approve, before the start of each financial year, an Annual Workplan/Calendar of Business for the Forum's planned work during the forthcoming year. This document shall stipulate the dates of all meetings.

5. FUNCTIONS AND OBJECTIVES

5.1 The core function of ACF will be to support the work of NHSWI by:

- Playing an active role in advising NHSWI on proposals for service development
- Engaging widely with local clinicians and other professionals with a view to encouraging broader participation in the work of Area Professional Committees.
- Providing a clinical perspective on NHSWI strategic objectives.
- Advising NHSWI Board on specific proposals to improve the integration of services both within the local NHS system and across health and social care.
- Reviewing the business of the Area Professional Committees to ensure a coordinated approach on clinical matters among the different professions and within the component parts of the local NHS system.
- Sharing best practice amongst professionals and promoting multi-disciplinary working.
- Providing clinical and professional advice on digital systems, information flows, and data use that support safe, effective, and person-centered care.
- Supporting informed adoption of national or shared solutions where appropriate, taking account of clinical safety, local context, capacity, and affordability.
- Promoting policies relevant to primary and secondary care integration.

- Producing an annual report on the work of the ACF.

6. AUTHORITY

6.1 The Forum is authorised by the Board to consider any activity within its terms of reference, and in so doing, is authorised to seek any information it requires from any employee. Any amendments should be notified to the Business Manager.

6.2 In order to fulfil its remit, the Forum may obtain whatever professional advice it requires, and request Directors or other officers of the Board to attend its meetings.

7. MEETINGS

7.1 The ACF shall meet as necessary and a minimum of four times each fiscal year in each quarter. Meetings will normally be held via Microsoft Teams.

7.2 The frequency and location of meetings can be varied at the discretion of the Chair where alternative arrangements are necessary to cover holiday months or other circumstances.

7.3 Meetings will be quorate when at least four members are present.

7.4 In the absence of the Chair the Vice Chair shall preside.

7.5 In the absence of both the Chair and the Vice Chair, members will nominate another member as Chair for the meeting.

7.6 The NHSWI Board Medical Director shall serve as lead director in support of the Forum.

7.7 The agenda will be agreed by the Chair one week prior to the date of each meeting, and all papers circulated at least in advance of the meeting date.

7.8 Members may propose agenda items aligned to the Forum's remit, including emerging strategic or system wide issues where early clinical or professional input would add value.

8. MEETINGS

8.1 The ACF may appoint ad hoc sub-committees as appropriate to consider and provide advice on specific issues.

8.2 Other established committees or working groups should be used in considering action plans and the wider impact on the organisation.

9. MINUTES AND REPORTING ARRANGEMENTS

9.1 Secretariat support for the ACF will be provided by NHSWI via the Medical Directors Personal Assistant/Administrative Support.

9.2 Within two weeks of each meeting the Draft Minutes will be issued to the Chair and Lead Director for agreement. The agreed Draft Minutes will be sent to each member with the agenda and papers for the next meeting, for approval one week prior to the meeting date. The approved Minutes will be submitted to the next available NHS Board meeting for information.

9.3 Within two weeks of each meeting an Action List arising from the meeting will be issued to all members, plus the Corporate Management Team of NHSWI, via the Board Secretary.

9.4 The ACF shall submit to the NHS Board no later than 30 June each year an Annual Report on the Forum's activities for the preceding financial year.

9.5 The Chair will report to the Board, on an exception basis, any significant issues arising in advance of approved minutes being made available. The Chair may escalate significant clinical or professional concerns, risks, or opportunities to the NHS Board or relevant committees outwith the normal reporting cycle where early advice or discussion would add value, in advance of approved minutes being available.

10. PRINCIPLES OF WORKING

10.1 The ACF will operate in a collaborative, respectful, and open manner, encouraging constructive challenge, shared learning, and multidisciplinary working in support of safe, high-quality, and person-centred care for the population of the Western Isles.

Area Partnership Forum
Constitution and Term of Reference

1. INTRODUCTION

1.1 The Area Partnership Forum (APF) is a statutory, and strategic body responsible for facilitating, monitoring and evaluating the effective operation of partnership working across NHS Western Isles including IJB. Developing and approving Employment Policies through the partnership process on behalf of the NHS Board as the employer and through consideration of clinical, staff, financial and operational strategy, the APF informs the decision making of the Board. The APF can commission a sub-group, as they find necessary, to develop policies.

2. PURPOSE

2.1 It is vital that the APF has a clear focus and purpose, principally:

- Service change & Modernisation

Services are delivered by the staff of NHSWI and on this basis, the APF has a legitimate role in influencing and supporting service direction, re-design, sustainability, improvement, quality and safety.

- Service Delivery

The Staff Governance Standard states that staff should be involved in decisions which affect them. Any changes to service delivery will ultimately have to be taken forward by the staff providing the service. Therefore, the APF has a role in influencing the formulation of local strategy to ensure that staff are involved and have ownership of local Policies and developments.

- Workforce

It is imperative that an open and positive employee relations culture exists. The provision of "Best at what we do" health service can only be delivered by a motivated and productive workforce who feel valued and respected. The APF has a role in taking an overview on issues regarding the workforce, specifically to promote and enhance the Staff Governance Standard *

- Culture, Leadership and organisational development initiatives
  The Forum will champion a culture of openness **collaboration, respect, and continuous improvement**, ensuring that leadership

behaviours and organisational development activity actively support the values of NHS Scotland. It will oversee initiatives that strengthen compassionate leadership, promote psychological safety, and build the capability of teams to work in partnership. This includes supporting programmes that enhance staff experience, embed the Staff Governance Standard, develop leadership capacity at all levels, and foster an inclusive, learning-focused environment where staff feel, valued in an environment where they are empowered to contribute to service improvement.

- Policies and procedures affecting staff terms and conditions
  Policies will be developed in partnership and reviewed through the Policy Review Subgroup with formal approval at the Forum. This will include the implementation and oversight of Once for Scotland policies as well as local HR policies. All policies will ensure legislative compliance and that all staff are treated non-discriminately, fairly and consistently.

2.2 The APF has a key role in promoting and overseeing iMatter evaluation and action plans, and the production of the annual Staff Governance Audit Return response. The APF must ensure that iMatter local partnership arrangements are the method through which iMatter and Self-Assessment Audit are carried out to assess departmental and organisational performance. The APF will ensure that the audit report and iMatter results inform an integrated Staff Governance Action Plan.

3. COMPOSITION AND TERM OF OFFICE

3.1 The Joint Chairpersons of the APF shall be the Chief Executive and the Employee Director.

3.2 Membership of the Area Partnership Forum shall comprise an equal number of management and staff side representatives.

- Chief Executive
- Director of Human Resources and Workforce Development
- Director of Finance and Procurement
- Nurse/AHP Director/Chief Operating Officer
- Medical Director
- Director of Public Health
- Communications, Claims and Patient Information Manager
- Associate Director Clinical Support Services/Deputy COO
- Chief Officer (Health and Social Care Partnership)

- HR Manager
- Organisational Development and Learning Manager

A representative/s of each of the following organisations:

- Employee Director
- UNISON
- Royal College of Nursing
- Royal College of Midwifery
- UNITE
- British Medical Association
- British Dietetic Association
- British Dental Association
- Chartered Society of Physiotherapy
- Royal College of Podiatry
- Society of Radiographers

3.3 In addition, others may be invited to attend at the discretion of the APF.

4. VALUES

To underpin the working of the APF, the following values will be adopted and govern the approach taken towards consideration of issues, in line with the requirements of MEL(1999) 59:

- **Trust** — Confidence that each partner will act reliably and with integrity.
- **Respect** — Valuing each partner's expertise, boundaries, and contributions.
- **Transparency** — Open communication and honest sharing of information.
- **Accountability** — Owning actions, decisions, and commitments.
- **Mutual Benefit** — Ensuring all parties gain from the partnership.
- **Collaboration** — Working together proactively toward shared goals.
- **Equity & Fairness** — Ensuring decisions and resources are balanced and just.
- **Shared Vision & Purpose** — Alignment on goals, priorities, and intended outcomes.
- **Communication** — Consistent, clear, and constructive dialogue.
- **Flexibility** — Willingness to adapt when circumstances change.
- **Reliability** — Following through on commitments and delivering consistently.
- **Confidentiality** — Protecting sensitive information and maintaining trust.

- **Innovation** — Encouraging creativity and new ideas within the partnership.
- **Inclusivity** — Ensuring all voices are heard and valued.
- **Sustainability** — Creating long-term, resilient working relationships.

5. REMIT

5.1 The Area Partnership Forum will: -

- be involved in decisions beyond Workforce and take a pro-active approach in embedding partnership working at all levels to assist the process of decision making and compliance with the Staff Governance Standard;
- the APF will contribute to local and subnational and national planning arrangements for service and workforce development and delivery, including arrangements linked to Health & Social Care Integration;
- monitor the implementation of all local Once for Scotland workforce policies;
- promote involvement and participation in Once for Scotland Policy development
- communicate, raise awareness and promote Once for Scotland agreed policies
- approve, through the Workforce Policy Group, all workforce policies that sit out-with Once for Scotland;
- consider and comment on other policies and strategies to help support and inform decision making by the Board;
- ensure that any strategies and policies are underpinned by appropriate workforce planning;
- contribute to the development of strategies and action plans to inform NHSWI strategic plans, promote best practice, and assess their impact on staff;
- oversee the processing of staff engagement and implementation of iMatter;
- liaise and ensure a two-way positive communication with the Scottish Partnership Forum;
- respond to consultation from the Scottish Partnership Forum, its sub-groups and supporting infrastructure;
- ensure and oversee the operation of effective facilities arrangements;

5.2 The APF shall draw up and approve, before the start of each financial year, an Annual Workplan / Calendar of Business for the APF's planned work during the forthcoming year. This document shall stipulate the dates of all meetings.

6. AUTHORITY

6.1 The APF has the ability to commission an investigation of any activity within its terms of reference, and in so doing, is authorised to seek any information it requires.

6.2 The APF has the authority of the Board to develop and approve employment policies through the Partnership process.

6.3 In order to fulfil its remit, the APF may obtain whatever professional advice it requires, and require Directors or other officers of the Board to attend its meetings.

6.4 The External Auditor and Internal Auditor shall have the right of direct access to the Joint Chairpersons of the Area Partnership Forum.

7. MEETINGS

7.1 The APF shall meet every 6 weeks. Each meeting shall last for a maximum of three hours.

7.2 Meetings of the Committee will be quorate when at least three management members and three Staff-side members are present, including the Joint Chairs. Meetings will not be quorate without the presence of both of the Joint Chairs.

7.3 The Agenda and draft Minute of the previous meeting will be agreed by the Joint Chairpersons two weeks prior to the date of the meeting, and all papers circulated at least one week in advance of the meeting date.

7.4 The Joint Chairpersons will conduct business and maintain proper conduct of meetings. The Joint Chairpersons will also be responsible for ensuring that individual members uphold the partnership principles and standards of behaviour and cooperative spirit of the APF.

7.5 The APF shall be a place where effective meetings are conducted in an atmosphere of mutual respect, even when individuals are in disagreement over a specific issue.

- Consensus should be the key goal as far as possible, with adequate time for discussion and debate. Where consensus is not reached and there is disagreement, but a recommendation has to be made, then the disagreeing parties and their reasons must be clearly identified in the minutes.

7.6 Any matter considered by the APF which is deemed to fall out with its terms of reference, or which is subject to Board, Staff Governance or other Committee approval, will be referred to the Board or relevant Committee by the APF.

7.7 In the event of any failure to agree in matters under consideration by the APF, the matter will be notified by the Joint Chairs to the Chair of the Staff Governance Committee. Reference to the Scottish Partnership Forum may also take place as appropriate, as agreed by APF members. In all but urgent/emergency situations, the status quo will be monitored.

7.8 Either party may request that a matter brought before the APF be subject to appropriate consultation with management and staff-side colleagues prior to any final agreement being reached.

7.9 Decisions reached by the APF which impact on the operation of policy and practice will take effect across NHSWI from a date agreed by the parties.

8. SUB-COMMITTEES

8.1 'The APF shall establish task specific, short life working groups as appropriate. Other established committees or working groups should be used in considering action plans and the wider impact on the organisation.

9. ADMINISTRATIVE SUPPORT

9.1 Administrative support is provided by the PA to the Director of HR. In their absence, a nominated deputy will assume responsibility.

9.2 Within seven days of each meeting the draft Minutes will be issued to the Joint Chairpersons for agreement. The agreed draft Minutes will be sent to each member with the agenda and papers for the next meeting, for approval. The approved Minutes will be submitted to the next available Staff Governance Committee and NHS Board meeting for information.

9.3 Within 48 hours of each meeting an Action List arising from the meeting will be issued to all members.

9.4 The Chairs will report to the Board, on an exception basis, any significant issues arising in advance of approved minutes being made available.

10. REVIEW

10.1 These Terms of Reference will be subject to review every 2 years. The next review is due to take place in June 2028.

CORPORATE MANAGEMENT TEAM

Committee / Remit	CORPORATE MANAGEMENT TEAM
Composition	The Committee will comprise the following members: ➢ Board Chief Executive (Chair CMT) ➢ Nurse / AHP Director & Chief Operating Officer (Deputy Chief Executive) ➢ Director of Public Health ➢ Director of Finance & Procurement ➢ Director of Human Resources and Workforce Development ➢ Medical Director ➢ Associate Director of Mental Health and Learning Disabilities ➢ Associate Medical Director – Primary Care ➢ Chief Officer, IJB ➢ Chief Pharmacist ➢ Head of Communications, Claims and Patient Information ➢ Corporate Business Manager ➢ Director of Dental Services ➢ Employee Director ➢ Head of Clinical Governance & Professional Practice ➢ Head of IT and Digital Health ➢ Head of Public Health Intelligence ➢ Ass Director of Clinical Services / Deputy Nurse / AHP Director ➢ Ass Director of Clinical Support Services / Deputy COO
In attendance	NIL
Attendance as required	Other appropriate staff may attend a meeting, at the request of the Chair in relation to the presentation of information or reports.
Executive Lead & their role	The Chief Executive is the Chair and Executive Lead of the CMT. In the absence of the Chief Executive, the Nurse/AHP Director and Chief Operating Officer will take chair of the meeting.
Admin Support	The Corporate Business Manager is a Member of the CMT and will act as the secretary of the Committee. They will establish the committee schedule and workplans and will finalise each meeting agenda with the CMT Chair and subsequently request the necessary committee papers from Members.

Quorum	The quorum level is 9 members of which 3 must be of Executive Director level. In the absence of the Chief Executive, the Nurse/AHP Director and Chief Operating Officer (Deputy Chief Executive) will chair the meeting. To ensure business is progressed timeously, members are expected to prioritise attendance at this meeting. Agreement and decisions are expected to be reached by consensus; however, when consensus is not secured, the Chief Executive as Accountable Officer will taking account of issues, make any final decision, which may include approval or deferral.
No of Meetings	Establish 12 meetings per year and will conduct a minimum of 10 meetings per year. The CMT will meet monthly on the third Tuesdays in the morning. This can be varied at the discretion of the Chairperson. Meetings will normally be held via Teams; however attendance location may vary depending on the need of the Committee.
Reporting / Accountability	The Corporate Management Team is responsible to The Board, and communicates information upwards providing direction, leadership, delivery, performance and management of information. The CMT will address any requests from The Board. The CMT supports the Boards Governance. Almost invariably all documents / reports will be channelled through CMT. There are 10 operational Committees/Groups which report directly into the Corporate Management Team: 1. Operational Service Delivery Tram 2. Digital Health Programme Board 3. Capital Group 4. Health & Safety Committee 5. Resilience Group 6. Information Governance Steering Group *7. SLA Monitoring Committee [In development as at Dec'24]* 8. Primary Care Improvement Board 9. Health & Social Care Strategic Planning Group (This group will also report into the Comhairle structure) 10. Area Drugs & Therapeutics Committee (operational & financial)

	The CMT and the Integrated Corporate Management Team (ICMT) will liaise between then in matters of operational service delivery relating to the IJB delegated functions. The ICMT will present approved minutes for awareness. Escalation of concerns will be to Western Isles Health Board and / or its Governance Committee or to the Integrated Joint Board (delegated services only). The escalation process of the Boards Governance Structure is noted at appendix 1 and relates to the Boards new Governance Structure.
Appropriate Strategic direction links	NHS WI Operational Improvement Plan NHS WI Financial Strategy NHS Scotland Performance Framework NHS WI Capital Plan NHS WI Workforce Strategy NHS WI Property Asset Management Strategy (PAMS) NHS WI Code of Corporate Governance
Purpose	NHS Western Isles Corporate Management Team is the overarching executive planning and decision-making body responsible to the Board for providing leadership, oversight, decision making, implementation, management, delivery and evaluation of services.
Power	The CMT has delegated responsibility to approve revenue and capital business cases within the appropriate budgets level or that of the delegated sums to the Chief Executive and the Director of Finance, of values from £500k to £1,500,000. Any expenditure above this level requires full Board approval.
Remit	The CMTs primary purpose is to support the Board to fulfil its responsibilities for the strategic development, leadership and performance management of the delivery of improved health, wellbeing and improved health services throughout the islands by providing assurance that robust systems are in place and working effectively. To provide a forum for members to consider all developing strategic and operational matters within the scope of the NHS Board's responsibilities and formally agree the executive team's position.

	The duties and remit includes: ✓ To take decisions on the operation of the organisation and delivery of services that require corporate endorsement and support from the Chief Executive and other Directors; ✓ Formally inform Directors of matters in relation to the organisation which will either impact on risk, their service or require their support to implement/address; ✓ To provide scrutiny and challenge on progress of agreed actions and objectives; ✓ Provide protected time to focus on delivering sustainable services and meeting targets within challenging financial constraints; ✓ To receive escalations from Governance Committees for awareness and/or for CMT discussion and decisions; ✓ Review and take action on data pertaining to performance management, finance, safety and quality; ✓ To maintain an overview of operational issues and programmes of work through sharing of information and reports; ✓ To ensure that systems and procedures are in place to monitor, assess, identify, record, manage, reduce or remove operational and corporate risks across the whole system; ✓ The operational implementation of Scottish Government and NHS Board strategies, directions, plans, and policies; ✓ Emerging operational matters from day-to-day activities; ✓ To support the implementation of the Integration Joint Board Directions; ✓ Legal and regulatory matters and other corporate responsibilities of the NHS Board; ✓ The Corporate Management Team will ensure that NHS Western Isles has a holistic, integrated system wide approach to operational planning and delivery; and ✓ Promoting and protecting health and well-being of the population, preventing ill health and prolonging life through the organised efforts of society.

Section
E

Scheme of Delegation: Reservation of Powers and Delegation of Authority

Explaining the level of authority available to the Board, Committees and individuals



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INTRODUCTION

The Purpose of this Section of the Code of Corporate Governance is to clearly set out the responsibilities and authority within the decision-making process throughout the whole of NHS Western Isles in order to achieve the Board's objectives.

1. SCHEDULE OF MATTERS DELEGATED TO OFFICERS OF THE BOARD

1.1 Background

As a Board of governance, Western Isles Health Board delivers a corporate approach to collective decision making based on the principles of good Governance, partnership working and devolution of powers. Local leadership will be supported by delegating financial and management responsibility as far as possible consistent with the Board's own responsibility for governance.

The Boards has a corporate responsibility for ensuring that arrangements are in place for the conduct of its affairs and that of the Board and Executive Team. This includes compliance with applicable guidance and legislation, and ensuring that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. The Board has a responsibility to ensure that it monitors the adequacy and effectiveness of these arrangements in practice.

The Board is required to conduct a review of its systems of internal control, including in particular its arrangements for risk management, at least annually. The Board reports publicly on its compliance with the principles of good corporate governance through review by the Audit and Risk Committee and from the inclusion of the Accountable Officer governance statement within the Health Board's Annual Accounts.

Everyone needs to be clear about their role, responsibilities and their accountability.

The main purpose and functions of NHS Western Isles are set out below.

The purpose and function of the Board will be:-

- Efficient, effective and accountable governance.
- Strategic leadership and direction for the Western Isles NHS system.
- To support the delivery of Health and Social Care Integration Strategic Commissioning Plan and associated outcomes as agreed by the Cùrum Is Slàinte Nan Eilean Siar Integration Joint Board (IJB) for functions delegated by the Western Isles Health Board to the IJB.
- Strategy development including the Annual Delivery Plan.
- Approve resource allocation to address local priorities.
- Performance management of the NHS Western Isles system.
- Compliance with the NHSScotland Staff Governance Standard

The Scheme of Delegation provides a mechanism to empower frontline staff to make decisions close to the point of care delivery, within a framework of delegated and reserved powers for NHS Western Isles.

1.2 Matters Reserved for Board Agreement

The following shall be reserved for agreement by the Board:

1.2.1 Standing Orders.
1.2.2 Organisational Values.
1.2.3 Corporate Objectives or corporate plans which have been created to implement its agreed strategies.
1.2.4 The Annual Delivery Plan and underpinning Financial Plan.
1.2.5 The strategies for all the directions that it has planning responsibility for, subject to any provisions for major service change which require Ministerial approval.
1.2.6 Any business case item that is beyond the scope of its delegated financial authority before it is presented to the Scottish Government for approval. The Board shall comply with the Scottish Government Capital Investment Manual.
1.2.7 The acceptance of commercial contracts in respect of the Board's Revenue where the value exceeds £250,000.00.
1.2.8 NHS Service Agreement with an annual value over £1,000,000.00 excepting the mainland NHS Boards Service Level Agreements where authorisation is delegated to the Director of Finance and Procurement.
1.2.9 Contracts for goods/services above European Commission Tendering Limits;
1.2.10 Appointment of External Specialists over £25,000.00
1.2.11 The Appointment of the Board's Chief Internal Auditor (Note: This applied either when the proposed chief internal auditor will be an employee of the Board, or when the chief internal auditor is engaged

through a contact with an external provider. The audit committee should advise the Board on the appointment, and the board may delegate to the audit committee oversight of the process which leads to a recommendation for appointment.);

1.2.12 Approval of the overall Revenue and Capital Budget for the Board;

1.2.13 Approval of the disposal of all property assets including land;

1.2.14 Approval of the disposal of fixed assets with an estimated value over £100,000.00

1.2.15 The making, alteration and revocation of the Code of Corporate Governance and its component parts, including Standing Orders, Standing Financial Instruction, Scheme of Delegation, Anti-Fraud, Bribery and Corruption Policy and Action Plan;

1.2.16 The establishment of terms of reference and reporting arrangements for all Committees of the Board and the determination of differences between such committees;

1.2.17 Financial and performance reporting arrangement to the Board;

1.2.18 Risk Management Policy

1.2.19 Approval of delegated health functions and provide resources to the IJB;

1.2.20 Approval of arrangements for discharge of Board Members' responsibilities in relation to the Endowment Funds;

1.2.21 Approval of the Annual Report and accounts;

1.2.22 The incurring of expenditure for which no provision or insufficient provision has been made in the annual Budget of the Board;

1.2.23 Any proposal, which in the opinion of the Chief Executive will result in sensitivity and reputational issues, significant, permanent service change and will require public consultation in accordance with Scottish Government guidance;

1.2.24 The dismissal of executive members of the Board and other senior members of staff where the filling of posts concerned require the involvement of non-executive members of the Board; and

1.2.25 On the recommendation of the Chair, appointments of Non-Executive Members to committees, steering groups, project boards or id allocated a role by the Chair or Chief Executive.

1.2 INTERPRETATION

- Any reference in this scheme to a statutory or other provision shall be interpreted as a reference to that provision as amended from time to time by any subsequent legislation.

- The Chief Executive as Accountable Officer can exercise delegated authority across all NHS Western Isles services and functions excluding those services, functions or resources delegated to the IJB.

- Powers delegated to the Chief Executive in terms of this scheme may be exercised by such an officer or officers as the Chief Executive may authorise.

- This Scheme of Delegation should be read in conjunction with the Board Standing Orders, Standing Financial Instructions, and Delegated Levels of Authority.

2.2 CHIEF EXECUTIVE

2.2.1 General Provisions

In the context of the Board's principal role to protect and improve the health of Western Isles residents, the Chief Executive as Accountable Officer shall have delegated authority and responsibility to secure the economical, efficient and effective operation and management of Western Isles NHS Board and to safeguard its assets in accordance with:

- the statutory requirements and responsibilities laid upon the Chief Executive as Accountable Officer for NHS Western Isles;
- Direction from the Scottish Government Health and Social Care Directorates;
- Current policies decisions made by the Board;
- The limits of the resources available, subject to the approval of the Board; and
- The Code of Corporate Governance (Standing Orders and Standing Financial Instructions).

The Chief Executive is authorised to take such measures as may be required in emergency situations, subject to consulting, where possible, the Chair and the Vice-Chair of the Board, and the relevant Committee Chair. Such measures, that might normally be outwith the scope of the authority delegated by the Board or its Committees, shall be reported to the Board or appropriate Standing Committee as soon as possible thereafter. Where such measures or actions relate to functions or resources delegated to the IJB the Chief Executive shall work in partnership with the Chief Officer of the IJB.

The Chief Executive is authorised to give an instruction in special circumstances that any officer shall not exercise a delegated function subject to reporting on the terms of the instruction to the next meeting of the appropriate Committee.

The Chief Executive has personal statutory accountability for all Health and Safety matters within NHS Western Isles.

The Chief Executive is empowered to take all steps necessary to assist the Board in developing, promoting and monitoring compliance with Standing Orders and Standing Financial Instructions, and appropriate guidance on standards of business conduct.

The Chief Executive is responsible for

- Identifying and evaluating the risks to which the Board is subject and for setting and communicating clear control objectives;

- Ensuring that there are adequate control systems in place which are regularly reviewed and maintained to keep abreast of changes to the risk, and that there are adequate information and communication processes to facilitate this (e.g. performance objectives / indicators, budgets, forecasts, and evidence of compliance with NHS controls assurance standards, etc.);

- Ensuring that the Board's decisions are implemented, that the organisation works effectively in accordance with government policy and public service values, and for the maintenance of proper financial stewardship;

- Submitting to the Board any additions or alterations to the Code of Corporate Governance which may be required for the better conduct of the business of the Board; and

- Signing the Governance Statement on behalf of the Board.

2.2.2 Finance

For functions delegated and resources provided by the Western Isles Health Board to the IJB, resources shall be used only for the purpose for which they are allocated, unless tri-partite agreement is given by the IJB and Comhairle nan Eilean Siar to any proposal made by the Chief Executive and the Director of Finance and Procurement.

For services, functions and resources of the Western Isles Health Board resources will be used for the purpose allocated, unless otherwise approved by the Chief Executive, after taking account of the advice of the Director of Finance and Procurement. The Chief Executive acting together with the Director of Finance and Procurement has delegated authority to approve the transfer of funds between budget heads, including transfer from reserves and

balances, up to a maximum of £1,000.000.00 in any one instance. The Chief Executive shall report to the Finance, Performance and Resource Committee for formal inclusion in the minutes those instances where this authority is exercised for sums in excess of £500,000, or where the change in use of the funds relates to matters of significant public interest.

The Chief Executive may, acting together with the Director of Finance and Procurement, and having taken all reasonable action to pursue recovery, approve the writing-off of losses, subject to the limits laid down by the Scottish Government Health and Social Directorates. All such write-offs shall be reported in writing to the Finance, Performance and Resource Committee no less frequently than in conjunction with the submission of the Board's Annual Accounts each year.

2.2.3 Legal Matters

The Chief Executive is authorised to institute, defend or appear in any legal proceedings or any inquiry, including proceedings before any statutory tribunal, board or authority, and following consideration of the advice of the Central Legal Office, to appoint or consult with Counsel where it is considered expedient to do so, for the promotion or protection of the Board's interests.

In circumstances where a claim against the Board is settled by a decision of a Court, and the decision is not subject to appeal, the Chief Executive shall implement the decision of the relevant Court on behalf of the Board.

In circumstances where the advice of the Central Legal Office is to reach an out-of-court settlement, the Chief Executive may, acting together with the Director of Finance and Procurement, settle claims against the Board, subject to a report being submitted thereafter to the Finance, Performance and Resource Committee.

The Chief Executive, acting together with the Director of Finance and Procurement, may make ***ex-gratia*** payments subject to the limits laid down from time to time by the Scottish Government Health and Social Care Directorate.

The arrangements for signing of documents in respect of matters covered by the Property Transactions Handbook shall be in accordance with the direction of Scottish Ministers. The Chief Executive is currently authorised to sign such documentation on behalf of the Board and Scottish Ministers.

The Corporate Business Manager (Board Secretary) shall have responsibility for the safekeeping of the Board's Seal, and together with the Chair or other nominated Non-Executive member of the Board, shall have responsibility for the application of the Seal on behalf of the Board.

2.2.4 Chief Executive Responsibility for Clinical Governance

The Chief Executive is responsible to the NHS Board for delivering clinical governance, and for ensuring that suitable local arrangements are in place and are integrated with existing structures such as clinical directorates. In this role, the Chief Executive has delegated operational planning and delivery responsibility for Clinical Governance to the Nurse/AHP Director and Chief Operating Officer, working closely with the Medical Director. The Chief Executive remains responsible for reporting to the board, and for taking any action it decides.

2.2.5 Chief Executive Responsibility for Risk Management

The Chief Executive has responsibility for maintaining a sound system of internal control that supports the achievement of the organisation's policies, aims and objectives, set by Scottish Ministers, whilst safeguarding the public funds. This is achieved by the reporting through the Western Isles NHS Board of all relevant information, including performance against objectives. The performance management arrangements operate within an environment of active risk management. The Chief Executive will lead, establish and ensure decisions in accordance with the Board's agreed Risk Appetite. In this role, the Chief Executive has delegated operational planning and delivery responsibility for Clinical Governance to the Nurse/AHP Director and Chief Operating Officer.

2.2.6 Procurement of Supplies and Services

The Chief Executive shall have responsibility for nominating officers or agents to act on behalf of the Board, for specifying, and issuing documentation associated with invitations to tender, and for receiving and opening of tenders.

Where post-tender negotiations are required, the Chief Executive shall nominate officers and/or agents to act on behalf of the Board.

The Chief Executive, acting together with the Director of Finance and Procurement, has authority to approve on behalf of the Board the acceptance of tenders, submitted in accordance with the Board's Code of Corporate Governance, up to a value of £1,000,000, within the limits of previously

approved Revenue and Capital Budgets, where the most economically advantageous tender is to be accepted.

If accepting a tender which is not the lowest tender received it is mandatory that a detailed explanation for accepting the tender must be clearly recorded in the tender register.

The Chief Executive, through the Director of Finance and Procurement, shall produce a listing, including specimen signatures, of those officers or authorised agents to whom he has given delegated authority to sign official orders on behalf of the Board.

2.2.7 Human Resources

The Chief Executive may appoint staff in accordance with the Code of Corporate Governance, Human Resources Policies and Reservation of Powers and Delegated Levels of Authority for the appointment of staff.

The Chief Executive may, after consultation and agreement with the Director of Human Resources and Workforce Development, and the relevant officer, amend staffing establishments in respect of the number and grading of posts. In so doing, the Director of Finance and Procurement must confirm that the cost of the amended establishment can be contained within the relevant limit approved by the Board for the current and subsequent financial years. Any amendment must also be in accordance with the policies and arrangements relating to workforce planning, approved by the Board or Staff Governance Committee.

The Chief Executive may attend and may authorise any member of staff to attend, within and out with the United Kingdom, conferences, courses or meetings of relevant professional bodies and associations, provided that:

- attendance is relevant to the duties or professional development of that member of staff; and
- appropriate allowance has been made within approved budgets; or
- external reimbursement of costs is to be made to the Board.

The Chief Executive may, in accordance with the Board's agreed Disciplinary Procedures, take disciplinary action, in respect of members of staff, including dismissal where appropriate.

The Chief Executive shall have overall responsibility for ensuring that the Board complies with Health and Safety legislation, and for ensuring the effective implementation of the Board's policies.

The Chief Executive may, in consultation with the Director of Human Resources and Director of Finance and Procurement, approve applications to leave the employment of the Board on grounds of redundancy and/or early retirement by any employee provided the terms and conditions relating to the redundancy and/or early retirement are in accordance with the relevant Board policy and the appropriate allowance has been made within agreed budget. All such applications and outcomes will be reported to the Remuneration Committee, where approval of payment of honorary to any employee is required.

2.2.8 Patients & Clients Valuables

The Chief Executive has overall responsibility for ensuring that the Board complies with legislation in respect of patients' property. The term 'property' shall mean all assets other than land and buildings. (e.g. furniture, pictures, jewellery, bank accounts, shares, cash.)

2.3 NURSE/AHP DIRECTOR & CHIEF OPERATING OFFICER

2.3.1 General Provisions

The Nurse/AHP Director and Chief Operating Officer of the Board shall have delegated authority and responsibility from the Board Chief Executive to secure the economical, efficient and effective operation and management of all the Operational Units apart from Corporate Services and to safeguard their assets in accordance:

- with the current policies and decisions made by the Board;
- within the limits of the resources made available to the Operational Units by the Board;
- with the Board's Code of Corporate Governance; and
- with the relevant Scheme of Establishment.

Note: Any reference throughout this document to the Nurse/AHP Director and Chief Operating Officer in relation to Operational Units also applies to Directors of the Board in relation to Corporate Functions.

The Nurse / AHP Director and Chief Operating Officer will, in the absence of the Chief Executive, act as Deputy Chief Executive and authority of the Chief Executive will apply.

The Nurse/AHP Director and Chief Operating Officer has a general duty to assist the Chief Executive in fulfilling his/her responsibilities as the Accountable Officer of the Board.

The Nurse/AHP Director and Chief Operating Officer is authorised to take such measures as may be required in emergency situations, subject to advising, where possible, the Chair or the Vice-Chair of the Board, the Chief Executive and where appropriate the relevant g Committee Chair. Such measures, that might normally be out with the scope of the authority delegated by the Board or its Committees to the Chief Executive and consequently the Nurse/AHP Director and Chief Operating Officer, shall be reported to the Board or appropriate Committee as soon as possible thereafter.

2.3.2 Finance

Resources shall be used only for the purpose for which they are allocated, unless otherwise approved by the Nurse/AHP Director and Chief Operating Officer, after taking account of the advice of the Director of Finance and Procurement. The Nurse/AHP Director and Chief Operating Officer acting together with the designated Director of Finance and Procurement have delegated authority to approve the transfer of funds between budget heads, including transfers from reserves and balances, up to a maximum of £500,000 in any one instance.

The Nurse/AHP Director and Chief Operating Officer may, acting together with the Director of Finance and Procurement, and having taken all reasonable action to pursue recovery, approve the writing-off of losses in the Operational Units subject to the financial limits and catergorisation of losses laid down from time to time by the Scottish Government Health and Social Care Directorate.

2.3.3 Legal Matters

The Nurse/AHP Director and Chief Operating Officer is authorised to institute, defend or appear in any legal proceedings or any inquiry, (including proceedings before any statutory tribunal, board or authority) in respect of the Operational Unit and following consideration of the advice of the Central Legal Office and in consultation with the Chief Executive, to appoint or consult with

Counsel where it is considered expedient to do so, for the promotion or protection of the Board's interests.

In circumstances where a claim against the Board is settled by a decision of a Court, and the decision is not subject to appeal, the Nurse/AHP Director and Chief Operating Officer shall, following consultation with the Chief Executive, implement the decision of the relevant Court on behalf of the Board.

The Nurse/AHP Director and Chief Operating Officer acting together with the Director of Finance and Procurement must bring to the attention of the Chief Executive any claim deemed to pose a significant risk to the Board's Revenue Resources.

2.3.4 Procurement of Supplies and Services

The Nurse/AHP Director and Chief Operating Officer acting together with the Director of Finance and Procurement, has authority to approve on behalf of the Board the acceptance of tenders, in respect of the Operational Units submitted in accordance with the Board's Standing Orders, up to a value defined within the Delegated Levels of Authority and within the limits of previously approved Revenue and Capital Budgets.

The Nurse/AHP Director and Chief Operating Officer shall work with the designated Finance Officer and the Director of Finance and Procurement to produce a listing, including specimen signatures, of those officers or agents to whom he has given delegated authority to approve official orders on behalf of the Board and the Operational Unit.

2.3.5 Human Resources

The Nurse/AHP Director and Chief Operating Officer may appoint staff in accordance with the Board's Code of Corporate Governance and Delegated Levels of Authority.

The Nurse/AHP Director and Chief Operating Officer may, after consultation and agreement with Human Resources and the Director of Finance and Procurement, amend staffing establishments in respect of the number and grading of posts. In so doing, the Director of Finance and Procurement must have been consulted and have confirmed that the cost of the amended establishment can be contained within the relevant limit approved for the current and subsequent financial years. Any amendment must also be in accordance with the policies and arrangements relating to workforce planning, approved by the Board or the Staff Governance Committee.

The Nurse/AHP Director and Chief Operating Officer may attend and may authorise any member of staff to attend within and outwith the United Kingdom, conferences, courses or meetings of relevant professional bodies and associations, provided that:

- attendance is relevant to the duties or professional development of such member of staff; and
- appropriate allowance has been made within approved budgets; or
- external reimbursement of costs is to be made to the Board.

The Nurse/AHP Director and Chief Operating Officer may, in accordance with the Board's agreed Management of Employee Conduct Policy, take disciplinary action in respect of members of staff, including dismissal where appropriate.

The Nurse/AHP Director and Chief Operating Officer may, following consultation and agreement with the appropriate Human Resources Officer and the Director of Finance and Procurement and the Remuneration Committee approve payment of honoraria to any employee within the Operational Units.

2.3.6 Patients & Clients' Valuables

The Nurse/AHP Director and Chief Operating Officer shall have overall responsibility for ensuring that the Board's Operational Units comply with legislation in respect of patients' and clients' valuables and that effective and efficient management arrangements are in place.

2.4 DIRECTOR OF FINANCE AND PROCUREMENT

Authority is delegated to the Director of Finance and Procurement as undernoted, in order to assist the Board and the Chief Executive in fulfilling their corporate responsibilities:

2.4.2 Accountable Officer

The Director of Finance and Procurement has a general duty to assist the Chief Executive in fulfilling his/her responsibilities as the Accountable Officer of the Board.

2.4.2 Financial Statements

The Director of Finance and Procurement is empowered to take all steps necessary to assist the Board to:

- Act within the law and ensure the regularity of transactions by putting in place systems of internal control to ensure that financial transactions are in accordance with the appropriate authority;
- Maintain proper accounting records; and
- Prepare and submit for External Audit timeous financial statements which give a true and fair view of the financial position of the Board and its income and expenditure for the period in question.

2.4.3 Corporate Governance and Management

The Director of Finance and Procurement is authorised to put in place proper arrangements to ensure that the financial position of the Board is soundly based by ensuring that the Board, its Committees, and supporting management groupings receive appropriate, accurate and timely information and advice with regard to:

- The development of financial plans, budgets and projections;
- Compliance with statutory financial requirements and achievement of financial targets;
- The impact of planned future policies and known or foreseeable developments on the Board's financial position.

The Director of Finance and Procurement is empowered to take steps to ensure that proper arrangements are in place for:

- Developing and implementing systems of internal control, including systems of financial, operational and compliance controls and risk management;
- Developing, promoting and monitoring compliance with the Code of Corporate Governance and in particular, Standing Financial Instructions, and appropriate guidance on standards of business conduct;
- Developing and implementing strategies for the prevention and detection of fraud and irregularity;
- Internal Audit.

2.4.4 Performance Management

The Director of Finance and Procurement will work with the Chief Executive to ensure that suitable arrangements are in place to secure Best Value. These arrangements include procedures:

- for planning, appraisal, authorisation and control, accountability and evaluation of the use of resources;
- to ensure that performance targets and required outcomes are met and achieved.

2.4.5 Banking

The Director of Finance and Procurement is authorised to oversee the Board's arrangements in respect of accounts held in the name of the Board with the Government Banking Service and the commercial bankers duly appointed by the Board.

The Director of Finance and Procurement will be responsible for ensuring that the Government Banking Service and the commercial bankers are advised in writing of amendments to the panel of nominated authorised signatories.

2.4.6 Patients' and Clients' Valuables

The Director of Finance and Procurement has delegated authority to ensure that detailed operating procedures in relation to the management of the valuables of patients' and clients' (including the opening of bank accounts where appropriate) are compiled for use by staff involved in the management of patients' and clients' valuables and financial affairs, in line with the terms of the Adults with Incapacity (Scotland) Act 2000.

2.5 PROVISION APPLICABLE TO OTHER DIRECTORS AND SENIOR OFFICERS

2.5.1 General Provisions

This is applicable to, other than those named above:

- Medical Director
- Director of Human Resources and Workforce Development
- Director of Public Health
- Chief Officer, IJB

Directors shall have delegated authority, and responsibility in conjunction with the Board Chief Executive and Nurse/AHP Director and Chief Operating Officer for securing the economical, efficient and effective operation and management of their own Directorates/ Departments and for safeguarding the assets of the Board.

Directors are authorised to take such measures as may be required in emergency situations, subject to advising, where possible, the Board Chief Executive, Nurse/AHP Director and Chief Operating Officer as appropriate, the Chair and the Vice-Chair of the Board or relevant Committee Chair as appropriate.

Such measures, that might normally be outwith the scope of the authority delegated by the Board or its Committees to the relevant Director, shall be reported to the Board or appropriate Committee as soon as possible thereafter.

2.5.2 Human Resources

Directors may appoint staff in accordance with the Board's Standing orders, Human Resource policies and Delegated Levels of Authority.

Designated Directors may, after consultation and agreement with the Director of Human Resources and Workforce Development, amend staffing establishments in respect of the number and grading of posts, subject to the limits within the Delegated Levels of Authority. In so doing, the Director of Finance and Procurement or his/her designated deputy as appropriate, must have been consulted, and have confirmed that the cost of the amended establishment can be contained within the relevant limit approved by the Board for the current and subsequent financial years. Any amendment must also be in accordance with the policies and arrangements relating to workforce planning, approved by the Board or Staff Governance Committee.

Directors may attend and may authorise any member of staff to attend within and outwith the United Kingdom, conferences, courses or meetings of relevant professional bodies and associations, provided that:

- attendance is relevant to the duties or professional development of such member of staff; and
- appropriate allowance must also be contained within approved budgets; or
- external reimbursement of costs is to be made to the Board.

Directors may, in accordance with the Board's agreed Employee Conduct Policy, take disciplinary action, in respect of members of staff, including dismissal where appropriate.

Directors shall have overall responsibility within their Directorates / Departments for ensuring compliance with Health and Safety legislation, and for ensuring the effective implementation of the Board's policies in this regard.

2.6 ABSENCE OF OFFICER TO WHOM POWERS HAVE BEEN DELEGATED

In the absence of a Director or other individual to whom powers have been delegated, those powers shall be exercised by that individual's superior unless the Board has approved alternative arrangements. If the Chief Executive is absent, powers delegated to him / her may be exercised by the Nurse/AHP Director and Chief Operating Officer as Deputy Chief Executive, or in whose absence, another Executive Director so designated.

2.7 SENIOR MANAGER ON CALL

When a senior manager is on call they may require to make decisions beyond their normal delegated authority. In such circumstances these decisions should be subsequently ratified at the earliest opportunity with the Chief Executive or appropriate Executive Director.

1.8 DETAILED SCHEME OF DELEGATION

The remainder of this Section of the Code of Corporate Governance comprises a detailed schedule of areas where powers are delegated to Committees, Sub-Committees, other groups, Executive Directors, and other individuals. An Index is overleaf.

DETAILED SCHEME OF DELEGATION
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DETAILED SCHEME OF DELEGATION

Delegated matters in respect of decisions that may have a far reaching effect must be reported to the Chief Executive. **The delegation shown below is the lowest level to which authority is delegated.** Delegation to lower levels is only permitted with written approval of the Chief Executive who will, before authorising such delegation, consult with other senior officers as appropriate. All items concerning finance must be carried out in accordance with Standing Financial Instructions and Standing Orders.

The tables below use the following abbreviations:

ACF	Area Clinical Forum	**HG&AC**	Healthcare Governance & Audit Committee
APF	Area Partnership Forum	**HODs**	Heads of Departments
A&RC	Audit & Risk Committee	**HoCC&PI**	Head of Communication, Claims and Patient Information
CBM	Corporate Business Manager	**FM**	Finance Manager
CE	Chief Executive	**HM**	Hospitals Manager
CO-IJB	Chief Officer - IJB	**MD**	Medical Director
CGC	Clinical Governance Committee	**NAD/COO**	Nurse/AHP Director & Chief Operating Officer
DoF	Director of Finance and Procurement	**OSDT**	Operational Service Delivery Team
DPH	Director of Public Health	**PH&WC**	Population Health & Wellbeing Committee
DoHR&WD	Director of Human Resources and Workforce Development	**SFI**	Standing Financial Instructions
FP&RC	Finance, Performance & Resource Committee	**SGC**	Staff Governance Committee
HoCG&PD	Head of Clinical Governance and Professional Development	**SGHSCD**	Scottish Government Health & Social Care Directorate

1.Corporate Governance

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
1.1	Preparation and maintenance of the Board's Single Code of Corporate Governance	DoF	CBM	N/A		SGHD	Per cyclical review agreed by the Board
1.2	Corporate Strategy	CE	N/A	N/A		SGHD	Strategy & Action Plan Annually to Board
1.3	Corporate Plan & Objectives	CE	N/A	N/A		SGHD	Annually to Board
1.4	Standing Orders & Scheme of Delegation	DoF	CBM	N/A		SGHD	Per cyclical review agreed by the Board
1.5	Standing Financial Instructions	DoF	Finance Manager			SFI	Per cyclical review agreed by the Board
1.6	Guidance on Standards of Business Conduct	CE	CBM			SGHD	Per cyclical review agreed by the Board
1.7.	Record of officers authorised to sign documents on behalf of the Board	DoF				SFI	
1.7.1	Commissioning services via SLAs with other Health Boards	NAD&COO / DoF			As per Annual Operational / Financial Plan		Annual Report to CMT & FP&RC

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
1.8	Extended Local Partnership Agreements and Joint Working Agreements with IJBI	CE	Chief Officer IJB	Within existing delegated budget	Approved virement limits apply where financial commitment is beyond existing delegated budgets.	SFI and Standing Orders	Quarterly to CMT & Board
1.9	Development and maintenance of Performance Management Framework	CE	N/AC& COO	N/A	N/A	HIS Clinical Governance and Risk Management – National Standards (2005	Annually to Board
1.9.1	Performance Management reporting & Monitoring arrangements	CE	DoF				
1.10	Losses and Special Payments All areas (see 14.28 Divisional Section for lower levels of delegation)	DoF	Principal Accountant	Up to £50,000	SGHD approval required	SFI CEL10 (2010) See section 14 – Finance	Annually to A&RC
		CE	Executive Directors	Up to £100,000	SGHD approval required.	SFI CEL10 (2010)	Annually to A&RC

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
					Beyond £100,000 NHS Board approval required		
1.11	Legal Claims All claims	CE	Communications / Claims Manager		SGHD approval required for all legal claims in excess of £250,000		Annually to A&RC
1.12	Performance Targets are identified, measured, monitored and achieved	CE	Executive Directors				Each formal Board Meeting
1.13	Deal with all legal matters of the Board and institute, defend or appeal any legal proceedings of the Board	CE	DoF				As and when required/arise to A&RC
1.14	Compliance with legislation in respect of patients' property	DoF	Principal Accountant		Subject to periodic audit	SFI Section 19	
1.15	Strategies for the prevention and detection of fraud	DoF	Principal Accountant			CEL (2013) 11	Annually to A&RC
1.16	Insurance Arrangements	DoF	Principal Accountant				

2. Relating to Standing Orders

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
2.1	Maintenance of Register of Board Member interests	CE	CBM	N/A			Annually to Board
2.2	Review remits, terms of reference, quorate and reporting arrangements of Committees and Sub-Committees	CE	DoF	N/A			Annually to Board
2.3	Execution of Documents on behalf of Scottish Ministers relating to property transactions	CE & DoF	N/A				Annually to Board
2.4	Issuing, receiving, opening tenders and post-tender negotiations	CE & DoF	General Mangers & Facilities Manager				
2.5	Nominating Officers to issue, receive, open tenders and undertake post tender negotiations.	CE	DoF		Up to a value of £250,000 within limits of previously approved Revenue and capital Budgets.		

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
2.6	Waiver of formal tender procedures where necessary and in accordance with SFI Section 13	CE	DoF		Report to HG&AC. Include in tender register		
2.7	Accepting tenders where the most economically advantageous tender is accepted	CE	DoF		Between £250,000 & Up to £500,000 including VAT		HG&AC
2.8	Arrangements for the management of land, buildings and other assets belonging to or leased by the Board	CE	Estates Manager				
2.9	Approve a listing of jobbing contracts every 3 years	DoF / NAH&COO	Estates Manager				

3. Clinical Governance

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
3.1	Clinical Governance Strategy	CE	MD	Within existing resources / allocations	General Managers are responsible for implementing and embedding the Strategy	HIS Clinical Governance and Risk Management – National Standards (2005)	Annually to CGC. Strategy & Action Plan annually to Board
3.2	Implementation, review and amendment of Clinical Effectiveness Strategy	NAD/COO	HoCGPD	Within existing resources / allocations		HIS Clinical Governance and Risk Management – National Standards (2005 The Healthcare Quality Strategy for NHS Scotland	NAD&COO; Annually to CGC. Strategy & Action Plan annually to Board
3.3	Approval of Research and Development Studies including associated clinical trials and indemnity agreements for commercial studies	MD	Head of Health Intelligence	N/A			As and when to CGC

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
3.4	Patient's Complaints Policy & Handling	CE	DoF	Within existing resources		HIS Clinical Governance and Risk Management – National Standards (2005	Annually to A&RC
3.4.1	Arrangements for monitoring and reporting of complaints	CE	DoF	Within existing resources		HIS Clinical Governance and Risk Management – National Standards (2005	Each FP&RC
3.5	Implementation of evidenced based policies(EBP) , standards, good practice guidelines	NAD& COO	HoCGPD	Within existing resources			Reported and approved at the Clinical Policies Group. Monthly

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
							report to CMT on approved policies
3.6	Guidelines on the safe use of Cytotoxic Chemotherapy	MD	Chief Pharmacist		Guidelines in accordance with Medicines Act 1968	CEL (2012) 30 Revised Guidance for the Safe Delivery of Systemic Anti-Cancer Therapy	As and when Alerts to OSDT for escalation
3.7	Safer Management of Controlled drugs	MD	Chief Pharmacist			CEL (2008) 7	

4. Staff Governance

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
4.1	Staff Governance Standards & action plans	DoHR&WD	Deputy	Within existing resources	Agreement with SGC		Each SGC meeting
4.2	HR Strategies and Policies • Freedom of Speech Policies and Procedures • Staff Welfare policies • Compliance with legislation • Recruitment and Retention Strategies & Policies • Learning and Development Strategy • Personal Performance Management system	DoHR&WD	Deputy	N/A	Consulted with HRF and agreement with APF	PIN guidelines	Each SGC meeting
4.3	Mandatory Training	DoHR&WD NAD&COO		N/A	Agreement with APF		Each SGC meeting
4.4	KSF and Executive Performance Framework	DoHR&WD	N/A	N/A		AfC terms & conditions Exec Perf Mgt circular	Each SGC meeting
4.5	Contracts of Employment	DoHR&WD	Deputy				By exception to CMT
		DoHR&WD	Deputy	N/A		Recruitment	

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
4.6	Systems for pre-employment checks and screening on recruitment					policy. SFI. QIS Clinical Governance & Risk Management standards	Annually part of the SGC Annual Report
4.6.1	Systems for registration checks Nurses & AHPs	NAD&COO	Senior Nurses, AHP heads	N/A			
4.6.2	Systems for registration checks • Doctors	MD	N/A	N/A			
4.7	Workforce Planning	DoHR&WD	Head of HR Deputy	N/A		CEL(2011)32 – revised workforce planning guidance	Annually to SGC / CMT / OSDT / APF / AHP AC / HRF / ACF / NMHAP Approved by CMT & then the Board
4.8	Communication with internal & external Stakeholders	CE	Communications / Claims Manager	Within delegated resources		Communication Strategy Media Handling Policy	CMT NHS Board Staff Governance Committee

5. Risk Management –

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
5.1	Risk Management Strategy Including: • Incident reporting • Safety Action Alerts • Patient Safety	NAD&COO	HoCGPD	N/A		NHS Western Isles Risk Management Strategy & Action Plan	Strategy & Action Plan Annually to the Board; Each A&RC
5.2	Corporate Risk Register Risk Appetite	CE	NAD/COO	N/A		NHS Western Isles Risk Management Strategy & Action Plan	Each meeting of the Board; each meeting of the A&RC & CMT
5.3 5.3.1	Risk management policies/procedures Child Protection	NAD&COO NAD&COO	HoCG&PD Child Protection Snr Nurse	Within allocated resources		CMO (2004)19 – Information sharing about children at risk: a guide to good practice Children and	As required to A&RC CGC

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
						Young People (Scotland) Act 2014	
5.3.2	Prescribing (doctors)	MD	N/A			HDL (2002)56 – Nurse prescribing: extension of nurse prescribing in NHSScotland: introduction of nurses prescribers' extended formulary	
5.3.3	Prescribing (nurses)	NAD&COO	HoSCG&PD				
5.3.4	Radiation	CE	Radiology Manager			IR(ME)R	
5.4	Healthcare Associated Infection	CE	NAD/COO	N/A		HEAT	
5.4.1	Compliance and adherence to national guidance and standards in healthcare acquired infection	NAD&COO	Head of Infection Prevention & Control,	N/A		HDL (2001)10 HDL (2001)53 HDL (2005)8 HDL (2005)7	infection control report to CGC

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
5.4.2 5.4.3 5.4.4	Decontamination Cleaning Infection control programmes, with clearly identified targets that can be reported on.		Decontamination and cleaning services			HIS 'Healthcare Associated Infection (HAI). Infection Control 2008 SGHD (2004) The NHSScotland Code of Practice for the Local Management of Hygiene and Healthcare Associated Infection HIS 'National Progress Report: Healthcare Associated	To each Board meeting, CMT & OSDT Infection Control Committee reports to the Corporate Management Team. Each meeting of the Board

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
						Infection (HAI). Infection Control in NHS Scotland 2004	

6. **Health and Safety**

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
6.1	Ensure NHS Western Isles complies with Health and Safety legislations				Responsible to Health & Safety Committee	Health and Safety at work Act	Each Health and Safety Committee
6.1.1	Systems for monitoring Health & Safety Including: ▪ RIDDOR ▪ Slips, trips and falls ▪ DATIX	NAD&COO	Health & Safety Manager	N/A	Hospitals Manager & Chief Officer of IJB responsible to NAD&COO for implementation	1974	Annual report to the Board

7 Patient Focus Public Involvement / Diversity & Equality / Spiritual Care –

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
7.1	Planning with People	NAD&COO	PFPI	No designated budget within allocation		HIS Clinical Governance and Risk Management standards	Annually to HG&AC Strategy & Action Plan annually to Board
7.2 7.2.1 7.2.2	Diversity & Equality Strategy Equality and diversity impact assess new and existing services Develop systems to identify, assess and respond to the needs of groups and individuals within the population, who have particular needs or preferences	NAD&COO	Lead Chaplain	No designated budget within allocation		HIS Clinical Governance and Risk Management standards Equality Act 2010	Annually to HG&AC and Strategy & Action Plan annually to Board
7.3 7.3.1	Policies/procedures relating to PFPI & Diversity & Equality Advocacy Strategy & Policy	NAD/COO	N/A			HIS Clinical Governance and Risk Management standards	Annually to HG&AC and PFPI Committee Strategy & Action Plan annually to Board
7.32	Volunteering Policy	DoHR&WD	Deputy				

8 Public Health –

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
8.1 8.1.1 8.1.2 8.1.3	Communicable disease control process- Surveillance Investigation Control & prevention of outbreaks	DPH	Health Protection Nurse Specialist	Within existing resources		DPH Annual Report	DPH annual report to PH&WC or CGC and Board
8.2	National Immunisation programmes	DPH	Health Protection Nurse Specialist	Within existing resources	Key leads: Occupational Health department, Winter Planning team and hospital pharmacist.	DPH Annual report Vaccination biennial report	DPH annual report to CGC and Board
8.3	Population registers & screening programmes including: Cervical screening Breast screening Neonatal screening Audiology screening	DPH	Health Protection Nurse	Within existing resources		QIS standards	DPH annual report to CGC and Board Diabetes MCN annual report to CGC and Board HIS action plans

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
	Diabetes retinopathy screening						annually to CGC (submitted to national leads)
8.4	Delivering programmes of Health Informatics and Health Intelligence in respect to local health needs	DPH	Head of Public Health Intelligence and Information	Within existing resources		Director of Public Health Report	Annual report to CMT & Board

9. Health Planning

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
9.1	Operational Delivery Plan	CE	NAD&COO			SGHD	Annually to Board

10. Access, Transfer, Referral and Discharge –

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
10.1 10.1.1 10.1.2 10.1.3	Waiting Times Cancer Out-Patients In-patients	NAD/COO	 Hospitals Manager	Within budget allocation		HDL (2007) 09 HDL NO 54 30/10/03 HEAT Patient Access Policy	Ass COO monthly to OSDT – by exception to CMT ND/MD; to each CGC and Board
10.2	Delayed Discharges	COIJB		Within allocated budget		MEL (2000)7 HEAT	OSDT & CMT monthly Quarterly census to FP&RC
10.3	Public Information on access to services	CE	Hospitals Manager			NHS Western Isles Access Policy	

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
10.4	Referral and discharge policy and guidelines.	NAD/COO	GP Pathways Lead			HIS Clinical Governance and Risk Management standards	CMT & CGC
10.5	Patient Informed Consent policy	MD	HoCGPD			HIS Clinical Governance and Risk Management standards	As and when to CMT & CGC
10.6	Procedures for patients who wish to appeal against clinical decisions on their continuing healthcare	CE	NAD/COO	N/A		DL(2015)11	As and when to CMT & CGC

11 Health Promotion –

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
11.1	Health Education & Health Promotion Strategies	DPH	Head of Health Improvement				Annual report & action plan to Board
11.2	Public Health Information Dissemination	DPH	Head of Public Health Intelligence & Health Information			Public Health website	Annual report to Board

12 Information Governance

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
12.1 12.1.1 12.1.2 12.1.3 12.1.4	Responsibility for Information Management Systems and facilities IM&T Strategy Confidentiality policy Information security policy Network security policy	CE	DoPH Head of IT Information Governanc e Manager			Information Governance Policy	eHealth Programme Board Strategy & Action Plan annually to Board Information Governance Steering Group CMT
12.2	Clinical responsibility for IM&T strategy	MD	Head of IT			Information Governance Policy	eHealth Programme Board
12.3	Caldicott Guardian	DoPH	MD	N/A		Information Governance Strategy	Corporate Management Team FP&RC

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
12.4	Information Governance ▪ Data protection ▪ IT Security Freedom of Information	CE	Information Governance Manager			Information Governance Policy Data Protection Act 1998 Freedom of Information (Scotland) Act 2002 General Data Protection Regulation	Annual report to Board Information Governance Steering Group Corporate Management Team monthly
12.5	Communication Strategy Media Handling Policy	CE	HoCC&PI	N/A			Annually to FP&RC, SGC and CMT. Strategy & Action Plan annually to Board

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
12.6	Procedures which will allocate the implementation of all relevant new legislation, regulations, Health Department circulars, good practice and case law	CE	Executive Directors				As and when to FP&RC.
12.6.1	Monitor the actions that have been taken in response to legal and regulatory requirements	CE	Executive Directors				As and when to FR&RC

13 Emergency and Continuity Planning

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
13.1	Emergency Planning	CE	Resilience Officer	Within overall revenue allocation		Public Health & Clinical Governance Accountability Framework QIS Clinical Governance and Risk Management standards	Annually to CMT and Board Each EPPHICG
13.1.1	Major Incident Plan	CE	Resilience Officer	Within overall revenue allocation		QIS Clinical Governance and Risk Management standards Public Health & Clinical Governance Accountability Framework	Annually to CMT, FP&RC and Board Each EPPHICG

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
						Major Incident Plan Lewis & Harris Major Incident Plan Southern Isles MIPSI	
13.2	Pandemic Influenza Plan	DPH	Health Protection Nurse Specialist	Within overall revenue allocation	Operational Managers implement with advice / support / guidance from EPBCF	SGHD requirements	As required to Emergency Planning & Public Health Incident Co-Coordinating Group Report to CMT as required & Board

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
13.3	Winter Planning	NAD/COO	Chief Officer IJB	Within overall revenue allocation	Operational Managers implement with advice / support / guidance from EPBCF	SGHD	Annually to CMT & Board Annual report to FP&RC
13.4	Business Continuity Plans	Executive Directors	Head of Services			QIS Clinical Governance and Risk Management standards	Each EPPHICG Annually to CMT & Board

14 Financial Governance

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
14.1	Systems for funding decisions and business planning	DoF	Finance Manager	N/A	In accordance with SFI	SFI	
14.2	Preparation of Governance Statement	DoF	Finance Manager	N/A		HDL(2002) 11	Annually to Board & A&RC
14.3	Annual accounts signatories	CE, DoF & Chair	N/A	N/A	The NHS Board Accounts Manual for Directors' Report and Accounts of NHS Boards and for Scottish Financial Returns		
14.4	Audit Certificate	Board's appointed external auditors	N/A	N/A	The NHS Board Accounts Manual for Directors' Report and Accounts of NHS Boards and for Scottish Financial Returns		

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
14.5	Preparation of Annual Revenue Plans and longer term plans for inclusion in Annual Operation Plan (AOP)	DoF	Finance Manager	NHS Board Revenue Resource Limit	Approval required by NHS Board	Scottish Governme nt guidance for AOP produced annually	
14.6 14.6.1 14.6.2 14.6.3	Financial Monitoring Systems Systems of internal control, including systems of financial, operational and compliance controls and risk management Accounting records Timeous financial statements that give a true and fair view of the financial position of the Board	DoF	Finance Manager	N/A	Systems of Internal Control are tested through the Internal Audit Programme Retention of Records Guidance – The National Archives Records Management Retention scheduling		Internal Audit Reports are presented to each meeting of the A&RC Monthly to CMT , Board and to each A&RC Meeting

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
14.7	Preparation of Capital Plan	DoF	Finance Manager	NHS Board Capital Resource Limit	Approval required by NHS Board		
14.8	Budget setting	DoF	Finance Manager	As per Financial Plan	Limit as per Financial Plan		
14.9	Delegation of Budgets	C.E	DoF	As per Financial Plan	Limit as per Financial Plan		
14.10	Financial Systems and Operating Procedures	DoF	Finance Manager	N/A			
14.11	Authority to commit expenditure for which no provision has been made in approved plans/budgets	CE or DoF	DoF & Executive Directors	Up to £500,000	Board approval required above £500,000	Report to FP&RC	
14.12	Maintenance and operation of Bank Accounts	DoF	Finance Manager	N/A	Government Banking Service operated by HMRC		
14.13	Virement of Budget between approved operational budgets for items where no provision has been made in approved plans including transfers from	CE	DoF	Up to £1,500,000 . Above £1,500,000		Above £500k report to FP&RC	

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
	reserves and balances			approval required by NHS Board			
14.14	Virement of individual items provided that approval can be funded within the Board's overall Revenue and Capital Budgets	CE	DoF	Up to £500,000	Revenue Resource Limit / Capital Resource Limit		
14.15	Management of Contingencies: Allocation of general contingency budgets to operational budgets to mitigate the effect of unforeseen cost pressures	CE	DoF	To value of contingency budget			
14.16	Management of Contingencies: Allocation of specific contingency budgets to operational budgets to fund anticipated expenditure e.g. pay awards	DoF	Finance Manager	To value of specific contingency budget			
14.17	Management of Capital Programme.	CE	DoF	Allowing variation costs between 10% or £100,000	Capital Resource Limit		

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
				whichever is higher. Within framework approved by NHS Board.			
14.17.1	Delegated procurement limits						
	Approval Level 1	All Budget Holders		Under £1,000			
	Approval Level 2	Budget Holders on approval of Exec Director / Hospitals Manager / Chief Officer IJB/ CADO or GM		Between £1,000 - £4,999.99			
	Approval Level 3	Procurement and other budget holders as approved by the Director		Between £5,000 – 19,999.99			

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
		of Finance					
	Approval Level 4	Executive Director / Hospitals Manager / Chief Officer IJB/ CADO/GM/ DoF		Between £20,000-£49,999.99			
	Approval Level 5	C.E / MD/NAD/COO, DoF		Between £50,000 - £99,999.99			
	Approval Level 6	C.E / MD / NAD/COO/DoF		Over £99,999.99			
14.18	Management of non-exchequer funds	DoF	Finance Manager		NHS Endowment Funds – report and recommendations on governance and best practice Dec 2013		
14.19	Management and control of stocks	DoF	Finance Manager				
14.20	Management and control of debtors	DoF	Finance Manager				

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
14.21	Condemnations, Losses and Special Payments				Subject to compliance with CEL (10) 2010		
14.21.1	Compensation Payments - ex gratia Up to £5,000 Over £5,000	 CE or DoF CE and DoF	 N/A N/A	 <£5,000 >£5,000			
14.21.2	Other ex-gratia payments – other payments – Up to £2,500 – Over £2,500	 CE or DoF CE and DoF	 N/A N/A	 <£2,500 >£2,500			
14.21.3	Stores/stock losses due to theft, fraud, arson, incidents of the service, disclosed at physical check – Less than £10,000 – Over £10,000	 CE or DoF CE **&** DoF or Other Director	 N/A N/A	 <£10,000 >£10,000			

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
14.21.4	Stores/stock losses due to causes not mentioned above – Less than £20,000 – Over £20,000	 CE or DoF CE **&** DoF or Other Director	 N/A N/A	 <£20,000 >£20,000			
14.21.5	Abandoned Claims – Up to £5,000 – Over £5,000	 CE or DoF CE **&** DoF or Other Director	 N/A N/A	 <£5,000 >£5,000			
14.21.6	Damage to buildings – Up to £20,000 – Over £20,000	 CE or DoF CE **&** DoF or Other Director	 N/A N/A	 <£20,000 >£20,000			

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
14.22	Condemnation & Disposal of property (excluding heritable property) items obsolete, obsolescent, redundant, irreparable or cannot be repaired cost effectively. Items declared surplus to NHS Board requirements: – Where sale is below £150,000	CE or DoF	Finance Manager	<£150,000	Subject to declaration of property as surplus		
	– Where sale is above £150,000	CE and DoF	Finance Manager & an Executive Director	>£150,000			
14.26	Management of Capital Budgets. Responsibility for keeping expenditure within budgets ▪ At individual budget level	Nominated budget-holder	Named deputies	Budget notified	List to be maintained by Capital Accountant. Subject to confirmation of Capital resource		Monitoring reports from Capital Accountant to Corporate Management Team

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
	▪ OSDT	NAD/COO	Named deputies	Budget notified	availability.		
	▪ Contingencies	DoF	Finance Manager	<£100,000			

15 Management of Budgets

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
15.1 15.1.1	Revenue Budgets At individual budget level (pay and non-pay)	Nominated budget holder	Named Deputies	Budget notified	Responsibility for keeping expenditure within budgets	Job descriptions; SFI	HoDs: Monthly reports to General Managers. General Managers: report to ND, CEO, DoF DoF: Monthly report to CMT & Board
15.1.2	At service level	Hospitals Manager / Chief Officer IJB/General Managers	Named Deputies	Budget notified	Responsibility for keeping expenditure within budgets		
15.1.3	For contingencies	DoF	Finance Manager	N/A			
15.1.4	Virement of budget within Division	Hospitals Manager / Chief Officer IJB/General Managers DoF	Named Deputies Finance Manager	<£50,000 per event <£100,000 per event	Responsibility for keeping expenditure within budgets		
15.1.5	Virement of Budget between Divisions/IJB	CE	DoF	<£500,000	Above £500,000 requires Board approval required		

16 Family Practitioner Services –

Delegated Matter/Principal Functions		Delegated to	Authorised Deputy	Financial value	Limitations / Comments	Reference Documents	Reporting
16.1	Preparation and Agreement of GMS Contracts	MD	Chief Officer IJB	Within overall budget in Financial Plan			Annually to CMT
16.2	Monitoring of approved Contracts	MD	Chief Officer IJB	Within overall budget in Financial Plan			Annually to CMT By exception HG&AC

17 Clinical Governance Committee

	Committee/Group	Scope	Limitations / Comments	Reference Documents	Reporting
17.1	**Clinical Governance Committee**	▪ Refer to Section 4 Terms of Reference			
17.2	**OSDT – Clinical Governance Operational Committee**	Co-ordinates the clinical effectiveness work of the Board and covers all aspects of safe and effective care by: ▪ Ensuring appropriate and effective clinical governance systems are in place and working effectively. Being responsible for the implementation and delivery of governance systems and processes ▪ Commissioning and reviewing operational governance plans ▪ Delivering tangible improvements to patient care/experience ▪ Acting as a conduit for communication between clinical services and the	There are five working groups which report into this Committee comprising: • Patient Safety • Uist & Barra Patient Safety Forum • Maternity (risk & Safety) • Learning Review Group • Critical Care & Resuscitation	Terms of reference	Quarterly reports to CGC Reporting agenda agreed by CGC Chairperson. Annual work plan and yearend report submitted to CGC

Committee/Group		Scope	Limitations / Comments	Reference Documents	Reporting
		Corporate Management Team in relation to safe and effective care. ▪ Providing a link between the Corporate Management Team and the Clinical Governance Committee in relation to safe and effective care The role of the OSDT includes the following areas of responsibility: **Risk** Respond and review incidents, and trends and direct work in relation to: ▪ Policy, protocol development ▪ Identifying education/training packages in order to reduce the risk identified. The necessary development will be decided by SECC and directed to the local area for			

Committee/Group		Scope	Limitations / Comments	Reference Documents	Reporting
		development. ▪ Complaints where changes to practice, service design may be indicated / required.			
17.3	**Clinical Policies Group**	**Policies The role of the Policies Group is to e**nsure policy development is evidence based by: ▪ Directing the development of policies and protocols throughout the organisation in response to risks, national and local priorities. ▪ Ensuring policies are reviewed timeously ▪ Ensuring the process of policy development takes cognizance of national legislation/guidance, such as Diversity and Equality, PFPI, partnership principles.			

18 Advisory Committees

	Committee/Group	Scope	Limitations / Comments	Reference Documents	Reporting
18.1	**Area Clinical Forum (ACF)**	Review the business of the Area Professional Committees to ensure a coordinated approach on clinical matters among the different professions and within the component parts of NHS Western Isles Promote work on service design, redesign and development priorities and play an active role in advising NHS Western Isles on proposals for service improvement Sharing best practice among the different professions and actively promoting multi-disciplinary working Engage widely with local clinicians and other professionals, with a view to encouraging broader participation in the work of the	At the request of the Board the ACF may also be called upon to perform one or more of the following functions: ▪ To consider and progress specific issues requiring clinical input on behalf of NHS Western Isles, ensuring that decisions and recommendations are informed by evidence, best practice, and clinical governance principles, and to propose appropriate actions for resolution. ▪ Advise NHS Western Isles on specific proposals to improve the integration of services, both within NHS Western Isles and across health and social care.	CEL (2010) 16 – Area Clinical Forum	Annual report to the Board.

	Committee/Group	Scope	Limitations / Comments	Reference Documents	Reporting
		ACF Provide NHS Western Isles with a clinical perspective on the development of NHS Western Isles' strategic objectives.	▪ Provide a source of clinical advice in addition to and separate from that which arises from the principle clinical advisors.		
18.2	**Area Nursing & Midwifery Committee** **Area Medical Committee** **Area Dental Committee** **AHP Committee** **Area Pharmaceutical Committee**	To co-ordinate and formulate advice from the various clinical professions to the Board via the ACF on matters of broad health care and in particular strategic issues.	Sub committees of ACF	CEL (2010) 16	Chairs of advisory committees report to each meeting of the ACF.
18.3	**Infection, Prevention and Control Committee**	NAD/COO	In line with Terms of Reference and provide information to the Board on compliance reviews.		

Section
F

Delegation of Powers for Appointment of Staff

Guidance on how certain specific categories of staff are appointed



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1. USE OF POWERS

1.1 The powers delegated are to be exercised in accordance with procedures or guidance issued by the Scottish Government Health & Social Care Directorates or approved by the Board.

1.2 Procedures governing the appointment of Consultants and other medical and dental grades are contained in Statutory Instruments issued by Scottish Ministers. Specialist Registrars are prescribed by Regulation and Direction. Within the prescribed procedures, NHS Western Isles Board has determined the composition of the Advisory Appointments Committee in respect of Consultants.

1.3 Appointments will be made within the delegated budgetary authority and responsibility in accordance with Standing Financial Instructions. Scheme of Delegation for appointment of staff will specify appointing officers, and, where necessary, the composition of appointment panel.

2. APPOINTMENT OF STAFF

2.1 Canvassing support from Appointing Officers or Members of the Appointment Panel directly or indirectly for any appointment shall disqualify the candidate for such appointment.

2.2 A Member of the Board shall not solicit for any person any appointment under the Board or recommend any person for any such appointment. This, however, should not preclude any Member not involved in the selection and appointment process from giving a reference of a candidate's suitability, experience or character for submission to the Board.

2.3 Every Member of the Board shall disclose to the Board any known relationship to a candidate for an appointment with the Board. It shall be the duty of the Chief Executive to report to the Board any such disclosure made.

2.4 It shall be the duty of the Appointing Officer to disclose to his or her Line Manager any known relationship to a candidate for an appointment for which he or she is responsible.

2.5 Where the relationship of a candidate for appointment to a Member of the Board is disclosed, that Member must play no part in the appointment process.

2.6 Two persons shall be deemed to be related if they are husband and wife, or partners or if either of the two, or the spouse or partner of either of them is the son or grandson, daughter or granddaughter, or brother or sister, or nephew or niece, of the other, or of the spouse or partner of the other.

2.7 The delegated authority to appoint staff is shown in the table below.

Post	To Be Appointed By
• Chief Executive • Director Level Posts (other than Director of Public Health, Medical Director, and Consultant posts)	An NHS Western Isles Appointments Committee convened in accordance with paragraphs 3.2 or 3.3 below, as appropriate.
• Director of Public Health • Medical Director • Consultant Posts	An NHS Western Isles Appointments Committee convened in accordance with paragraphs 3.4 to 3.8 below.
Executive Grade Posts	Chief Executive
Other Staff	Appropriate Head of Service

3. AUTHORITY TO APPOINT

3.1 The Board shall determine the precise composition of the Appointments Committee at the beginning of the appointment process. The principles to be observed for specific appointments are shown below.

3.2 **Chief Executive**

The Appointments Committee shall consist of

- Up to 4 Non-Executive Members including the Chairperson of NHS Western Isles, who shall chair the Appointments Committee; and
- Up to two external assessors, one of whom shall be a representative of the Scottish Government Health Directorates. The other external assessor shall hold the position of Chief Executive in either another NHS body or shall be the Chief Executive of the Local Authority.

3.3 **Posts at Director Board Level**

The Appointments Committee shall consist of:

- Chairperson of NHS Western Isles;
- Up to one Non-Executive NHS Board Members;
- Chief Executive; and
- One external assessor, who shall be a representative of the Scottish Government Health Directorates.
- Director of Human Resources and Workforce Development

3.4 **Director of Public Health and Medical Director**

The Director of Public Health will require an additional external assessor from the faculty of Public Health.

3.5 **Disciplinary Procedures**

The Disciplinary Procedures regarding the Board staff are contained in the Employee Conduct Policy. In the case of Executive Members and other Directors, such procedures shall be a matter for panels convened on behalf of the Board.

It is delegated to Chief Executive/Nominated Director, as appropriate, to apply the terms of the Board's Employee Conduct Policy.

Section
G

Standing Financial Instructions

The key principles adopted to ensure robust financial control



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1. INTRODUCTION

Regulation 4 of the National Health Service (Financial Provisions) Scotland) Regulations, 1974

Background

1.1 These Standing Financial Instructions (SFIs) are issued for the regulation of the conduct of the Western Isles Health Board (The Board) its directors, officers and agendas in relation to all financial matters. The SFIs are issued in accordance with the financial directions issued by the Scottish Government Health & Social Care Directorates under the provisions contained in the Regulation 4 of the NHS (Financial Provisions) (Scotland) Regulations, 1974 together with the subsequent guidance and requirements contained in NHS Circular No. 1974 (GEN) 88 and Annex, and NHS Circular MEL (1994) 80. Their purpose is to provide a sound basis for the control of the financial affairs of NHS Western Isles and shall have the effect as if incorporated in the Standing Orders of The Board.

1.2 The Chief Executive as Accountable Officer is ultimately responsible for ensuring that the Board meets its obligations to perform its functions within the allocated financial resources. The Director of Finance and Procurement is responsible for providing a sound framework of financial control that assists the Chief Executive in fulfilling these commitments.

1.3 The purpose of a scheme of financial control is to:

- Ensure that NHS Western Isles acts within the law and that financial transactions are in accordance with the appropriate authority;
- Ensure that proper accounting records, which are accurate and complete, are maintained;
- Ensure that financial statements which give a true and fair view of the financial position of NHS Western Isles and its expenditure and income are prepared timeously;
- Protect NHS Western Isles against the risk of fraud and irregularity;
- Safeguard the assets of NHS Western Isles;
- Ensure that proper standards of financial conduct are maintained;
- Enable the provision of appropriate management information;

- Ensure that NHS Western Isles seeks best value from its resources by making proper arrangements to pursue continuous improvement having regard to economy, efficiency and effectiveness in the operations of NHS Western Isles;
- Ensure that any delegation of responsibility is accompanied by clear lines of control and accountability, together with reporting arrangements.

1.4 NHS Western Isles shall exercise financial supervision and control by:

- formulating the financial strategy
- requiring the submission and approval of financial plans and budgets within approved allocations/overall income:
- defining and approving essential features of financial arrangements in respect of important procedures and financial systems (including the need to obtain value for money);
- defining specific responsibilities placed on directors and officers as indicated in the Scheme of Delegation document.

Financial supervision and control will be managed within the financial resources made available to it, both directly and also through the Care Act 2014.

1.5 The SFIs identify the financial responsibilities which apply to everyone working for the Board and its constituent organisations. They do not provide detailed procedural advice. These statements should therefore be read in conjunction with the detailed departmental and financial operating procedure notes. All financial procedures must be approved by the Director of Finance and Procurement

1.6 These SFIs relate to Exchequer funds only – separate SFIs exist for Endowment funds.

1.7 Should any difficulties arise regarding the interpretation or application of any of the SFIs then the advice of the Director of Finance and Procurement must be sought before you act.

Wherever the title Chief Executive, Director of Finance and Procurement, or other nominated officer issued in these instructions, it shall be deemed to include anyone who has been authorised to represent them.

All budget holders shall be provided with a summary of these SFIs with instructions as to where the full version can be located. Budget holders are

expected to comply with the SFIs whilst discharging their responsibilities and to ensure that employees in their area of responsibility are aware of the SFIs, and how the SFIs affect the conduct of their duties.

It is anticipated that for the limited purpose of delivering the relevant and agreed joint working arrangements, such Local Authority Employees will be required to comply with certain relevant Board policies, including these SFIs. Local management will identify such policies.

To achieve the above, ***all*** employees must observe these SFIs and the above principles.

For budget holders and their staff, this will mean: -

- Agreeing their budget and performing their duties strictly within that budget.
- Following all of the Board's approved policies and procedures.
- Acting within their levels of delegated authority.

Compliance

1.8 The Director of Finance and Procurement is responsible for assisting the Chief Executive as Accountable Officer and therefore has ultimate responsibility for ensuring that SFI's are in place, up to date and observed in NHS Western Isles. The responsibilities of the Director of Finance and Procurement specified in the SFI's may be carried out by such other senior finance officers as he or she might specify.

1.9 Members, officers and agents of NHS Western Isles, including, but not limited to, Local Authority employees who are employed and working in Health and Social Care Partnership, shall observe these Standing Financial Instructions.

1.10 It is the responsibility of the Chief Executive to ensure that all existing staff and all new employees and agents are notified of their responsibilities under these SFIs. Executive Directors shall be responsible for ensuring that the Standing Financial Instructions are made known and disseminated within the services for which they are responsible and shall ensure that they are adhered to.

1.11 Failure to comply with these SFIs shall be a disciplinary matter.

1.12 Where these SFI's place a duty upon any person, this may be delegated to another person, subject to the Scheme of Delegation contained elsewhere within this Code of Corporate Governance.

1.13 Nothing in these SFI's shall be held to override any legal requirement or Ministerial Direction placed upon NHS Western Isles, its Members or officers.

1.14 Should any difficulty arise regarding the interpretation or application of any of the SFIs then the advice of the Director of Finance and Procurement must be sought.

2.1 RESPONSIBILITIES OF THE CHIEF EXECUTIVE AS THE ACCOUNTABLE OFFICER

2.1.1 Under the terms of Sections 14 and 15 of the Public Finance and Accountability (Scotland) Act 2000, the Principal Accountable Officer for the Scottish Government has designated the Chief Executive of NHS Western Isles as Accountable Officer.

2.1.2 Accountable Officers must comply with the terms of the **Memorandum to National Health Service Accountable Officers**, and any updates issued to them by the Principal Accountable Officer for the Scottish Government. The Memorandum was updated in April 2006.

General Responsibilities

2.1.3 The Accountable Officer is personally answerable to the Scottish Parliament for the propriety and regularity of the public finances for NHS Western Isles including functions delegated and resources provided by Western Isles Health Board to the Integration Joint Board

2.1.4 The Accountable Officer must ensure that NHS Western Isles takes account of all relevant financial considerations, including any issues of propriety, regularity or value for money, in considering policy proposals relating to expenditure, or income.

2.1.5 It is incumbent upon the Accountable Officer to combine his or her duties as Accountable Officer with their duty to NHS Western Isles and to whom he or she is responsible, and from whom they derive his or her authority. NHS Western Isles is in turn responsible to the Scottish Parliament in respect of its policies, actions and conduct.

2.1.6 The Accountable Officer has a personal duty of signing the Annual Accounts of NHS Western Isles. Consequently, he or she may also have the further duty of being a witness before the Public Audit Committee of the Scottish Parliament and be expected to deal with questions arising from the Annual Accounts or, more commonly, from reports made to Parliament by the Auditor General for Scotland.

2.1.7 The Accountable Officer must ensure that any arrangements for delegation promote good management, and that he or she is supported by the necessary staff with an appropriate balance of skills. This requires careful selection and development of staff and the sufficient provision of special skills and services. He or she must ensure that staff are as conscientious in their approach to costs not borne directly by their component organisation (such as costs incurred by other public bodies), or financing costs, e.g. relating to bank and cash flow as they would be, were such costs directly borne.

Specific Responsibilities

2.1.8 The Chief Executive, Accountable Officer:

- Must ensure that from the outset proper financial systems are in place and applied, and that procedures and controls are reviewed from time to time to ensure their continuing relevance and reliability, especially at times of major changes;

- Must ensure that the Board's financial obligations and targets are met.

- Shall be responsible for the implementation of the Boards financial policies and for co-ordinating any corrective action necessary to further these policies. In fulfilling this responsibility, the Chief Executive shall take account of advice given by the Director of Finance and Procurement on all such matters. The Director of Finance and Procurement shall be accountable to the Board for this advice.

- Shall ensure that procedures are followed by incorporating the principles of separation of duties and internal check and that accounting records are maintained in a form suited to the requirements of the relevant Accounting Manual, as well as in the form prescribed for published Annual Accounts;

- Sign the Annual Accounts assigned to him or her, and in doing so accept personal responsibility for ensuring that they are prepared under the principles and in the format directed by Scottish Ministers;

- Ensure that the public funds for which he or she is responsible are properly managed and safeguarded, with independent and effective checks of cash balances in the hands of any official;

- Ensure that the assets for which he or she is responsible, such as land, buildings or other property, including stores and equipment, are controlled and safeguarded with similar care, and with checks as appropriate;

- Ensure that, in the consideration of policy proposals relating to expenditure, or income, for which he or she has responsibilities as Accountable Officer, all relevant financial considerations, including any issues of propriety, regularity or value for money, are taken into account, and where necessary brought to the attention of the Board;

- Ensure that any delegation of authority is accompanied by clear lines of control and accountability, together with reporting arrangements. Clarity is critical for delegated functions and resources provided to the Integration Joint Board (IJB) and the accountability of the Chief Officer. The Boards Code of Corporate Governance provides the required clarity.

- Ensure that effective management systems appropriate for the achievement of the Board's objectives, including financial monitoring and control, have been put in place;

- Ensure that risks, whether to achievement of safety and effective business objectives, regularity, propriety, or value for money, are identified, that their significance is assessed and that systems appropriate to the risks are in place in all areas to manage them;

- Ensure that best value from resources is sought, by making proper arrangements to pursue continuous improvement having regard to economy, efficiency and effectiveness, and in a manner which encourages the observance of equal opportunities requirements;

- Ensure that managers at all levels have a clear view of their objectives, and the means to assess and measure outputs or performance in relation to those objectives;

- Ensure managers at all levels are assigned well-defined responsibilities for making the best use of resources (both those assumed by their own commands and any made available to organisations or individuals outside NHS Western Isles) including a critical scrutiny of output and value for money; and

- Ensure that managers at all levels have the information (particularly about costs), training and access to the expert advice which they need to exercise their responsibilities effectively.

Regularity and Propriety of Expenditure

2.1.9 The Accountable Officer has a particular responsibility for ensuring compliance with Parliamentary requirements in the control of expenditure. A fundamental requirement is that funds should be applied only to the extent and for the purposes authorised by Parliament in Budget Acts (or otherwise authorised by Section 65 of the Scotland Act 1998). Parliament's attention must be drawn to losses or special payments by appropriate notation in the Board's Annual Accounts. In the case of expenditure approved under the Budget Act, any payments made must be within the scope and amount specified in that Act.

2.1.10 All actions must be able to stand the test of parliamentary scrutiny, public judgements on propriety, and professional codes of conduct. Care must be taken to avoid actual, potential, or perceived conflicts of interest when employing management consultants and their staff.

Advice to NHS Western Isles

2.1.11 The Accountable Officer has a duty to ensure that appropriate advice is provided to the Board on all matters of financial propriety and regularity, and more broadly, on all considerations of prudent and economical administration, efficiency and effectiveness.

2.1.12 If the Accountable Officer considers that, despite his or her advice to the contrary, the Board is contemplating a course of action which he or she considers would infringe the requirements of regularity or propriety, and that he or she would be required to take action that is inconsistent with the proper performance of his or her duties as Accountable Officer, he or she should, if possible, inform the Scottish Government Health and Social Care Directorates' Accountable Officer, so that the Officer, if they considers it appropriate, can intervene and inform Scottish Ministers. If this is not possible, the Board's Accountable Officer should set out in writing his or her objection to the proposal and the reasons for the objection. If their advice is overruled and the Accountable Officer does not feel that he or she would be able to defend the proposal to the Audit and Risk Committee of the Scottish Parliament, as representing value for money, he or she should obtain written instructions from the Board and send a copy of his or her request for such instruction and of the instruction itself as soon as possible to the External Auditor and the Auditor General for Scotland.

2.1.13 The Accountable Officer must ensure that his or her responsibilities as Accountable Officer do not conflict with those as a Board member. He or she should vote against any action that they cannot endorse as Accountable Officer, and in the absence of a vote, ensure that his opposition as a Board member, as well as Accountable Officer, is clearly recorded.

2.1.14 It is the duty of the Chief Executive to ensure that Executive Directors and employees and all new appointees are notified of and understand their responsibility within SFI's.

Absence of the Accountable Officer

2.1.15 The Accountable Officer should ensure that he or she is generally available to be consulted, and that in any temporary period of unavailability due to illness or other cause, or during the normal period of annual leave, as authorised by the Chair, a senior officer, the Deputy Chief Executive, is identified to act on his or her behalf if required.

2.1.16 In the event that the Accountable Officer would be unable to discharge their responsibilities for a period of four weeks or more, NHS Western Isles will notify the Director General of NHSScotland, Scottish Government, in order that an Accountable Officer can be appointed pending his or her return.

2.1.17 Where an Accountable Officer is unable by reason of incapacity or absence to sign the Annual Accounts in time for them to be submitted to the Auditor General, the Board may submit unsigned copies pending the return of the Accountable Officer.

2.2 RESPONSIBILITIES OF THE DIRECTOR OF FINANCE AND PROCUREMENT

The Director of Finance and Procurement is responsible for:

- Provision of financial advice to the Board and its employees;
- Implementing the Board's financial policies and for coordinating any corrective action necessary to further those policies:
- Ensuring that sufficient records are maintained to show and explain the Board's transactions, in order to disclose, with reasonable accuracy, the financial position of the Board at any time.
- The design, implementation and supervision of systems of internal financial control incorporating the principles of separation of duties and internal checks;
- The preparation of maintenance of such accounts, certificates, estimates, records and reports as the Board may require for the purpose of carrying out its statutory duties and responsibilities;
- Setting accounting policies consistent with Scottish Government and guidance and generally accepted accounting practice;
- The Director of Finance and Procurement, on behalf of the Chief Executive, shall be responsible for supervising the implementation of the Board's Standing Financial Instructions, on behalf of the Chief Executive, and Financial Operating Procedures and for coordinating any action necessary to further these as agreed by the Chief Executive. The Director of Finance and Procurement shall review these annually and be accountable to the Board for these duties.

2.3 RESPONSIBILITIES OF ALL DIRECTORS AND EMPLOYEES, INCLUDING LOCAL AUTHORITY EMPLOYEES ASSOCIATED WITH THE WORK OF THE BOARD

All directors and employees, and Local Authority employees, of the Board, severally and collectively, are responsible for:

- Security of the Board's property;
- Avoiding loss;
- Exercising economy and efficiency in the use of NHS Western Isles resources;
- Complying with the requirements of Standing Orders, Standing Financial Instructions, Financial Operating Procedures and Scheme of Delegation.

All budget holders shall ensure that: -

- the Director of Finance and Procurement receives all information that is required to prepare.
- budgets are only used for their stated purpose; and
- budgets are never exceeded.

When a budget holder expects his or her expenditure will exceed their delegated budget, he or she must secure an increased budget, or seek explicit approval from the appropriate Executive Director to overspend in advance of doing so.

All NHS staff and Local Authority Employees who commit NHS resources directly or indirectly must be impartial and honest in their conduct of business.

All staff are required to work and comply with the Standards of Business Conduct / Code of Conduct for Staff

3. FINANCIAL STRATEGY, PLANNING AND CONTROL

Financial Strategy and Planning

3.1 The Board is required to perform its functions within the total of funds allocated by the Scottish Government and all plans, financial approvals and control system shall be designed to meet this obligation.

3.5 The Chief Executive has overall executive responsibility for the Board's activities and is responsible to the Board for ensuring that the Board stays within its funding limits.

3.3 In accordance with guidance issued by the Scottish Government Health and Social Directorates, the Chief Executive shall be responsible for leading an inclusive process, involving staff and partner organisations, to secure the compilation and approval by Western Isles NHS Board of the Annual Operational Plan for the Western Isles.

3.4 By concisely setting out how these objectives will be tackled and by whom, and by setting clear priorities, key milestones and other quantified improvement targets over time, the Annual Operational Plan will help to secure understanding of important health issues, a shared approach to taking action, and a common commitment to achieving results.

3.5 In order to ensure that the planned actions within the Annual Operational Plan are affordable, the Chief Executive, with the assistance of the Director of Finance and Procurement, shall be responsible for the annual development and updating of the NHS Western Isles Financial Plan. Every service development proposal must be supported by a full business case approved by the Corporate Management Team.

3.6 The Financial Plan shall include a statement of the significant assumptions and risks on which the Plan is based and comprise both Revenue and Capital components, and shall be compiled within available resources, as determined by reference to the Revenue Resource Limit and Capital Resource Limit as notified or indicated by the Scottish Government Health and Social Care Directorates, and as forecast for subsequent periods.

3.7 The Annual Operational Plan and the Financial Plan shall be submitted to the NHS Western Isles Corporate Management Team for corporate review. The Plans will be presented to the Finance, Performance and Resource Committee for detailed scrutiny and risk assessment, following which the Finance, Performance and Resource Committee shall be responsible for recommending approval of the Annual Operational Plan and the Financial Plan by the Board.

3.8 The Financial Plan shall be an appendix of the Annual Operational Plan, and shall be reconcilable to an annual update of the financial planning returns which the Director of Finance and Procurement will prepare and submit to the Scottish Government Health and Social Care Directorates in accordance with guidance or direction issued from time to time.

3.9 The Board Executive Team is responsible for the development and approval of operational financial plans which shall be:

- Consistent with the Annual Operational Plan as submitted to Scottish Government;
- In accordance with the aims and objectives set out in the Annual Operational Plan;
- Prepared within the limits of available funds;
- Identify potential risks; and
- Analyse both funds available and proposed expenditure between that which is recurring and that which is non-recurring.

Control

3.10 The Director of Finance and Procurement shall ensure that adequate financial and statistical systems are in place to monitor and control income and expenditure and to facilitate the compilation of financial plans, estimates and any investigations which may be required from time to time.

3.11 The Director of Finance and Procurement shall devise and maintain effective systems of budgetary control and all officers whom the Board may empower to engage staff or otherwise incur expenditure or to collect or generate income, shall comply with the requirements of those systems. The systems of budgetary control shall incorporate the reporting of an investigation into financial, activity or workforce variances from budget. The Director of Finance and Procurement shall be responsible for providing budgetary information and advice to enable the Chief Executive and other officers to carry out their budgetary responsibilities.

3.12 The Chief Executive may, within limits approved by the Board, delegate authority for a budget or a part of a budget to the individual who will be responsible for the activities provided for within that budget. The terms of delegation shall include a clear definition of individual and group responsibilities for control of expenditure, exercise of virement, achievement of planned levels of service, and the provision of regular reports upon the discharge of those delegated functions to the Chief Executive. Responsibility for overall budgetary control shall however remain with the Chief Executive.

3.13 Except where otherwise approved by the Chief Executive, taking account of advice of the Director of Finance and Procurement, budgets shall be used only for the purpose for which they were provided and any budgeted funds not required for their designated purpose shall revert to the immediate control of the Chief Executive, unless covered by powers of virement delegated by him or her. Where an underspend in the integrated budget occurs as a direct result of planned actions by the IJB, the underspend will be retained by the IJB for reallocation.

3.14 Expenditure for which no provision has been made in an approved budget shall only be incurred after authorisation by the Chief Executive, subject to their authorised virement limit.

3.15 Delegated authority is granted, as set out in the Scheme of Delegation, to approve the funding of individual items of expenditure, provided that approval can be funded within the Board's overall Revenue and Capital Budgets: The Chief Executive as the Accountable Officer, acting together with the Director of Finance and Procurement, has authority to approve individual items up to a value of £0.5m.

Delegated authority to other individuals for virement is set out in Section 14 & 15 of the Scheme of Delegation, contained in Section E of this Code.

This includes authority to approve the transfer of funds up to this level between budget heads, including transfer from reserves and balances.

3.16 The Director of Finance and Procurement shall keep the Chief Executive and the Board informed of the financial consequences of changes in policy, pay awards, and other events and trends affecting budgets, and shall advise on the financial and economic aspects of future plans and projects.

3.17 There is a duty requiring the Chief Executive, and all employees and Local Authority Employees of NHS Western Isles not to exceed approved budgetary limits.

3.18 The Chief Executive shall be responsible for the negotiation of funding for the provision of services in accordance with the Annual Operational Plan and for establishing the arrangements for the cross boundary treatment of patients in accordance with the guidance of the Scottish Government Health and Social Care Directorates. In carrying out these functions the Chief Executive shall take into account the advice of the Director of Finance and Procurement regarding:

- Costing and pricing of services;
- Payment terms and conditions; and
- Arrangements for funding in respect of patients from outwith the Western Isles, and for the funding of the treatment of Western Isles residents other than by NHS Western Isles.

3.19 The Chief Executive shall also be responsible for approving agreements for the provision of support services to and from other NHS bodies.

3.20 Non-recurring funds should not be used to finance recurring expenditure without the approval of the Chief Executive.

Reporting

3.21 Any substantial funds arising from inability to action, or delay in the implementation of projects approved by the Board, shall be reported in the first instance by the Chief Executive, together with advice on the use of such funds, to the Finance, Performance and Resource Committee. The Committee shall report as appropriate to the Board.

3.22 The Director of Finance and Procurement shall be responsible for compiling a regular Financial Report for submission to the Corporate Management Team, Finance, Performance and Resource Committee and onwards to the Board monthly. This report shall highlight any significant variance in year from the Financial Plan together with a forecast of the outturn position for the financial year concerned, and shall recommend any proposed corrective action.

3.23 In order to fulfil these responsibilities, the Director of Finance and Procurement shall have right of to access all budget holders on budgetary related matters.

4. COMMISSIONING / PROVIDING HEALTHCARE SERVICES

4.1 The Chief Executive in conjunction with the Director of Finance and Procurement shall be responsible for ensuring that all services required or provided are covered by a series of Service Level Agreements (SLAs) or, if not, that adequate funds are retained or requested to pay for services obtained outside service agreements, all within the context of the approved Annual Operational Plan and Financial Plan. They shall be responsible for ensuring that the total service framework is affordable within the overall Revenue and Capital Resource Limits set by the Scottish Government Health and Social Care Directorates.

4.2 The Chief Executive is responsible for ensuring that service agreements are established with due regard to the need to achieve best value and the Chief Executive, Director of Finance and Procurement, Medical Director or Nurse/AHP Director/Chief Operating Officer will authorise all SLAs for the provision of health care services.

4.3 The Director of Finance and Procurement is responsible for agreeing the financial details contained in those SLAs and agreed by the Board.

4.4 The Chief Executive is responsible for establishing robust financial arrangements, in accordance with guidance from the Scottish Government Health and Social Care Directorates, for the treatment of Western Isles residents by other NHS systems, or by the private sector, and for the treatment of residents of other health systems within NHS Western Isles.

4.5 The Director of Finance and Procurement shall be responsible for maintaining a system for the rendering and payment of SLAs invoices in accordance with the terms of SLAs, or otherwise in accordance with national guidance.

4.6 The Director of Public Health, in the capacity of Caldicott Guardian for NHS Western Isles, shall be responsible for ensuring that all systems operate in a way to maintain confidentiality of patient information as set out in the Data Protection Act 2018 and the General Data Protection Regulation under Caldicott guidance.

4.7 All SLAs should aim to implement the agreed priorities contained within the Annual Operational Plan and wherever possible, be based upon integrated care

pathways to reflect expected patient experience. In discharging this responsibility, the Chief Executive should take into account:

- the standards of service quality expected;
- the relevant national service framework (if any);
- the provision of reliable information on cost and volume of services; and
- that SLAs are based on integrated care pathways.

5. ANNUAL REPORT AND ACCOUNTS

5.1 NHS Western Isles is required under the terms of Section 86(3) of the National Health Service (Scotland) Act 1978 to prepare and submit Annual Accounts to Scottish Ministers.

5.2 Scottish Ministers have issued Accounts Directions in exercise of the powers conferred by Section 86(1) of the National Health Service (Scotland) Act 1978.

5.3 The Director of Finance and Procurement, on behalf of the Board, shall prepare, certify and submit audited Annual Accounts to the Scottish Government Health and Social Care Directorates in respect of each financial year in such a form as the Scottish Government Health and Social Care Directorates may direct.

5.4 The Director of Finance and Procurement will ensure that the Annual Accounts and financial returns are prepared in accordance with guidance issued in, and / or consequent upon, the Government Financial Reporting Manual (FreM), detailing the accounts and returns to be prepared, the accounting standards to be adopted and the timetable for submission to the Scottish Government Health and Social Care Directorates.

5.5 The Annual Accounts shall give a true and fair view of the income and expenditure, total recognised gains and losses, balance sheet and cash flow statement. Subject to the foregoing requirement, the Annual Accounts shall also contain any disclosure and accounting requirements which Scottish Ministers may issue from time to time.

5.6 Annual Accounts shall be prepared by NHS Western Isles in accordance with all appropriate regulatory requirements and be supported by appropriate accounting records and working papers prepared to an acceptable professional standard.

5.7 In support of the Annual Accounts, the Chief Executive shall be responsible for preparing a Statement on Internal Control in respect of NHS Western Isles and in so doing shall seek appropriate assurances, including that of the Chief Internal Auditor, with regard to the adequacy of internal control throughout the organisation.

5.8 The Annual Accounts of NHS Western Isles shall be reviewed by the Audit and Risk Committee, which has responsibility for recommending, through submission of an Annual Assurance Statement, adoption of the Annual Accounts by NHS Western Isles. Under the terms of the Public Finance and Accountability (Scotland) Act 2000, the Auditor General for Scotland will appoint an external auditor to undertake the audit of NHS Western Isles Annual Accounts and report.

5.9 The Director of Finance and Procurement shall agree with the External Auditor a timetable for the production, audit, adoption by NHS Western Isles and submission of Annual Accounts to the Auditor General for Scotland and the Scottish Government Health and Social Care Directorates. This timetable shall at all times be consistent with the requirements of the Scottish Government Health and Social Care Directorates.

5.10 Under the terms of the Public Finance and Accountability (Scotland) Act 2000, Annual Accounts may not be placed in the public domain prior to them being formally laid before Parliament and permission being given by the Scottish Government Health and Social Care Directorates.

5.11 The Chief Executive shall arrange for the production and circulation of an Annual Report for NHS Western Isles in such form as may be determined by the Scottish Government Health and Social Care Directorates.

5.12 The Director of Finance and Procurement shall prepare for inclusion in the Annual Report a Financial Statement, in accordance with relevant guidelines, for submission to Board Members and others who need to be aware of the Board's financial performance.

5.13 Following the formal approval of the motion to adopt the Accounts by the Board, the Annual Accounts and relevant certificates shall be duly signed on behalf of the Board and submitted to the External Auditor for completion of the relevant audit certificates.

5.14 Signed sets of Annual Accounts shall be submitted to the Scottish Government Health and Social Care Department, and by the External Auditor to the Auditor General for Scotland

5.15 The Annual Report shall be discussed at a public meeting which must take place no later than six months after the relevant accounting date. The paper will not be made available to the public until laid before Parliament – note 5.10

6. BANKING ARRANGEMENTS

6.1 The Director of Finance and Procurement shall advise the Board on the provision of banking services taking account of any guidance issued by the Scottish Government Health and Social Care Directorates, and all arrangements with the Board's bankers shall be made by or under arrangements approved by the Director of Finance and Procurement.

6.2 The Director of Finance and Procurement shall be authorised by the Scheme of Delegation to operate such bank accounts as may be considered necessary, but always in accordance with Scottish Government Health Directorates' guidance and shall report to the Board on the details of all accounts so opened including the conditions on which they are operating.

6.3 No officer other than the Director of Finance and Procurement shall open any bank account in the name of Western Isles NHS Board or any other known name of the Board.

6.4 All funds shall be held in accounts in the name of Western Isles Health Board, NHS Western Isles or NHS Western Isles Health Board Endowment Fund.

6.4 Cheques drawn on commercial bank accounts will be signed by the Director of Finance and Procurement6.5 All cheques (which shall be crossed with "Not Negotiable – Account Payee Only") to be treated as controlled stationery in the charge of a duly designated officer controlling their issue.

6.6 The Director of Finance and Procurement shall advise the bankers in writing of individuals authorised to release money from and draw cheques on each bank account of the Board and Endowment Fund and shall notify promptly the cancellation of any such authorisation. Two authorised signatures will be

required to release any level of funds and in line with the agreed levels stated within the Scheme of Delegation.

6.7 All arrangements for the receipt and payment of monies using the Clearing Houses Automated Payment System (CHAPS) and the Bankers Automated Clearing Services (BACS) will be made by or under arrangements approved by the Director of Finance and Procurement.

6.8 All arrangements for payments to be made by Standing Order or Direct Debit from any NHS Western Isles bank account will be made by or under arrangements approved by the Director of Finance and Procurement.

6.9 The use of purchasing, credit or debit cards will be made by or under arrangements approved by the Director of Finance and Procurement.

6.10 All arrangements for payments to be made to foreign bank accounts from any NHS Western Isles bank account will be made by or under arrangements approved by the Director of Finance and Procurement.

7. SECURITY OF CASH AND OTHER ITEMS

7.1 The Director of Finance is responsible for designing, maintaining and ensuring compliance with systems for the proper recording, invoicing, and collection and coding of all monies due, including income due under service agreements for the provision of patient care services.

7.2 All receipt books, tickets, agreement forms, or other means of officially acknowledging or recording amounts received or receivable shall be in a form approved by the Director of Finance and Procurement. Such stationery shall be designated as ***Controlled Stationery***, ordered and controlled by the Director of Finance and Procurement or his/her nominated officers and subject to the same precautions as are applied to cash.

7.3 All officers whose duty it is to collect or hold cash shall be provided with a safe, or with a lockable cash box which will normally be deposited in a safe or other suitable locked cupboard. The officer concerned shall hold one key and all duplicates shall be lodged with an officer authorised by the Director of Finance and Procurement and suitable receipts obtained. The loss of any key shall be reported immediately to the Director of Finance and Procurement. The Director of Finance and Procurement shall on receipt of a satisfactory explanation

authorise the release of the duplicate key. The Director of Finance and Procurement shall arrange for all new keys to be dispatched directly to him / her from the manufacturers and shall be responsible for maintaining a register of authorised holders of safe keys.

7.4 The safe key-holder shall not accept unofficial funds for depositing in his/her safe unless deposits are in sealed envelopes or locked containers. It shall be made clear to the depositor that the NHS Western Isles is not to be held liable for any loss and written indemnity must be obtained from the organisation or individual absolving NHS Western Isles from responsibility for any loss.

7.5 During the absence of the holder of a safe or cash box key, the officer who acts in his/her place shall be subject to the same controls as the normal holder of the key. There shall be written discharge for the safe and / or cash box contents on the transfer of responsibilities and the discharge document must be retained for audit inspection.

7.6 All cash, cheques, postal orders and other forms of payment shall normally be received by a cashier or other authorised officer and shall be entered immediately in an approved form of register.

7.7 The opening of coin-operated machines, including telephones, and the counting and recording of the takings in the register shall be undertaken by two officers together and the coin-box keys shall be held by a nominated officer. The collection shall be passed on to the authorised officer from whom a signature shall be obtained in the register.

7.8 The Director of Finance and Procurement shall prescribe the system for the transporting of cash and uncrossed pre-signed cheques.

7.9 All unused cheques, receipts and all other orders shall be subject to the same security precautions as are applied to cash. Bulk stocks of cheques shall be retained by the Director of Finance and Procurement or his/her nominated officers and released by them only against authorised requisitions.

7.10 All Prepayment Certificates and Prescription Pads in Primary Care should be subject to the same security precautions and controls as are applied to cash items.

7.11 In all cases where officers receive cash or cheques, credit or debit card payments, empty telephone or other machine coin boxes, etc., personal identity cards must be displayed prominently. Staff shall be informed in writing on appointment by the appropriate departmental or senior officers of their responsibilities and duties for the collection, handling or disbursement of cash, cheques, etc.

7.12 All cash, cheques, postal orders etc. must be banked intact. Disbursements shall not be made from cash received, unless in exceptional circumstances with the prior approval of the Director of Finance and Procurement.

7.13 Board funds shall not in any circumstances be used for the encashment of personal cheques or the making of loans of a personal nature.

7.14 Any loss or shortfall of cash, cheques etc. shall be reported immediately in accordance with the agreed procedure for reporting losses. (see Section 15)

8. MANAGEMENT OF ASSETS

8.1 The Chief Executive shall ensure that:

- There is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon the financial plans for each organisation.
- Capital investment, whether public or private, is consistent with an approved Property and Asset Management Strategy, and supportive of the Annual Operational Plan.
- All stages of capital schemes are managed and shall institute procedures to ensure that schemes are delivered on time and to cost.
- Appropriate project management and control arrangements are in place.

8.2 The Director of Finance and Procurement shall ensure that every capital expenditure proposal meets the following criteria:

- Complies with delegated authority for capital investment issued by Scottish Government Health and Social Care Directorate;
- Potential benefits have been evaluated and compared with known costs;

- Potential purchasing authorities should be able and (as far as can be ascertained) willing to meet cost consequences of the development as reflected in prices; and
- Complies with the guidance in the NHS in Scotland Scottish Government Scottish Capital Investment Manual including appropriate option appraisal and business case preparation.

8.3 The Director of Finance and Procurement shall maintain a system for assessing whether leases or any Non-Domestic Product (NPD) contracts should be accounted for as on or off balance sheet in the context of Statement of Standard Accounting Practice (SSAP) 21, International Financial Reporting Standards (IFRS) 17 and any other relevant guidance advice received.

8.4 Refinancing of any NPD projects may be undertaken, however, guidance issued by the Scottish Government in June 2006 must be followed in order to facilitate appropriate Scottish Government approval. Refinancing is often undertaken once a NPD project has been completed, and it is essentially the substitution of new debt on more attractive terms.

8.5 In the case of large capital schemes a system shall be established for progressing the scheme and authorising necessary payments up to completion. The Director of Finance and Procurement shall ensure that provision is made for regular reporting of actual expenditure against authorisation of capital expenditure.

8.6 It is mandatory that Post Project Evaluation be carried out at the completion of all capital projects in excess of £250,000.

8.7 Where capital assets are sold, scrapped, lost or otherwise disposed of their value must be removed from the accounting records and each disposal must be validated by reference to authorisation documents and invoices (where appropriate). Where land and property is disposed of, the requirements set out in the NHS Scotland Property Transactions Handbook, together with any subsequent amendments, shall be followed.

8.8 There is a requirement to achieve best value when disposing of assets belonging to NHS Western Isles. Competitive tendering should normally be undertaken in line with the requirements of each organisation’s tendering procedure.

8.9 Competitive Tendering or Quotation procedures shall not apply to the disposal of:

- Any matter in respect of which a fair price can be obtained only by negotiation or sale by auction as determined (or pre-determined in a reserve) by the Chief Executive or their nominated officer;
- Obsolete or condemned articles and stores, which may be disposed of in accordance with the supplies policy of the Board;
- Items to be disposed of with an estimated sale value of less than £5,000, this figure to be reviewed annually
- Capital expenditure purchases which fall into the following categories should be included as fixed assets:
    - Intangible assets such as computer software license which can be valued and are capable of being used within NHS activities for more than one year and have a replacement cost equal to or greater than £5,000;
    - Tangible assets which are capable of being used for a period of which could exceed one year and have a cost equal to or greater than £5,000;
    - Assets of lesser value than £5,000 which may be included as fixed assets where they form part of a networked computer system purchased at approximately the same time and cost over £5,000 in total, or where they are part of the initial cost of equipping a new development and total over £5,000.
- Items arising from works of construction, demolition or site clearance, which should be dealt with in accordance with the relevant contract;
- Land or buildings concerning which Scottish Office Guidance has been issued but subject to compliance with such guidance.

8.10 Managers must ensure that:

- All assets are to be disposed of in accordance with MEL (1196) 7 ‘Sale of Surplus and Obsolete Goods and Equipment’;
- The Director of Finance is notified of the disposal of any fixed assets;
- All proceeds from the disposal of fixed assets are notified to the Director of Finance.

8.11 The overall control of fixed assets shall be the responsibility of the Chief Executive, advised by the Director of Finance.

8.12 The Board shall maintain an asset register recording fixed assets and where practicable and appropriate be marked as the property of NHS Western Isles. The minimum data set to be held within these registers shall be as specified in the Capital Accounting Manual (Section 10) as issued by the Scottish Government Health & Social Care Department.

8.13 The organisation shall maintain a register of any assets held under operating leases or Private Finance Initiative contracts.

8.14 The Director of Finance shall approve fixed asset control procedures. This procedure shall make provision for:

- Recording managerial responsibility for each asset;
- Identification of additions and disposals and transfers between departments;
- Identification of all repairs and maintenance expenses;
- Physical security of assets;
- Periodic (at least annual) verification of the existence of, condition of and title to assets recorded;
- Identification and reporting of all costs associated with the retention of an asset.

8.15 Additions to fixed asset registers must be clearly attributed to an appropriate asset holder and be validated by reference to:

- Properly authorised and approved agreements, architect's certificates, supplier's invoices and other documentary evidence in respect of purchases from third parties;
- Stores requisitions for own materials and wages records for labour including appropriate overheads;
- Lease agreements in respect of assets held under a finance lease and capitalised.

8.16 The Director of Finance shall approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.

8.17 All discrepancies revealed by verification of physical assets to fixed asset register shall be notified to the Director of Finance.

8.18 The value of each asset shall be indexed to current values in accordance with methods specified in the Scottish Capital Investment Manual.

8.19 The value of each asset shall be depreciated using methods and rates as specified in the Scottish Capital Investment Manual.

8.20 The Director of Finance shall approve procedures for the calculation of capital charges as specified in the Scottish Capital Investment Manual.

9. INCOME

9.1 The Director of Finance and Procurement shall be responsible for designing and maintaining systems for the proper recording, invoicing and collection of all money due.

9.2 The Director of Finance and Procurement is responsible for approving and regularly reviewing the level of fees and charges other than those determined by Scottish Government Health and Social Care Directorate.

9.3 All officers shall inform the Director of Finance and Procurement of monies due arising from transactions they initiate, including all contracts, leases, tenancy agreements and any other transactions. The Director of Finance and Procurement shall approve contracts with financial implications in excess of £5,000. Responsibility for arranging the level of rentals for newly acquired property and for the regular review of rental and other charges shall rest with the Director of Finance and Procurement who shall take into account the provisions of the NHS Scotland Property Transactions Handbook and independent professional advice on matters of valuation.

9.4 The Director of Finance and Procurement shall take appropriate recovery action in respect of all outstanding debts, including the write off of debts after all reasonable steps have been taken to secure payment, and in accordance with section 15 within these SFIs.

9.5 In relation to Income Generation Schemes, the Director of Finance and Procurement shall ensure that there are systems in place to identify all costs and services attributed to each scheme before introduction and such schemes should only proceed on the basis of providing income in excess of the cost of the scheme.

9.5 PRICING POLICY

9.5.1 The Director of Finance and Procurement shall be consulted about the pricing/costing of goods and services offered for sale and appropriate national and local negotiated rates shall be observed.

9.5.2 Pricing/costing of services will be on the basis of covering costs, including depreciation on assets.

9.5.3 NHS Western Isles will attribute its costs using the principles as issues by the Scottish Government Health and Social Care Directorates. It is generally not permitted for NHS Bodies to cross-subsidies services, and marginal costings should only be used for unplanned spare capacity arising during the year.

9.5.4 Contracts with the private sector should be priced at the level the market will bear, subject to the need to make the minimum return on assets.

9.6 INCOME FROM HEALTHCARE SERVICES

9.6.1 Service Level Agreements with other Scottish NHS Boards are based on negotiated activity using marginal costing.

9.6.2 Unplanned activity from other health board areas is charged on a full cost recovery basis as activity arises, in line with the Board's published tariff.

9.6.3 Income for treatment of non-Scottish UK patients is calculated in accordance with Scottish Government Health and Social Care Directorate guidance and is funded directly from the relevant Health Authority.

9.6.4 The Nurse/AHP Director and Chief Operating Officer is responsible for identifying and agreeing an appropriate budget for the delivery of agreed healthcare services and negotiating healthcare services agreements with any external organisations or agencies. In carrying out these functions, the Nurse/AHP Director and Chief operating Officer should take into account the advice of the Director of Finance and Procurement regarding costing and pricing services.

9.6.5 The Director of Finance and Procurement shall produce regular reports detailing actual and forecast income with a detailed assessment of the impact of the variable elements.

10. PAYMENT OF ACCOUNTS

10.1 The Director of Finance and Procurement shall establish and maintain an up-to-date list of authorised signatories, including specimen signatures, is maintained. The Director of Finance and Procurement shall approve the list of officers authorised to certify invoices, non-invoice payments, and payroll schedules, including, where required by the Director of Finance and Procurement, financial limits to their authority.

Maintain details, together with his or her specimen signature for manual authorisation. Electronic authorisation must be allocated by effective access control permission to those approved by the Director of Finance and Procurement.

10.2 The Director of Finance and Procurement shall be responsible for the payment of all accounts, invoices and contract claims in accordance with contractual terms and/or the Confederation of British Industries (CBI) Prompt Payment Code. The Director of Finance and Procurement shall publish the Board's performance in achieving the Prompt Payment targets. Payment systems shall be designed to avoid payments of interest arising from non-compliance with the Late Payment of Commercial Debts (Interest) Act 1998.

10.3 All officers shall inform the Director of Finance and Procurement promptly of all monies payable arising from transactions which they initiate, including contracts, leases, tenancy agreements and other transactions. To assist financial control, a register of regular payments should be created.

10.4 The Director of Finance and Procurement shall be responsible ensuring that the financial systems are used appropriately for the verification, recording and payment of all amounts payable, including monies relating to clinical services and grants or similar payments to local authorities and voluntary organisations or other bodies. Systems shall provide certification that

- Goods have been duly received, examined, are in accordance with specification and order, are satisfactory and that the prices are correct;

- Work done or services rendered have been satisfactorily carried out in accordance with the order, that where applicable the materials used were of the requisite standard, and that the charges are correct;

- In the case of contracts based on the measurement of time, materials or expenses, the time charged is in accordance with the time sheets, that the rates of labour are in accordance with the appropriate rates, that the materials have been checked as regards quantity, quality and price and that the charges for the use of vehicles, plant and machinery have been examined;

- Where appropriate, the expenditure is in accordance with regulations and that all necessary Board or appropriate officer authorisations have been obtained;

- The account / claim is arithmetically correct;

- The account / claim is in order for payment;

- VAT has been recovered as appropriate;

- Clinical services to patients have been carried out satisfactorily in accordance with service agreements and Unplanned Activity arrangements (UNPACs);

and systems shall also provide

- A timetable and system for submission to the Director of Finance and Procurement of accounts for payment, including provision for early submission of accounts subject to cash discounts or otherwise requiring early payment;

- Appropriate separation of duties; and

- Instruction of staff regarding the handling, checking and payment of accounts and claims within the Finance Department.

10.5 The Director of Finance and Procurement shall ensure that, other than under the terms of a specific contractual arrangement, payment for goods and services is made only after the goods and services are received.

10.6 Budget Holders shall ensure, before an order for goods or service is placed, that the purchase has been properly considered, if appropriate via the Capital Group, and forms part of the department's allocations, agreed business plans, or other known and specific funds available to the department.

10.7 Advance payment for supplies, equipment or services shall not normally be permitted other than in exceptional circumstances, advance booking of courses, or ordering literature subscriptions and goods supplied on pro forma invoices. Should other exceptional circumstances arise, any proposal to make advance payment must be submitted to the Director of Finance and Procurement at the earliest opportunity. The Director of Finance and Procurement shall take appropriate advice in determining a course of action. The budget holder is responsible for ensuring that all items due under payment in advance contract are received and he must inform the Director of Finance and Procurement or Chief Executive immediately problems are encountered.

Where a Manager and Local Authority Employee certifying accounts or claims relies upon other officers to do preliminary checking, they shall, where possible, ensure that those who check delivery or execution of work act independently of those who have placed an order and negotiated price and terms. Budget managers must therefore ensure, within delegated limits, that there is effective separation of duties between:

- The person placing the order
- The person certifying acceptance of goods and services; and
- The person authorising the invoices manually or electronically.

That no one person should undertake all three functions.

10.8 Advance payments to general medical practitioners and community pharmacists shall be processed through NHS National Services Scotland.

10.9 Budget Holders shall ensure, before an order for goods or services is placed, that the purchase has been properly considered and forms part of the department's allocation, agreed business plans, or other known and specific funds available to the department.

10.10 Any grants or similar payments to local authorities and voluntary organisations or other bodies shall comply with procedures laid down by the Director of Finance and Procurement.

10.11 In the case of contracts for building or engineering works which require payment to be made on account during progress of the works, the Director of Finance and Procurement shall make payment on receipt of a certificate from the technical consultant or officer. Without prejudice to the responsibility of any consultant or works officer appointed to a particular building or engineering contact, a

contractor's account shall be subject to such financial examination by the Director of Finance and Procurement and such general examination by a works officer as may be considered necessary, before the person responsible for the contract issues the final certificate. To assist financial control, a contracts register should be created.

10.12 Where a contract is based on the measurement of time, materials or expenses, the checks to be carried out must provide confirmation that:

- the time charged is in accordance with the time sheets;
- the rates of labour are in accordance with the appropriate rates;
- the materials have been checked as regards quantity, quality, and price;
- the charges for the use of vehicles, plant and machinery have been examined.

10.13 The Director of Finance and Procurement may authorise advances on the imprest system for petty cash and other purposes as required. Individual payments must be restricted to the amounts authorised by the Director of Finance and appropriate vouchers obtained and retained in accordance with the policy on culling and retention of documents.

10.14 NHS Western Isles officers responsible for commissioning self-employed contractors (who were previously employees of the Board or other NHS bodies) must ensure that, subject to their delegated authority and before any work assignment is agreed, that evidence is obtained from the self-employed contractor that confirms their status to ensure that NHS Western Isles is not held liable for Income Tax and National Insurance by the Inland Revenue. This evidence must be submitted to the Director of Finance and Procurement`.

10.15 Advance Payment for supplies, equipment or services shall not normally be permitted. Should exceptional circumstances arise, any proposal must be submitted to the Director of Finance at the earliest opportunity. The Director of Finance shall take appropriate advice in determining a course of action.

10.16 The Director of Finance and Procurement shall ensure that the Board complies fully with the requirements of the Construction Industry Scheme, in accordance with HMRC guidance.

11. PAYMENT OF SALARIES AND WAGES

11.1 The Chief Executive shall establish a system of delegated budgetary authority within which budget holders shall be responsible for the engagement of staff within the limits of their approved budget.

11.2 All time records, payroll timesheets and other pay records and notifications shall be in a form approved by the Director of Finance and Procurement and shall be authorised and submitted in accordance with their instructions. Where this information is transmitted by electronic means, appropriate procedures covering such transmission require to be agreed by the Director of Finance and Procurement.

11.3 The Director of Finance and Procurement and the Director of Human Resources and Workforce Development shall be responsible for ensuring that an appropriate payroll service is provided that ensures that rates of pay and relevant conditions are applied in accordance with current agreements. The Chief Executive, or the Board in appropriate circumstances, shall be responsible for the final determination of pay, but subject to the statutory duty of the Director of Finance and Procurement. There will be no variation to agreed terms and conditions without the prior approval of the Director of Human Resources and Workforce Development and the Director of Finance and Procurement, and managers will be responsible for ensuring that staff are paid in accordance with the terms and conditions agreed.

11.4 The Director of Finance and Procurement in conjunction with the payroll service provider shall determine the dates on which the payment of salary and wages are to be made in consultation with Staffside. These dates may be varied due to special circumstances (e.g. Christmas and other Bank Holidays). Payments to an individual shall not be made in advance of a normal pay date, except:

(a) To cover a period of authorised leave involving absence on the normal pay date; or

(b) As authorised by the Chief Executive or Director of Finance and Procurement to meet special circumstances.

Any such advance payments shall be limited to the net pay due at the time of payment.

11.5 All employees shall be paid by bank credit transfer unless otherwise agreed by the Director of Finance and Procurement

11.6 Each employee shall be issued with a contract which shall comply with current employment legislation and be in a form approved by the employing body.

11.7 A signed copy of the engagement form and such other documents necessary for the payment of staff as she/he may require shall be sent to the Payroll Department immediately upon the employee commencing duty.

11.8 Staff may be engaged only by authorised officers within the limit of the approved budget and establishment when agreed by the Chief Executive or other authorised officer.

11.9 The Boards Remuneration Committee will approve any changes to the remuneration, allowances and conditions of service of the Chief Executive and other Directors in accordance with the Code of Corporate Governance and nationally agreed conditions of service.

11.10 A termination of employment form and such other documents as she/he may require, for payment purposes, shall be submitted to the Payroll Department immediately upon the effective date of an employee's resignation, retirement or termination being known. Where an employee fails to report for duty in circumstances which suggest that she /he has left without notice, the Payroll Department shall be informed immediately.

11.11 A notification of change form shall be sent to the Payroll Department by the appropriate Director or Manager immediately upon the effective date of any change in state of employment or personal circumstances of an employee.

11.12 Subject to the limits laid down in the Scheme of Delegation, all early retirements which result in additional costs being borne by the employer will be submitted to the Remuneration Committee for consideration and recommendation to NHS Western Isles Board. The Chairperson shall personally authorise payments in respect of the Chief Executive and the Chief Executive shall personally authorise payments in respect of all other employees following approval by the Board. Authorisation of any payments will be in accordance with circular DL(2019)15 NHS Scotland Guidance on Settlement and Severance Arrangements.

11.13 The Chief Executive or the Remuneration Committee in appropriate circumstances, shall be responsible for the final determination of pay, but subject to the statutory duty of the Director of Finance and Procurement, who shall issue instructions regarding the points below and in conjunction with the Director of Human Resources and Workforce Development:

- Verification of documentation or data;
- The timetable for receipt and preparation of payroll data and the payment of staff; NHS Western Isles Code of Corporate Governance.
- Maintenance of subsidiary records for Superannuation, Income Tax, National Insurance and other authorised deductions from pay;
- Security and confidentiality of payroll information in accordance with the principle of the Data Protection Act, 2018 / GDPR;
- Checks to be applied to completed payroll before and after payment;
- Authority to release payroll data to a Security firm, if applicable;
- Methods of payment available to various categories of staff;
- Procedures for payment of cheques, bank credits or cash to staff;
- Procedures for unclaimed wages which should not be returned to salaries and wages staff;
- Pay advances authorised and their recovery;
- Maintenance of regular and independent reconciliation of adequate control accounts;
- Separation of duties of preparing records and handling cash;
- A system to ensure the recovery from leavers of sums due by them; and
- A system to ensure recovery or write-off of payment of pay and allowances

11.14 Application of Pay Award uplift to staff paid on locally negotiated payscales shall be approved in line with the instruction of the Director of Human Resources and Workforce Development.

11.15 After approval by the Remuneration Committee and the National Performance Management Committee (NPMC), the Chairperson will personally authorise for payment of the Performance Related Pay (PRP) of Chief Executive, and the Chief Executive will personally authorise for payment the PRP of all other Executive Directors of the Board. The Chief Executive and/or the Director of Finance and Procurement will also personally authorise the payment for PRP of all other Senior Managers employed by the Board via the Director of Human Resources and Workforce Development. All Performance Related Pay will be paid in accordance with Executive and Senior Management Pay and Conditions.

11.16 The Remuneration Committee shall approve performance assessment and salary uplifts of the Chief Executive and all other Executive Director posts reporting directly to the Chief Executive. Salary uplifts are agreed through the NPMC.

12. TRAVEL, SUBSISTENCE AND OTHER ALLOWANCES

12.1 The Director of Finance and Procurement shall ensure that all expense claims by employees of NHS Western Isles or outside parties are reimbursed in line with the relevant national agreements or otherwise approved within the authority of the Staff Governance Committee and that all such claims should be supported by receipts wherever possible. Removal expenses shall be limited to the amount specified in accordance with the Board's current Relocation Policy.

12.2 The Director of Finance and Procurement shall issue guidance on the submission of expense claims, specifying the documentation to be used, the timetables to be observed, and the required level of authorisation.

12.3 All travel undertaken by staff shall be subject to prior approval by the Chief Executive, or a designated senior manager, except where the travel is required to meet an immediate clinical need.

12.4 The certification by or on behalf of the Director of a service, or Head of Department shall be taken to ensure that the certifying officer is satisfied that the journeys were authorised, the expenses properly and necessarily incurred, and that the allowances are properly payable by NHS Western Isles.

12.5 The Chair shall personally authorise all travel and expense claims for the Chief Executive. In the absence of the Chair, duty shall be undertaken by the Director of Finance and Procurement.

12.6 The Chief Executive shall personally authorise all expense claims from the Executive Members of the Board. In the absence of the Chief Executive, the duty shall be undertaken by the Director of Finance and Procurement.

12.7 The Director of Finance and Procurement shall issue additional guidance on the submission of expense claims, specifying the documentation to be used, the timescales to be adhered to and the required level of authorisation. The express approval of the Director of Finance and Procurement or Finance Manager is required for claims which are signed by the claimant three months after the month

of claim. If approval is not given the claimant may submit a grievance in accordance with the appropriate grievance procedure.

13. CONTRACTING AND PURCHASING

13.1 NHS Western Isles uses the Public Contracts Scotland portal for the purposes of tender of public contracts. A full audit trail of tender activity from notification of requests for tenders through to award is held within the portal.

13.2 The Director of Finance and Procurement shall advise the Board regarding the setting of thresholds above which quotations (competitive and otherwise) or formal tenders must be obtained. The Director of Finance and Procurement shall also prepare procedural instructions on the obtaining of goods, services and works, incorporating the thresholds set by the Board.

13.3 Orders shall not be placed in a manner devised to avoid the financial thresholds specified by the Board.

13.4 No order shall be issued for any item or items for which there is no budget provision unless authorised by the Director of Finance and Procurement on behalf of the Chief Executive.

13.5 Official order forms in specific circumstances or approved electronic system must be used for the procurement of supplies and services. No payment shall be made to any supplier where there is no pre-let purchase order, unless a separately agreed payment mechanism has been pre-arranged. The Director of Finance and Procurement shall formally notify each supplier of this requirement and the limit of the Board's liability if they proceed with supply without such order cover.

13.6 A central register of all Board contracts will be maintained by the Director of Finance and Procurement.

13.7 The Scottish Procurement Policy Handbook sets out the fundamental rules, behaviours and standards applicable to public procurement activity in Scotland. The Director of Finance and Procurement will ensure that all procurement activity is in accordance with the provisions of the Handbook.

13.8 Relevant EU, UK and Scottish legislation overrides these SFIs only in so far as to ensure compliance with said legislative requirements.

13.9 The Board shall comply as far as is practicable with all relevant Scottish Government Health and Social Care Directorate guidance on procurement matters.

13.10 The Board shall comply at all times with the approved Procurement Strategy & Handbook.

13.11 Where national, regional or local contracts exist (including framework arrangements), use of these contracts is mandatory. Only in exceptional circumstances and with the authority of the Board's lead Procurement manager or Director of Finance and Procurement, based on existing schemes of delegation, shall goods or services be ordered outwith such contracts. [CEL (2012)05 – Key Procurement Principles]

13.12 The Board will seek to work with or delegate authority to other public sector organisations where this results in efficiencies. In such cases NHS Western isles must be assured that the principles of the SFIs are complied with.

13.13 The Director of Finance and Procurement will publish a detailed procurement handbook governing the procedures to be followed by all officers in procuring goods and services on behalf of the Board. In all cases the principles of the Scottish Procurement Directorate Procurement Journey shall be followed.

13.14 All contract awards will be established following the principles of openness and transparency, including clear specifications of need and award criteria, and confirmation by members of evaluation panels that they have no conflict of interest in relation to the specific procurement activity.

14. STORES

14.1 Subject to the responsibility of the Director of Finance and Procurement for the systems of control, the overall control of the General Store shall be the responsibility of Procurement Manager. The control of other stocks such as pharmaceutical stocks, food supplies, Laboratory supplies, oil tanks, and X-Ray supplies shall be the responsibility of the relevant Department Head.

14.2 The responsibility for security arrangements and the custody of keys for stores locations shall be clearly defined in writing by the designated officers referred to above. Wherever practicable, stocks shall be marked as NHS Western Isles property. NHS Western Isles has access to the Joint Equipment Store shared with the local authority.

14.3 All stores records shall be in such form and shall comply with such system of control as the Director of Finance and Procurement approves.

14.4 Stocktaking arrangements shall be agreed with the Director of Finance and Procurement and there shall be a physical check covering all items in all stores at least once a year. Within the main Store the stock take will be undertaken on a rolling basis. The physical check shall involve at least one other officer other than those responsible for the stock, and the Director of Finance and Procurement shall have the right to attend or be represented at his / her discretion. The stocktaking records shall be numerically controlled and signed by the officers undertaking the check. Any surplus or deficiency revealed on stocktaking shall be reported immediately to the Director of Finance and Procurement, who may investigate as necessary. Any known losses of stock items not under the control of the stores department shall be reported to the Director of Finance and Procurement.

14.5 Where a complete system of stores control is not justified, alternative arrangements shall require the approval of the Director of Finance and Procurement.

14.6 The designated officers shall be responsible for a system approved by the Director of Finance and Procurement for a review of slow-moving and obsolete items for condemned, disposal, and replacement of all unserviceable articles. The designated officers shall report to the relevant General Manager any evidence of significant overstocking and of any negligence or malpractice.

14.7 Instructions for stock-take and basis of valuation will be issued at least once per year by the Director of Finance and Procurement.

15. LOSSES AND SPECIAL PAYMENTS

15.1 Any officer discovering or suspecting a loss of any kind shall forthwith inform their Head of Department, who shall immediately inform the Director of Finance and Procurement. Where a criminal offence is suspected, the Board's Anti-Fraud, Bribery and Corruption Policy must be applied.

15.2 The Director of Finance and Procurement shall maintain a losses and compensation register in which details of all losses shall be recorded as they are known. Write-off action shall be recorded against each entry in the register

15.3 Loses are classified according to the details issues by the Scottish Government Health and Social Care Directorates in the Annual Accounts Manual.

15.4 In accordance with the Scheme of Delegation, the Chief Executive, acting together with the Director of Finance and Procurement, may approve the writing off of losses within the limits delegated to the Board by the Scottish Government Health and Social Care Department and contained in the Financial Operating Procedure.

15.5 The exercise of powers of delegation in respect of losses and special payments will be subject to the submission of regular reports to the NHS Western Isles Audit and Risk Committee identifying which powers have been exercised and the amount involved. These reports will subsequently be remitted to the NHS Western Isles for approval, in summary, on an annual basis.

15.6 NHS Western Isles shall formally approve any losses and compensation payments when approving the Statutory Annual Accounts.

15.7 No special payments exceeding the delegated limits laid down and subsequent amendments thereto shall be made without prior approval of the Scottish Government Health and Social Care Directorates.

15.8 The Director of Finance and Procurement shall be authorised to take any necessary steps to safeguard the interests of NHS Western Isles in bankruptcies and company liquidations.

15.9 All articles surplus to requirements or unserviceable shall be condemned or otherwise disposed of by an officer authorised for that purpose by the Director of Finance and Procurement.

15.10 The condemning officer shall satisfy themselves as to whether or not there is evidence of negligence in use and shall report such evidence to the Director of Finance and Procurement and Chief Executive, who shall take the appropriate action.

16. PRIMARY CARE CONTRACTORS

16.1 In line with Scottish Government arrangements, the Practitioner Services Division (PSD) of NHS National Services Scotland (NSS) is the payment agency for all Family Health Service (FHS) contractor payments, i.e.

- General Medical Services;
- General Dental Services;
- General Pharmaceutical Services
- General Ophthalmic Services

16.2 The Director of Finance and Procurement shall conclude a Service Level Agreement with PSD covering validation, payment, monitoring and reporting and the provision of an audit service by the National Services Scotland (NSS) internal auditors.

16.3 The Nurse/AHP Director and Chief Operating Officer will approve additions to, and deletions from, approved lists of contractors, taking into account the health needs of the local population, and the access to existing services.

16.4 The Nurse/AHP Director and Chief Operating Officer will ensure that

- Lists of all contractors for whom NHS Western Isles is responsible are maintained and kept up to date: and

- Systems are in place to deal with applications, resignations, inspection of premises, etc., within the appropriate contractor's terms and conditions of service.

16.5 The Director of Finance and Procurement shall ensure that PSD systems are in place to provide assurance that

- Only contractors who are included on the Board's approved lists receive payments;

- All valid contractors' claims are paid correctly, and are supported by the appropriate documentation and authorisations;

- All payments to third parties are notified to the General Practice Independent Contractors on whose behalf payments are made;

- Regular independent post payment verification of claims is undertaken, by Counter Fraud Service, to confirm that

    (a) Rules have been correctly and consistently applied;
    (b) Overpayments are prevented wherever possible and if overpayments are detected, recovery measures are initiated; and
    (c) Fraud is detected and instances of actual and potential fraud are followed up.

- Exceptionally high / low payments are brought to his / her attention;

- Payments made via PSD are reported to the Integrated Corporate Management Team and the Integrated Joint Board.

- Payments made on behalf of the Board by PSD are pre-authorised; and

- Payments made by PSD are reconciled with the cash draw-down reported by the Scottish Government Health and Social Care Directorates to the Board.

16.6 The Director of Finance and Procurement shall issue operating procedures to cover all payments made by PSD, i.e. both payments made directly and payments made on behalf of the Board.

16.7 Payments made to all Primary Care independent contractors and community pharmacists shall comply with their appropriate contractor regulations.

17. DELEGATION OF FUNCTIONS AND THE PROVISION OF RESOURCES BY WESTERN ISLES HEALTH BOARD TO THE HEALTH & SOCIAL CARE INTEGRATION JOINT BOARD (IJB)

17.1 Under the Joint Working Act 2014 Western Isles Health Board is required to delegate adult health functions and provide resources for those delegated functions to the Integrated Joint Board with effect from 1st April 2016.

17.2 Full details on arrangements are contained within the Integration Joint Board are covered in Integration Scheme of Health and Social Care Joint Working.

18. PATIENTS' PROPERTY AND FUNDS

18.1 The Board has a responsibility under NHS Circular 1976 (GEN) 68, Mental Health Act (Scotland) 1984 S94 and Adults with Incapacity Scotland Act 2002 (Part 4) to provide safe custody for money and other personal property (hereinafter referred to as ***property***) handed in by patients, in the possession of unconscious or confused patients, or found in the possession of patients dying in hospital or dead on arrival.

The Director of Finance and Procurement shall provide written procedures for all staff whose duty is to administer the personal property.

This shall include instructions for accepting, recording, safekeeping, continuing management and disposal of (both discharge and a death of a patient) the personal property.

18.2 Patients or their guardians, as appropriate, shall be informed before or at their admission by

- Notices and booklets;
- Hospital admission documentation and property records; and
- Oral advice of administrative and nursing staff responsible for admissions;

that the Board shall not accept responsibility or liability for patients' property brought into Board premises unless it is handed in for safe custody and a copy of an official patient's property record is obtained as a receipt.

18.3 The Director of Finance and Procurement shall provide detailed written instructions on the collection, custody, recording, safekeeping and disposal of patients' property (including instructions on the disposal of the property of deceased patients and patients transferred to other premises) for all staff whose duty it is to administer in any way the property of patients.

18.4 A patients' property record, in a form determined by the Director of Finance and Procurement, shall be completed in respect of the following:

- Property handed in for safe custody by any patient (or guardian as appropriate); and
- Property taken into custody having been found in the possession of any patient incapable of looking after his own property for any reason.

A record shall be completed in respect of all persons in the latter category including a nil return if no property is taken into safe custody.

18.5 Staff should be informed, on appointment, by the appropriate departmental manager or senior officer, of their responsibilities and duties for the administration of the property of patients.

19. AUDIT

Audit and Risk Committee

19.1 In accordance with the Code of Corporate Governance, NHS Western Isles shall formally establish a Audit and Risk Committee, with clearly defined terms of reference and which will consider

- Internal control and Corporate Governance;
- Internal Audit;
- External Audit;
- Code of Corporate Governance;
- Accounting Policies;
- Annual Accounts (including the schedules of Losses and Compensations);

- Risk Management; and
- Counter Fraud

19.2 Where the Audit and Risk Committee feels there is evidence of ***ultra vires*** transactions, evidence of improper acts, or if there are other important matters that the Committee wishes to raise, the Chairperson of the Audit and Risk Committee should refer the matter to a full meeting of the NHS Western Isles. Exceptionally, the matter may need to be referred to the Scottish Government Health and Social Care Directorates.

19.3 It is the responsibility of the Audit and Risk Committee to regularly review the operational effectiveness of the internal audit service. The Board shall be involved in the selection process when an internal audit service provider is changed.

19.4 The Director of Finance and Procurement shall be notified immediately whenever any matter arises which involves, or is thought to involve, irregularities involving cash, stores, other property of the Board, or any suspected irregularity in the exercise of any function of a financial nature, and at his/her discretion, normally through the Fraud Liaison Officer, shall participate in the investigate of cases of fraud, misappropriation or other irregularities in accordance with the Anti-Fraud, Bribery and Corruption Policy.

Chief Executive

19.5 The Chief Executive is responsible for:

- Ensuring arrangements are adequate to review, evaluate and report on the effectiveness of internal control including the establishment of an effective internal audit function (in accordance with the Government Internal Audit Standards and the Audit & Risk Committee Handbook);

- Ensuring that Internal Audit is adequate and meets the NHS mandatory audit standards;

- Ensuring that there is a robust system in place to address counter fraud within the Board, in accordance with the Board's Anti-Fraud, Bribery and Corruption Policy, and the Counter Fraud Services Partnership Agreement with NHS Boards;

- Ensuring that the Chief Internal Auditor prepares the following plans for approval by the Audit and Risk Committee:

    a) Strategic audit plan covering the coming three years;

    b) A detailed operational plan for the coming year.

- It is for the Audit and Risk Committee to appoint the Counter Fraud Champion from the appointed Non-Executive Director positions on the Committee.

- Designating an officer as the Fraud Liaison Officer to work with NHS Scotland Counter Fraud Services and co-ordinate the reporting of frauds and thefts.

- Ensuring that an Annual Internal Audit Report is prepared by the Chief Internal Auditor, in accordance with the timetable laid down by the Audit and Risk Committee, for the consideration of the Audit and Risk Committee and the Board. The report must cover:

    a) A clear statement on the effectiveness of internal control;

    b) Major internal control weakness discovered;

    c) Progress on the implementation of internal audit recommendations;

    d) Internal control evaluation; and

    e) Progress against plan over the previous year.

- Ensuring that there is an effective follow-up process for all audit report recommendations and that progress on their implementation is reported to the Audit and Risk Committee at the required intervals.

Director of Finance and Procurement

19.6 The Director of Finance and Procurement and designated auditors are entitled without necessarily giving prior notice to require and receive:

- Access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature;

- Access at all reasonable times to any land, Board premises rented by or used by employee of each organisation;

- The production of any cash, stores or other property of each organisation under an employee's control; and

- Explanations concerning any matter under investigation.

Role of Internal Audit

19.7 The Audit and Risk Committee are designated to appoint Internal Audit services to the Board.

19.8 The purpose of Internal Audit is to provide an objective evaluation and opinion on the adequacy and effectiveness of governance, risk management and control. The role of Internal Audit and scope of activities are as set out in the Government Internal Audit Standards, including Internal Audit's assurance role and consulting services.

19.9 Internal Audit operates in accordance with the Definition of Internal Auditing, Code of Ethics and Standards set out in the Government Internal Audit Standards. Any deviations from the standards will be reported to the Audit and Risk Committee, and significant deviations will be considered for inclusion in the Statement on Internal Control.

19.10 The role, objectives and scope of Internal Audit are set out in the mandatory NHS Internal Audit Manual. Internal Audit will review, appraise and report upon

- Internal audit activity must evaluate and contribute to the improvement of governance, risk management and control processes using a systematic and disciplined approach;

- The extent of compliance with, and the financial effect of, relevant established policies, plans and procedures;

- The adequacy and application of financial and other related management controls;

- The suitability of financial and other related management data;

- The extent to which NHS Western Isles' assets and interests are accounted for and safeguarded from loss of any kind, arising from

    a) Fraud and other offences;

    b) Waste, extravagance, inefficient administration; and

    c) Poor value for money or other causes.

19.11 The Chief Internal Auditor shall be accountable to the Chief Executive of NHS Western Isles. However, the Chief Internal Auditor has direct access and freedom to report to the Audit and Risk Committee, the Board Chair and the Board. Within this right, the Chief Internal Auditor has freedom to meet in private with the Chairperson of the Audit and Risk Committee.

19.12 The reporting and follow-up systems for Internal Audit shall be agreed between the Director of Finance and Procurement, NHS Western Isles and the Chief Internal Auditor. The agreement shall be in writing and shall comply with the guidance on reporting contained in the NHS Internal Audit Manual. The reporting system shall be reviewed at least every 3 years.

19.13 Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores, or other property or any suspected irregularity in the exercise of any function of a pecuniary nature Director of Finance and Procurement, the Board's designated Fraud Liaison Officer, must be notified immediately and before any detailed investigation is undertaken.

External Audit

19.14 External Auditors are appointed to the Board by the Scottish Government Auditor General.

19.15 The External Auditor is concerned with providing an independent assurance of the Board's financial stewardship including value for money, probity, material accuracy, compliance with guidelines and accepted accounting practice for NHS Accounts. Responsibility for securing the audit of the Board rests with Audit Scotland. The appointed External Auditor's statutory duties are contained in the Public Finance and Accountability (Scotland) Act 2000.

19.16 The appointed auditor has a general duty to satisfy himself that:

- The Board's Accounts have been properly prepared in accordance with directions given under the Public Finance and Accountability (Scotland) Act 2000;
- Proper accounting practices have been observed in the preparation of the Accounts; and
- The Board has made proper arrangements for securing economy, efficiency and effectiveness in the use of its resources.

19.17 In addition to these responsibilities, Audit Scotland's Code of Audit Practice requires the appointed auditor to consider

- Whether the Statement of Accounts presents a true and fair view of the financial position of the Board;
- The Board's main financial systems;
- The arrangements in place in the Board for the prevention and detection of fraud and corruption;
- Aspects of the performance of particular services and activities; and
- The Board's management arrangements to secure economy, efficiency and effectiveness in the use of resources.

19.18 Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores, or other property or any suspected irregularity in the exercise of any function of a pecuniary nature the Director of Finance and Procurement, the Board's designated Fraud Liaison Officer, must be notified immediately and before any detailed investigation is undertaken.

19.19 The Audit and Risk Committee provides a forum through which Non-Executive Members can secure an independent view of any major activity within the appointed auditor's remit. The Audit and Risk Committee has a responsibility to ensure that the Board receives a cost-effective service and that co-operation between senior managers, Internal Audit and External Audit is appropriate.

20. FINANCIAL INFORMATION AND MANAGEMENT TECHNOLOGY SYSTEMS

20.1 The Director of Finance and Procurement shall be responsible for the accuracy and security of the financial data of the Board.

20.2 The Director of Finance and Procurement shall devise and implement any necessary procedures to protect the Board and individuals from inappropriate use or misuse of any financial or other information held on computer files for which he / she has responsibility, taking account of all relevant Data Protection legislation and other appropriate guidance.

20.3 The Director of Finance and Procurement shall satisfy themselves that such computer audit checks and reviews as they may consider necessary are being carried out.

20.4 The Director of Finance and Procurement shall ensure that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by an organisation outwith NHS Western Isles, assurances of adequacy will be obtained from them prior to implementation.

20.5 The Director of Finance and Procurement shall ensure that contracts or agreements for computer services for financial applications with another NHS Board or any other agency shall clearly define the responsibility of all parties for security, privacy, accuracy, completeness, and timeliness of data during processing and storage. The contract or agreement should also ensure rights of access for audit purposes.

20.6 Where another NHS Board or any other agency provides a computer service for financial applications, the Director of Finance and Procurement shall periodically seek assurances that adequate controls are in operation and that disaster recovery arrangements are robust.

20.7 Where computer systems have an impact on corporate financial systems the Director of Finance and Procurement shall ensure that:

- Systems acquisition; development and maintenance are in line with corporate policies such as an Information Management and Technology Strategy;

- Data produced for use with financial systems is adequate, accurate, complete and timely, and that a management (audit) trail exists; and

- The Director of Finance and Procurement staff have access to such data.

20.8 The Director of Finance shall ensure that any information system that they have responsibility for, are recorded in the Board's Information Asset Register.

20.9 The Chief Executive shall arrange to draw up business continuity plans to ensure minimal disruption to business operations in the event of an interruption in the operation of Board IM&T systems

21. RISK MANAGEMENT AND INSURANCE

21.1 The Chief Executive shall ensure that NHS Western Isles has a Risk Management Policy that will be approved and monitored by NHS Western Isles.

21.2 The Risk Management Policy shall include, inter alia

- A process for identifying and quantifying risks and potential liabilities;
- Engendering among all levels of staff a positive attitude to the control of risk;
- Implementation of a programme of risk awareness training;
- Management processes to ensure that all significant risks and potential liabilities are addressed, these processes to include effective systems of internal control, cost effective insurance cover, and decisions on the acceptable level of retained risk. All significant risks and action taken to manage the risks will be reported to the Board;
- Maintenance of an organisation-wide Risk Register (Risk Control Plan);
- Contingency plans to offset the impact of adverse events;
- Audit arrangements, including internal audit, clinical audit, and health and safety review;
- Arrangements to review the Risk Management Programme; and
- A process whereby the Risk Management plans are measured against compliance with Clinical Negligence and Other Risks Scheme (CNORIS) standards.

21.3 The existence, integration and evaluation of the above elements will provide a basis for the NHS Western Isles Audit and Risk Committee to make a statement to the Board on the effectiveness of risk management arrangements in the organisation.

21.4 In the case of partnership working with other agencies, the NHS Western Isles risk management framework will be shared to identify and quantify the individual risks, particularly where responsibility cannot be assigned to an individual partner.

21.5 In the particular case of NHS Western Isles and Comhairle nan Eilean Siar jointly managed services, each partner's risk management and insurance arrangements will be taken into account when identifying and quantifying risks associated with the provision of such jointly managed services and associated with the delegation of the management of a partner's financial resources. Where conflicts occur between these two sets of arrangements, each partner's Director of Finance and Procurement will be required to agree a course of action to resolve the conflict.

21.6 The Director of Finance and Procurement shall ensure that appropriate insurance arrangements are in place.

22. BRIBERY

This section should be read in conjunction with the NHS Western Isles Anti-Fraud, Bribery and Corruption Policy contained within Section J of the Code of Corporate Governance

22.1 The Bribery Act 2010 has brought further obligations on NHS Western Isles and its staff.

22.2 NHS Western Isles operates a zero tolerance approach to bribery, whether direct or indirect, by, or of, its staff, agents or external consultants or any persons or entities acting for it or on its behalf. The Board is committed to implementing and enforcing effective systems throughout NHS Western Isles to prevent, monitor and eliminate bribery, in accordance with the Bribery Act 2010.

22.3 NHS Western Isles will not conduct business with service providers, agents or representatives that do not support its anti-bribery statement. We reserve the right to terminate contractual arrangements with any third parties acting for, or on behalf of, NHS Western Isles with immediate effect where there is evidence that they have committed acts of bribery.

22.4 The success of NHS Western Isles' anti-bribery measures depends on all employees, and those acting for NHS Western Isles, playing their part in helping to detect and eradicate bribery. Therefore, all employees and others acting for, or on behalf of NHS Western Isles are encouraged to report any suspected bribery in accordance with Section J of the Code of Corporate Governance – Anti-Fraud, Bribery and Corruption Policy

22.5 Where there are grounds to suspect that bribery has occurred a response shall be initiated as per section J of the Anti-Fraud, Bribery and Corruption Policy.

23. FINANCIAL IRREGULARITIES

This section should be read in conjunction with Section J, Anti-Fraud, Bribery and Corruption Policy.

For the purpose of this section, the Designated Officer is the Director of Finance and Procurement.

Suspected Theft, Fraud and Other Irregularities

23.1 The following procedures should be followed, as a minimum, in cases of suspected theft, fraud, embezzlement, corruption or other financial irregularities to comply with Scottish Government Health and Social Care Department Circular No HDL (2005) 5. This procedure also applies to any non-public funds.

Theft, Fraud, Embezzlement, Corruption and Other Financial Irregularities

23.2 The Chief Executive has the responsibility to designate an officer within the Board with specific responsibility for co-ordinating action where there are reasonable grounds for believing that an item of property, including cash, has been stolen.

23.3 It is the designated officer's responsibility to inform as he/she deems appropriate, the Police, the Counter Fraud Services (CFS), the appropriate Executive Director, the Appointed Auditor, and the Chief Internal Auditor where such an occurrence is suspected.

23.4 Where any officer of the Board has grounds to suspect that any of the above activities has occurred, his or her local manager should be notified without delay. Local managers should in turn immediately notify the Director of Finance and Procurement who should ensure consultation with the CFS, normally by the Fraud Liaison Officer. It is essential that preliminary enquiries are carried out in strict confidence and with as much speed as possible.

23.5 If, in exceptional circumstances, the Director of Finance and Procurement and the Fraud Liaison Officer are unavailable, the local manager will report the circumstances to the Chief Executive who will be responsible for informing the CFS. As soon as possible thereafter, the Director of Finance should be advised of the situation.

23.6 Where preliminary investigations suggest that prima facie grounds exist for believing that a criminal offence has been committed, the CFS will undertake the investigation, on behalf of, and in co-operation with the Board. At all stages, the Director of Finance and the Fraud Liaison Officer and Director of Human Resources and Workforce Development will be kept informed of developments on such cases. All referrals to the CFS which are progressed must also be notified to the Chair of the Audit and Risk Committee.

Remedial Action

23.7 As with all categories of loss, once the circumstances of a case are known, the Director of Finance and Procurement will require to take immediate steps to ensure that so far as possible these do not recur. However, no such action will be taken if it would prove prejudicial to the effective prosecution of the case. It will be necessary to identify any defects in the control systems, which may have enabled the initial loss to occur, and to decide on any measures to prevent recurrence.

Reporting to Scottish Government Health and Social Care Directorate (SGH&SCD)

23.8 While normally there is no requirement to report individual cases to the Scottish Government Health & Social Care Directorate there may be occasions where the nature of scale of the alleged offence or the position of the person or persons involved, could give rise to national or local controversy and publicity. Moreover, there may be cases where the alleged fraud appears to have been of a particularly ingenious nature or where it concerns an organisation with which other health sector bodies may also have dealings. In all such cases, the Scottish Government Health and Social Care Directorate must be notified of the main circumstance of the case at the same time as an approach is made to the CFS.

Responses to Press Enquiries

23.9 Where the publicity surrounding a particular case of alleged financial irregularity attracts enquiries from the press or other media, the Chief Executive and the Head of Communications, Claims and Patient Information will provide the Board's statement or response. No other Director, Non-Executive Director or Senior Manager has the authority to make a response to avoid issuing any statements, which may be regarded as prejudicial to the outcome of criminal proceedings.

Section
H

Code of Conduct for Members of NHS Western Isles

The personal standards expected of Board Members

Updated from new Model Code of Conduct May 2022



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1 INTRODUCTION TO THE CODE OF CONDUCT

1.1 This Code has been issued by the Scottish Ministers, with the approval of the Scottish Parliament, as required by the Ethical Standards in Public Life etc. (Scotland) Act 2000 (the "Act").

1.2 The purpose of the Code is to set out the conduct expected of those who serve on the boards of public bodies in Scotland.

1.3 The Code has been developed in line with the nine key principles of public life in Scotland. The principles are listed in Section 2 and set out how the provisions of the Code should be interpreted and applied in practice.

My Responsibilities

1.4 I understand that the public has a high expectation of those who serve on the boards of public bodies and the way in which they should conduct themselves in undertaking their duties. I will always seek to meet those expectations by ensuring that I conduct myself in accordance with the Code.

1.5 I will comply with the substantive provisions of this Code, being sections 3 to 6 inclusive, in all situations and at all times where I am acting as a board member of my public body, have referred to myself as a board member or could objectively be considered to be acting as a board member.

1.6 I will comply with the substantive provisions of this Code, being sections 3 to 6 inclusive, in all my dealings with the public, employees and fellow board members, whether formal or informal.

1.7 I understand that it is my personal responsibility to be familiar with the provisions of this Code and that I must also comply with the law and my public body's rules, standing orders and regulations. I will also ensure that I am familiar with any guidance or advice notes issued by the Standards Commission for Scotland ("Standards Commission") and my public body, and endeavour to take part in any training offered on the Code.

1.8 I will not, at any time, advocate or encourage any action contrary to this Code.

1.9 I understand that no written information, whether in the Code itself or the associated Guidance or Advice Notes issued by the Standards Commission, can provide for all circumstances. If I am uncertain about how the Code applies, I will seek advice from the Standards Officer of my public body, failing whom the Chair or Chief Executive of my public body. I note that I may also choose to seek external legal advice on how to interpret the provisions of the Code.

Enforcement

1.10 Part 2 of the Act sets out the provisions for dealing with alleged breaches of the Code, including the sanctions that can be applied if the Standards Commission finds that there has been a breach of the Code. More information on how complaints are dealt with and the sanctions available can be found at **Annex A**.

2. KEY PRINCIPLES OF THE CODE OF CONDUCT

2.1 The Code has been based on the following key principles of public life. I will behave in accordance with these principles and understand that they should be used for guidance and interpreting the provisions in the Code.

2.2 I note that a breach of one or more of the key principles does not in itself amount to a breach of the Code. I note that, for a breach of the Code to be found, there must also be a contravention of one or more of the provisions in sections 3 to 6 inclusive of the Code.

The key principles are:

Duty

I have a duty to uphold the law and act in accordance with the law and the public trust placed in me. I have a duty to act in the interests of the public body of which I am a member and in accordance with the core functions and duties of that body.

Selflessness
I have a duty to take decisions solely in terms of public interest. I must not act in order to gain financial or other material benefit for myself, family or friends.

Integrity
I must not place myself under any financial, or other, obligation to any individual or organisation that might reasonably be thought to influence me in the performance of my duties.

Objectivity
I must make decisions solely on merit and in a way that is consistent with the functions of my public body when carrying out public business including making appointments, awarding contracts or recommending individuals for rewards and benefits.

Accountability and Stewardship
I am accountable to the public for my decisions and actions. I have a duty to consider issues on their merits, taking account of the views of others and I must ensure that my public body uses its resources prudently and in accordance with the law.

Openness
I have a duty to be as open as possible about my decisions and actions, giving reasons for my decisions and restricting information only when the wider public interest clearly demands.

Honesty
I have a duty to act honestly. I must declare any private interests relating to my public duties and take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership
I have a duty to promote and support these principles by leadership and example, and to maintain and strengthen the public's trust and confidence in the integrity of my public body and its members in conducting public business.

Respect
I must respect all other board members and all employees of my public body and the role they play, treating them with courtesy at all times. Similarly, I must respect members of the public when performing my duties as a board member.

3. GENERAL CONDUCT

Respect and Courtesy

3.1 I will treat everyone with courtesy and respect. This includes in person, in writing, at meetings, when I am online and when I am using social media.

3.2 I will not discriminate unlawfully on the basis of race, age, sex, sexual orientation, gender reassignment, disability, religion or belief, marital status or pregnancy/maternity; I will advance equality of opportunity and seek to foster good relations between different people.

3.3 I will not engage in any conduct that could amount to bullying or harassment (which includes sexual harassment). I accept that such conduct is completely unacceptable and will be considered to be a breach of this Code.

3.4 I accept that disrespect, bullying and harassment can be:

a) a one-off incident,
b) part of a cumulative course of conduct; or
c) a pattern of behaviour.

3.5 I understand that how, and in what context, I exhibit certain behaviours can be as important as what I communicate, given that disrespect, bullying and harassment can be physical, verbal and non-verbal conduct.

3.6 I accept that it is my responsibility to understand what constitutes bullying and harassment and I will utilise resources, including the Standards Commission's guidance and advice notes, my public body's policies and training material (where appropriate) to ensure that my knowledge and understanding is up to date.

3.7 Except where it is written into my role as Board member, and / or at the invitation of the Chief Executive, I will not become involved in operational management of my public body. I acknowledge and understand that operational management is the responsibility of the Chief Executive and Executive Team.

3.8 I will not undermine any individual employee or group of employees, or raise concerns about their performance, conduct or capability in public. I will raise any concerns I have on such matters in private with senior management as appropriate.

3.9 I will not take, or seek to take, unfair advantage of my position in my dealings with employees of my public body or bring any undue influence to bear on employees to take a certain action. I will not ask or direct employees to do something which I know, or should reasonably know, could compromise them or prevent them from undertaking their duties properly and appropriately.

3.10 I will respect and comply with rulings from the Chair during meetings of:

a) my public body, its committees; and
b) any outside organisations that I have been appointed or nominated to by my public body or on which I represent my public body.

3.11 I will respect the principle of collective decision-making and corporate responsibility. This means that once the Board has made a decision, I will support that decision, even if I did not agree with it or vote for it.

Remuneration, Allowances and Expenses

3.12 I will comply with the rules, and the policies of my public body, on the payment of remuneration, allowances and expenses.

Gifts and Hospitality

3.13 I understand that I may be offered gifts (including money raised via crowdfunding or sponsorship), hospitality, material benefits or services ("gift or hospitality") that may be reasonably regarded by a member of the public with knowledge of the relevant facts as placing me under an improper obligation or being capable of influencing my judgement.

3.14 I will never **ask for** or **seek** any gift or hospitality.

3.15 I will refuse any gift or hospitality, unless it is:

a) a minor item or token of modest intrinsic value offered on an infrequent basis;
b) a gift being offered to my public body;
c) hospitality which would reasonably be associated with my duties as a board member; or
d) hospitality which has been approved in advance by my public body.

3.16 I will consider whether there could be a reasonable perception that any gift or hospitality received by a person or body connected to me could or would influence my judgement.

3.17 I will not allow the promise of money or other financial advantage to induce me to act improperly in my role as a board member. I accept that the money or advantage (including any gift or hospitality) does not have to be given to me directly.
The offer of monies or advantages to others, including community groups, may amount to bribery, if the intention is to induce me to improperly perform a function.

3.18 I will never accept any gift or hospitality from any individual or applicant who is awaiting a decision from, or seeking to do business with, my public body.

3.19 If I consider that declining an offer of a gift would cause offence, I will accept it and hand it over to my public body at the earliest possible opportunity and ask for it to be registered.

3.20 I will promptly advise my public body's Standards Officer if I am offered (but refuse) any gift or hospitality of any significant value and / or if I am offered any gift or hospitality from the same source on a repeated basis, so that my public body can monitor this.

3.21 I will familiarise myself with the terms of the Bribery Act 2010, which provides for offences of bribing another person and offences relating to being bribed.

Confidentiality

3.22 I will not disclose confidential information or information which should reasonably be regarded as being of a confidential or private nature, without the express consent of a person or body authorised to give such consent, or unless required to do so by law. I note that if I cannot obtain such express consent, I should assume it is not given.

3.23 I accept that confidential information can include discussions, documents, and information which is not yet public or never intended to be public, and information deemed confidential by statute.

3.24 I will only use confidential information to undertake my duties as a board member. I will not use it in any way for personal advantage or to discredit my

public body (even if my personal view is that the information should be publicly available).

3.25 I note that these confidentiality requirements do not apply to protected whistleblowing disclosures made to the prescribed persons and bodies as identified in statute.

Use of Public Body Resources

3.26 I will only use my public body's resources, including employee assistance, facilities, stationery and IT equipment, for carrying out duties on behalf of the public body, in accordance with its relevant policies.

3.27 I will not use, or in any way enable others to use, my public body's resources:

a) imprudently (without thinking about the implications or consequences);
b) unlawfully;
c) for any political activities or matters relating to these; or
d) improperly.

Dealing with my Public Body and Preferential Treatment

3.28 I will not use, or attempt to use, my position or influence as a board member to:

a) improperly confer on or secure for myself, or others, an advantage;
b) avoid a disadvantage for myself, or create a disadvantage for others or
c) improperly seek preferential treatment or access for myself or others.

3.29 I will avoid any action which could lead members of the public to believe that preferential treatment or access is being sought.

3.30 I will advise employees of any connection, as defined at Section 5, I may have to a matter, when seeking information or advice or responding to a request for information or advice from them.

Appointments to Outside Organisations

3.31 If I am appointed, or nominated by my public body, as a member of another body or organisation, I will abide by the rules of conduct and will act in the best interests of that body or organisation while acting as a member of it. I will also continue to observe the rules of this Code when carrying out the duties of that body or organisation.

3.32 I accept that if I am a director or trustee (or equivalent) of a company or a charity, I will be responsible for identifying, and taking advice on, any conflicts of interest that may arise between the company or charity and my public body.

4. REGISTRATION OF INTERESTS

4.1 The following paragraphs set out what I have to register when I am appointed and whenever my circumstances change. The register covers my current term of appointment.

4.2 I understand that regulations made by the Scottish Ministers describe the detail and timescale for registering interests; including a requirement that a board member must register their registrable interests within one month of becoming a board member, and register any changes to those interests within one month of those changes having occurred.

4.3 The interests which I am required to register are those set out in the following paragraphs. Other than as required by paragraph 4.23, I understand it is not necessary to register the interests of my spouse or cohabitee.

Category One: Remuneration

4.4 I will register any work for which I receive, or expect to receive, payment. I have a registrable interest where I receive remuneration by virtue of being:

a) employed;
b) self-employed;
c) the holder of an office;
d) a director of an undertaking;
e) a partner in a firm;
f) appointed or nominated by my public body to another body; or
g) engaged in a trade, profession or vocation or any other work.

4.5 I understand that in relation to 4.4 above, the amount of remuneration does not require to be registered. I understand that any remuneration received as a board member of this specific public body does not have to be registered.

4.6 I understand that if a position is not remunerated it does not need to be registered under this category. However, unremunerated directorships may need to be registered under Category Two, “Other Roles”.

4.7 I must register any allowances I receive in relation to membership of any organisation under Category One.

4.8 When registering employment as an employee, I must give the full name of the employer, the nature of its business, and the nature of the post I hold in the organisation.

4.9 When registering remuneration from the categories listed in paragraph 4.4 (b) to (g) above, I must provide the full name and give details of the nature of the business, organisation, undertaking, partnership or other body, as appropriate. I recognise that some other employments may be incompatible with my role as board member of my public body in terms of paragraph 6.7 of this Code.

4.10 Where I otherwise undertake a trade, profession or vocation, or any other work, the detail to be given is the nature of the work and how often it is undertaken.

4.11 When registering a directorship, it is necessary to provide the registered name and registered number of the undertaking in which the directorship is held and provide information about the nature of its business.

4.12 I understand that registration of a pension is not required as this falls outside the scope of the category.

Category Two: Other Roles

4.13 I will register any unremunerated directorships where the body in question is a subsidiary or parent company of an undertaking in which I hold a remunerated directorship.

4.14 I will register the registered name and registered number of the subsidiary or parent company or other undertaking and the nature of its business, and its relationship to the company or other undertaking in which I am a director and from which I receive remuneration.

Category Three: Contracts

4.15 I have a registerable interest where I (or a firm in which I am a partner, or an undertaking in which I am a director or in which I have shares of a value as described in paragraph 4.20 below) have made a contract with my public body:

a) under which goods or services are to be provided, or works are to be executed; and
b) which has not been fully discharged.

4.16 I will register a description of the contract, including its duration, but excluding the value.

Category Four: Election Expenses

4.17 If I have been elected to my public body, then I will register a description of, and statement of, any assistance towards election expenses relating to election to my public body.

Category Five: Houses, Land and Buildings

4.18 I have a registrable interest where I own or have any other right or interest in houses, land and buildings, which may be significant to, of relevance to, or bear upon, the work and operation of my public body.

4.19 I accept that, when deciding whether or not I need to register any interest I have in houses, land or buildings, the test to be applied is whether a member of the public, with knowledge of the relevant facts, would reasonably regard the interest as being so significant that it could potentially affect my responsibilities to my public body and to the public, or could influence my actions, speeches or decision-making.

Category Six: Interest in Shares and Securities

4.20 I have a registerable interest where:

a) I own or have an interest in more than 1% of the issued share capital of the company or other body; or
b) Where, at the relevant date, the market value of any shares and securities (in any one specific company or body) that I own or have an interest in is greater than £25,000.

Category Seven: Gifts and Hospitality

4.21 I understand the requirements of paragraphs 3.13 to 3.21 regarding gifts and hospitality. As I will not accept any gifts or hospitality, other than under the limited circumstances allowed, I understand there is no longer the need to register any.

Category Eight: Non–Financial Interests

4.22 I may also have other interests and I understand it is equally important that relevant interests such as membership or holding office in other public bodies, companies, clubs, societies and organisations such as trades unions and voluntary organisations, are registered and described. In this context, I understand non-financial interests are those which members of the public with knowledge of the relevant facts might reasonably think could influence my actions, speeches, votes or decision-making in my public body (this includes its Committees and memberships of other organisations to which I have been appointed or nominated by my public body).

Category Nine: Close Family Members

4.23 I will register the interests of any close family member who has transactions with my public body or is likely to have transactions or do business with it.

5. DECLARATION OF INTERESTS

Stage 1: Connection

5.1 For each particular matter I am involved in as a board member, I will first consider whether I have a connection to that matter.

5.2 I understand that a connection is any link between the matter being considered and me, or a person or body I am associated with. This could be a family relationship or a social or professional contact.

5.3 A connection includes anything that I have registered as an interest.

5.4 A connection does not include being a member of a body to which I have been appointed or nominated by my public body as a representative of my public body or of which I am a member by reason of, or in implementation of, a statutory provision, unless:

a) The matter being considered by my public body is quasi-judicial or regulatory; or
b) I have a personal conflict by reason of my actions, my connections or my legal obligations.

Stage 2: Interest

5.5 I understand my connection is an interest that requires to be declared where the objective test is met – that is where a member of the public with knowledge of the relevant facts would reasonably regard my connection to a particular matter as being so significant that it would be considered as being likely to influence the discussion or decision-making.

Stage 3: Participation

5.6 I will declare my interest as early as possible in meetings. I will not remain in the meeting nor participate in any way in those parts of meetings where I have declared an interest.

5.7 I will consider whether it is appropriate for transparency reasons to state publicly where I have a connection, which I do not consider amounts to an interest.

5.8 I note that I can apply to the Standards Commission and ask it to grant a dispensation to allow me to take part in the discussion and decision-making on a matter where I would otherwise have to declare an interest and withdraw (as a result of having a connection to the matter that would fall within the objective test). I note that such an application must be made in advance of any meetings where the dispensation is sought and that I cannot take part in any discussion or decision-making on the matter in question unless, and until, the application is granted.

5.9 I note that public confidence in a public body is damaged by the perception that decisions taken by that body are substantially influenced by factors other than the public interest. I will not accept a role or appointment if doing so means I will have to declare interests frequently at meetings in respect of my role as a board member. Similarly, if any appointment or nomination to another body would give

rise to objective concern because of my existing personal involvement or affiliations, I will not accept the appointment or nomination.

6. LOBBYING AND ACCESS

6.1 I understand that a wide range of people will seek access to me as a board member and will try to lobby me, including individuals, organisations and companies. I must distinguish between:

a) any role I have in dealing with enquiries from the public;
b) any community engagement where I am working with individuals and organisations to encourage their participation and involvement, and;
c) lobbying, which is where I am approached by any individual or organisation who is seeking to influence me for financial gain or advantage, particularly those who are seeking to do business with my public body (for example contracts/procurement).

6.2 In deciding whether, and if so how, to respond to such lobbying, I will always have regard to the objective test, which is whether a member of the public, with knowledge of the relevant facts, would reasonably regard my conduct as being likely to influence my, or my public body's, decision-making role.

6.3 I will not, in relation to contact with any person or organisation that lobbies, do anything which contravenes this Code or any other relevant rule of my public body or any statutory provision.

6.4 I will not, in relation to contact with any person or organisation that lobbies, act in any way which could bring discredit upon my public body.

6.5 If I have concerns about the approach or methods used by any person or organisation in their contacts with me, I will seek the guidance of the Chair, Chief Executive or Standards Officer of my public body.

6.6 The public must be assured that no person or organisation will gain better access to, or treatment by, me as a result of employing a company or individual to lobby on a fee basis on their behalf. I will not, therefore, offer or accord any preferential access or treatment to those lobbying on a fee basis on behalf of clients compared with that which I accord any other person or organisation who lobbies

or approaches me. I will ensure that those lobbying on a fee basis on behalf of clients are not given to understand that preferential access or treatment, compared to that accorded to any other person or organisation, might be forthcoming.

6.7 Before taking any action as a result of being lobbied, I will seek to satisfy myself about the identity of the person or organisation that is lobbying and the motive for lobbying. I understand I may choose to act in response to a person or organisation lobbying on a fee basis on behalf of clients but it is important that I understand the basis on which I am being lobbied in order to ensure that any action taken in connection with the lobbyist complies with the standards set out in this Code and the Lobbying (Scotland) Act 2016.

6.8 I will not accept any paid work:

a) which would involve me lobbying on behalf of any person or organisation or any clients of a person or organisation.

b) to provide services as a strategist, adviser or consultant, for example, advising on how to influence my public body and its members. This does not prohibit me from being remunerated for activity which may arise because of, or relate to, membership of my public body, such as journalism or broadcasting, or involvement in representative or presentational work, such as participation in delegations, conferences or other events.

ANNEX A: BREACHES OF THE CODE

Introduction

1. The Ethical Standards in Public Life etc. (Scotland) Act 2000 ("the Act") provided for a framework to encourage and, where necessary, enforce high ethical standards in public life.

2. The Act provided for the introduction of new codes of conduct for local authority councillors and members of relevant public bodies, imposing on councils and relevant public bodies a duty to help their members comply with the relevant code.

3. The Act and the subsequent Scottish Parliamentary Commissions and Commissioners etc. Act 2010 established the Standards Commission for Scotland ("Standards Commission") and the post of Commissioner for Ethical Standards in Public Life in Scotland ("ESC").

4. The Standards Commission and ESC are separate and independent, each with distinct functions. Complaints of breaches of a public body's Code of Conduct are investigated by the ESC and adjudicated upon by the Standards Commission.

5. The first Model Code of Conduct came into force in 2002. The Code has since been reviewed and re-issued in 2014. The 2021 Code has been issued by the Scottish Ministers following consultation, and with the approval of the Scottish Parliament, as required by the Act.

Investigation of Complaints

6. The ESC is responsible for investigating complaints about members of devolved public bodies. It is not, however, mandatory to report a complaint about a potential breach of the Code to the ESC. It may be more appropriate in some circumstances for attempts to be made to resolve the matter informally at a local level.

7. On conclusion of the investigation, the ESC will send a report to the Standards Commission.

Hearings

8. On receipt of a report from the ESC, the Standards Commission can choose to:

    - Do nothing;
    - Direct the ESC to carry out further investigations; or
    - Hold a Hearing.

9. Hearings are held (usually in public) to determine whether the member concerned has breached their public body's Code of Conduct. The Hearing Panel comprises of three members of the Standards Commission. The ESC will present evidence and/or make submissions at the Hearing about the investigation and any conclusions as to whether the member has contravened the Code. The member is entitled to attend or be represented at the Hearing and can also present evidence and make submissions. Both parties can call witnesses. Once it has heard all the evidence and submissions, the Hearing Panel will make a determination about whether or not it is satisfied, on the balance of probabilities, that there has been a contravention of the Code by the member. If the Hearing Panel decides that a member has breached their public body's Code, it is obliged to impose a sanction.

Sanctions

10. The sanctions that can be imposed following a finding of a breach of the Code are as follows:

- **Censure**: A censure is a formal record of the Standards Commission's severe and public disapproval of the member concerned.
- **Suspension**: This can be a full or partial suspension (for up to one year). A full suspension means that the member is suspended from attending all meetings of the public body. Partial suspension means that the member is suspended from attending some of the meetings of the public body. The Commission can direct that any remuneration or allowance the member receives as a result of their membership of the public body be reduced or not paid during a period of suspension.
- **Disqualification**: Disqualification means that the member is removed from membership of the body and disqualified (for a period not exceeding five years), from membership of the body. Where a member is also a member of another devolved public body (as defined in the Act), the Commission may also remove or disqualify that person in respect of that membership. Full details of the sanctions are set out in section 19 of the Act.

Interim Suspensions

11. Section 21 of the Act provides the Standards Commission with the power to impose an interim suspension on a member on receipt of an interim report from the ESC about an ongoing investigation. In making a decision about whether or not to impose an interim suspension, a Panel comprising of three Members of the Standards Commission will

review the interim report and any representations received from the member and will consider whether it is satisfied:

- That the further conduct of the ESC's investigation is likely to be prejudiced if such an action is not taken (for example if there are concerns that the member may try to interfere with evidence or witnesses); or
- That it is otherwise in the public interest to take such a measure. A policy outlining how the Standards Commission makes any decision under Section 21 and the procedures it will follow in doing so, should any such a report be received from the ESC can be found here.

12. The decision to impose an interim suspension is not, and should not be seen as, a finding on the merits of any complaint or the validity of any allegations against a member of a devolved public body, nor should it be viewed as a disciplinary measure.

ANNEX B: DEFINITIONS

“Bullying” is inappropriate and unwelcome behaviour which is offensive and intimidating, and which makes an individual or group feel undermined, humiliated or insulted.

"Chair" includes Board Convener or any other individual discharging a similar function to that of a Chair or Convener under alternative decision-making structures.

“Code” is the code of conduct for members of your devolved public body, which is based on the Model Code of Conduct for members of devolved public bodies in Scotland.

"Cohabitee" includes any person who is living with you in a relationship similar to that of a partner, civil partner, or spouse.

“Confidential Information” includes:

- any information passed on to the public body by a Government department (even if it is not clearly marked as confidential) which does not allow the disclosure of that information to the public;
- information of which the law prohibits disclosure (under statute or by the order of a Court);
- any legal advice provided to the public body; or
- any other information which would reasonably be considered a breach of confidence should it be made public.

"Election expenses" means expenses incurred, whether before, during or after the election, on account of, or in respect of, the conduct or management of the election.

“Employee” includes individuals employed:

- directly by the public body;
- as contractors by the public body, or
- by a contractor to work on the public body’s premises.

“Gifts” a gift can include any item or service received free of charge, or which may be offered or promised at a discounted rate or on terms not available to the general public. Gifts include benefits such as relief from indebtedness, loan concessions, or provision of property, services or facilities at a cost below that generally charged to members of the public. It can also include gifts received directly or gifts received by any company in which the recipient holds a controlling interest in, or by a partnership of which the recipient is a partner.

“Harassment” is any unwelcome behaviour or conduct which makes someone feel offended, humiliated, intimidated, frightened and / or uncomfortable. Harassment can be experienced directly or indirectly and can occur as an isolated incident or as a course of persistent behaviour.

“Hospitality” includes the offer or promise of food, drink, accommodation, entertainment or the opportunity to attend any cultural or sporting event on terms not available to the general public.

“Relevant Date” Where a board member had an interest in shares at the date on which the member was appointed as a member, the relevant date is – (a) that date; and (b) the 5th April immediately following that date and in each succeeding year, where the interest is retained on that 5th April.

“Public body” means a devolved public body listed in Schedule 3 of the Ethical Standards in Public Life etc. (Scotland) Act 2000, as amended.

“Remuneration" includes any salary, wage, share of profits, fee, other monetary benefit or benefit in kind.

“Securities” a security is a certificate or other financial instrument that has monetary value and can be traded. Securities includes equity and debt securities, such as stocks bonds and debentures.

“Undertaking” means:
a) a body corporate or partnership; or
b) an unincorporated association carrying on a trade or business, with or without a view to a profit.

Section
I

Standards of Business Conduct for NHS Staff

Ethical Standards ~ how NHS Staff should conduct themselves



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1. INTRODUCTION

1.1 All NHS staff who commit NHS resources directly or indirectly must be impartial and honest in their conduct of business and all employees must be beyond suspicion. It is an offence under the Prevention of Corruption Act 1906 and 1916 for any employee to accept any inducement or reward for doing, or refraining from doing, anything in his or her official capacity, or corruptly showing favour, or disfavour, in the handling of contracts. *MEL (1994) 48* details the principles for codes of conduct and accountability in situations where there is potential conflict between the private interests of NHS staff and their NHS duties and requires the establishment of a local code of conduct.

1.2 The purpose of this Code is to ensure that all NHS employees in the Western Isles are aware of their duties under the MEL and to protect them from situations where they may be placed in a real or apparent conflict of interest.

2. Principles of Conduct within NHS Western Isles

2.1 Employees are expected to:

- ensure that the interest of patients remain paramount at all times;
- be impartial and honest in the conduct of their official business; and
- use the public funds entrusted to them to the best advantage of the service, always ensuring value for money.

2.2 It is also the responsibility of staff to ensure that they do not:

- abuse their official position for personal gain or to the benefit of their family or friends;
- undertake outside employment that could compromise their NHS duties; or
- seek to advantage or further their private business or interest in the course of their official duties.

2.3 Staff must protect themselves and NHS Western Isles from any allegations of impropriety by seeking advice from their line manager, or from the appropriate contact point, whenever there is any doubt as to the interpretation of this Code.

3. Action for Managers

3.1 Managers must adhere to this guidance and ensure that their staff are aware of and comply with this Code.

3.2 In regard to contract awards, favouritism should not be shown in awarding contracts.

3.3 Where an interest, hospitality or relevant outside employment is declared to the line-manager, they must record that declaration in the employee's personal file together with any instructions issued to the member of staff in relation to the declaration. All declarations of interest should be notified to the Human Resources Department and the Board Business Manager.

3.4 Managers should consider whether outside employment declared by employees is likely to conflict with their NHS work or be detrimental to it; generally, directorship of, or work with, an identified NHS supplier.

4. Private Practice

4.1 Private practice for medical staff is subject to the conditions contained within the new Consultant's Contract.

4.2 Staff may undertake private practice or work for outside agencies provided they do not do so using any NHS Western Isles resources or accommodation and or within the time they are contracted for the NHS and they observe the conditions detailed in this guidance.

5. Intellectual Property Rights

5.1 In certain circumstances innovative and research work undertaken by staff gives rise to intellectual property rights which can be to the advantage of both the Board and the member of staff. Any such work should therefore be declared to the Chief Executive before it is undertaken so that these rights can be protected.

6. Commercial Sponsorship

6.1 Acceptance by staff of commercial sponsorship for attendance at relevant conferences and courses is acceptable but only where the employee seeks permission in advance and the employer is satisfied that the acceptance will not compromise purchasing and or clinical care decisions in any way. This includes all costs associated with the event if they are provided by the 'sponsor'. Acceptance of such sponsorship should be declared as in section 3 above.

6.2 Normally the relevant Head of Department should give permission and in the case of consultant staff this should be discussed with the Medical Director.

6.3 Under no circumstances should any employee agree to linked deals where sponsorship is linked to the purchase of a particular product or to supply from particular sources.

7. Bribery

7.1 The Bribery Act 2010 came into force on 1 July 2011 and makes it a criminal offence to take part in active bribery (making a bribe) or passive bribery (receiving a bribe) (definitions below).

a) Active Bribery: Section 1 of the Act makes it an offence for a person to offer, give or promise to give a financial or other advantage to another individual in exchange for improperly performing a relevant function or activity.

b) Passive Bribery: Section 2 of the Act makes it an offence for a person to request, accept or agree to accept a financial or other advantage in exchange for improperly performing a relevant function or activity.

7.2 You must be committed to the prevention of bribery and all forms of corruption. NHS Western Isles operates a zero tolerance approach to bribery committed by any person it employs and any person who provides services for or on behalf of NHS Western Isles. Any allegation of bribery by a Board Member or employee of NHS Western Isles will be investigated in accordance with relevant processes and procedures and may be reported to the authorities as appropriate.

7.3 NHS Western Isles will always act with integrity, transparency and honesty. You must be committed to the prevention of bribery in recognition of the importance of maintaining the reputation of NHS Western Isles and the confidence of the public, partner organisations and other stakeholders.

8. Casual Gifts and Hospitality

8.1 Gifts which could place an individual in a position of conflict between their private interests and that required in the execution of their NHS duties should be politely but firmly declined. MEL (1994) 48 provides that staff may accept gifts of low intrinsic value or small tokens of gratitude (such as diaries, calendars or small tokens of gratitude from patients or their relatives). If in doubt, staff must contact their line manager before acceptance. Gifts declined must also be declared. This code deems the acceptable limit of £20.00

8.2 Staff may accept modest hospitality provided that it is normal and reasonable in the circumstances, e.g. lunches in the course of working visits may be acceptable, though it should be similar to the scale of hospitality which the NHS as an employer would be likely to offer. The acceptable limit for a meal is £25.00. If in doubt, staff should seek advice from their line manager. All hospitality accepted by NHS employees must be declared to their line manager and notified as section 3 above.

8.3 It is not necessary to declare hospitality received as part of the normal programme of a course or conference.

8.4 Monetary Gifts – The acceptance or giving of monetary gifts is not acceptable under any circumstance.

9. Outside Interests and Employment

9.1 Outside interests include directorships, ownership, part ownership or material shareholdings in companies, business or consultancies likely to seek to do business with the NHS. These should be declared to the individual's line manager as should the interests of a spouse / partner or close relative.

9.2 It is also possible that a conflict of interest may arise as a result of an employee accepting an outside post, e.g. with a company that does business with the NHS. Where there is any doubt, the employee must seek advice from their manager before accepting any outside post.

10. Remedies

10.1 Managers or staff who fail to comply with the guidance detailed in this Code could be subject to a disciplinary investigation resulting in dismissal. If through their actions or omissions managers or staff are found to be in contravention of either this Code or, indeed, their legal/professional responsibilities then NHS Western Isles reserves the right to take legal action if necessary.

11. Guidance for Staff

11.1 Staff should

- make sure that they understand the details of this Code and consult their line manager if they are unsure;
- make sure that they are not in a position where private interest and NHS duties conflict;
- declare to an appropriate line manager or executive director any relevant interest;
- seek the permission of the appropriate line manager or executive director prior to taking on outside work if there is conflict of interests;
- declare secondary employment; and
- obtain permission from their appropriate line manager or executive director before accepting commercial sponsorship.

11.2 Staff should not

- accept any gifts, inducements or inappropriate hospitality which will place the individual in a position of conflict between their private interest and that required of their NHS duties;
- unfairly advantage one competitor over another or show favouritism in awarding contracts; or

- misuse or make available official ‘commercial – in confidence’ information.

12 Distribution

12.1 This Code is applicable to every NHS Western Isles employee and therefore all staff should be aware of its content.

13. Register of Hospitality and Interests for Staff other than Board Members

13.1 The Board Corporate Business Manager will hold a central register of Gifts and Hospitality for all staff.

13.2 The form to register Gifts and Hospitality will be posted on the intranet for ease of access.

13.3 Access to this register will be restricted to senior officers and internal and external audit. The Register may also be the subject of Freedom of Information (Scotland) Act (FOISA) requests.

13.4 At least annually, an officer identified by the Director of Finance will review the register.

14. Contact Point for Further Guidance

14.1 A copy of this Code will be posted on the intranet and can be obtained from the Board Business Manager who will provide advice and guidance on its interpretation.

14.2 A summary leaflet entitled ‘Code of Corporate Governance’ will be included in the induction pack.

15. Induction of New Employees

15.1 All new staff will be made aware of the ‘Code of Corporate Governance’ at induction and will be provided with a summary leaflet as in 14.2

16. Specific Guidance

16.1 Additional guidance is available on joint working between NHSScotland and the Pharmaceutical Industry (A Common Understanding).

17. Review Process

17.1 The Code will be reviewed at least every two years.

Annex A

NHS
Eileanan Siar
Western Isles

Gifts and Hospitality Policy

Printed copies must not be considered the definitive version

DOCUMENT CONTROL		**POLICY NO**.	01
Policy Group	Corporate		
Author	Michelle McPhail	**Version no.**	1.1
Reviewer	Michelle McPhail	**Implementation date**	
Status	Draft	**Next review date**	
Approved by	Corporate Management Team	**Last review date:**	

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1. **Purpose and scope**
2. **Policy aims**
3. **Responsibilities and organisational arrangements**

Appendices

Appendix A
Declaration of Gifts and Hospitality Form

1. PURPOSE AND SCOPE

The NHS Western Isles Gifts and Hospitality Policy is intended to provide guidance to all NHS Western Isles staff on the receiving of gifts and / or hospitality and to establish guidance with regard to the NHS Western Isles Register of Gifts and Hospitality and the Register of Interests. Staff must not canvas or seek gifts and / or hospitality.

The provisions of the policy shall be held to apply to all employees, secondees and associates of NHS Western Isles. There is no seniority threshold.

2. DOCUMENT AIMS

2.1 This policy is in place to protect both individuals and the organisation from any accusation of improper conduct.

2.2 Legal Framework and National NHS Guidance

Under the Prevention of Corruption Acts 1906 and 1916, it is an offence for employees to accept any gifts or consideration as an inducement reward for:

- doing, or refraining from doing, anything in their official capacity; or
- showing favour or disfavor to any person in their official capacity.

Further, under the Act, any money, gift or consideration received by an employee in public service from a person or organisation holding or seeking to obtain a contract **will be deemed to have been received corruptly unless the employee proves the contrary.**

2.3 NHS Circular MEL (1994) 48 sets out the requirements for Standards of Business Conduct for NHS staff and the content of this circular is reflected in the current NHS Western Isles Standards of Business Conduct for NHS Staff. More recently NHS Circular HDL (2003) 62 provided guidance on joint working between NHS Scotland and the Pharmaceutical Industry, which required Health Boards to establish a central Register of Hospitality and Interests for staff.

2.4 NHS guidance also sets out that it is the responsibility of staff to ensure that they are not placed in a position which risks, or appears to risk, conflict between their private interests and their NHS duties. This applies to both staff who commit resources directly, e.g. the ordering of goods or services, or indirectly by policy development.

2.5 Acceptable Hospitality

Hospitality is generally defined as attendance at a social or leisure event or conference (or an occasion which could be perceived as such an event) where the attendance is being funded by a third party. NHS guidance provides that modest hospitality is an accepted courtesy of a business relationship. However, the recipient should not allow themselves to reach a position whereby he or she might be deemed by others to have been influenced in making a business decision as a consequence of accepting such hospitality. The frequency and scale of hospitality accepted should not be significantly greater than NHS Western Isles would be likely to provide in return.

2.6 Staff may accept modest hospitality, provided it is normal and reasonable under the circumstances, e.g. lunches in the course of working visits may be acceptable if of a similar scale to that which NHS Western Isles would offer in return. The acceptable limit for a meal is £25**.** Staff should decline all other offers of hospitality. Any and all hospitality accepted by NHS Western Isles employees must be declared to their line manager.

2.7 Unacceptable Hospitality

Any hospitality which does not meet the above criteria will be unacceptable. The only exception is where the hospitality has been approved in writing, in advance, by the Chief Executive or appropriate Director. Such hospitality must be declared on the Submission Form at appendix A.

2.8 Any significant hospitality offered to NHS Western Isles employees and declined must also be recorded in the register.

2.9 Commercial Sponsorship

As a general principle, all offers received from commercial third parties must be refused. Attendance at relevant commercially sponsored conferences and courses is acceptable but only where acceptance will not and cannot be seen as compromising purchasing or other decision in any way. Receipt or provision of such sponsorship must be recorded in the Register.

2.10 Employees must pay particular attention to the circumstances in which hospitality is offered; the provision of hospitality by an individual or organisation during a tendering process or where a contract is shortly to end, or where performance of the contract is in question or in any other circumstances where acceptance might compromise the position of the employee or of NHS Western Isles, is not acceptable.

2.11 Acceptance of Gifts

Employees of NHS Western Isles must not accept gifts which are capable of being construed as being able to influence a purchasing decision or cast doubt on the integrity of such decisions. Gifts which could place an individual in a position of conflict between their private interests and their NHS duties must be politely but firmly declined. Casual gifts offered by contractors or others must also be politely declined except where they are of low intrinsic value. MEL (1994) 48 provides that staff may accept such gifts of low intrinsic value or small tokens of gratitude, such as diaries or calendars or small tokens of gratitude from patients or their relatives. This code deems the acceptable limit is £20. NHS guidance provides that any gifts of higher value offered or received must be declined. Where it is difficult to decide whether a gift should be accepted or not, advice should be sought from your line manager. Where there is any doubt on the part of the line manager, the gift should not be accepted. Gifts that are declined must be recorded in the register.

2.12 In exceptional circumstances, such as a public presentation, where refusal of a gift over the acceptable limit would be difficult, employees must declare the gift on the attached form within seven days of receipt.

2.13 Monetary Gifts

The acceptance or giving of monetary gifts is not acceptable under any circumstances.

2.14 Register of Gifts and Hospitality – Procedures for Submission

The information required for the Register of Gifts and Hospitality is set out on the Submission Form (appendix A), which is available on the intranet. Submissions should be made as soon as is practically possible and no later than a month following receipt.

3. RESPONSIBILITIES AND ORGANISATIONAL ARRANGEMENTS

3.1 It is the responsibility of the **Chief Executive** as Accountable Officer to ensure the register of Gifts, Hospitality and Interests is maintained.

3.2 The **Director of Finance** is responsible for the monitoring and scrutiny of the register and will be vigilant for perceived conflicts of interest. The register will be reviewed annually by Internal Audit (as arranged by the Director of Finance) and will be available to the External Auditors.

3.3 The **Workforce Director** will be responsible for investigating where an individual is suspected to have behaved improperly; this is a staff governance issue.

3.4 The **Corporate Business Manager** is responsible for establishment of the register and that it is kept up to date. However, the responsibility for submitting information lies with the individual member of staff.

3.5 **Line managers** must adhere to the code and ensure that staff they manage are aware of and comply with the provisions of the Gifts and Hospitality Policy and the related Standards of Business Conduct for NHS Staff.

3.6 **All employees** of NHS Western Isles have a personal responsibility to accept only gifts / hospitality as deemed acceptable in this policy. If employees have any doubt about whether an item should or should not be recorded, they are advised to record it and to retain a copy of the entry for

future reference. The importance of this cannot be overstated to protect individuals from allegations in the future.

3.7 **Staff** should be aware that a breach of the provisions under legislation may make them liable to prosecution and may also lead to loss of their employment and pension rights.

DECLARATION OF GIFTS AND HOSPITALITY FORM

You should use this form to declare gifts or hospitality offered, including gifts or hospitality declined.

The completed form should be countersigned by your line manager and forwarded to the Corporate Business Manager, Board Office, 37 South Beach, Stornoway, where the detail will be included in the Board's Register of Gifts and Hospitality and is subject to scrutiny by internal and external auditors. The Register may also be the subject of FOISA (Freedom of Information (Scotland) Act) requests.

Name: *(Please Print)*	
Work Base:	
Details:	
Estimated Value:	
From: *(Name of Organisation offering gift / hospitality)*	
Description of gift / hospitality	
Accepted / Not Accepted	

Signed: _____

Date: _____

Manager's Signature: _____

Name (please print): _____

Section
J

Anti-Fraud, Bribery and Corruption Policy

Guidance on the detection, prevention, reporting and handling of Fraud



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1. INTRODUCTION

One of the basic principles of public sector organisations is the proper use of public funds. It is therefore important that all those who work in the public sector are aware of the risk of and the means of enforcing the rules against theft, dishonesty, fraud and illegal acts, e.g. damage to Board property.

Everyone employed in public service, or who holds public office, should act honestly and with integrity to safeguard the public resources for which they are responsible. The risk of fraud or theft poses an ever present threat to these resources and ultimately to the level of patient care that can be provided. The prevention and detection of fraud should be the concern of all members of staff.

This Anti-Fraud, Bribery and Corruption Policy forms part of the NHS Western Isles Single Code of Corporate Governance and sets out the Board's overall approach to fraud, theft and corruption.

The purpose of this document is to provide specific guidance to employees on the action that should be taken when fraud, theft, bribery or corruption is suspected. Such occurrences may involve employees of NHS Western Isles, suppliers / contractors or any third party, including patients (e.g. when claiming travel expenses). This document sets out the Board's policy response for dealing with detected or suspected fraud. It is not the purpose of this document to provide direction on the prevention of fraud.

Whilst the exact definition of theft, fraud, bribery or corruption is a statutory matter, the following working definitions are given for guidance:

- **Theft:**
  The removal of property belonging to NHS Western Isles, its staff, or its patients, with the intention of permanently depriving the owner of its use, without their consent.

- **Fraud:**
  Broadly covers deliberate material misrepresentation or, falsifying records for the purposes of personal gain or which causes a loss to another.

- **Bribery or Corruption:**
  The offering, giving, soliciting or acceptance of an inducement or reward, which may cause an employee of the Board to carry out their duties improperly.

- **Embezzlement:**
  The felonious appropriation of property by a person to which it has been entrusted.

For simplicity, this document will refer to all such offences as “fraud”, except where the context indicates otherwise.

2. PUBLIC SERVICE VALUES

The expectation of high standards of corporate and personal conduct, based on the recognition that patients come first, has been a requirement throughout the NHS since its inception. MEL (1994) 80, “Corporate Governance in the NHS” issued in August 1994, sets out the following public service values:

- **Accountability:**
  Everything done by those who work in the organisation must be able to stand the test of parliamentary scrutiny, public judgements on propriety and professional codes of conduct.

- **Probity:**
  Absolute honesty and integrity should be exercised in dealing with NHS patients, assets, staff, suppliers and customers.

- **Openness:**
  The organisation’s activities should be sufficiently public and transparent to promote confidence between the organisation and its patients, staff and the public.

All those who work in the organisation should be aware of, and act in accordance with, the above values. In addition, the Board will expect and encourage a culture of openness between NHS bodies and the sharing of information in relation to any fraud.

3. THE BOARD'S POLICY

The Board is committed to the NHS Scotland policy on countering fraud and corruption, and to the public service values outlined above.

The Board will maintain an honest and open culture, and is committed to the deterrence, detection and investigation of any fraud within NHS Western Isles. The Board has procedures in place which reduce the likelihood of fraud and theft occurring. These include the Standing Orders, Standing Financial Instructions, Financial Operating Procedures, a system of internal control, and a system of risk assessment. The Board also has a payment verification system relating to Family Health Service expenditure. This policy supports the Scottish Government's Strategy to Combat NHS Fraud in Scotland.

It is the responsibility of the Board and its management to maintain adequate and effective internal controls, which deter and facilitate the detection of any fraud. The role of Internal Audit is to evaluate these systems of control. It is not the responsibility of Internal Audit to detect fraud, but rather to identify weaknesses in the systems that could potentially give rise to error or fraud.

This document is intended to provide detailed direction and guidance to those members of staff who are dealing with cases of suspected theft, fraud and corruption. It sets out a response framework, which centres on immediate discussions and agreement with NHS Scotland Counter Fraud Services in respect of how each case will be taken forward.

On behalf of the Board, Counter Fraud Services will take forward any relevant case, which has the potential for criminal prosecution, and staff need to be aware of this and of their responsibilities in the event that a criminal prosecution is not the chosen route.

4. REPORTING SUSPECTED FRAUD

Please also refer to the flowcharts shown at Appendix 1.

4.1 Sources of reports of fraud and other irregularities

The Board may receive reports of alleged fraud or other irregularities from many sources including:

- employees
- patients or the public
- primary care contractors
- suppliers
- police
- Counter Fraud Services

4.2 Members of staff

Members of staff with evidence or suspicions of fraud should report the matter within 24 hours to their Line Manager who will then report the matter the same day to the Fraud Liaison Officer who in NHS Western Isles is also the Director of Finance & Procurement. They may also, or instead, discuss the matter directly and confidentially with the Fraud Liaison Officer. If, after consideration, the suspicion seems well founded the Fraud Liaison Officer will inform the Chief Executive and the reporting employee. If the Chief Executive agrees that the Board should proceed then the Fraud Liaison Officer will then consult with Counter Fraud Services to ascertain whether the investigation will proceed on a criminal and / or civil / disciplinary basis.

If the suspected improper practice involves their Line Manager, the report should be made to a more Senior Manager or Fraud Liaison Officer. Senior Managers receiving notice of such offences must report them to the Fraud Liaison Officer. If the suspicion involves an Executive Director, the matter should be reported to the Chief Executive. If the suspicion involves the Chief Executive, the matter should be reported to Chair of the Board.

These reporting routes should be clearly defined in staff induction documentation and well publicised to existing staff.

Confidentiality must be maintained relating to the source of such reports.

Members of staff may also use the Counter Fraud Services Fraud Hot Line (08000 15 16 28) or report suspicions (anonymously, if desired) through their website at *www.cfs.scot.nhs.uk*. Both the CFS hotline and online reporting form are hosted and powered by Crimestoppers, which provides an independent, confidential and, if preferred, anonymous service.

Under no circumstances should a member of staff speak or write to representatives of the press, TV, radio, or other third parties, or use any form of social media to publicise details about a suspected fraud or theft. Care needs to be taken that nothing is done which could give rise to an action for slander or libel.

Staff should be aware that time may be of the utmost importance to ensure that the Board does not continue to suffer further loss.

Staff should be assured that in accordance with the Board's Whistleblowing policy that can be accessed via the Whistleblowing page on the intranet (Whistleblowing), there would be no recriminations against staff who report suspicions held in good faith. Victimising or deterring staff from reporting concerns is a serious disciplinary matter.

There are a number of corporate policies that support the Counter Fraud culture which include:

- Purchasing & Supply Policy
- Information Security Policy
- NHS Scotland Flexible Work Pattern Policy
- NHS Scotland Workforce Conduct Policy

Any contravention of this policy should be reported to the Fraud Liaison Officer or the Chief Executive. Equally, however, abuse of the process by raising malicious allegations will be regarded as a disciplinary matter. In addition, the Public Interest Disclosure Act protects workers who legitimately report wrongdoing by employers or colleagues. The disclosure must be made in good faith, and workers must have reasonable grounds to believe that criminal offences such as fraud or theft have occurred or are likely to occur. The disclosure must not be made for personal gain.

Anyone concerned about speaking to another member of staff can obtain independent and confidential advice from the charity "Protect" formally

Public Concern at Work through their website Protect - Speak up stop harm (protect-advice.org.uk)

4.3 Other sources

Counter Fraud Services, through its Fraud Reporting Hotline and website, is another conduit for allegations of fraud and other irregularities. Under the terms of the Partnership Agreement, any such allegations will be reported to the Fraud Liaison Officer or Chief Executive within 48 hours of notification to Counter Fraud Services.

The Fraud Liaison Officer will then consult with Counter Fraud Services to ascertain whether the investigation will proceed on a criminal and/or civil/disciplinary basis.

5. ROLES AND RESPONSIBILITIES

5.1 As **Accountable Officer**, the Chief Executive has responsibility for:

- developing and maintaining effective controls to prevent fraud;
- carrying out vigorous and prompt investigations where fraud occurs and is brought to the Board's attention; and
- taking appropriate legal, disciplinary and management action in response to fraud.

5.2 The Fraud Liaison Officer:

- is authorised to receive enquires relating to fraud;
- is authorised to decide whether the matter raised should be reported on to the Director of Finance;
- will act as a point of contact with Counter Fraud Service; and
- will co-ordinate any fraud investigation including liaising with the Head of Human Resources.

5.3 The Fraud Champion will:

- raise awareness of counter fraud and support the Fraud Liaison Officer.

5.4 **Managers** are responsible for:

- in identifying the risks to which systems and procedures are exposed;
- developing and maintaining effective controls to prevent and detect fraud;
- ensuring that controls are being complied with; and
- reporting all instances of fraud to the Fraud Liaison Officer.

5.5 **Individual members of staff** are responsible for:

- protecting the assets of NHS Western Isles. Assets include information and goodwill as well as property;
- reporting details immediately if they suspect that a fraud has been committed or see any suspicious acts or events; and
- acting in accordance with the Board's Code of Conduct.

6. PUBLIC INTEREST DISCLOSURE ACT 1998

The Board promotes an honest and open culture and encourages anyone having suspicions of theft, dishonesty, corruption or fraud to report it immediately. All NHS Scotland Boards are required to have a policy in place, which provides for a secure environment for staff, practitioners and patients to report suspected frauds.

Guidance has been issued by Audit Scotland to organisations recommending what actions to take when staff suspect that fraudulent activity is being perpetrated. The guidance takes the form of booklets for managers and staff entitled "Don't turn a blind eye": Further information is also available on the Protect website Protect - Speak up stop harm (protect-advice.org.uk)

The Fraud Liaison Officer is authorised to receive enquiries from staff confidentially and anonymously. They are also authorised to decide whether the matter raised should be reported to the Chief Executive.

7. REGULATIONS OF INVESTIGATORY POWERS (SCOTLAND) ACT 2000

The use of covert surveillance or covert human intelligence sources by public authorities is strictly limited by the provisions of the Regulation of Investigatory Powers (Scotland) Act 2000 (RIP(S)A).

Because of the Scottish Executive decision to amend RIP(S)A to remove the powers of the NHSScotland Trusts, Boards and Special Health Boards to grant authorisation under RIP(S)A, all cases of potential criminal NHS fraud or other irregularity must be referred to the Counter Fraud Service. Where appropriate they will authorise and conduct directed surveillance and the use of covert human intelligence sources on behalf of NHSScotland bodies.

Where NHSScotland bodies are considering surveillance or the use of a covert human intelligence source in cases which do not involve fraud or other financial irregularities, such as public or staff safety or the prevention of disorder, they should contact the appropriate public body as outlined in HDL (2003) 30. This will normally be Police Scotland.

8. SCOTTISH GOVERNMENT HEALTH AND SOCIAL CARE DIRECTORATE GUIDANCE

The guidance on financial control procedures when criminal offences are suspected is provided within the Partnership Agreement, specifically:

- In cases of theft, where there are reasonable grounds for thinking that an item of property, including cash, has been stolen, the Fraud Liaison Officer or other appropriate Executive Director should report the details to the police;

- In cases of suspected fraud, embezzlement, corruption and other financial irregularities, preliminary enquiries should be carried out as soon as possible. Restitution of funds or property is not a reason for withholding information or failing to report the facts.

- At the very early stages of a case of suspected fraud, including fraud involving endowment or patient funds, Counter Fraud Services must be

contacted to discuss whether the case will be taken forward criminally and/or through discipline and/or civil recovery;

- Where preliminary investigations suggest that prima facie grounds exist for believing that a criminal offence has been committed, the Fraud Liaison Officer in consultation with the Chief Executive and Counter Fraud Services must decide if criminal prosecution would be an appropriate route. The norm is that all such cases should be considered for reporting to the Procurator Fiscal, however, where both the Board and Counter Fraud Services agree it is not in the public interest, generally on grounds of low value, the case may be taken forward through discipline and/or civil recovery routes;

The Fraud Liaison Officer and Counter Fraud Services must be prepared to justify all such decisions to the appointed auditor. Breach of trust must be taken into account in these considerations, meaning that being of low value does not automatically preclude a case from being notified to the Procurator Fiscal. Where there is doubt as to whether a prima facie case for prosecution exists, Counter Fraud Services will contact the appropriate Procurator Fiscal or Crown Office to obtain advice.

In any event, Counter Fraud Services should be contacted before any overt action is taken which may alert suspects and precipitate the destruction or removal of evidence or the dissipation of assets. This includes taking action to stop a loss or tighten controls.

Where Boards and Counter Fraud Services are undertaking pro-active exercises in areas of known fraud risk, staff are required to provide assistance and such data requested to ensure the success of these operations.

9. INVESTIGATION OF FRAUD – DISCIPLINE/CIVIL CASES

Please also refer to the flowcharts shown at Appendix 2 and 3.

The Board has entered into a formal Partnership Agreement with Counter Fraud Services, which provides a specialist investigation service to NHSScotland bodies. All instances of fraud will be referred to them for consideration of investigation.

9.1 Subject of Allegation

The allegation of fraud or other irregularity may be in respect of a wide range of people including for example:

- an employee
- a director of the Board
- an independent primary care contractor
- a patient
- a supplier

9.2 Internal Investigation

The internal investigation must determine the facts, whether disciplinary action is needed, what can be done to recover any loss and what may need to be done to improve internal control to prevent the event happening again. In any investigation, involving employees there should be close liaison with the Director of Human Resources and Workforce Development.

The Fraud Liaison Officer will appoint a manager to oversee the investigation (referred to hereafter as the Investigating Manager). The Investigating Manager should initiate a Diary of Events to record the progress of the investigation and complete a preliminary report, which will be submitted to the Fraud Liaison Officer.

9.3 The Fraud Liaison Officer to consider if suspect should be interviewed

The Fraud Liaison Officer will consider the preliminary report of the Investigating Manager and consider if the suspect should be interviewed. In this consideration the Fraud Liaison Officer may consult others e.g. the Director of Human Resources and Workforce Development and the Chief Executive.

9.4 Interviewing the Subject of Allegation

A representative from the Human Resources Department will accompany the Investigating Manager at interview in order to provide advice on the procedures to be followed. A secretariat should also attend to take complete and contemporaneous notes. All proceedings will be digitally recorded in case of disagreement over the written notes.

The suspect should be advised that they are entitled to be accompanied at the interview by a friend or representative from a Trade Union / Staff Association or work colleague, who may observe proceedings and offer advice where necessary to the interviewee.

Questions should be prepared beforehand, but it will always be important to probe the responses to particular questions by pursuing supplementary points.
Leading questions (such as “you do open the post on your own, don’t you”) should not be asked. Closed questions, which have simple alternative answers, are useful for obtaining specific information.

The procedure to be followed during the interview should be explained, including that notes will be taken. It should be made clear the interviewee does not have to answer any question but that if they do not, that fact will be recorded in the interview note.

If it is necessary for notes to be written up in a neater and more legible form, this must be done immediately following the interview and signed and dated by the Investigating Manager and any other interviewer. The original notes must be retained.

Within 48 hours of the interview, the interviewee should be asked to review the notes, and make any corrections that they consider are necessary. The Investigating Manager should then:

- consecutively number all pages;
- cross through all blank spaces to demonstrate to the interviewee that nothing can be added subsequently;
- sign each page of notes, together with the HR professional providing support; and
- enter the time the interview was conducted on the last page of notes.

The interviewee should then be invited to sign and date the account of the interview, if they think it is a fair reflection of proceedings.
Copies of the notes of the meetings with other staff / witnesses should not normally be made available to the interviewee until the investigation has been completed, and the way forward decided.

It should be remembered that a manager has the right to ask an employee to account for their actions in respect of that employment. If the employee refuses to answer questions on the grounds that they might incriminate themselves, it is their right to do so. This should be confirmed. However, the employee should also be informed that they might still be considered for disciplinary action including dismissal.

If it becomes clear in the course of an interview that the interviewee is likely to have been the perpetrator of a crime, or if they admit a criminal act, the interview should be halted at once, and the matter referred to Counter Fraud Services for action.

Care must be taken to avoid defamation. Where the interviewee makes a statement that conflicts with other evidence, this should be pointed out – to say, “you’re lying” could be held to be oppressive. All interviews must be conducted fairly. In particular comments such as “if you do not tell me the truth you will get the sack” must be avoided.

No form of physical restraint or force should ever be attempted. If, for example it is considered that the suspect may have Board property on his or her person or in his or her vehicle, then the interviewer should request the person to allow a search.

If the suspect refuses and attempts to leave, no attempt should be made to stop them. The suspect should be advised that their non-cooperation will be noted and may result in disciplinary action being taken.

If a criminal offence may have been committed and the person wishes to make a statement, then Counter Fraud Services must be contacted immediately so that the statement can be made to them.

Offers to resign, or to make restitution for losses should be recorded but should not be accepted during the interview.

Any relevant records that might assist the investigation should be collected. To prevent their destruction, the employee should be accompanied to their place of work to collect such documents or personal belongings. Any official property at home should be collected and, depending on the outcome of the interview, it may be necessary to restrict the employee’s access to the Board’s buildings and records.

Please note that control over draft and final reports is crucial if the Board is to avoid the risk of potential libel actions. No report of an investigation or interview is to be made available in the first instance to any person other than the Fraud Liaison Officer.

The interview should end when:

- No explanation is given (and the person has been given ample opportunity to give one)
- An unsatisfactory explanation is given
- An admission is given
- A satisfactory explanation is given

9.5 Physical evidence

Upon taking control of any physical evidence, it is very important, that a record is made of the time and place it is taken. If evidence consists of several items, for example many documents, each one should be tagged with a reference number corresponding to the written record. Care with evidence gathering is important, as dependent on the evidence gathered, a case initially treated as a discipline case could become a criminal prosecution.

9.6 Witnesses

If a witness to the event is prepared to give a written statement, it is best practice for an experienced member of staff to take a chronological record using the witness's own words. The witness must be happy to sign the document as a true record, but the involvement of an independent person usually helps to keep the statement to relevant facts.

9.7 Criminal Prosecution

The Fraud Liaison Officer will discuss each relevant case with Counter Fraud Services to determine if there is a potential for criminal prosecution or disciplinary and/or civil action. Where there is potential for criminal prosecution, Counter Fraud Services will carry out an investigation, including gathering evidence, interviewing witnesses and interviewing the subject under caution.

If Counter Fraud Services conclude that there is evidence of a criminal offence, they will submit a Standard Prosecution Report to the Procurator

Fiscal. Any decision to prosecute will be at the sole discretion of the Procurator Fiscal.

If the allegation concerns an employee, Counter Fraud Services will take account of the Board's personnel policies and will consult with the Director of Human Resources and Workforce Development in respect of relevant issues including suspension. Consultation in such circumstances is essential; the Board, its employees and directors, or Counter Fraud Services will take no unilateral action.

Where the allegation is in respect of an independent primary care contractor, a patient or a supplier, Counter Fraud Service will undertake all consultation with the Fraud Liaison Officer. It is expected that Counter Fraud Services will undertake all investigations, in co-operation with the Board's internal auditors, in respect of primary care contractors, patients and suppliers. The procedures that will be followed by Counter Fraud Services in all investigations are detailed in the Partnership Agreement.

9.8 Discipline or Civil Recovery

Where, following consultation between the Board and the Counter Fraud Services, an investigation limited to disciplinary/civil recovery action appears appropriate, the following sections outline the actions to be followed.

Where the allegation is in respect of an employee, the Fraud Liaison Officer will seek advice from the Director of Human Resources and Workforce Development on whether to suspend a suspected employee or redeploy them temporarily at another site.

Where, however, due to the nature of the allegation, suspension is deemed inappropriate, e.g., it would alert the suspect and may lead to the destruction and removal of evidence, no action to inform the suspect that an investigation is taking place should be taken.

The Board's disciplinary procedures must be followed in any disciplinary action taken by the Board towards an employee (including dismissal). This may involve the Investigating Manager in reporting formally the results of the investigation and recommending a disciplinary hearing to consider the facts.

9.9 Involvement of the Counter Fraud Service in Disciplinary/Civil Recovery cases

The Board/Counter Fraud Services Partnership Agreement outlines where it may be possible to utilise some of the work carried out by Counter Fraud Services in a criminal case for disciplinary or civil recovery proceedings. This will always be subject to approval from the relevant procurator fiscal and may require advice from the Central Legal Office.

Subject to those caveats, the work done by Counter Fraud Services, particularly with respect to witness and suspect interviews, could reduce the work required by the Board's investigation team.

9.10 Internal Communications

The Fraud Liaison Officer will inform and consult the Chief Executive at the first opportunity in all cases of suspected fraud or where the incident may lead to adverse publicity.

The Fraud Liaison Officer will notify the Audit and Risk Committee of all frauds discovered and losses arising from any criminal or suspected offences.

Where Counter Fraud Services is undertaking a case on behalf of the Board, no further action will be taken by the Board without consultation with them in order to maintain the integrity of the investigation.

9.11 Log of Fraud or other Illegal Acts

The Fraud Liaison Officer will enter details of all reported suspicions, including those dismissed as minor or otherwise not investigated, in a log of Fraud or Other Illegal Acts. It will also contain details of actions taken and conclusions reached. The Healthcare Governance and Audit Committee will review the log at least once each year and will report any significant matters to the Board.

10. SUSPECTED OR ACTUAL THEFT OF MEDICINES (Appendix 4)

Any member of staff who has reason to believe that medicines have been taken without authority has a duty to report their concerns to their Line Manager.

All concerns will be treated in the strictest confidence subject to procedural requirements associated with any formal escalation. All investigation must be carried out in a discreet manner. The Line Manager must take reasonable steps to ensure that medicines are in fact missing, e.g. check administration records, cupboards not normally used for storage of medicines and pharmacy delivery records. Any evidence must be retained pending further investigation.

If the Line Manager is unable to satisfy themselves that all medicines can be accounted for, they must report their suspicions to the Senior Pharmacist and to the Nurse Director (or On Call Manager if out of hours) at the earliest opportunity. If immediate action is required, the police must be contacted.

Where the Nurse / AHP Director and Chief Operating Officer / Chief Pharmacist has been informed of suspected / actual theft of medicines, they must inform the Fraud Liaison Officer who will liaise with the Chief Executive and agree a course of action commensurate with the circumstances presented, which may include referring the matter to Counter Fraud Services or the Police.

11. TERMINATION OF INVESTIGATION

The Board investigation should terminate when:

- there is sufficient evidence for dismissal or other appropriate disciplinary action; or
- the Fraud Liaison Officer considers that reasonable steps have been taken to obtain information in support of the allegation, but sufficient evidence has not been produced.

12. DISMISSAL OF STAFF

Under UK employment legislation dismissal must be for a "fair" reason. The manner of dismissal must also be reasonable and the procedure fair. It is therefore important that no employee should be dismissed without close consultation with the Director of Human Resources and Workforce Development and in compliance with the Board's disciplinary procedures. In these circumstances, the Director of Human Resources and Workforce Development will take into consideration the procedural guidance, which is periodically provided by the Central Legal Office.

The Director of Human Resources and Workforce Development should be consulted about the subsequent provision of references for employees who have been dismissed or who have resigned following suspicions of a fraud.

13. LOSSES AND COMPENSATION REGISTER

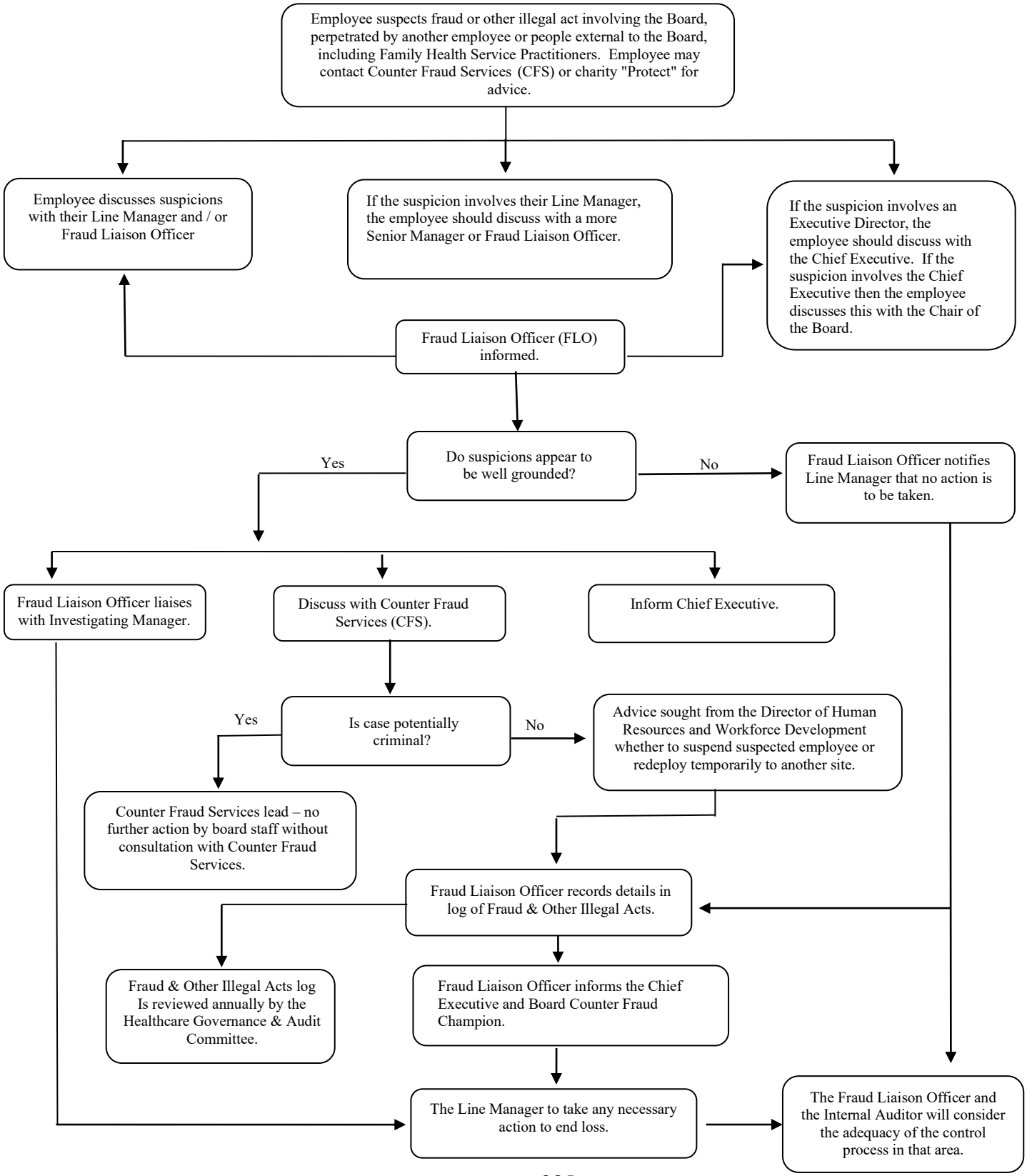
Guidance on losses and special payments is provided in Circulars 1985(GEN)17 and HDL(2002)23.

The delegated limits for approving the writing off losses and special payments are detailed in the Board's Standing Financial Instructions.

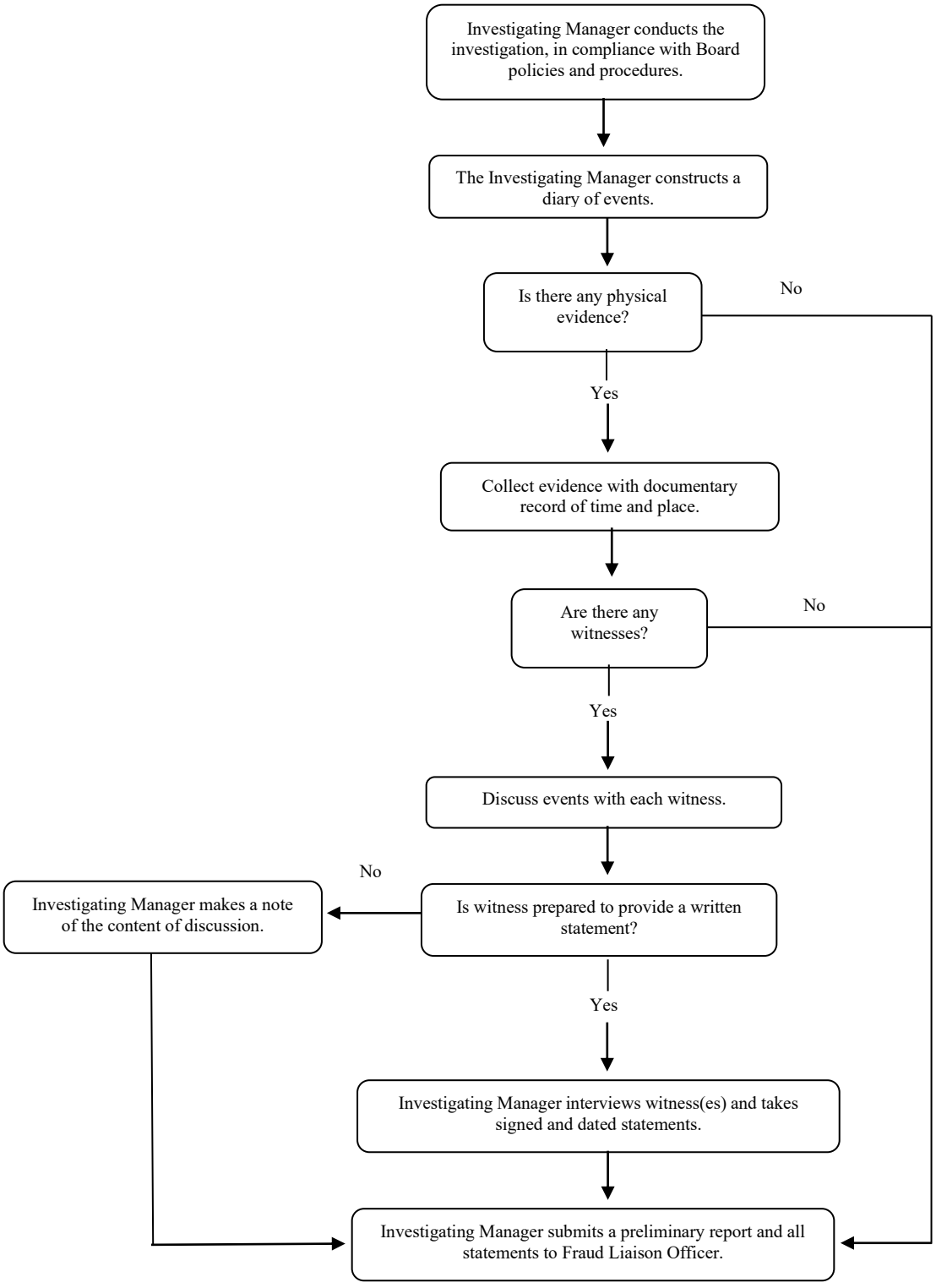
14. POST INVESTIGATION REVIEW

It will be important for the Fraud Liaison Officer in conjunction with the Chief Internal Auditor, to consider the lessons to be learned, e.g. how internal controls can be strengthened. Any lessons learned should be disseminated across NHS Scotland through the internal audit network or by using the Counter Fraud Services bulletins.

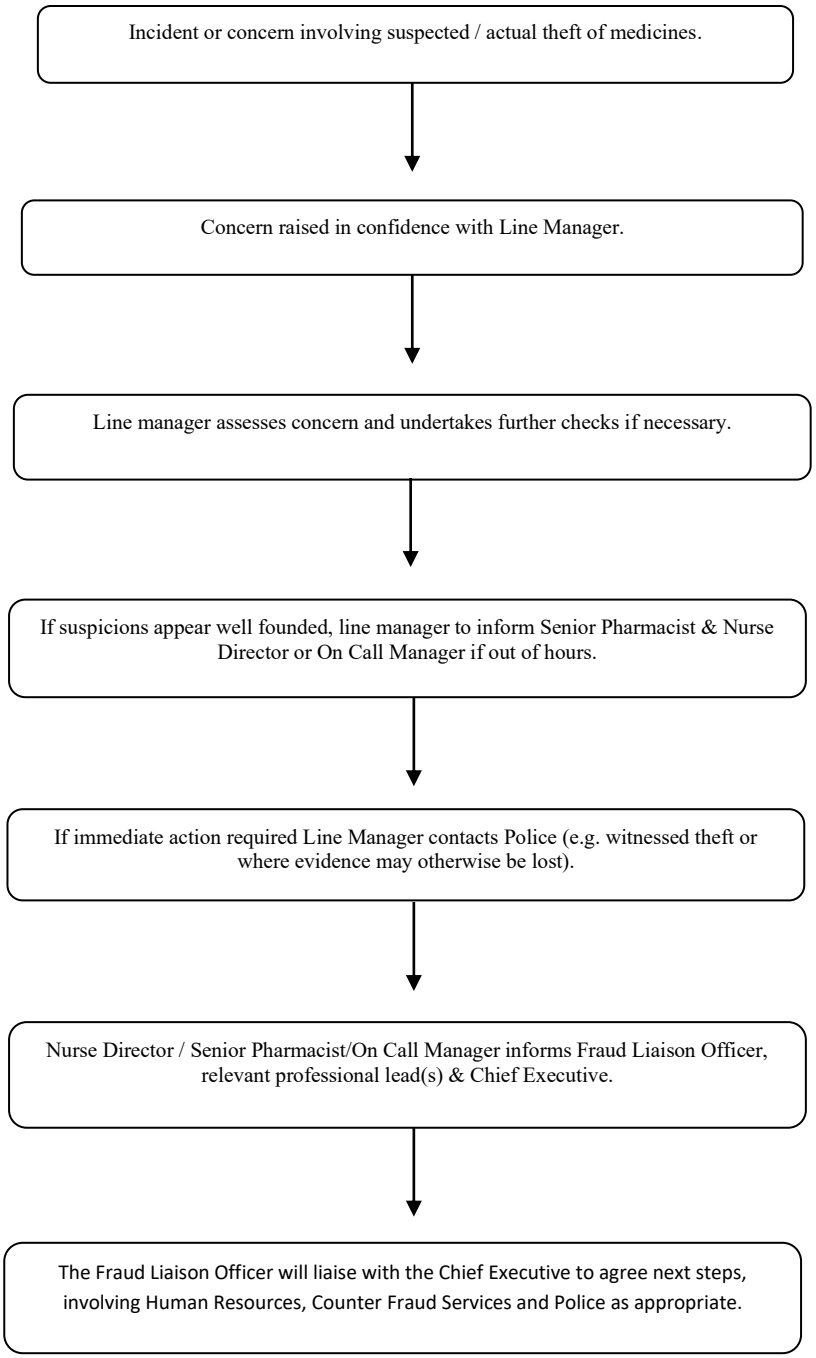
Appendix 1 Reporting Suspected Fraud



Appendix 2 – Conducting a Preliminary Investigation



Appendix 3 – Suspected or Actual Theft of Medicines



Document Control

Version	Date	Latest changes made by	Status	Reason for change and reviewers
Version 1, approved	29.10.09	Board Members	Approved	
Version 2, Draft 1	Jan 2010	Business Manager	Draft	Updating and reviewing contents
Version 2, approved	25.03.10	Board Members	Approved	Approved subject to amendments
Version 3, Draft 1	Dec 2010 – Jan 2011	Business Manager & Director of Finance	Draft	Reformatting the layout and reviewing content.
Version 3, Approved	24.02.11	Board Members	Approved by Board	Approved at Board Meeting subject to amendments
Version 4 Approved	30.08.12	Board Members	Approved by Board	Update SFI, addition of Fraud Policy
Version 5 Approved	18.12.13	Board Members	Approved by Board	Standards of Business Conduct for NHS Staff
Version 6	27.08.14	Board Members	Approved by Board	Scheme of Delegation
Version 7	29.10.14	Board Members	Approved by Board	Revised Code of Conduct for Members

Version 8	05.02.16	Business Manager HG&AC - approved	Approved 07.09.16	Updated: Terms of Reference for Risk Monitoring and Audit Committee & Clinical Governance Committee replacing with Healthcare Governance and Audit Committee. Replacing either of the above words with Healthcare Governance & Audit Committee. Updated Scheme of Delegation inserting Healthcare Governance & Audit Committee replacing any reference to Risk Monitoring & Audit Committee or Clinical Governance Committee. Also replacing Associate Chief Operating Officer posts with Chief Officer of IJB or Hospitals Manager.
Version 9	22.05.19	Business Manager & DoF Healthcare Governance & Audit Committee	Approved 22.05.19	Code revised fully, all sections and approved following scrutiny by the HG&AC. Presented to the Board 29.05.19 for Information and Assurance

Version 10	17.02.20	Business Manager & DoF Healthcare Governance & Audit Committee Present to the Board for approval – 25.03.20	Approved 17.02.20	Updated the Code with the NHS Board Standing Orders (DL (2019)24) – replacing those noted in Version 9 totally. Enter the Corporate Management Team Terms of Reference. Removal of the PFPI Committee – dissolved
Version 11	09.06.22	Implementation of Scottish Government Model Code of Conduct		This was a direction from Scottish Government to replace existing Code of Conduct with the Model Code of Conduct. All Board members agreed to the new Code.
V12	2024/26	Revision of the Board Committee Structure including new Committee Terms of Reference		Amendments noted in detail Reviewed by Corporate Business Manager and in conjunction with: • Director of Finance & Procurement • Director of Human Resources and Workforce Development • Chief Executive