

**NORTHUMBERLAND, TYNE AND WEAR NHS FOUNDATION TRUST**

**BOARD OF DIRECTORS**

**Meeting Date:** 27 April 2016

**Title and Author of Paper:** Decisions Reserved to the Board  
James Duncan, Executive Director of Finance/Deputy Chief Executive

**Paper for Debate, Decision or Information:** Decision

**Key Points to Note:**

The Trust's Decision Making Framework has been updated to support the Trust's devolution agenda, the aim being to achieve clarity about who makes decisions, how they should be made, where accountability sits and ensure decisions can be taken as close to front line services as possible, commensurate with the risk inherent in the decision.

This paper is an extract from the updated Decision Making Framework outlining the Decisions Reserved to the Board.

**Outcome required:**

Board to approve the Decisions Reserved to the Board

**DECISION MAKING FRAMEWORK  
 DECISIONS RESERVED TO THE BOARD**

Standard Decisions List	I	L	CDT/ Board	Group Level Decision (Director level Corp Servs)	Directorate Management Team (Deputy Director Corp)	Ward / team level	Additional authorisation required to support decision	What advice are decision makers required to consider before making decision
<b>HR DECISIONS</b>								
<b>The Trust Policy Group approves policies on behalf of the Corporate Decisions Team, except those in B1. Exceptionally a policy may be referred to the Board for approval if issue(s) are novel, contentious, contrary to guidance or breaking new ground. RESERVED TO BOARD B5</b>	5	4					Policy Group fulfils function-consultation through Group Business Meeting and Corporate Services Networks	TB to receive information on policies approved in month, and may refer to assurance committee for review
Approve <b>the basis (e.g. Agenda for Change regulations)</b> for the determination of commencing pay rates, conditions of service, etc. for officers. <b>Reserved to Board B9</b>		N/A						

Appoint one of the NEDS to be the Senior Independent Director (in consultation with the Council of Governors) per Monitor's Code of Governance A4.1 <b>Reserved to Board B10</b>	N/A							
<b>Discipline Directors who are in breach of statutory requirements or SOs.</b>  <b>Reserved to Board B11</b>	N/A							
<b>Standard Decisions List</b>  <b>FINANCE DECISIONS</b>	I	L	CDT/ Board	Group Level Decision (Director level Corp Servs)	Directorate Management Team (Deputy Director Corp)	Ward / team level	Additional authorisation required to support decision	What advice are decision makers required to consider before making decision
Approve annual financial plans (including <b>high level budgets and the capital programme</b> ). <b>Reserved to Board D7 D5</b> <b>SFIs 4.2, 8.3.2 and 10.1.1</b>	N/A		<b>TB</b>					DoF
Agreement of contracts over £6m for supply of services to Trust ( <b>SFIs 8.9</b> ). <b>Reserved to Board * D8*</b>	4	4	<b>TB</b>					DoF

Approval of new capital schemes or disposals above <b>£6m</b> . <b>Reserved to Board D3**</b>	5	4	<b>TB</b>				Merger, acquisition, separation or dissolution requires approval of CoG. Also significant transactions, i.e. 10% of gross assets before transaction.	Trust Investment Strategy Business Change Procedure
Approval of Business Cases and Tenders for service with revenue value over <b>£6m</b> per annum, including disposals <b>Reserved to Board D4</b>	5	4	<b>TB</b>				Resource and Business Assurance Committee	Trust Investment Strategy Business Change Procedure

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**Reserved to Board D8**

Approve proposals on individual contracts (other than NHS contracts) of a capital nature or revenue nature amounting to, or likely to amount to over **£9m** over a 3 year period or the period of the contract if longer, after appropriate consideration by the Resource and Business Assurance Committee. However the threshold does not apply if either the Resource and Business Assurance Committee or the Corporate Decisions Team regards the proposal as having substantial financial, strategic or operational risks, which will require the proposal to be approved by the Board of Directors.

**\*\* Reserved to Board-D3**

Approve Final Business Cases for Capital Investment of **£6m** and over, after the Case has been through the Trust's formal processes including review by the Resource and Business Assurance Committee. This also applies to disposals.

The application for a merger, acquisition, separation or dissolution is subject to Council of Governors approval.

Significant transactions are subject to Council of Governors approval. A significant transaction is the acquisition / disposal, or an agreement to acquire / dispose, whether contingent or not, assets the value of which is more than 10% of the value of the Trust's **annual turnover** before the acquisition disposition. It also includes transactions that has or is likely to have the effect of the Trust acquiring rights or interests or incurring obligations or liabilities, including contingent liabilities, the value of which is more than 10% of the value of the Trust's **annual turnover**.

**\*\*\*Reserved to Board D4**

Approve the introduction or discontinuance of any significant activity or operation. This may be by Business Case or Tender, and may include disposal and re-allocation of resources for assets with multiple directorate use. An activity or operation shall be regarded as significant if it has a gross annual income or expenditure (i.e. before any set off) in excess of **£6m** million, after appropriate consideration by Corporate Decisions Team. However the threshold does not apply if the Corporate Decisions Team regards the proposal as having substantial financial, strategic or operational risks, which will require the proposal to be approved by the Board of Directors. In addition, the threshold does not apply where the Trust initiates the disinvestment in which case the Board of Directors shall consider all such cases.”

<b>Standard Decisions List</b>  <b>CLINICAL AND OPERATIONAL DECISIONS</b>	I	L	CDT/ Board	Group Level Decision (Director level Corp Servs)	Directorate Management Team (Deputy Director Corp)	Ward / team level	Additional authorisation required to support decision	What advice are decision makers required to consider before making decision
Agree Trust Level performance targets <b>Reserved to Board D17 D9</b>	4	4	TB				All performance targets to be agreed in conjunction with Groups and Corporate Directors in line with agreed strategic objectives	DCQA
<b>Standard Decisions List</b>  <b>Strategic or Service Development Decisions</b>	I	L	CDT / Board	Group Level Decision (Director level Corp Servs)	Directorate Management Team (Deputy Director Corp)	Ward / team level	Additional authorisation required to support decision	What advice are decision makers required to consider before making decision
Define the strategic aims and objectives of the Foundation Trust <b>and the strategic framework to deliver these aims and objectives.</b> <b>RESERVED TO BOARD D1</b>	N/A		TB					
Identify the key strategic risks, evaluate them and ensure- <b>appropriate arrangements are in place to monitor and arrange this risk including ongoing and continuous Board oversight.</b> <b>RESERVED TO BOARD D2</b>	N/A		TB					

Approve the Annual Plan. <b>This includes the incorporation of new business development proposals into trust wide strategic plan.</b> <b>RESERVED TO BOARD D8 D6</b>	N/A		TB					
Approve short term and long term financing arrangements including PFI, loans and working capital facilities. <b>RESERVED TO BOARD D10 D7</b> SFIs 8.11	N/A		TB					
<b>Agree</b> permanent / longer term (>1 month) closure of a ward or service <b>RESERVED TO BOARD D18 D10</b>	5	4	TB					
Approve <b>the establishment of legal partnerships, subsidiaries, etc</b> <b>RESERVED TO BOARD D19 D11</b>	N/A							

Standard Decisions List  Regulation and Control Decisions	I	L	CDT / Board	Group Level Decision (Director level Corp Servs)	Directorate Management Team (Deputy Director Corp)	Ward / team level	Additional authorisation required to support decision	What advice are decision makers required to consider before making decision
Any matter for which the Board has delegated or statutory authority within its statutory powers. <b>RESERVED TO BOARD A1</b>	N/A		TB					
Amend the Trust's constitution. This is jointly with the Council of Governors. Where amendments are made to the powers or duties of the Council of Governors, this is subject to a vote by the members at the Annual Members Meeting to ratify the change. <b>RESERVED TO BOARD B40 B8</b>	N/A		TB				Jointly with CoG	
Approve: <ul style="list-style-type: none"> <li>• Standing Orders <b>and any variation and amendment</b> (as Standing Orders are part of the Trust constitution, <b>B8</b> below applies);</li> <li>• Standing Financial Instructions for the regulation of its proceedings and business;</li> <li>• Investment Policy</li> <li>• <b>Standards of Business Conduct and Conflicts of Interest Policy; and</b></li> <li>• any other guidance regarded as key to the corporate governance framework.</li> </ul> <b>RESERVED TO BOARD B1</b> <b>SFIs B1</b>	N/A		TB				As SOs is part of Trust Constitution, it requires joint approval with CoG. DoF to advise Board on thresholds for quotations and tenders (SFIs 8.1.2) Audit Committee recommendation	



Suspend SOs <b>RESERVED TO BOARD B2</b>	N/A	<b>TB</b>					
Ratify urgent decisions by Chair & CE <b>RESERVED TO BOARD B3</b>	N/A	<b>TB</b>					
Require and receive the declaration of Board of Directors members' interests that may conflict with those of the Trust and determining the extent to which that member may remain involved with the matter under consideration. <b>RESERVED TO BOARD B4</b>	N/A	<b>TB</b>				Trust Constitution	
<b>The Trust Policy Group approves policies on behalf of the Corporate Decisions Team, except those in B1. Exceptionally a policy may be referred to the Board for approval if issue(s) are novel, contentious, contrary to guidance or breaking new ground.</b> <b>RESERVED TO BOARD B5</b>	N/A	<b>TB</b>				Policy Group fulfils function-consultation through Group Business Meeting and Corporate Networks	TB to receive information on policies approved in month, and may refer to assurance committee for review
Adopt the organisation structures, to facilitate the discharge of business by the Foundation Trust and to agree modifications thereto, i.e. the structure of the Board of Directors and its sub-committees <b>B8</b> applies where this requires a change to the Trust Constitution. <b>RESERVED TO BOARD B6</b>	N/A	<b>TB</b>					

Ratify or otherwise instances of failure to comply with Standing Orders brought to the Chief Executive's attention. <b>RESERVED TO BOARD B9 B7</b>	N/A	<b>TB</b>					
<b>Approval of how the Trust's funds held on trust will be administered, e.g. corporate trustee, independent body, and the administering organisation if external to the Trust.</b> <b>RESERVED TO BOARD B12</b>	N/A	<b>TB</b>					
<b>Approve the Trust's registration with the CQC.</b> <b>RESERVED TO BOARD B13</b>	N/A	<b>TB</b>					
<b>Approve mandatory and statutory reports, e.g. Medical Revalidation Annual Report, Safer Staffing, etc.</b> <b>RESERVED TO BOARD B14</b>	N/A	<b>TB</b>					

<b>Standard Decisions List</b>  <b>Committees' Arrangements Decisions</b>	I	L	CDT/ Board	Group Level Decision (Director level Corp Servs)	Directorate Management Team (Deputy Director Corp)	Ward / team level	Additional authorisation required to support decision	What advice are decision makers required to consider before making decision
Appoint and dismiss committees (and individual members) that are directly accountable to the Board of Directors <b>RESERVED TO BOARD C1</b>	N/A		TB					
Establish terms of reference and reporting arrangements of all committees and sub-committees that are established by the Board of Directors. These must include: <ul style="list-style-type: none"> <li>• Audit Committee</li> <li>• Remuneration Committee</li> </ul> <b>RESERVED TO BOARD C2</b> <b>SFIs 3.2.1 and 9.1.1.</b>	N/A		TB					
Receive reports from committees and sub-committees that are established by the Board of Directors, including those that the Trust is required by the regulation to establish and to take appropriate action on. <b>RESERVED TO BOARD C3</b>	N/A		TB					
Confirm the recommendations of the Foundation Trust's committees where the committees do not have executive powers. <b>RESERVED TO BOARD C4</b>	N/A		TB					

Confirm appointment of members of any committee of the Foundation Trust as representatives on outside bodies. <b>RESERVED TO BOARD C5</b>	N/A		<b>TB</b>					
<b>Standard Decisions List</b>  <b>Audit Arrangements Decisions</b>	I	L	CDT/ Board	Group Level Decision (Director level Corp Servs)	Directorate Management Team (Deputy Director Corp)	Ward / team level	Additional authorisation required to support decision	What advice are decision makers required to consider before making decision
Receive the annual management letter received from the external auditor and agreement of proposed action, taking account of the advice, where appropriate, of the Audit Committee <b>RESERVED TO BOARD E1</b>	N/A		<b>TB</b>					
<b>Standard Decisions List</b>  <b>Annual Report and Accounts Arrangements Decisions</b>	I	L	CDT/ Board	Group Level Decision (Director level Corp Servs)	Directorate Management Team (Deputy Director Corp)	Ward / team level	Additional authorisation required to support decision	What advice are decision makers required to consider before making decision
Receipt and approval of the Foundation Trust's Annual Report and Annual Accounts, <b>Annual Governance Statement</b> and Quality Accounts <b>RESERVED TO BOARD F1</b>	N/A		<b>TB</b>					
<b>Receipt and approval of the Annual Report and Annual Accounts for funds held on trust.</b> <b>RESERVED TO BOARD F2</b>	N/A		<b>TB</b>					

<b>Standard Decisions List</b>  <b>Board Monitoring Arrangements</b>	I	L	CDT/ Board	Group Level Decision (Director level Corp Servs)	Directorate Management Team (Deputy Director Corp)	Ward / team level	Additional authorisation required to support decision	What advice are decision makers required to consider before making decision
Continuous appraisal of the affairs of the Foundation Trust by means of the receipt of reports as it sees fit from Board members, committees, and officers of the Foundation Trust. All <b>statutory</b> returns required by the Independent Regulator shall be reported, at least in summary, to the Board of Directors. <b>Approval of all legal and regulatory requirements.</b> <b>RESERVED TO BOARD G1</b>	N/A		TB					