## NHS EDUCATION FOR SCOTLAND

### STANDING FINANCIAL INSTRUCTIONS

OCTOBER 2016

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1. INTRODUCTION

* 1. Background

These Standing Financial Instructions are issued in accordance with the financial directions issued by the Scottish Government Health and Social Care Directorate 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 NHS EDUCATION FOR SCOTLAND’s (NES) financial affairs and shall have the effect as if incorporated in the Standing Orders of NHS EDUCATION FOR SCOTLAND (NES).

* 1. The purpose of such a scheme of control is:
* To ensure that NES acts within the law and that financial transactions are in accordance with the appropriate authority;
* To ensure that proper accounting records, which are accurate and complete, are maintained;
* To ensure that financial statements, which give a true and fair view of the financial position of NES and its expenditure and income, are prepared timeously;
* To protect NES against the risk of fraud and irregularity;
* To safeguard NES assets;
* To ensure that proper standards of financial conduct are maintained;
* To enable the provision of appropriate management information;
* To ensure that NES seeks best value from its resources, by making proper arrangements to pursue continuous improvement, having regard to economy, efficiency and effectiveness in NES’s operations;
* To ensure that any delegation of responsibility is accompanied by clear lines of control and accountability, together with reporting arrangements.
* To ensure transparency and accountability in all procurement and contracting activities.

# COMPLIANCE

* 1. All Board Members, officials, staff and agents of NES shall observe these Standing Financial Instructions. The Chief Executive, Directors and Members of the Executive Team shall be responsible for ensuring that staff and others within the organisation are aware of, and adhere to the Standing Financial Instructions.
  2. Failure to comply with these Standing Financial Instructions shall be regarded as a disciplinary matter.
  3. Where these Standing Financial Instructions place a duty upon a person, this may be delegated to another person, subject to the Scheme of Delegation contained within the Standing orders of NES.
  4. All references in these instructions to the masculine gender shall be read as equally applicable to the feminine gender.
  5. Nothing in these Standing Financial Instructions shall be held to override any legal requirement or Ministerial Direction placed upon NES, its members or officers.

2. RESPONSIBILITIES OF THE CHIEF EXECUTIVE AS ACCOUNTABLE OFFICER

* 1. Under the terms of Section 14 and 15 of the Public Finance and Accountability (Scotland) Act 2000, the Principal Accountable Officer (PAO) for the Scottish Government has designated the Chief Executive of NES as its Accountable Officer.
  2. Accountable Officers must comply with the terms of the Guidance to Accountable Officers and any updates issued to them from time to time by the Scottish Government Health and Social Care Directorate.
  3. GENERAL RESPONSIBILITIES
     1. The Accountable Officer is personally answerable to the Scottish Parliament for the propriety and regularity of the public finances for NES.

The Accountable Officer must ensure that the NES Board, the Executive Team, and all other relevant decision making bodies as may be constituted from time to time, have drawn to their attention and take 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.

* + 1. The Accountable Officer has a personal duty of signing the Annual Accounts of NES for which they have responsibility. Consequently, they may also have the further duty of being a witness before the Audit Committee of the Scottish Parliament, and be expected to deal with questions arising from the Accounts, or, more commonly, from reports made to Parliament by the Auditor General for Scotland.
    2. The Accountable Officer must also ensure that any arrangements for delegation promote good management, and that they are 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.
  1. SPECIFIC RESPONSIBILITIES

The Accountable Officer must:

* + 1. Ensure that proper financial systems are in place and applied, and that procedures and controls are reviewed annually to ensure their continuing relevance and reliability, especially at times of major changes;
    2. Sign the Accounts assigned to them, and in doing so accept personal responsibility for ensuring that they are prepared under the principles and in the format directed by Scottish Ministers.
    3. Ensure that proper financial procedures are followed incorporating the principles of separation of duties and internal checks 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 accounts;
    4. Ensure that the public funds for which they are responsible are properly managed and safeguarded, with independent and effective checks of cash balances in the hands of any official;
    5. Ensure that the assets for which they are responsible, including land, buildings, fixtures, fittings, equipment and other assets are properly managed and safeguarded.
    6. Ensure that, in consideration of policy proposals relating to expenditure, or income, for which they have responsibilities as Accountable Officer, all relevant financial considerations, including any issues of propriety, regularity or value for money, are taken into account.
    7. Ensure that any delegation of authority is accompanied by clear lines of control and accountability, together with reporting arrangements.
    8. Ensure that effective management systems appropriate for the achievement of the organisation’s objectives, including financial monitoring and control; systems have been put in place;
    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 areas to manage them;
    10. 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;
    11. 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;
    12. Ensure that managers at all levels are assigned well-defined responsibilities for making the best use of resources including a critical scrutiny of output and value for money;
    13. Ensure that managers at all levels have the information, training and access to the expert advice which they need to exercise their responsibilities effectively.
    14. Make judgements and estimates on a reasonable basis and prepare the accounts on a going concern basis.
  1. REGULARITY AND PROPRIETY OF EXPENDITURE
     1. 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 of the organisation’s accounts. In the case of expenditure approved under the Budget Act, any payments must be within the scope and amount specified in that act.
     2. All actions must be able to stand the test of parliamentary scrutiny, public judgement 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.
  2. ADVICE TO THE NHS EDUCATION BOARD, AND OTHER DECISION MAKING BODIES
     1. The Accountable Officer has a duty to ensure that appropriate advice is tendered to the Board, the Business Group and other decision making bodies/ on all matters of financial propriety and regularity, and more broadly, as to all considerations of prudent and economical administration, efficiency and effectiveness
     2. If the Accountable Officer considers that, despite his/her advice to the contrary, the Board or other decision making body is contemplating a course of action which he/she considers would infringe the requirements of regularity or propriety, and that, as a result, he/she would be required to take action that is inconsistent with the proper performance of their duties as Accountable Officer, he/she should, inform the Scottish Government Health and Social Care Directorate’s Accountable Officer, so that the Department, if it considers it appropriate, can intervene, and inform Scottish Ministers. If this is not possible, the Accountable Officer should set out in writing his/her objection to the proposal and the reasons for the objection. If his/her advice is overruled, and the Accountable Officer does not feel that he/she would be able to defend the proposal to the Audit Committee of the Scottish Parliament, as representing value for money, he/she should obtain written instructions from the Board and send a copy of his/her request for instruction and the instruction itself as soon as possible to the External auditor and the Auditor General for Scotland.
     3. The Accountable Officer must also ensure that their responsibilities as Accountable Officer do not conflict with those as a Board member. They should vote against any action that they cannot endorse as Accountable Officer, and in the absence of a vote, ensure that their opposition as a Board member, as well as Accountable Officer is clearly recorded.
  3. ABSENCE OF ACCOUNTABLE OFFICER
     1. The Accountable Officer should ensure that they 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, a senior officer is identified to act on their behalf if required.
     2. In the event that the Accountable Officer would be unable to discharge their responsibilities for a period of four weeks or more, NES will notify the Principal Accountable Officer of the Scottish Government, in order that an Accountable Officer can be appointed pending their return.
     3. Where an Accountable Officer is unable by reason of incapacity or absence to sign the 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.

3. RESPONSIBILITIES OF THE BOARD

* 1. The Board has key functions for which it is held accountable by Scottish Government Health and Social Care Directorate on behalf of the Scottish Ministers:
* To set strategic direction of the organisation within the overall policies and priorities of the Government and NHSScotland, define its annual and longer term objectives and agree plans to achieve them;
* To oversee the delivery of planned results by monitoring performance against objectives and ensuring corrective action is taken when necessary;
* To ensure that there is effective dialogue within the organisation and between the organisation and the local community on its plans and performance and that these are responsive to the community’s needs
* To ensure effective financial stewardship through value for money, financial control and financial planning and strategy;
* To ensure that high standards of corporate governance and personal behaviour are maintained in the conduct of the business of the whole organisation; and
* To appoint, appraise and remunerate senior executives.
  1. In fulfilling these functions the Board should:
* Specify its requirements in organising and presenting financial and other information succinctly and efficiently to ensure the Board can fully understand its responsibilities;
* Be clear what decisions and information are appropriate to the Board and draw up standing orders, a schedule of decisions reserved to the Board and standing financial instructions to reflect this;
* Establish performance and quality targets that maintain the effective use of resources and provide for money;
* Ensure that management arrangements are in place to enable responsibility to be clearly delegated to senior officers for the main programmes of action and for performances against programmes to be monitored and senior officers held to account;
* Establish committees, such as the audit and remuneration, on the basis of formally agreed terms of reference which set the membership of the committees, the limit to their powers, and the arrangements for reporting back to the Board; and
* Act within the statutory, financial and other constraints.

4. RESPONSIBILITIES OF SENIOR MANAGERS AND ALL OFFICERS IN NES

* 1. The Chief Executive shall have delegated authority from the NES Board to secure the efficient operation and management of the full range of NES activities in accordance with the current policies of NES and within the limits of the resources available.
  2. Directors of NES have collective responsibility to exercise financial supervision, control and monitoring by requiring the submission and approval of budgets within approved allocations, by defining and approving essential features of financial arrangements in respect of important procedures and financial systems, including the need to obtain value for money, and by defining specific responsibilities placed on officers.
  3. All staff individually and collectively is responsible for the security of NES’s property, for avoiding loss, for economy and efficiency in the use of resources, for identifying and managing risk, and for complying with the requirement of Standing Orders, Standing Financial Instructions and other financial procedures which the Director of Finance may issue.
  4. It shall be the duty of the Chief Executive to ensure that arrangements are made for existing staff and all new employees to be notified of their responsibilities within these instructions.
  5. The Chief Executive shall be responsible for the implementation of NES’s financial policies and for ensuring whatever corrective action is necessary to further these policies after taking account of advice given by the Director of Finance on all such matters.
  6. Without prejudice to the functions of any other officers of NES, the duties of the Director of Finance shall include the provision of financial information to NES and its officers; the design, implementation and supervision of systems of financial control and the preparation and maintenance of such accounts, certificates, estimates, records and reports as NES may require for the purpose of carrying out its statutory duties and responsibilities.
  7. The Director of Finance shall prepare, document and maintain detailed financial procedures and systems incorporating the principles of separation of duties and internal control to supplement these instructions. The Director of Finance shall require any officer who carries out a financial function to ensure that the form in which the records are kept and the manner in which the officer discharges their duties shall be to the satisfaction of the Director of Finance.
  8. Where a fundamental organisational change occurs the Director of Finance should initiate a review of the relevant Standing Financial Instructions to ensure that if any amendments are required these are implemented timeously. This review would then be subject to the approval of the Board.
  9. Wherever the titles Chief Executive, Director of Finance or other nominated officer is used in these instructions, it shall be deemed to include such officers who have been duly authorised to represent them.

5. REVENUE RESOURCE LIMIT

* 1. NES, as a Special Health Board, is required by statutory provision made under Section 85 of the National Health Service (Scotland) Act 1978, as amended by the Health Services Act 1980, to perform its functions within the total of funds allocated by the Scottish Government Health and Social Care Directorate.

The financial measures which NES must operate within are the:

* Revenue Resource Limit (RRL)
* Capital Resource Limit (CRL)
* Cash Requirement
  1. The Director of Finance shall ensure that all income and expenditure is identified correctly and accounted for in the relevant financial year.
  2. The Director of Finance shall, on behalf of the Chief Executive, request an appropriate level of Capital resource from the Scottish Government Health and Social Care Directorate. This may be in the format of a funding transfer from Revenue to Capital.
  3. The Director of Finance shall ensure that amounts drawn for NES against the agreed cash limit are required for approved expenditure only.
  4. The Director of Finance will ensure that the cash balances held by NES are not excessive but are sufficient to meet immediate liabilities. The Director of Finance shall therefore ensure that due receipts are collected promptly and shall pay invoices in accordance with targets set by the Scottish Government Health and Social Care Directorate. Payments of due debts shall not be delayed artificially to a following financial year where the expenditure is properly attributable to the current year.
  5. In submitting the final requisition for a fiscal year, the Director of Finance shall ensure that sufficient resources are available to meet financial commitments at the end of the year. The balances of accounts holding public funds will be maintained at the lowest practicable levels.
  6. The Director of Finance will review the RRL/CRL and Cash positions regularly to ensure that NES remain on target to meet its financial objectives.
  7. The Director of Finance shall provide monthly reports to the Scottish Government Health and Social Care Directorate in the form requested.

6. PLANNING AND BUDGETING

* 1. The Chief Executive shall carry out their duties within the total of funds allocated by Scottish Ministers and shall not exceed the budgetary limits set for NES. All plans and financial approvals and control systems shall be designed to meet this obligation.
  2. The Chief Executive, with the assistance of the Director of Finance, shall compile and submit to NES Board and the Scottish Government Health and Social Care Directorate, a Local Delivery Plan and a Corporate Plan in accordance with the guidance issued by the Scottish Government Health and Social Care Directorate.
  3. Officers shall provide the Director of Finance with all financial, statistical and other relevant information as necessary for the compilation of such estimates and forecasts that the Director of Finance may need to fulfil the requirements of NES and the Scottish Government Health and Social Care Directorate.
  4. The Director of Finance shall, on behalf of the Chief Executive, prepare and submit budgets (by Directorate and category, within the limits of available funds) to NES Board for its approval.
  5. The Director of Finance shall provide periodic reports to the Chief Executive and NES Board, comparing actual expenditure and income with approved budgets. The Director of Finance shall report to NES Board any significant in year variance from the financial plan, and shall advise the Board on action to be taken.
  6. The Director of Finance shall also compile and submit to the Board such financial estimates and forecasts as may be required from time to time. As a consequence, the Director of Finance shall have a right of access to all budget holders on budgetary related matters.
  7. The Director of Finance shall ensure that a system of budgetary control is maintained and that all officers whom NES may empower to engage staff or otherwise incur expenditure, collect or generate income, shall comply with the requirements of those systems. The systems of budgetary control shall incorporate the reporting of, and investigation into, expenditure variances from budget.
  8. The Chief Executive may delegate responsibility for budgets to officers to permit the performance of defined activities. 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 these delegated functions to the Chief Executive. The Director of Finance will be responsible for providing budgetary information and advice to the Chief Executive and budget holders to enable the Chief Executive and other officers to carry out their budgetary responsibilities.
  9. In carrying out their duties:
* the Chief Executive shall not exceed the budgetary or virement limits set by NES Board;
* officers designated as budget holders shall not exceed the budgetary or virement limits set for them by the Chief Executive ;
* the Chief Executive may vary the budgetary limit of an officer within the Chief Executive’s own budgetary limit.
  1. Except where otherwise approved by the Chief Executive, taking account of advice of the Director of Finance, 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 delegated powers of virement, see Section 17.
  2. Expenditure, for which no provision has been made in an approved budget and not subject to funding under the delegated powers of virement, shall only be incurred after authorisation by the Chief Executive or NES Board, as appropriate.
  3. The Director of Finance 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.

For information relating to authorisation limits and budget virements, see Section 17.

7. ANNUAL ACCOUNTS AND REPORTS

* 1. NES is required under the terms of Section 86(3) of the National Health Services (Scotland) Act 1978 and the Public Finance and Accountability (Scotland) Act 2000 to prepare and transmit Annual Accounts to Scottish Ministers.
  2. Scottish Ministers have issued Accounts Direction in exercise of the powers conferred by Section 86(1) of the National Health Service (Scotland) Act 1978 which contains provisions covering the basis of preparation and the form of accounts. NES shall comply with all these provisions.

Subject to the foregoing requirement, the Annual Accounts shall also contain any disclosure and accounting and requirements which Scottish Ministers may issue from time to time.

* 1. The Director of Finance shall maintain proper accounting records which allow the timeous preparation of Annual Accounts, in accordance with the timetable set by the Scottish Government Health and Social Care Directorate, and which give a true and fair view of NES and its expenditure and income for the period in question.
  2. Annual Accounts, Supplementary Notes and other financial returns required by the Scottish Government Health and Social Care Directorate shall be prepared by NES in accordance with the guidance and the timetables contained within the NHS Board Accounts Manual for the Annual Report and Accounts of NHS Boards as amended from time to time.
  3. Under the terms of the Public Finance and Accountability (Scotland) Act 2000, the Auditor General for Scotland is responsible for the appointment of the External Auditors of NES.
  4. The Director of Finance shall agree with the External Auditor a timetable for the production, audit, adoption by the Board and submission of accounts to the Auditor General for Scotland and the Scottish Government Health and Social Care Directorate. This timetable shall be consistent with the requirements of the Scottish Government Health and Social Care Directorate.
  5. The Chief Executive shall be responsible for preparing a Governance Statement as parts of their duties as an Accountable Officer, and in so doing shall seek appropriate assurances, including that of the Chief Internal Auditor, with regard the adequacy of internal control throughout the organisation, including the performance of the non-executive committees.
  6. The Annual Accounts of NES shall be reviewed by the Audit Committee, which has the responsibility of recommending adoption of the accounts by the NES Board. 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.
  7. Following the formal approval of the motion to adopt the accounts by NES 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.
  8. Signed sets of NES’s Annual Accounts shall then be submitted by the External Auditor to the Scottish Government Health and Social Care Directorate, and to the Auditor General in the required format
  9. The Chief Executive shall arrange for the production and circulation of an Annual Report for NES in such form as may be determined by the Scottish Government Health and Social Care Directorate. The Annual Report, together with an audited financial statement, shall be presented at a public meeting which must take place no later than six months after the relevant accounting date.

8. BANKING ARRANGEMENTS AND OPERATION

* 1. All arrangements with NES’s bankers will be made in accordance with directions and advice from the Scottish Government Health and Social Care Directorate.
  2. NES is obliged to comply with instructions from Scottish Ministers and Her Majesty’s Treasury in relation to the operation of bank accounts. All bank accounts will only be opened on the instruction of the Director of Finance. The Scottish Government commercial banking arrangements provide for public bodies to hold a commercial bank account with the Royal Bank of Scotland. During financial year 2015/16, HM Treasury implemented new arrangements for the Government Banking Service (GBS). . Previously Public Sector organisations were obliged to use both Citibank and RBS, however under the revised arrangements, all NHSScotland bodies are obliged to use accounts provided by NatWest, part of RBS Group As at 31st March 2016 the following bank accounts were in operation:-

|  |  |  |
| --- | --- | --- |
| Bank | Account Description | Services Provided |
| Royal Bank of Scotland | Commercial Account under the terms of the Scottish Government contract for commercial Bank Accounts | BACS sponsorship;  BACS rejects and recalls;  Income receipts from Portal; and  Local Pay-Ins |
| Royal Bank of Scotland | Account provided under previous GBS contract. The account will remain open to allow payable orders to clear. Account closed 30th June 2016 | Presentation of cheques issued prior to 26th January 2016 |
| NatWest | Account provided under existing GBS contract | Payable Orders (cheques);  BACS payments;  Receipt of Income from Debtors;  Receipts and payments from/To Other Public Sector organisations |

Any new accounts or changes to existing arrangements for the accounts must be approved by the Director of Finance.

* 1. Payable Orders are printed with the signature of the Assistant Paymaster General added at the time of processing.
  2. All other payments are authorised electronically on the above accounts. For payments generated from the Finance System, only one authoriser is required to approve payments using secure on-line access. However, manual payments which exceed £50,000 require on-line approval from two authorisers. The Director of Finance will specify all officers approved to authorise payments and BACS files
  3. The signatory(ies) will satisfy themselves that payments are correctly substantiated and are in respect of sums properly payable by NES.
  4. All Payable Orders (cheques) (which shall be crossed with “Not Negotiable – Account Payee Only”) shall be treated as controlled stationery in the charge of a duly designated officer controlling their issue.

The Director of Finance is responsible for ensuring the system of control of access to and authorisation of payments from all bank accounts is robust and administered appropriately using the systems provided by the banks. This system of administration will cover creation and prompt deletion of users as necessary to ensure the security of access and efficient management of the accounts.

* 1. The Director of Finance shall ensure that NES does not, without the approval of Scottish Government given as appropriate with the consent of Treasury, borrow or lend money nor give any guarantee, indemnity, nor letter of comfort

9. FINANCIAL ARRANGEMENTS

* 1. The Director of Finance shall ensure that detailed written procedures relating to financial systems are designed, including specific reference to duties of officers under these systems and that these systems, incorporating internal control principles, duly approved by the Director of Finance, are maintained, reviewed annually and updated as necessary.
  2. Any authorisation for expenditure outside of the approved plans, policies or regulations and for which no budget has been provided under the powers of virement must have the written approval of the Director of Finance before payment.

# SECURITY OF CASH, CHEQUES AND OTHER NEGOTIABLE INSTRUMENTS:

* 1. All means of officially acknowledging or recording amounts received or receivable shall be in the form approved by the Director of Finance. These stationery items shall be subject to the same precautions as are applied to cash, in accordance with the requirements of the Director of Finance.
  2. 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. The officer concerned shall hold only one key with one duplicate being held by another officer authorised by the Director of Finance and suitable receipts obtained. The loss of any key shall be reported immediately to the Head of Finance. The Director of Finance shall arrange for all new keys to be despatched directly to them from the manufacturers and shall be responsible for maintaining register of authorised holders of safe keys.
  3. The safe key holder shall not accept unofficial funds for depositing in their safe unless deposits are in sealed envelopes or locked containers. It shall be made clear to the depositor that the NES Board is not held liable for any loss and written indemnity must be obtained from the organisation or individual absolving NES from responsibility for any loss. During the absence of the holder of a safe or cash box key, the officer who acts in their place shall be subject to the same controls as the normal holder of the key. There shall be written discharge for the safe/cash box contents on the transfer of responsibilities and the discharge document must be retained for audit inspection.
  4. All cash, cheques, postal orders and other forms of payment shall normally be received by more than one officer and shall be entered in an approved form of register which should be signed by both. All cheques and postal orders shall be crossed immediately “Not Negotiable”.   
     The remittances shall be passed to the Operational Assistant from whom a signature shall be obtained.
  5. Any cash collected from fund raising events will be counted by two staff members in the Directorate where the funds have been collected. If passing to Finance for onward payment to the charity, the directorate team must complete a form with the breakdown of cash, signed by the two staff members before passing the form and cash to Central Finance. Finance will bank the income and issue a cheque to the Charity. Cash will be banked by finance, no later than the following working day. Any cash held overnight will be kept in the safe.
  6. The opening of mail and the counting and recording of any takings shall be undertaken by two officers together.
  7. Official monies shall not under any circumstances be used for the encashment of private cheques.
  8. All cheques, postal orders, cash etc. shall be banked intact promptly in accordance with the approved procedures of the Director of Finance. Disbursements shall not be made from cash received, except under arrangements approved by the Director of Finance.
  9. All unused payable orders shall be kept in the safe.
  10. Any loss or shortfall of cash, cheques or other negotiable instruments, however occasioned, shall be reported immediately in accordance with the agreed procedure for reporting losses.
  11. Petty cash reconciliations shall be prepared prior to requesting cash reimbursement for expenses.

# SECURITY OF PHYSICAL ASSETS

* 1. Each employee has a responsibility to exercise a duty of care over the property of NES and it shall be the responsibility of senior staff in all disciplines to apply appropriate routine security practices in relation to NHS property. Persistent breach of agreed security practices shall be reported to the Chief Executive.
  2. Wherever practicable, items of equipment shall be marked as NES property. Items to be controlled shall be recorded and updated in an appropriate register including all capital assets
  3. Nominated officer(s) designated by the Chief Executive shall maintain an up-to-date asset register of those items which are capital by definition. Items falling into the following categories are capital by definition:
* Property, plant and equipment assets which are capable of being used for a period which could exceed one year, and have a cost equal to or greater than £5,000.
* In cases where a new development would face an exceptional write off of items of equipment costing individually less than £5,000 the Board has the option to capitalise initial revenue equipment costs with a standard life of 10 years.
* Assets of lesser value may be capitalised where they form part of a group of similar assets purchased at approximately the same time and cost over £20,000 in total, or where they are part of the initial costs of equipping a new development and total over £20,000.
  1. A separate register of items of a specialist nature which do not meet the formal definition of capital assets e.g. Laptops, PCs, mobile phones shall be maintained by nominated officers. The Director of Finance shall approve the form of all registers and the methods of updating.
  2. The items on the register shall be physically checked at least annually by the designated officer and all discrepancies shall be notified in writing to the Director of Finance, who may also undertake such other independent checks as they consider necessary. On the closure of premises, a check shall be carried out and a designated officer shall certify a list of items held showing eventual disposal.
  3. Any damage to premises, vehicles and equipment, or any loss of equipment or supplies shall be reported by staff in accordance with the agreed procedure for reporting losses (Also see Losses section).
  4. Registers shall also be maintained by responsible officers and receipts retained for:
* Equipment on loan; and
* Leased equipment;
  1. The Chief Executive will ensure that NES does not dispose of any assets, unless Scottish Government otherwise agrees, except at current market values and in accordance with the practices applicable to assets purchased out of public funds as laid down in Government Accounting.
  2. The Chief Executive shall ensure that assets having a net book value or realisable value, whichever is the higher, in excess of £50,000, are not disposed of without prior Scottish Government approval.

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# INCOME

* 1. The Director of Finance shall be responsible for designing and ensuring maintenance of systems for the proper recording and collection of all monies due.
  2. All officers shall inform the Director of Finance of monies due to NES arising from transactions they initiate, including all contracts, leases, tenancy agreement and any other transactions in order that an official invoice is raised to the customers.
  3. The Director of Finance shall take appropriate recovery action on all outstanding debts including the establishment of procedures for the write off of debts after all recoverable steps have been taken to secure payment (see Losses section).
  4. In relation to Income Generation Schemes, the Director of Finance shall ensure that there are systems in place to identify all costs and services attributed to each scheme before implementation and such schemes should only proceed on the basis of providing income in excess of the cost of the scheme.

All fees and charges must be approved in advance by the Director of Finance.

All fees and charges must be reviewed annually by the Budget Holder to ensure they are still appropriate and agreed by the Director of Finance.

# PAYMENT OF ACCOUNTS

* 1. The Director of Finance shall ensure that up to date lists of authorised signatories are maintained and reviewed regularly, at least annually.
  2. The Director of Finance shall be responsible for the payment of all accounts, invoices and contract claims in accordance with contractual terms and/or targets set by the Scottish Government Health and Social Care Directorate. Payment systems shall be designed to avoid payments of interest arising from non-compliance with the Late Payment of Commercial Debts (Interest) Act 1998.
  3. All officers shall inform the Director of Finance promptly of all monies payable by NES arising from any transactions related to leases or tenancy agreements. All expenditure should be consistent with approved spend from the budget process. Suppliers shall be informed to send all invoices to the Finance Department for processing, quoting a valid Purchase Order number where appropriate.
  4. All requests for payment should, wherever possible, have relevant invoices or contract payment vouchers attached and shall be authorised by an approved officer from a list of authorised signatories.
  5. The Director of Finance shall be responsible for designing and maintaining a system for the verification, recording and payment of all amounts payable. The system shall provide for certification that:
* Goods have been duly received, examined, are in accordance with specification and order, are satisfactory and that prices are correct;
* Work done or services rendered have been satisfactorily carried out in accordance with the order; that were 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 the 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;
* Payments are processed timeously in order to secure discounts available; and
* A timetable and system for submission of accounts for payment is maintained to ensure prompt payment to suppliers
  1. Budget Holders shall ensure, before a requisition for goods and service is placed, that the purchase has been properly considered and forms part of the department’s allocations, agreed business plans, or other known and specific funds available to the department.
  2. The Director of Finance shall ensure that payment for goods and services is only made once the goods and services are received other than under the terms of a specific contractual agreement.
  3. Where an officer certifying accounts or claims relies upon other officers to do preliminary checking he/she shall, wherever possible, ensure that those who check delivery or execution of work act independently of those who have placed order and negotiated prices and terms. Budget Managers must therefore ensure that there is effective separation of duties between:
* The person placing the order;
* The person certifying receipt of goods and services, and;
* The person authorising the invoice

No single person should undertake all three functions. The Director of Finance must approve the list of officers authorised to certify invoices, non-invoice payments and payroll schedules, including where required by the Director of Finance, financial limits to their authority. The Director of Finance will maintain details, together with their specimen signatures.

* 1. 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 shall make payment on receipt of certificate from the appropriate technical consultant or officer. Without prejudice to the responsibility of any consultant or works officer appointed to a particular building or engineering contract, a contractors account shall be subject to such financial examination by the Director of Finance 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.
  2. The Director of Finance may authorise petty cash 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.
  3. When commissioning contractors to carry out work on behalf of NES, the responsible officer must check the employee/employer status of the individual concerned. Claims of self-employed status on behalf of the individual need to be verified for every project undertaken. The HMRC Employment Status Indicator tool should be completed by the officer commissioning the individual (<http://www.hmrc.gov.uk/calcs/esi.htm>). The result should be kept by the officer to produce in the event of an audit from HMRC. If the result confirms that there is no employee/ employer relationship then the contractor should be asked to provide an invoice for their fees. However, if the result indicates that there is a relationship then the contractor should be asked to complete a fee form and will be paid through the NES payroll.
  4. Advance payment for supplies, equipment or services out with normal business practices shall not be normally permitted. Advance payment in all exceptional circumstances shall be subject to the express approval of the Director of Finance.
  5. The budget holder is responsible for ensuring that all items due under a payment in advance contract are received and they must inform the Director of Finance immediately problems are encountered.

# PAYMENT OF STAFF

* 1. Staff may be engaged or re-graded only by authorised officers within the limit of the approved budget and establishment when agreed by the Chief Executive or other authorised officer unless following successful grading appeals. The Remuneration Committee shall 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, subject to advice from the Director of Human Resources and Organisational Development..
  2. Each employee shall be issued with a contract which shall comply with current employment legislation and be in a form approved by NES.
  3. Completion and signing of engagement forms and such other documents necessary for the payment of staff as they may require shall be co-ordinated by appropriate HR Officers and approved forms forwarded, as close to the new member of staff commencing with NES, to NSS Payroll and copied to the Operational Advisor within the Finance Department.
  4. A termination of employment form and such other documents as may be required, for payment purposes, shall be completed, signed and approved through the appropriate Line Manager and HR Officers and submitted to NSS Payroll and copied to the Operational Advisor within the Finance Department. Where an employee fails to report for duty in circumstances which they have left without notice and this has been confirmed, NSS Payroll and Payroll Liaison Officer shall be informed immediately.
  5. Completion and signing of notification of change forms and such other documents necessary for the payment of staff following changes in employment status or terms and conditions of service shall be co-ordinated between the appropriate HR Officers and approved forms forwarded, as close to the effective date of change to NSS Payroll and copied to the Payroll Liaison Officer within the Finance Department.
  6. Where the personnel and payroll systems are connected by an electronic interface the requirement for contract/engagement forms, termination of employment forms and notification of change forms to be sent to the Head of Payroll Services may be altered to allow for such information to be transmitted by electronic means providing always that appropriate procedures for such transmissions are agreed by the Director of Finance.
  7. All time-records, staff returns, and other pay records and notifications shall be in a form approved by the Director of Finance and shall be certified and submitted in accordance with their instructions. Where this information is transmitted by electronic means, appropriate procedures covering such transmissions require to be agreed with him/her.
  8. Subject to the limits laid down in the Scheme of Delegation, all early retirals which result in additional costs being borne by the employer will be submitted to the Remuneration Committee for consideration and recommendation to the NES Board. The Chair shall personally authorise payments in respect of Chief Executive and the Chief Executive shall personally authorise payments in respect of all other employees, following approval by the NES Board.
  9. The Director of Human Resources and the Director of Finance shall be jointly responsible for ensuring that rates of pay and relevant conditions of service are in accordance with current agreements as advised by the Scottish Government Health and Social Care Directorate and agreed by the Board. The Chief Executive, or Board in appropriate circumstances, shall be responsible for the final determination of pay but subject to the statutory duty of the Director of Finance who shall issue instructions regarding:
* Verification of documentation of data;
* The timetable for receipt and preparation of payroll data and payment of staff;
* Maintenance of subsidiary records for Superannuation, Income Tax, National Insurance and other authorised deductions of pay;
* Security and confidentiality of payroll information in accordance with the principle of the Data Protection Act, 1984;
* Checks to be applied to completed payroll before and after payment;
* Methods of payment available to various categories of staff;
* Procedures for payment 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 any sums due by them to NHS Education; and
  1. All employees shall be paid by bank credit transfer, unless otherwise agreed by the Director of Finance.
  2. After approval by the Remuneration Committee, the Chair will personally authorise for payment the Performance Related Pay (PRP) of the Chief Executive and the Chief Executive will personally authorise for payment the PRP of all other NES staff.
  3. The Director of Finance shall ensure salaries and wages are paid on the currently agreed dates, but may vary these when necessary due to special circumstances (e.g. Christmas or other Bank Holidays). Payment to an individual shall not normally be made in advance of the normal pay date.

10. TRAVEL, SUBSISTENCE AND OTHER ALLOWANCES

* 1. The Director of Finance shall ensure that all expense claims by employees of NES are reimbursed in line with the relevant NHS regulations, and in line with the NES Travel and Subsistence Policy.
  2. The Director of Finance 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.

11. CONTRACTING AND PURCHASING

* 1. All procurement must be undertaken in line with the requirements of the Public Contracts (Scotland) Regulations 2015, the Procurement Reform (Scotland) Act 2014, the Procurement (Scotland) Regulations 2016 and the principles set out in the Scottish Governments Scottish Procurement Policy Handbook 2008, and the Scottish Governments published Procurement Journey, including any subsequent revisions.
  2. In all circumstances officers of NES shall seek to obtain Best Value through the application of the NES Policy and Procedures.
  3. NES shall comply as far as is practicable with the Scottish Capital Investment Manual and Scottish Procurement Policy Notes.
  4. European Union Procurement Directives shall have an effect as translated through Public Contracts (Scotland) Regulations 2015 and any subsequent revisions
  5. In accordance with CEL 05 (2012) where national, regional or local contracts exist (including framework agreements) NES will use these contracts. Only in exceptional circumstances and with the authority of the Head of Procurement and Commissioning, the Head of Finance or the Director of Finance, based on the scheme of delegation, can goods or services be ordered out-with such agreements.

# THRESHOLDS FOR PURCHASING/ORDERING

* 1. The central Procurement team are responsible for all Procurement activities. The thresholds (excluding VAT) for the purchasing/ordering of goods and services are as follows:-

|  |  |
| --- | --- |
| **Thresholds (ex-VAT)** | **Purchasing Process** |
| Order value ≤ £10,000 | Achievement of value for money should be demonstrated. |
| Order value > £10,000 and ≤ £25,000 | Three competitive written quotations to be received from reputable suppliers. |
| Order value ≥ £25,000 | Tendering process applies |

Value for Money (VFM), Public Contracts Scotland (PCS), including PCS Quick Quote and the EU/GATT Directives must be applied when the estimated contract value exceeds the procurement thresholds set out in the table below. In case of any doubt, advice must be sought from the Procurement Department

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Spend  £k | **≥111\*** | **OJEU** | **OJEU** | **OJEU** | **OJEU** | **OJEU** |
| **>50 <111\*** | **PCS** | **PCS** | **PCS** | **PCS** | **PCS** |
| **>25 ≤50** | **PCS** | **PCS** | **PCS** | **PCS** | **PCS** |
| **>10 ≤25** | **PCS Quick Quote** | **PCS Quick Quote** | **PCS Quick Quote** | **PCS Quick Quote** | **PCS** |
| **>0 ≤10** | **VFM** | **VFM** | **VFM** | **VFM** | **PCS Quick Quote** |
|  | | **Very Low** | **Low** | **Medium** | **High** | **Very High** |
| Risk/Complexity | | | | |

\* revised bi-annually by EU directive

Order value refers not only to individual orders but also to the total estimated value of recurring orders for like goods/services.

# ACCEPTANCE AND AWARD BY CHIEF EXECUTIVE

* 1. The Chief Executive, acting with the Director of Finance are authorised on behalf of the organisation to accept tenders and award contracts. This responsibility is delegated to authorised budget holders
  2. The limits for delegation for the acceptance of tenders shall be approved by NES Board and the Executive Team from time to time.
  3. Formal tendering procedures may be waived with the recorded approval of the Director of Finance where;
* For values below the OJEU limits, the timescale genuinely precludes competitive tendering. Failure to plan the work properly is not a justification for single tender; and
* Specialist expertise is required and evidence is provided to demonstrate that this is available from only one source; and
* The task is essential to complete the project, and arises as a consequence of a recently completed assignment and engagement of different consultants for the new task would be inappropriate; or
* There is a clear benefit to be gained from maintaining continuity with an earlier project. However in such cases the benefits of such continuity must outweigh any potential financial advantage to be gained by competitive tendering; or
* Article 19 of the EU public procurement directive 2004/18/EC enacted by Part 2, Section 2, Clause 21 of the Public Contracts (Scotland) Regulations 2015, allows any public sector body to restrict the tendering process for goods or services to supported factories and businesses only. The directive only applies as a matter of law to contract opportunities which have a financial value greater than the OJEU threshold values.
* Where provided for in the Scottish Capital Investment Manual.

* 1. Where competitive tendering is waived by the Director of Finance and Corporate Resources the waiver and the reasons should be documented and the record retained.by Procurement

# SINGLE TENDER

* 1. Where only one tender is received, NES must ensure, as far as practicable, that the price to be paid is fair and reasonable. If this situation arises the reasons for accepting the single tender should be formally documented and submitted to the Director of Finance.

# OFFICIAL ORDERS

* 1. No goods, services or works other than works and services executed in accordance with a contract and purchases from petty cash and NES Purchasing Card shall be ordered except on an official order, whether hardcopy or electronic, and contractors shall be notified that they should not accept orders unless on an official order form or processed via an approved secure electronic medium. Oral (Verbal) orders shall be issued only by an officer designated by the Chief Executive and only in accordance with the Business Continuity Plan. These shall be confirmed by an official order issued no later than the next working day, except for in exceptional circumstances, and clearly marked “Confirmation Order”. National contracts must be used unless express permission, within the scheme of delegation, has been obtained from the Head of Commissioning and Procurement, the Head of Finance or the Director of Finance.
  2. Official orders shall be issued by the NES Purchase Order system in a form approved by the Director of Finance and shall include such information concerning prices or costs as he/she may require. All orders shall incorporate an obligation on the contractor to comply with NES terms and conditions as regards delivery, carriage, documentation, variations etc.
  3. Orders will be processed and transmitted by electronic methods in place of signed numbered paper based orders providing always that appropriate procedures for such orders are agreed by the Director of Finance.
  4. Official order forms, supported by appropriate requisition requests, shall only be approved officers authorised by the Chief Executive. Lists of authorised officers shall be maintained and a copy of such list supplied to the Director of Finance.
  5. No order, contract, lease shall be issued for any items for which there is no budget provision or for which no funding has been provided under the delegated powers of virement unless authorised by the Director of Finance on behalf of the Chief Executive. Members and officials must ensure that all contracts, leases, tenancy agreements and other commitments they enter into on behalf of NES for which a financial liability may result but without secured funding or budget provision are notified to the Director of Finance in advance of commitment being made.

# MANAGEMENT CONSULTANTS

* 1. NHS Circular MEL (1994) 4 advises NHS Boards and Special Health Boards of the results of a review of the use of Management Consultants and sets out a course of action to be adopted. Management Consultants should only be used when documentary evidence of a benefit to NES has been prepared.
  2. In choosing a Management Consultant, steps should be taken to ensure that they are capable of carrying out the assignment; that Best Value is obtained; and that due probity is demonstrated in awarding the contract.

Appointment of Management Consultants must normally be by Competitive Tender.

* 1. Where successive assignments beyond the scope and terms of an appointment made by competitive tender arise, these should also be subject to tender arrangements. Where it is expected that there may be follow on assignments, it may be more appropriate for the tendering exercise to appoint Management Consultants under a call off arrangement.

# CONTRACTS

* 1. NES may only enter into contracts within its statutory powers and shall comply with:
* Standing Orders;
* NES Standing Financial Instructions;
* EU Directives and other statutory provisions
* Any relevant directions including the Scottish Capital Investment Manual, Scottish Public Finance Manual and guidance on the use of Management Consultants.
* Such NHS Standard Contract conditions as are applicable.
  1. Where specific contract conditions are considered necessary by the lead officer, these will be drafted by the Head of Procurement and Commissioning and where appropriate, advice shall be sought from suitably qualified persons and/or the Central Legal Office part of National Services Scotland (NSS).
  2. In all contracts made by NES, the Procurement team shall endeavour to obtain Best Value. A tender other than the lowest cost (if payment is to be made), or other than the highest cost (if payment is to be received) shall not be accepted unless for good and sufficient reasons. These reasons should be formally documented.
  3. Any contractual aspects will be managed by the Procurement team in addition to a nominated Point of Contact who shall oversee and manage deliverables.
  4. All contracts entered into shall contain standard clauses empowering NES to:
* Cancel the contract and recover all losses in full where a company or their representative has offered, given or agreed to give, any inducement to members or officials;
* Recover all losses in full or enforce specific performance where goods or services are not delivered in line with contract terms.
  1. The Director of Finance shall ensure that arrangements for financial control and financial audit of building and engineering contracts and property transactions comply with the guidance contained within SCOTCONCODE and SCIM. The Technical audit of these contracts shall be the responsibility of the relevant Director.

# IN HOUSE SERVICES

* 1. The Chief Executive shall be responsible for ensuring that Best Value can be demonstrated for all services provided under contract or in-house. The Board or appropriate committee may also determine from time to time that in house services should be market tested by competitive tendering.

REGISTER OF INTEREST

* 1. Acceptance of Financial Assistance, Gifts and Hospitality and Declaration of Interest.
* The principles relating to the acceptance by Health Service staff of financial assistance, gifts and hospitality from commercial sources and declaration of interest are stated in NHS Education for Scotland Hospitality Policy which references NHS Circular MEL 1994(48) Annex 7 and NHS Circular MEL 1994(80). This policy ~~circular~~ has been widely circulated and should be read as part of the Standing Financial Instructions.
* A register and policy covering acceptance of financial assistance, gifts and hospitality and declaration of interest is maintained by Board Services on behalf of the Chief Executive.
* No order shall be issued for any item or items for which an offer of gifts (other than low cost items e.g. calendars, diaries, pens and like value items), or hospitality has been received from the person interested in supplying goods or services. Any employee of NES receiving such an offer shall notify their line manager as soon as is practicable.
* Visits at supplier’s expense to inspect equipment, goods or services must not be undertaken without the prior approval of the Chief Executive.

12. LOSSES AND SPECIAL PAYMENTS

* 1. Any officer discovering or suspecting a loss of any kind shall forthwith inform their line manager, who shall immediately inform the Fraud Liaison Officer. Where a criminal offence is suspected, the Counter Fraud policy in operation at NES must be applied, in accordance with the partnership agreement between NES and Counter Fraud Services.
  2. The Director of Finance 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.
  3. Losses are classified according to details issued by the Scottish Government Health and Social Care Directorate.
  4. In accordance with the Scheme of Delegation, the Chief Executive, acting together with the Director of Finance, may approve the writing off of losses within the limits delegated to the Board / Executive team by the Scottish Government Health and Social Care Directorate, as per NHS Circular CEL 10 (2010) (Appendix C):-

|  |  |  |
| --- | --- | --- |
| **Item number** | **Category** | **Delegated Authority  (per case) £** |
|  | **Theft / Arson / Wilful Damage** | |
| 1 | Cash | 10,000 |
| 2 | Stores/procurement | 20,000 |
| 3 | Equipment | 10,000 |
| 4 | Contracts | 10,000 |
| 5 | Payroll | 10,000 |
| 6 | Buildings & Fixtures | 20,000 |
| 7 | Other | 10,000 |
|  | **Fraud / Embezzlement / Corruption / Theft (where documentation has been falsified) & attempts to perpetuate any of these activities** | |
| 8 | Cash | 10,000 |
| 9 | Stores/Procurement | 20,000 |
| 10 | Equipment | 10,000 |
| 11 | Contracts | 10,000 |
| 12 | Payroll | 10,000 |
| 13 | Other | 10,000 |
| 14 | **Nugatory & Fruitless Payments** | 10,000 |
| 15 | **Claims Abandoned** | |
|  | (a) Private Accommodation | 10,000 |
|  | (b) Road Traffic Acts | 20,000 |
|  | (c) Other | 10,000 |
|  | **Stores Losses** | |
| 16 | Incidents of the Service:-  - Fire | 20,000 |
|  | - Flood | 20,000 |
|  | - Accident | 20,000 |
| 17 | Deterioration in Store | 20,000 |
| 18 | Stocktaking Discrepancies | 20,000 |
| 19 | Other Causes | 20,000 |
|  | **Losses of Furniture & Equipment And Bedding & Linen in circulation** | |
| 20 | Incidents of the Service:-  - Fire | 10,000 |
|  | - Flood | 10,000 |
|  | - Accident | 10,000 |
| 21 | Disclosed at physical check | 10,000 |
| 22 | Other causes | 10,000 |
|  | **Compensation Payments –  Legal Obligation** | |
| 23 | Clinical | 250,000 |
| 24 | Non-clinical | 100,000 |
|  | **Ex-gratia payments** | |
| 25 | Extra-contractual payments | 10,000 |
| 26 | Compensation payments – ex-gratia –Clinical | 250,000 |

|  |  |  |
| --- | --- | --- |
| **Item number** | **Category** | **Delegated Authority  (per case) £** |
| 27 | Compensation payments – ex-gratia –Non-clinical | 100,000 |
| 28 | Compensation payments – ex-gratia – Financial Loss | 25,000 |
| 29 | Other Payments | 2,500 |
|  | **Damage to Buildings and Fixtures** | |
| 30 | Incidents of the Service:-  - Fire | 20,000 |
|  | - Flood | 20,000 |
|  | - Accident | 20,000 |
|  | - Other Causes | 20,000 |
| 31 | **Extra-Statutory & Extra-regulationary Payments** | Nil |
| 32 | **Gifts in cash or kind** | 10,000 |
| 33 | **Other losses** | 10,000 |

* 1. The exercise of powers of delegation in respect of losses and special payments will be subject to the submission of annual reports to NES Audit Committee identifying which powers have been exercised and the amount involved.
  2. The Audit Committee will formally consider and approve all Losses annually when recommending adoption of the Statutory Annual Accounts.
  3. No special payments exceeding the delegated limits laid down, and subsequent amendments thereto shall be made without prior approval of the Scottish Government Health & Social Care Directorate.
  4. The Director of Finance shall be authorised to take any necessary steps to safeguard NES’s interests in bankruptcies and company liquidations.
  5. 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.
  6. The condemning officer shall satisfy himself as to whether or not there is evidence of negligence in use and shall report any such evidence to the Director of Finance and the Chief Executive who shall take the appropriate action.

# RISK MANAGEMENT

The Chief Executive Officer shall ensure that NES has a Risk Management Strategy that is approved and monitored by the Audit Committee.

The Risk Management Strategy shall include:

A Statement on the NES approach to Risk Management

A summary of the NES Strategy for Risk Management

Details of the Structures in place to implement the strategy

Details of the processes in place supporting the risk management structures

Definition of the Risk Appetite i.e. the level of risk the board is willing to accept

Definition of responsibilities with regard to risk management

The Audit Committee shall have oversight of the Risk Management Strategy and of the implementation and monitoring of risk management structures and processes.

The Director of Finance shall ensure that appropriate insurance and indemnity arrangements are in place in support of the risk management strategy.

13. STANDING COMMITTEES

The Board has established standing committees to which it delegates responsibilities. The remit of all committees will be reviewed annually.

* 1. **EDUCATIONAL AND RESEARCH GOVERNANCE COMMITTEE**

The Remit of the Educational and Research Governance Committee is:-

• To provide assurance to the Board as to the effective management and improvement of the quality of NES’s education and research activities

• To alert the Board to any matters requiring governance action, and oversee such action on behalf of the Board

• To oversee the development, implementation and updating of strategies, policies, structures and processes for the governance of education and research

• To be assured of the effective management of education and research programmes, including the identification and management of related risk

• To monitor compliance of education and research activities with statutory and regulatory requirements, including equality legislation

• To monitor NES’s compliance with the statutory duty of involvement

• To monitor compliance of education and research activities with NHSScotland policy and NES priorities in relation to equality and diversity, person-centred care and participation, and educational/research quality

• To monitor approval processes for disbursement of funds for research

• To promote collaboration within NES and with external agencies in relation to educational and research governance

• To work collaboratively with other Board standing committees

* 1. **FINANCE AND PERFORMANCE MANAGEMENT COMMITTEE**

The Finance and Performance Management Committee is a governance committee of the Board, responsible for providing additional scrutiny of financial reports and other reports and proposals delegated to it by the Board and for reporting the results of its deliberations, together with recommendations as to decisions, back to the board. This shall include specifically the following areas of work:

• providing detailed scrutiny and oversight of the annual budgets and longer term Financial Plans for NHS Education for Scotland (NES) and making recommendations on these to the Board;

• providing detailed scrutiny of the estimates of income and expenditure associated with significant new developments;

• providing detailed consideration of quarterly reports concerning expenditure against budgets and the reasons for variances and making recommendations concerning these reports to the Board;

• monitoring compliance of finance and performance management activities with statutory duties, NHSScotland policy and NES priorities in relation to equality and diversity;

• providing detailed consideration of quarterly reports covering key performance indicators for the Board;

• considering the annual financial statements and in particular the financial performance analysed therein, and making recommendations to the Board;

• considering and making recommendations to the Board on matters relating to the financial management of NES, including purchasing and procurement, efficiency programmes and resource allocation and the financial arrangements governing relationships with other organisations;

• considering and making recommendations to the Board on policy regarding organisational and administrative matters other than in relation to staffing;

• considering and making recommendations to the Board on matters relating to NES infrastructure support services, including IM&T, Properties and Facilities Management; and monitoring developments relating to the NHS Shared Services agenda; and

• dealing with any such matters as may be assigned to the Committee by the Board and making recommendations to the Board thereon.

* 1. **REMUNERATION COMMITTEE**

The remit of the remuneration Committee is:-

* to agree all terms and conditions of employment for Senior Managers of the Board, including job description, job evaluation, terms of employment, basic pay, performance pay and bonuses and benefits;
* to agree objectives for Senior Managers of NES, normally before the start of the year in which performance is assessed;
* to monitor the performance of Senior Managers of NES, in accordance with their performance plans;
* to conduct regular reviews of NES policy for the remuneration and performance management of Senior Managers, in the light of any guidance issued by NHS Scotland;
* to delegate responsibility to a sub-group of the committee to act as the Appeals body for Senior Managers and Directors of NES who have a grievance concerning their terms and conditions of service; and
* together with the Chief Executive of NES, make recommendations regarding the citation of doctors and dentists to the Scottish Clinical Leadership and Excellence Awards.
  1. **STAFF GOVERNANCE COMMITTEE**

The Staff Governance Committee is a standing committee of the Board, with the primary purpose to monitor the development and maintenance of a culture throughout NHS Education for Scotland (NES) where delivery of the highest possible standard of staff management is understood to be the responsibility of everyone working within the organisation, built on partnership and collaboration.

The specific responsibilities of the Staff Governance Committee are:

• to monitor and evaluate strategies and implementation plans relating to people management;

• to review the implementation of policies, procedures and practices through regular and routine scrutiny of statistics in relation to Gender, Race, Disability and other diversity strands and ensure that the outcomes of these reviews are published;

• to monitor the operation of processes and progress against agreed action plans to ensure that momentum of delivery against the national Staff Governance Standard is maintained;

• to propose and/or support any policy amendment, funding or resource submission to achieve the full Staff Governance Standard;

• to monitor NES compliance with all staff governance information required for national and statutory obligations for monitoring;

• to monitor compliance of staff governance activities with statutory duties, NHSScotland policies and NES priorities in relation to equality and diversity;

• to monitor benefit realisation processes of major initiatives, e.g. pay modernisation;

• to monitor trends and performance in relation to sickness absence management, recruitment and staff turnover and recommend actions as appropriate;

• to receive an Annual Report on the work of the Remuneration Committee at the last meeting in the calendar year, in order to give the Board assurance that systems and procedures are in place for the proper operation of performance management;

• to receive the minutes of the NES Health, Safety and Wellbeing Committee;

• to receive any recommendations from the Partnership Forum;

• to provide staff governance information for any internal control purposes; and

• to ratify NES HR policies and procedures on behalf of the Board.

* 1. **AUDIT COMMITTEE**

The specific responsibilities of the Audit Committee are:

(a) Internal Control, Risk Management and Corporate Governance

• to assess the scope and effectiveness of the risk management processes;

• to review the system of internal control and to evaluate the control environment and decision-making processes;

• to receive reports from management on the effectiveness of internal controls;

• to review and recommend for approval by the Board, the corporate governance disclosures on audit and risk management in the annual accounts; and

• to review internal arrangements by which staff may raise concerns about possible improprieties.

(b) Internal Audit

• to approve the appointment and termination of Internal Audit and to ensure that appropriate resources are devoted to Internal Audit;

• to review and approve Internal Audit’s remit, including liaison with external audit;

• to review and approve the Internal Audit annual work plan;

• to receive regular Internal Audit reports and to review management responsiveness to recommendations and findings; and

• to review the annual Internal Audit report.

(c) External Audit

• to review the External Audit strategy and plan;

• to hold discussions with External audit;

• to review the External Audit management letters; and

• to ensure co-ordination between Internal and External Auditors.

(d) Standing Orders (SOs) and Standing Financial Instructions (SFIs)

• to review changes to the SOs and SFIs;

• to examine the circumstances associated with each occasion when SOs are waived; and

• to review the Scheme of Delegation.

(e) Annual Accounts

• to review the Financial Statements including significant financial reporting issues and judgements;

• to review the clarity and completeness of disclosures in the financial statements;

• to approve changes in accounting policies; and

• to report its views on the Financial Statements to the Board.

DIRECTOR OF FINANCE

* 1. The Director of Finance is responsible for:
* Ensuring there are arrangements to review, evaluate and report on the effectiveness of internal control including the establishment of an effective internal audit function;
* Ensuring that the effectiveness of Internal Audit is reviewed by the Audit Committee and meets the NHS mandatory audit standards;
* Deciding at what stage to involve the police in cases of fraud, misappropriation, and other irregularities;
  1. The Director of Finance, designated auditors and representatives from Counter Fraud Services (CFS), are all 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, premises or employee of the organisation;
* The production of any cash, stores or other property of the organisation under an employee’s control;
* Explanations concerning any matter under investigation.

# ROLE OF INTERNAL AUDIT

* 1. The role, objectives and scope of Internal Audit are set out in the NHS Internal Audit Manual.
  2. The Internal Auditor shall have specific responsibility to review, appraise and report upon:

(a) Controls to ensure achievement of NES’s objectives;

(b) The extent of compliance with established policies, procedures, plans, regulations and laws etc;

(c) The extent to which NES’s assets and interests are accounted for and safeguarded from loss of any kind arising from: fraud and other offences, theft, accident, waste, extravagance, inefficient administration and poor value for money or other causes;

(d) The suitability, reliability and integrity of management information systems;

(f) The adequacy of follow-up action to their reports.

* 1. The Internal Auditors shall be accountable to the Audit Committee of NES. The reporting and follow up systems for internal audit shall be agreed between the Director of Finance, the Audit Committee 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.
  2. Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores or other property of NES or any suspected irregularity in the exercise of any function of a pecuniary nature; the Director of Finance shall be notified immediately. (See also Section 13 – Losses and Special Payments).
  3. The Director of Finance, normally via the Internal Auditor, shall investigate cases of fraud, misappropriation or other irregularities, in compliance with the approach agreed in the partnership agreement with NHS Counter Fraud Services.
  4. The Internal Auditors shall report to the Director of Finance, who shall refer audit reports to the appropriate officers designated by the Chief Executive. Failure to take any necessary remedial action within a reasonable period shall be reported to the Chief Executive.
  5. Where, in exceptional circumstances, the use of normal reporting channels could be seen as a possible limitation of the objectivity of the audit, or where sufficient action is not taken on matters of consequence, the Internal Auditor shall have direct access to the Audit Committee. In exceptional circumstances, where they deem necessary, the Internal Auditor shall have the right to report direct to the Chief Executive, NES Chairman or the Chairman of the Audit Committee.
  6. At each meeting of the Audit Committee the opportunity should be given for the Chairman of the Committee to meet with Non-Executive Members privately and for the Chairman of the Audit Committee and the Non-Executive Members to meet with the Chief Internal Auditor and External Auditors privately.

# EXTERNAL AUDIT

* 1. The External Auditor is concerned with providing an independent assurance on financial stewardship including value for money, probity, material accuracy, compliance with guidelines and accepted accounting practice for NES accounts. Responsibility for securing the audit of NES rests with Audit Scotland. The appointed External Auditor’s statutory duties are contained in the Public Finance and Accountability (Scotland) Act 2000.
  2. The appointed auditor has a general duty to satisfy himself that:
* The organisation’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;
* The organisation has made proper arrangements for securing economy, efficiency and effectiveness in the use of its resources.

14. INFORMATION TECHNOLOGY

* 1. The Director of Finance shall be responsible for the overall maintenance and security of networked systems within NES. The Director of Finance shall be primarily responsible for the accuracy of data and the maintenance of appropriate security levels within the financial systems of NES.
  2. The Director of Finance shall devise and implement any necessary procedures to protect NES and individuals from inappropriate use or misuse of any financial or other information held on computer files for which they have responsibility and shall take account of the provisions of the Data Protection Act 1998.
  3. The Director of Finance shall satisfy himself that such computer audit checks and reviews as they may consider necessary are being carried out.
  4. The Director of Finance 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 another NHS Board or any other agency, assurances of adequacy will be obtained from them prior to implementation.
  5. The Director of Finance shall ensure that contracts for computer services for financial applications with another NHS Board or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing and storage. The contract should also ensure rights of access for audit purposes.
  6. Where another NHS Board or any other agency provides a computer service for financial applications, the Director of Finance shall periodically seek assurances that adequate controls are in operation.
  7. Where computer systems have an impact on corporate financial systems the Director of Finance shall ensure that:

(a) Systems acquisition, development and maintenance are in line with corporate policies such as an Information Technology Strategy;

(b) Data produced for use with financial systems is adequate, accurate, complete and timely, and that a management (audit) trail exists; and

(c) Director of Finance staff have access to such data.

15. FIXED ASSETS

* 1. The Chief Executive and Director of Finance 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.
  2. The Director of Finance shall ensure that every capital expenditure proposal meets the following criteria:
* Potential benefits have been evaluated and compared with known costs;
* The cost consequences of the developments have been evaluated and included in future budgets;
* Complies with the guidance in the NHSiS Scottish Government Scottish Capital Investment Manual and subsequent disclosure complies with International Financial Reporting Standards (IFRS).
  1. Consideration should be given to the use operating leases where appropriate.
  2. In the case of large capital schemes a system shall be established for progressing the scheme and authorising necessary payments up to completion. Provision should be made for regular reporting of actual expenditure against authorisation of capital expenditure.
  3. 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 NHSiS Scottish Government Property Transactions handbook, together with any subsequent amendments, shall be followed.
  4. There is a requirement to achieve best value when disposing of assets belonging to NES. Competitive Tendering should normally be undertaken in line with requirements of the organisation’s tendering procedure.
  5. 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 by the Chief Executive;
* Obsolete or condemned articles and stores, which may be disposed of in accordance with the supplies policy of the organisation;
* Items to be disposed of with an estimated sale value of less than £5,000, this figure to be reviewed annually
* 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 Government guidance has been issued but subject to compliance with such guidance.
  1. The overall control of fixed assets shall be the responsibility of the Chief Executive advised by the Director of Finance.
  2. All assets must be disposed of in accordance with MEL (1996) 7 “Sale of Surplus and obsolete goods and equipment”. The Director of Finance shall be notified of the disposal of any fixed assets. All proceeds from the disposal of fixed assets are notified to the Director of Finance.
  3. NES shall maintain an asset register recording NES’s fixed assets. The minimum data set to be held within these registers shall be as specified in the Capital Asset Accounting Manual (Section 13) as issued by the Scottish Government Health and Social Care Directorate. The organisation shall maintain a register of assets held under the operating leases or PFI contracts.
  4. A fixed asset control procedure shall be approved by the Director of Finance. This procedure shall make provision for:
* recording managerial responsibility for each asset;
* identification of additions and disposals;
* identification of all repairs and maintenance expenses;
* physical security of assets; periodic 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.
  1. The Director of Finance shall approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.
  2. All discrepancies revealed by verification of physical assets to fixed asset register shall be notified to the Director of Finance.
  3. The value of each asset shall be indexed to current values in accordance with methods specified in the Capital Accounting Manual (Section 4).
  4. The value of each asset shall be depreciated using methods and rates as specified in the Capital Accounting Manual.
  5. The Director of Finance shall approve a procedure for the calculation and payment of capital charges as specified in the Capital Accounting Manual.

16. FINANCIAL IRREGULARITIES

**This section should be read in conjunction with the NES Fraud and Corruption policy.**

* 1. Guidance on the approach to various forms of financial irregularities is contained in the following Scottish Government Health and Social Care Directorate Circulars which draw a clear distinction between treatment of suspected (a) theft and (b) fraud, embezzlement, corruption and other financial irregularities (hereafter referred to as “fraud etc”):
* CEL(2010)10 Revised Scottish Financial Return (SFR) 18: Enhanced reporting of NHS frauds and attempted frauds 29/03/2010
* NHSScotland Counter Fraud Services: National Services Scotland: partnership agreement with health boards 27/08/2009
* CEL(2009)18 Partnership agreement between NHSScotland Counter Fraud Services and NHS Boards and Special Health Boards 05/05/2009
* CEL(2008)03 Strategy to combat NHS fraud in Scotland 28/01/2008

Fraud is defined as:

|  |  |  |
| --- | --- | --- |
| * Deception | * bribery | * forgery |
| * extortion | * corruption | * theft |
| * conspiracy | * embezzlement | * misappropriation |
| * false representation | * concealment of material facts & collusion | |

For practical purposes fraud may be defined as the use of deception with the intention of obtaining an advantage, avoiding an obligation or causing loss to another party.

* 1. Any officers suspecting theft and/or fraud should immediately inform their line manger who shall in turn inform the Fraud Liaison Officer, . who will immediately comply with the requirements of the partnership agreement with NHS Counter Fraud Services.
  2. The Fraud Liaison Officer will also prepare a report for the first appropriate meeting of the Audit Committee setting out the full circumstances of the incident and any implications for management, including changes to internal control systems which may require to be made.
  3. Careful consideration should be given to payment claims which arise from organisations or individuals who are under investigation or against who proceedings are being taken for suspected fraud, etc. Legal advice should be sought where necessary.
  4. The Chief Executive should report the matter to the Scottish Government Health and Social Care Directorate in cases where the nature, scale or the persons involved in the suspected offence could give rise to national or local controversy or publicity, or where the offence may be widespread.

17. AUTHORISATION LIMITS

* 1. The purpose of Standing Financial Instructions is to ensure adequate controls exist for the committing and payment of funds on behalf of the Board.

SCHEME OF DELEGATION FOR SERVICE LEVEL AGREEMENTS

* 1. Provided the service or activity has been approved in the Operational Planning process or virement approval has been obtained, and once verified by the designated Finance Manager one of the signatories on a Service Level Agreement must be in accordance with the following:

| **OFFICER** | **AUTHORISATION LIMIT** |
| --- | --- |
| Senior Managers and Assistant Directors | Up to or equal to £25,000 |
| Associate Directors | £25,000 to £50,000 |
| Directors and Post Graduate Deans | £50,000 to £250,000 |
| Director of Finance | Over £250,000 |
| Chief Executive | Over £500,000 |

SCHEME OF DELEGATION FOR CONTRACTS

* 1. Contracts and other agreements with non-NHS Bodies must have two signatories, one of which will be a Directorate officer and the other an authorised buyer, with specific delegated authority in accordance with the following table. The “List of Authorised Buyers” will be held by the Finance Department. The total contract value must also be verified by the designated Finance Manager to ensure this is in line with Operational Plans and budgets.

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| --- | --- |
| **OFFICER** | **AUTHORISATION LIMIT** |
| Administrator, Coordinator, Officer | Up to the level of their designated authority, which shall be no greater than £10,000 |
| Senior Managers and Assistant Directors | £10,000 to £25,000 |
| Associate Directors | £25,000 to £50,000 |
| Directors and Post Graduate Deans | Over £50,000 |

|  |  |
| --- | --- |
| **AUTHORISED BUYER** | **AUTHORISATION LIMIT** |
| Procurement Officer | Up to the level of their designated authority, which shall be no greater than £50,000 |
| Procurement Manager | Up to or equal to £100,000 |
| Head of Procurement | Up to or equal to £200,000 |
| Director of Finance | £200,000 to £500,000 |
| Chief Executive | Contractual and other commitments over £500,000 |

Contractual and other commitments with non NHS Bodies over £1,000,000 in total should be reported to the Board.

SCHEME OF DELEGATION FOR PURCHASES (PURCHASE ORDERS AND INVOICES)

* 1. Purchase requisitions and invoices must be authorised by budget holders, or staff with delegated authority from budget holders, and verified by the designated Finance Managers up to the following levels:

|  |  |
| --- | --- |
| **OFFICER** | **AUTHORISATION LIMIT** |
| Administrator, Coordinator, Officer | Up to the level of their designated authority, which shall be no greater than £10,000 |
| Senior Managers and Assistant Directors | Up to or equal to £25,000 |
| Associate Directors | Up to or equal to £50,000 |
| Directors and Post Graduate Deans | Up to or equal to £250,000 |
| Director of Finance | Up to or equal to £500,000 |
| Chief Executive | Contractual and other commitments over £500,000 |

* 1. All orders (or invoices without a purchase order) over £100k require second authorisation to provide assurance that the spend is in line with contractual and other commitments, and ensures that orders have already been authorised by another senior member of staff, responsible for the budget concerned.

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| --- | --- |
| **SECONDARY APPROVAL** | **AUTHORISATION LIMIT** |
| Procurement Officer | £100,000 to £150,000 |
| Procurement Manager | Up to or equal to £200,000 |
| Head of Procurement | Up to or equal to £250,000 |
| Director of Finance | Up to or equal to £500,000 |
| Chief Executive | Contractual and other commitments over £500,000 |

* 1. In order to ensure that Purchase Orders can be processed through eFinancials and PECOS, it will be necessary to give Directors and Post Graduate Deans a higher limit of £500,000 within the background tables of the Finance Systems. This enables the system workflow to operate in a way that assures the buyer (providing the second level of approval) that the order has been approved by the person responsible for the budget. However, the controls in both systems will ensure that all Purchase Orders above £100,000 will require approval by a buyer, thus ensuring that the above limits are applied in practice. The same limits and dual authorisation process apply to all invoices without purchase orders.

SCHEME OF DELEGATION FOR VIREMENTS

* 1. It is the responsibility of the Chief Executive and the Director of Finance to ensure all financial commitments entered into on behalf of the Board are in line with approved budgets and management plans. The authority to vire between budgets is covered through a scheme of financial delegation as set out below.

Virement is the agreed transfer of revenue budget provision from one income or expenditure line to another within a financial year, within the same Directorate.

During the operational planning process, the Executive Team approve the allocation of budgets on the basis of the information on inputs, outcomes and impact provided to them at that time. A key part of the governance process in NES is a robust system of budget monitoring and review to ensure that:

* Budgets are used for the purposes for which they are allocated;
* Any planned change in the purpose for which funds are used supports the strategic direction of NES; and
* There is no duplication in the use of funds across the organisation.

It is these criteria which must be taken into account when any budget virement is being considered.

The following adjustments are not subject to the Scheme of Delegation for Virements:

* Actual receipt of allocations which were anticipated and included as part of the operational planning process and therefore use has been approved. This transaction merely confirms receipt of pre-agreed funds and will be noted and approved at the next Executive team meeting.
* Training grade adjustments - where the number of trainees are set by Scottish Government and the total funding allocation agreed. Budget adjustments which reallocate funds within the pre-agreed total and on the approval of the appropriate governance group (National Reshaping Workforce Group) are not subject to virement rules.
* Budget allocations made by finance to release pre-agreed provisions (example – a provision created for a potential pay award).
* Enactment of structural change within the organisation. Where organisational change has been approved by the Change management Board and/or the Executive team which necessitates the reallocation of budget this will not also be subject to the Virement rules (example – consolidating budgets which are currently split across cost centres into one single budget).

|  |  |  |
| --- | --- | --- |
| **OFFICER** | **VIREMENT LIMIT** | **AUTHORITY REQUIRED** |
| Chief Executive | 0 to £250,000  £250,000 to £500,000  over £500,000 | Totally Delegated (inform DoF)  Delegated but inform the Board  Seek prior approval from Board |
| Director of Finance | 0 to £100,000  £100,000 to £250,000  over £250,000 | Totally delegated  (Inform Relevant Finance Manager)  Delegated but report to Chief Executive  Seek prior approval from Chief Executive |
| Principal Lead, Finance Business Partnering (FBP) and  Head of Finance | 0 to £25,000 | Delegated  (Inform Relevant Finance Manager) |
| £25,000 to £100,000 | Delegated but report to Director of Finance |
| Over £100,000 | Seek prior approval from DoF |
| Budget Holders | 0 to £25,000 | Delegated  (Inform Finance Manager) |
| £25,000 to £100,000 | Seek prior approval from Principal Lead FBP or Head of Finance |
| over £100,000 | Seek prior approval from Director of Finance |
| The base materiality level for the use of virement will be 10% of the original budget allocation. For example, where a cost  centre/project has an original budget of £10,000 it is not envisaged that budget virements would be carried out for sums less than £1,000. | | |

* 1. Once the Board has approved the budget, plans and performance targets for the year and taken account of all reserves and anticipated contingencies, the Directors and Budget Holders will be responsible for managing their affairs within the budget allocated to them. This will include dealing with planned or unplanned expenditure on an individual basis and virement within the rules stated above. The virement rules stated above may be suspended with the agreement of the Executive Team
  2. Any savings generated during the year must be quantified and disclosed to the Director of Finance as soon as possible prior to distribution under the virement rules stated above.
  3. The Chief Executive in consultation with their Director of Finance should set authorisation limits for any other expenditure.

# RESERVATION OF POWERS AND SCHEME OF DELEGATION

* 1. Matters on which decisions on, and/or approval of, are retained by the Board:
* Policy;
* Strategy, business plans and budgets;
* Standing Orders;
* Standing Financial Instructions;
* The establishment, terms and reference and reporting arrangements for all Committees and Sub Committees (including Standing Committees);
* Significant items of Capital Expenditure or disposal of assets
* Recommendations from all Committees and Sub-Committees (Where powers are Delegated)
* Annual Report and Annual Accounts;
* Financial and performance reporting arrangements;
* Investment Policy for exchequer and endowment funds;
* Constitution and Terms of Reference for statutory Committees.
  1. Powers are delegated by the Board to the Remuneration Committee to:
* To conduct regular reviews of NES policy for the remuneration and performance management of Senior Managers in the light of any guidance issued by NHS Scotland;
* To agree all terms and conditions of employment for Senior Managers of the Board, including job descriptions, job evaluation, terms of employment, basic pay, performance pay and bonuses and benefits;
* To agree objectives for Senior Managers of NES, normally before the start of the year in which performance is assessed.
* To monitor the performance of Senior Managers of NES, in accordance with their performance plans.
* Together with the Chief Executive of NES, make recommendations regarding the citation of doctors and dentists to the Scottish Advisory Committee on distinction awards.
* To delegate responsibility to a sub-group of the committee to act as the Appeals body for Senior Managers and Directors of NES who have a grievance concerning their terms and conditions of service.
  1. Powers are delegated to the Audit Committee to:
* Review the system of internal control and to evaluate the control environment and decision making processes, including risk management processes , to receive reports from management on the effectiveness of internal controls; to review internal arrangements by which staff may raise concern about possible improprieties and to review and recommend for approval by the Board, the corporate governance disclosures on internal controls, audit and risk management in the annual accounts;
* Approve the appointment and termination of Internal Auditors, to ensure that appropriate resources are devoted to Internal Audit; to review and approve the remit and annual work plan of Internal Audit and to receive and review the regular reports produced by Internal Audit, together with management responsiveness to recommendations and findings.
* Review the External Audit strategy and plan, and the External Audit management letter; to hold discussions with External Audit and to ensure co-ordination between Internal and External Audit.
* Review changes to the Standing Orders, Standing Financial Instructions and Scheme of Delegation and to make recommendations to the Board in this respect. To examine the circumstances associated with any occasions on which Standing Orders are waived.
* Review the Financial Statements including significant financial reporting issues and judgements and the clarity and completeness of disclosures in the financial statements; to approve changes in accounting policies; and to make recommendations to the Board in this respect
  1. Powers are delegated to the Staff Governance Committee to:
* Commission the introduction of structures and processes which ensure that delivery against the Staff Governance Standard is being achieved;
* Monitor and evaluate strategies and implementation plans related to people management;
* Support appropriate policy amendment, funding or resource submission to achieve the Staff Governance Standard;
* Take responsibility for the timely submission of all staff governance data required for the Performance Assessment Framework
* Monitor pay modernisation processes
* Provide staff governance information for the statement of internal control;
* Consider and approve Human Resource policies on behalf of the Board
  1. Powers are delegated to the Finance and Performance Management Committee to:
* Provide detained scrutiny and oversight of the annual budgets and 5 year plans for NES and to make recommendations on these to the Board
* Provide detailed scrutiny of the estimates of income and expenditure associate with significant new developments;
* Provide detailed consideration of quarterly reports concerning expenditure against budgets and the reasons for variances and make recommendations concerning these reports to the Board;
* Provide detailed consideration of quarterly reports covering key performance indicators for the Board;
* Consider the annual financial statements and in particular the financial performance analysed therein, and make recommendations to the Board;
* Consider and make recommendations to the Board on matters relating to the financial management of NES, including purchasing and procurement, efficiency programmes and resource allocation and the financial arrangements governing relationships with other organisations;
* Consider and make recommendations to the Board on policy regarding organisational and administrative matters other than in relation to staffing;
* Consider matters relating to accommodation, maintenance of premises and provision of services; and
* Deal with any such other matters as may be assigned to the Committee by the Board and make recommendations to the Board thereon.
  1. Powers are delegated to the Educational and Research Governance Committee to:
* Provide assurance to the Board as to the effective management and improvement of the quality of NES’s education and research activities
* Alert the Board to any matters requiring governance action, and oversee such action on behalf of the Board
* Oversee the development, implementation and updating of strategies, policies, structures and processes for the governance of education and research
* Provide assurance of the effective management of education and research programmes, including the identification and management of related risk
* Monitor compliance of education and research activities with statutory and regulatory requirements, including equality legislation
* Monitor NES’s compliance with the statutory duty of involvement
* Monitor compliance of education and research activities with NHSScotland policy and NES priorities in relation to equality and diversity, person-centred care and participation, and educational/research quality
* Monitor approval processes for disbursement of funds for research
* Promote collaboration within NES and with external agencies in relation to educational and research governance
* Work collaboratively with other Board standing committees
  1. All Other Decisions

All decisions, other than those included in paragraphs mentioned above, are delegated by the Board to officers of the Board through the Chief Executive as detailed in Appendix 1.

Authorisation limits related to the scheme of delegation and, where indicated, details of the officers who have been delegated responsibility are included within the Standing Financial Instructions.

18. ENDOWMENT FUNDS AND GENERAL NURSING COUNCIL (GNC) FUND

* 1. The foregoing sections of these Standing Financial Instructions shall also apply equally to the GNC fund and the Endowment funds of the NES’s Post Graduate Centres, except that expenditure from Endowment Funds shall be restricted to the purposes of the appropriate Fund and made only with the approval of the respective Trustees.
  2. All Members of NES appointed by Scottish Ministers, are “ex officiis” Trustees of the Endowment Funds. The NES Board is responsible for the appointment of the Trustees of the GNC Fund.

The Trustees have specific responsibilities:

* Acting together and individually with all other trustees;
* Control cannot be delegated to staff or fund holders;
* Must have an understanding of ideals and purposes of the Endowment Fund;
* Cannot carry out activities beyond the remit within the appropriate legislation;
* Money can only be spent for charitable purposes within the remit of the charity or the purposes of a restricted fund;
* Transactions entered into by Trustees, which although legal but are outwith the Charity’s objectives and are deemed “ultra vires”, could lead to the trustees being personally liable for any loss incurred by the Endowment Fund and the GNC Fund.
  1. Under the Law Reform (Miscellaneous Provisions) (Scotland) Act 1990 the Trustees have a responsibility to:
* Provide on request an up to date annual report and set of accounts in a form and content consistent with the requirements of the Act;
* Control and manage the finances of the GNC Fund and the Endowment Fund, ensure proper accounts are kept as required by the Office of the Scottish Charity Regulator.
* Control the investment policy and monitor the performance of the investments within that policy on a regular basis;
* Prepare an annual statement of accounts comprising an Income and Expenditure Statement, Balance Sheet and Cash Flow Statement, together with additional information by way of notes, all consistent with the requirements laid down by the Officer of the Scottish Charity Regulator.
* The annual statement of accounts must be approved by the Trustees and signed by one of their members on their behalf and as authorised by them;
  1. Trustees of Endowment Funds within NES may appoint an Endowment Advisory Committee to provide advice to Trustees of all funds in the exercise of all their responsibilities.
  2. The Director of Finance shall ensure that annual accounts are prepared as soon as possible after the year end and in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006, and that proper arrangements are made for these to be audited by a separately appointed External Auditor, and submitted to the Office of the Scottish Charity Regulator (OSCR).
  3. The Director of Finance shall maintain such accounts and records as may be necessary to record and protect all transactions and funds of the Trustees as trustees of Endowment Funds and the GNC Fund, including an Investments Register consistent with the current statutory requirements (Law Reform (Miscellaneous Provision) (Scotland) Act 1990).
  4. All share and stock certificates and property deeds shall be deposited either with the trustee body’s Bankers or Investment Advisers, or in a safe, or a compartment within a safe, to which only a designated responsible officer will have access.
  5. The ownership of all shares and stock certificates, if managed by a commercial concern, shall be periodically verified by the auditors appointed by the Trustees.
  6. All gifts, donations and proceeds of fund raising activities which are intended for Endowment Funds and the GNC Fund shall be handed immediately to the Director of Finance, or an officer nominated by him/her for the purpose, to be banked directly into the appropriate Endowment Fund or the GNC Fund, subject to the local use of smaller amounts as agreed from time to time.
  7. All gifts accepted shall be received and held in the name of appropriate Trustees and administered in accordance with the Trustees’ policy, subject to the terms of specific Funds. As Trustees may accept gifts for specific and non-specific purposes relating to the health service, officers shall, in cases of doubt or where there are material revenue expenditure consequences, consult the Director of Finance before accepting any gifts.
  8. The Director of Finance shall be required to advise the appropriate Trustees on the financial implications of any proposal for fund raising activities which NES may initiate, sponsor or approve under the guidance contained in Circular No MEL(2000)13.
  9. The Director of Finance shall be kept informed of all enquiries regarding legacies and shall keep an appropriate record. After the Death of a testator all correspondence concerning a legacy shall be dealt with on behalf of the appropriate Trustees by the Director of Finance who alone shall be empowered to give an executor a good discharge.
  10. Where it becomes necessary for the appropriate Trustees to obtain a grant of probate, or make an application for Confirmation of Executor, in order to obtain a legacy due to the Trustees under the terms of a will, the Director of Finance who alone shall be empowered to give an executor a good discharge.
  11. Where it becomes necessary for the appropriate Trustees to obtain a grant of probate, or to make an application for Conformation of Executor, in order to obtain a legacy due to the Trustees under the terms of a will, the Director of Finance shall be the Trustee’s nominee for the purpose.
  12. Endowment Funds and the GNC Fund shall be invested subject to the following considerations subject to statutory requirements:
* The policy regarding the treatment of accumulated balances;
* Division of funds between narrow and wide range investments as defined in the Trustees Investment Act 1961 (amended 1995); and
* Agreements of the Trustees after considering any advice received from the Trustees Investment managers.

**APPENDIX 1**

**Scheme of Delegation**

| **Delegated Issue and Scope of Delegation** | **Responsible Officer** | **Deputy** |
| --- | --- | --- |
| Chair all Board meetings and associated responsibilities | Chair | Vice Chair |
| Risk Management | Chief Executive | Director of Finance |
| Demonstrate best value for money for all services | Chief Executive | Director of Finance |
| Disciplinary and Grievance arrangements | Chief Executive | Director of Workforce |
| Standards of business conduct for staff | Chief Executive | Director of Workforce |
| Register of Interests - Members  - Staff | Chief Executive  Chief Executive | Director of Finance  Director of Workforce |
| Approve and sign all legal documents which will be necessary in legal proceedings related to staff | Chief Executive | Director of Workforce |
| Complaints | Chief Executive | Director of Planning and Corporate Resources |
| Freedom of Information | Chief Executive | Director of Finance |
| Educational Quality Assurance Systems | Chief Executive | Director of Medicine |
| Operation of all detailed financial matters including bank accounts and banking procedures. | Director of Finance | Head of Finance |
| Implementing the Board’s financial policies and co-ordinating corrective action and ensuring detailed financial procedures and systems are prepared and documented | Director of Finance | Head of Finance |
| Delegation of budgets and approval to spend funds within delegated limits | Director of Finance | Principal Lead, Finance Business Partnering (FBP) |
| Recording and monitoring of payments under the losses and compensation regulations | Director of Finance | Head of Finance |

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| --- | --- | --- |
| Procedures for the procurement, ordering and receipt of goods | Director of Finance | Principal Lead, Procurement |
| Payment of staff | Director of Finance | Head of Finance |

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| --- | --- | --- |
| Procedures for the payment of travel, subsistence, study course and other expenses | Director of Finance | Head of Finance |
| Procedures for the payment of accounts | Director of Finance | Head of Finance |
| Management of Non-Exchequer funds | Director of Finance | Head of Finance |
| Liaison with Internal Audit service | Director of Finance | Head of Finance |
| Issuing Tenders | Director of Finance | Principal Lead Procurement |
| Receiving and Opening of Tenders | Director of Finance | Authorised personnel |
| Devise and maintain systems of budgetary control | Director of Finance | Principal Lead, Finance Business Partnering (FBP) |
| Annual Accounts and reports | Director of Finance | Head of Finance |
| Banking Arrangements | Director of Finance | Head of Finance |
| Risk Management Processes | Director of Finance | Head of Planning and Performance |
| Management and control of computer systems and facilities including data protection | Director of Digital | Principal Lead for Corporate Digital |
| Investigate any suspected cases of fraud and other irregularity | Director of Finance | Counter Fraud Services |
| Review, appraise and report in accordance with NHS Internal Audit Manual and best practice | Chief Internal Auditor |  |
| Information Governance | Director of Digital | Principal Lead for Corporate Digital |
| Caldicott Guardianship | Director of Medicine | Deputy Director of Medicine |
| HR Management | Director of Workforce | Depute Director of HR |
| Procedures for employment of staff | Director of Workforce | Depute Director of HR |

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| --- | --- | --- |
| Leave: annual, compassionate, special leave and leave without pay. | Director of Workforce | Depute Director of HR |
| Grievance and disciplinary procedures for staff | Director of Workforce | Depute Director of HR |
| Health and Safety arrangements | Director of Workforce | Depute Director of HR |
| Responsible for security of the Board’s property, avoiding loss, exercising economy and efficiency in using resources and conforming Standing Orders, Financial Instructions and Procedures. | All members and employees of NES. |  |

**APPENDIX 2a:**

**Records Retention Schedule**

| **Reference** | **Directorate/Activity** | **Records Series** | **Retention/Disposal** | **Drivers/Notes** |
| --- | --- | --- | --- | --- |
| **General** | | | | |
| G001 | General | Meeting papers - External | Current year + 1year – Destroy  (May be retained longer but for reference needs only. Not to be retained as a NES record.) | Originals available from meeting administrator if required |
| G002 | General | Meeting papers - Administered by the Directorate | Cy + 5 years – Destroy  (For NES administered meetings, a master set of the minutes and papers should be retained by the directorate/team who administer the meeting. Where possible these should be stored electronically in a shared space.) | Prescription and Limitation (Scotland) Act 1973. |
| G003 | General | Meeting papers - Internal - not administered by the Directorate | Destroy after meeting or when no longer required for immediate requirements. | Originals available from meeting administrator or Intranet if required |
| G004 | General | General official correspondence files (Only significant business correspondence should be held on file. Circulars, invitations etc. should be destroyed when no longer required) | Current year + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973. |
| G005 | General | NES Policy/procedure documents | Superceded + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973. Business requirement |
| G006 | General | NES Policy development files | Current year + 5 years – Destroy.  (Select most significant policy files for possible transfer to The National Archives in co-operation with the Corporate Records Manager.) | Prescription and Limitation (Scotland) Act 1973. |
| G007 | General | Copy financial records. | Current year + 1year - Destroy | Originals with Finance. |
| G008 | General | Copy travel claims | Current year + 1year - Destroy | Originals with Finance. |
| G009 | General | Procurement tenders | Award of contract + 6 years - Destroy | Standing Financial Instructions. |
| G010 | General | E-mails forming part of another significant record or file. | As per the retention schedule for that record, activity or file. |  |
| G010 | General | E-mails of ephemeral value | Delete as soon as no longer required. |  |
| G012 | General | Litigation/tribunal/formal complaint files | 10 years after last action - Destroy | Significantly increased risk of follow-up action or litigation. Data Protection Act 1998. Scots Law Society practice. |
| G013 | General | MP/MSP enquiries | 10 years - Destroy | Business use. Significantly increased risk of follow-up action. |
| G014 | General | Copies of external (non-NES) reports and publications. | While in current use - Destroy | Can be obtained again from original source. (**NOTE:** Storage on the network of electronic copies of third party publications without permission may be in breach of copyright.) |
| **Dental Directorate** | | | | |
| D001 | Dental Training - Vocational Trainees – | Vocational Trainee files **including:** | Duration of VT + 5 years – Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D002 | Dental Training - Vocational Trainees | Copy of contract | Duration of VT + 5 years – Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D003 | Dental Training - Vocational Trainees | Copy of practice visit forms | Duration of VT + 5 years – Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D004 | Dental Training - Vocational Trainees | Education agreement | Duration of VT + 5 years – Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D005 | Dental Training - Vocational Trainees | Monthly absence returns | Duration of VT + 5 years – Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D006 | Dental Training - Vocational Trainees | Copies of certificates | Duration of VT + 5 years – Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D007 | Dental Training - Vocational Trainees | Copies of audit | Duration of VT + 5 years – Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D008 | Dental Training - Vocational Trainees | Copy of project | Duration of VT + 5 years – Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D009 | Dental Training - Vocational Trainees | Claims correspondence | Duration of VT + 5 years – Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D010 | Dental training – Vocational Trainees | Vocational Trainee files – Trainees with difficulties/ complaints. (VDP/Hospital) | Last action + 10 years - Destroy | Increased risk of legal action. Data Protection Act 1998. Law Society guidance. |
|  |  |  |  |  |
| D011 | Dental Training - Vocational Trainees | Record of Progress and Achievement (paper file until Aug 2007) | Transfer to trainee at end of programme | Portfolio is 'property' of trainee. Where NES is holding on trainee's behalf, this should be transferred on completion of VDT. |
| D012 | Dental Training - Vocational Trainees | Record of Progress and Achievement (e-portfolio) | Duration of VT + 5 years – Destroy | Trainee may download their own copies at any point. 5 year period covers first GDC CPD cycle. |
|  |  |  |  |  |
| D020 | Dental – HQ | Dental equivalence committee papers | 5 years - Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D021 | Dental- HQ | Dental Dashboard university data | Curent + 1 year - Destroy | Cleanse superceded data on annual upload of new data. |
|  |  |  |  |  |
| D030 | Dental training - Dental nurses | Dental nurse portfolio - paper | Transfer to trainee at end of programme | Portfolio is 'property' of trainee |
| D031 | Dental training - Dental nurses | Trainee files | Duration of training + 5 years – Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
|  |  |  |  |  |
| D040 | Dental training – Trainers | Trainer files (including applications, qualifications, accreditation, contracts, correspondence) | 6 years after training role ends – Destroy | HR practice |
|  |  |  |  |  |
| D050 | Dental training - Administration | Section 63 course files | Current year + 5 years - Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D051 | Dental training - Administration | Training course files | Current year + 5 years - Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D052 | Dental training - Administration | Vocational Training practice files | Current year + 5 years - Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D053 | Dental training – Administration | Determination X Applications | Current year + 3 years - Destroy | Cycle of Dental Practice approval. |
|  |  |  |  |  |
| D060 | General Dental Practitioner - CPD course administration | Request for overnight accommodation | 1 year after event - Destroy | In case of queries |
| D061 | General Dental Practitioner - CPD course administration | Approved courses | Current year + 5 years - Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D062 | General Dental Practitioner - CPD course administration | Signed registers | Delete once data is entered on Pinnacle database. | Pinnacle becomes principal record. |
|  |  |  |  |  |
| D063 | General Dental Practitioner - CPD course administration | Course evaluation form | 1 year after event - Destroy | In case of queries. Statistical data captured. |
| D064 | General Dental Practitioner - CPD course administration | Lecturer evaluation forms | 1 year after event - Destroy | In case of queries. Statistical data captured. |
| D065 | General Dental Practitioner - CPD course administration | Speakers contracts - annual | Current year + 5 years - Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D066 | General Dental Practitioner - CPD course administration | Course information | Current year + 5 years - Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D067 | General Dental Practitioner - CPD course administration | Speaker correspondence | Current year + 5 years - Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D068 | General Dental Practitioner - CPD course administration | Course attendees info | Current year + 5 years - Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D069 | General Dental Practitioner - CPD course administration | Equal Opps Monitoring forms | Current year + 1 year – Destroy | Data captured for statistical purposes. No requirement for individual forms. |
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| D070 | Continuing Education Programmes | As for CPD above. |  |  |
|  |  |  |  |  |
| D080 | Dental clinical audit | SEA form GP216/ audit and SEA | Returned to Practitioners – Not retained by NES | Practitioners are responsible for maintaining their own records. |
| D081 | Dental clinical audit | Audit Reports/SEA report and minutes | Returned to Practitioners – Not retained by NES | Practitioners are responsible for maintaining their own records. |
|  |  |  |  |  |
| D090 | Dental - Hospital Training | Trainee files - SHO | End of training + 5 years – Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D091 | Dental - Hospital Training | Trainee files – SPR | End of training + 5 years – Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D092 | Dental - Hospital Training | Specialist Training Committees - minutes and papers | Current year + 5 years - Destroy | GDC CPD cycle, Prescription and Limitation (Scotland) Act 1973 |
| D093 | Dental - Hospital Training | Recruitment files - SHOs, SPRs | 1 year – Destroy | In case of queries. Main record with employing Board |
|  |  |  |  |  |
| D100 | Dental VT recruitment | Unsuccessful applications | End of recruitment + 1 year - Destroy | HR practice. Data Protection Act 1998 |
| D101 | Dental VT recruitment | Successful applications | Transfer to Health Board. Retain copy for 1 year – Destroy | HR practice. Data Protection Act 1998 |
|  |  |  |  |  |
| D111 | Dental Assessment | Assessments – electronic record. | 15 years- Destroy | For research and predictive validity. (To be reviewed.) |
|  |  |  |  |  |
| **Finance and Corporate Resources Directorate** | | | | |
| F001 | Purchase and payment | Original invoices receivable - Debtors | End of Financial Year + 6 years - Destroy | NHS HDL (2006) 28. HM Customs & Excise |
| F002 | Purchase and payment | Original invoices payable -Creditors | End of Financial Year + 6 years - Destroy | NHS HDL (2006) 28. HM Customs & Excise |
| F003 | Purchase and payment | Copy invoices | End of Financial Year + 1 year - Destroy | Business use |
| F004 | Purchase and payment | Purchase orders | End of Financial Year + 6 years - Destroy | NHS HDL (2006) 28 |
| F005 | Purchase and payment | Purchase order database | End of Financial Year + 6 years - Delete time-expired records from database | Business use |
|  |  |  |  |  |
| F010 | Funds receivable | Original invoices receivable - Debtors | End of Financial Year + 6 years - Destroy | NHS HDL (2006) 28. HM Customs & Excise |
| F012 | Funds receivable | Income sheets | End of Financial Year + 6 years - Destroy | NHS HDL (2006) 28 |
|  |  |  |  |  |
| F020 | Financial control | General Ledger | End of Financial Year + 6 years - Delete time-expired records from database | NHS HDL (2006) 28 |
| F021 | Financial control | General Ledger - reports | End of Financial Year + 6 years - Destroy | Business use |
| F022 | Financial control | General Ledger prints - initialled | End of Financial Year + 6 years - Destroy | NHS HDL (2006) 28 |
| F023 | Financial control | Budget monitoring reports | End of Financial Year + 3 years - Destroy | NHS HDL (2006) 28 |
| F024 | Financial control | Financial plans, estimates and recovery plans | End of Financial Year + 6 years - Destroy | NHS HDL (2006) 28 |
| F025 | Financial control | Costings | End of Financial Year + 6 years - Destroy | Business Use - NES Standing Financial Instructions (Oct 2006) |
|  |  |  |  |  |
| F030 | Financial claims administration | Study Leave Trainee Application Form | End of Financial Year + 6 years - Destroy | Business Use |
| F031 | Financial claims administration | Study Leave Trainee Claim Form | End of Financial Year + 6 years - Destroy | Business Use |
| F032 | Financial claims administration | Study Trainee Trainee claim receipts | End of Financial Year + 6 years - Destroy | NHS HDL (2006) 28 |
| F033 | Financial claims administration | Primary Care Claim Forms | End of Financial Year + 3 years - Destroy | Business Use - NES Standing Financial Instructions (Oct 2006) |
|  |  |  |  |  |
| F040 | Banking | Cheque counterfoils | Completion of audit + 3 years - Destroy | NHS HDL (2006) 28 |
| F041 | Banking | Bank statements | Completion of audit + 3 years - Destroy | NHS HDL (2006) 28 |
|  |  |  |  |  |
|  |  |  |  |  |
| F050 | Procurement | Signed contracts and arrangements | End of contract + 6 years - Destroy | Business Use - NES Standing Financial Instructions (Oct 2006) |
| F051 | Procurement | Tenders (accepted and unaccepted) | End of Financial Year + 6 years - Destroy | NHS HDL (2006) 28 |
| F052 | Procurement | Invitation to Tender | End of Financial Year + 6 years - Destroy | NHS HDL (2006) 28 |
| F053 | Procurement | Service Level Agreement with supplier | End of Financial Year + 6 years - Destroy | Business Use - NES Standing Financial Instructions (Oct 2006) |
| F054 | Procurement | Tender evaluation matrix | End of Financial Year + 6 years - Destroy | Standing Financial Instructions |
| F055 | Procurement | Contracts database | Delete life expired records from database | Business use |
| F056 | Procurement | Procurement review - ledger print | Review + 1 year – Destroy | Useful for auditors although not a primary record |
| F057 | Procurement | Procurement review - ledger spreadsheets | Review + 6 years - Destroy | Useful for reference although not a primary record |
|  |  |  |  |  |
| F060 | Audit | Internal Audit Reports | End of Financial Year + 6 years - Destroy | Business Use - NES Standing Financial Instructions (Oct 2006) |
| F061 | Audit | External Audit Reports | End of Financial Year + 6 years - Destroy | Business Use - NES Standing Financial Instructions (Oct 2006) |
|  |  |  |  |  |
| F070 | Taxation | VAT returns | End of Financial Year + 6 years - Destroy | NHS HDL (2006) 28. HM Customs & Excise |
|  |  |  |  |  |
| F081 | Accountability | SFR returns | End of Financial Year + 6 years - Destroy | NHS HDL (2006) 28 |
| F082 | Accountability | Scottish Government returns | End of Financial Year + 6 years - Destroy | Business Use - NES Standing Financial Instructions (Oct 2006) |
| F083 | Accountability | Statutory Accounts (Signed copy) | End of Financial Year + 6 years - Destroy | NHS HDL (2006) 28 |
| F084 | Accountability | Working papers for audit of Annual Accounts | End of Financial Year + 10 years - Destroy | Business Use - NES Standing Financial Instructions (Oct 2006) |
|  |  |  |  |  |
| F090 | Payroll | Fiche copy of payroll | End of Financial Year + 10 years - Destroy | Business Use - NES Standing Financial Instructions (Oct 2006) |
| F091 | Payroll | Manual files | End of Financial Year + 6 years - Destroy | Business Use - NES Standing Financial Instructions (Oct 2006) |
| F092 | Payroll | Record of unpaid salaries and wages | End of Financial Year End of Financial Year + 6 years - Destroy | Business Use - NES Standing Financial Instructions (Oct 2006) |
| F093 | Payroll | Staff returns and supporting records | End of Financial Year + 2 years - Destroy | Business Use - NES Standing Financial Instructions (Oct 2006) |
|  |  |  |  |  |
| F100 | Risk Management | Corporate Risk Register | Superseded + 10 years – Destroy | Business value |
| F101 | Risk Management | Departmental Risk Register | Superseded + 6 years - Destroy | Business value |
| F102 | Risk Management | Management of Risk 'Champion' Files | 1 year - Destroy | Business need |
| F103 | Risk Management | Risk Register supporting correspondence and minutes | 3 years - Destroy | Business need |
|  |  |  |  |  |
| F110 | Communications | Press releases | Permanent | Historical value |
| F111 | Communications | Media enquiries | 3 years - destroy | Business use |
| F112 | Communications | NES Publications | Permanent | Historical value |
| F113 | Communications | Events file | 18 months | Business use |
| F114 | Communications | Publications files | 3 years | Business use |
| F115 | Communications | Publications | Copies of each publication to be sent to the Deposit Libraries and e-Library. Stocks retained while current. Sample kept for 5 years after current - Destroy | Legal Deposit Libraries Act 2003 |
|  |  |  |  |  |
| F120 | Board administration | Board minutes - signed | Permanent – Transferred to National Archives of Scotland | NHS HDL (2006) 28 |
| F121 | Board administration | Board minutes - electronic | Permanent | Business value |
| F122 | Board administration | Board papers - master set | Permanent – Transferred to National Archives of Scotland | NHS HDL (2006) 28 |
| F123 | Board administration | Board papers - electronic | Permanent | Business value |
|  |  |  |  |  |
| F130 | Committee Administration | Committee minutes - signed | Permanent | NHS HDL (2006) 28 |
| F131 | Committee Administration | Committee minutes - electronic | Permanent | Business value |
| F132 | Committee Administration | Committee Papers - master set | Permanent | NHS HDL (2006) 28 |
| F133 | Committee Administration | Committee papers - electonic set | Permanent | Business value |
|  |  |  |  |  |
| F140 | Senior Management administration | SMT/Business Group minutes | Permanent | NHS HDL (2006) 28 |
| F141 | Senior Management administration | SMT/Business Group papers | Permanent | NHS HDL (2006) 28 |
|  |  |  |  |  |
| F150 | Board/Comm/SM administration | Event/Away-Day files | 1 year | Business value |
| F151 | Board/Comm/SM administration | Standing orders | Permanent | Business value |
| F152 | Board/Comm/SM administration | Correspondence | 3 years | Business value |
| F153 | Board/Comm/SM administration | Board/Committee membership correspondence | Permanent | NHS HDL (2006) 28 |
|  |  |  |  |  |
| F160 | Senior management | Directorate Executive/Management teams minutes and papers | 10 years | Business value |
|  |  |  |  |  |
| F170 | Office Services | Property files | Permanent | NHS HDL (2006) 28 |
| F171 | Office Services | Fit-out works files | Current + 10 years - Destroy | Business value |
| F172 | Office Services | Accommodation issues files | Current + 10 years - Destroy | Business value |
| F173 | Office Services | Environmental management files | Current + 10 years - Destroy | Business value |
| F174 | Office Services | Health and Safety/Security procedure files | Current + 10 years - Destroy | NHS HDL (2006) 28 |
|  |  |  |  |  |
| F180 | Knowledge Services Group/e-library | Awaiting survey |  |  |
|  |  |  |  |  |
| F190 | Information Management and Technology | Systems development records | Lifetime of system + 5 years – Destroy | Joint Information Systems Committee |
| F191 | Information Management and Technology | Systems development records – system not implemented | Last action + 5 years – Destroy | Joint Information Systems Committee |
| F192 | Information Management and Technology | ICT Project Management | End of project + 5 years – Destroy | Joint Information Systems Committee |
| F193 | Information Management and Technology | ICT Strategy | Superseded + 5 years - Destroy | Joint Information Systems Committee |
| F194 | Information Management and Technology | Software licenses | Lifetime of use of software – Destroy | Joint Information Systems Committee |
| F195 | Information Management and Technology | User requests/fault reporting | Last action + 1 Year – Destroy | Joint Information Systems Committee |
| F196 | Information Management and Technology | Routine network management | Current year + 1 year - Destroy | Joint Information Systems Committee |
| F197 | Information Management and Technology | Routine system testing/monitoring | Current year + 1 year - Destroy | Joint Information Systems Committee |
| F198 | Information Management and Technology | Security /Acceptable Use breach evidence and actions | Last action + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973. |
| **Human Resources Directorate** | | | | |
| H001 | Employee administration | Personnel Files – Central HR file (Contains letters of application and appointment; confirmation of qualifications; contracts; joining forms; references; correspondence; termination form) | End of service + 6 years - Destroy | NHS HDL (2006) 28 |
| H002 | Employee administration | Personnel Files - Regional copy. (Contains letters of application and appointment; confirmation of qualifications; contracts; joining forms; references; correspondence; termination form) | End of service – Destroy immediately | Duplicate of central record |
| H003 | Employee administration | Timesheets/Clock cards | 2 years - Destroy | NHS HDL (2006) 28 |
| H004 | Employee administration | Annual leave records | 2 years - Destroy | NHS HDL (2006) 28 |
| H005 | Employee administration | Summary information (e.g. name, NI number, dates of service, position) (Core data from Workforce database.) | 70th birthday of employee - Destroy | Records Management: NHS Code of Practice. In case of pension disputes. (Review once shared services central database in use.) |
|  |  |  |  |  |
| H010 | Staff governance - Discipline | First written warning | 6 months - Destroy | NHS HDL (2006) 28 |
| H011 | Staff governance - Discipline | Final written warning | 12 months - Destroy | NHS HDL (2006) 28 |
|  |  |  |  |  |
| H012 | Staff governance - Discipline | Letter of dismissal | End of service + 10 years - Destroy | NHS HDL (2006) 28 |
| H013 | Staff governance - Grievance | Grievance records | Conclusion of grievance or end of services + 6 years - Destroy | Limitations Act |
|  |  |  |  |  |
| H020 | Recruitment | Applications - unsuccessful | Completion of recruitment + 1 year - Destroy | NHS HDL (2006) 28 |
| H021 | Recruitment | Applications - successful | See Personnel files above |  |
| H022 | Recruitment | CVs for non-executive directors - successful applicants | End of service + 5 years - Destroy | NHS HDL (2006) 28 |
| H023 | Recruitment | CVs for non-executive directors - unsuccessful applicants | Completion of recruitment + 2 years - Destroy | NHS HDL (2006) 28 |
|  | Payroll - see Financial Administration |  |  |  |
| **Medical Directorate** | | | | |
|  | | | | |
| M001 | Medical training | Trainee portfolios - electronic | 5 years after end of training programme- Destroy | Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period |
| M002 | Medical training | Trainee portfolios - paper | Transfer to candidate at end of training |  |
| M003 | Medical training | Pinnacle database | Retain core events for career - FY2 + 40 years. Strip out other data after 5 years | Core career record. Data Protection Act 1998 |
| M004 | Medical training | Doctors Online Teaching System (DOTS) | Delete data after 5 years | Business value. Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period. Data Protection Act 1998 |
| M005 | Medical training | Recruitment | Completion of recruitment + 1 year - Destroy | In case of queries. Data Protection Act 1998. MTAS guidance. (Successful applicants details transferred to form part of their record.) |
| M006 | Medical training – All areas | Trainee records – Trainees with difficulties or formal complaints | Destroy 10 years after last action | Significantly increased risk of follow-up action or litigation. Data Protection Act 1998. Scots Law Society practice. (Overrides normal retention of 5 years after training ends.) |
|  |  |  |  |  |
|  |  |  |  |  |
| M010 | Medical training - Hospital | Training post Start Form | 3 years - Destroy | Business value |
| M011 | Medical training - Hospital | Training post Termination Forms | 3 years - Destroy | Business value |
| M012 | Medical training - Hospital | Contract Structures | 3 years - Destroy | Business value |
| M013 | Medical training - Hospital | SHO files | End of training + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period |
| M014 | Medical training - Hospital | SPR files | End of training + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| M020 | Medical training - Foundation | Certificate of Performance | End of FY2 + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period |
| M021 | Medical training - Foundation | RITA (Record of In-Training Assessment | End of FY2 + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period |
| M022 | Medical training - Foundation | Significant Event Analysis | End of FY2 + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period |
| M023 | Medical training - Foundation | Educational Log | End of FY2 + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period |
| M024 | Medical training - Foundation | Work based assessment | End of FY2 + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period |
| M025 | Medical training - Foundation | Multi-source feedback | End of FY2 + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period |
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| M026 | Medical training - Foundation | Certificate of Satisfactory Service | 40 years - Destroy | Requested by overseas employers. |
| M027 | Medical training - Foundation | Trainee assessments of post and trainer | End of FY2 + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period |
| M028 | Medical training - Foundation | Record of Progress | End of FY2 + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period |
|  |  |  |  |  |
|  |  |  |  |  |
| M029 | Medical training - Foundation | Trainee files - paper based. (Including: Records of discussion form; General correspondence; E-mails; RITA section; Study leave claims; CVs; Application forms; References; Appointment to Unit; Copies of sick lines. | End of FY2 + 5 years – Destroy  **OR if trainee continues to specialist training**  Transfer to Specialist Trainee file | Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period |
|  |  |  |  |  |
| M040 | Medical Training | Trainer courses/workshops | 1 year - Destroy | For local reference. |
| M041 | Medical Training | Trainer/Tutor files (including General correspondence, Approval, Annual reports, Offers of training posts) | End of contract as trainer + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period |
| M042 | Medical Training | Rotations files | 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period. Existing practice. |
| M043 | Medical Training | Royal Colleges/PMetB Hospital Visits | 5 years - Destroy | 5 year visit cycle. Prescription and Limitation (Scotland) Act 1973 (as amended). |
| M044 | Medical Training | PMETB Deanery Visit records | 5 years - Destroy | 5 year visit cycle. Prescription and Limitation (Scotland) Act 1973 (as amended). |
|  |  |  |  |  |
| M050 | GP Training | GP Training Practice Visits | Retain until accredited - Destroy | Organisational value. |
| M051 | GP Training | GP Training Practice/Trainer file. (Including: Approval; Appointments to training posts; Visits; Reports; General Correspondence.) | End of role as Training Practice + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 (as amended), GMC FTP, Revalidation period |
| M052 | GP Training | GP Registrar/Trainee files | End of training + 2 years - Destroy | Organisational value |
| M053 | GP Training | Summative Assessment (successful) | 3 years – Destroy | National Office of Summative Assessment protocol |
| M054 | GP Training | Summative Assessment (incomplete or unsuccessful) | 5 years – Destroy | National Office of Summative Assessment protocol |
| M055 | GP Training | COGPED audits | 3 years – Review | National Office of Summative Assessment protocol. |
| M056 | GP Training | Training practices - problem trainees | Destroy 10 years after last action | Significantly increased risk of follow-up action or litigation. Data Protection Act 1998. Scots Law Society practice. |
| M057 | GP Training | Poorly performing doctors | Destroy 10 years after last action | Significantly increased risk of follow-up action or litigation. Data Protection Act 1998. Scots Law Society practice. |
| M058 | GP Training | GP CPD database | Delete records 5 years after current | CPD Revalidation period. Prescription and Limitation (Scotland) Act 1973 (as amended). DP Act 1998. |
| M059 | GP Training | GP CPD forms | 1 year - Destroy | In case of queries. Data Protection Act 1998. |
| M060 | GP Training | Retainer scheme files | 5 years - Destroy | GMC Revalidation period. Prescription and Limitation (Scotland) Act 1973 (as amended). Data Protection Act 1998. |
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| M070 | Medical training - Study leave | Study leave applications (yellow copy) | Current year + 1 - Destroy | Can be retrieved from Finance if required. |
| M071 | Medical training - Study leave | Study leave applications (pink copy) | Current year + 6 - Destroy | Financial audit. (Retained by Finance) |
| M072 | Medical training - Study leave | Study leave claims and receipts | Current year + 6 - Destroy | Financial audit |
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| M080 | Medical training - CPD course administration | Course database - Details of participants and courses attended. | Delete records after 5 years | CPD Revalidation period. Prescription and Limitation (Scotland) Act 1973 (as amended). DP Act 1998. Payment details (such as credit card nos) removed after training event |
| M081 | Medical training - CPD course administration | Booking forms | 1 year - Destroy | Data Protection Act 1998 |
| M082 | Medical training - CPD course administration | Course administration records. (Inc: corresp, fees, bank details of presenters, presentations/handouts (paper copies of handouts destroyed after course). | 2 years - Destroy | For local reference |
| M083 | Medical training – CPD course administration | Attendance registers | 5 years - Destroy | CPD Revalidation period. May require to provide proof of attendance. |
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| M090 | GP appraisal | Appraiser file (including:) Acceptance form, Credibility statements, Shortlisting notes, CVs, Training outcome summary note, Yearly performance management appraisal. | Destroy 5 years after individual cease to be an appraiser. | GMC Revalidation period. Prescription and Limitation (Scotland) Act 1973 (as amended). Data Protection Act 1998. |
| M091 | GP appraisal | Withdrawn and unsuccessful applications to be appraisers | 3 years - Destroy. | In case of queries or reapplication. Data Protection Act 1998. |
| M092 | GP appraisal | Applications database | Delete records after 20 years. | Basic information only. Historical statistical and audit. |
| M093 | GP appraisal | Scottish Online Appraisal resource database | Delete records after 20 years | Basic information only. Historical statistical and audit. Appraisal information not held by NES. |
| M094 | GP appraisal | Documents generated for appraisal Process (GP Scot forms) | Held by employing board, appraiser and appraisee Not held by NES. |  |
| M095 | GP appraisal | Feedback on appraisals | 5 years - Destroy | GMC Revalidation period. Prescription and Limitation (Scotland) Act 1973 (as amended). Data Protection Act 1998. |
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| M100 | Medical - HQ | Medical Advisory Group | 10 years - Destroy | Organisational value |
| M101 | Medical - HQ | Transitional Boards | 5 years - Destroy | Organisational value |
| M102 | Medical - HQ | Specialist Committees - minutes and correspondence | 10 years - Destroy | Organisational value |
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| **Nursing, Midwifery and Allied Health Professionals Directorate** | | | | |
| N001 | NMAHP – CATCH | Successful course applications | Pass to HEI if required. If not, destroy after 6 months. | Data Protection Act 1998. HEI has records. |
| N002 | NMAHP – CATCH | Unsuccessful course applications | 18 months - Destroy | In case of queries or challenges |
| N003 | NMAHP – CATCH | Database - 2 years after current | Current + 2 years - Delete record | Data Protection Act 1998. |
| N004 | NMAHP – CATCH | Statistical returns | 10 years - Destroy | Reference use. |
| N005 | NMAHP – CATCH | Application files – Complaints, disciplinary or fraud cases | Last action + 10 years - Destroy | Significantly increased risk of follow-up action or litigation. Data Protection Act 1998. Scots Law Society practice. |
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| N010 | NMAHP - Chaplaincy | Organisation/policy files | Current + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973. |
| N011 | NMAHP - Chaplaincy | Spiritual Care Policies | Until superseded - Destroy | Originals held by Boards. |
| N012 | NMAHP - Chaplaincy | Chaplain Database | Remove non-current records on an annual basis. | Data Protection Act 1998. |
| N013 | NMAHP - Chaplaincy | Subject reference folders | Current - for reference use. Weed | Not records. Reference value only. |
| N014 | NMAHP - Chaplaincy | Events files | 2 years - Destroy | In case of queries and to assist future events. |
| N015 | NMAHP - Chaplaincy | Data entry forms | 1 year - Destroy | In case of queries |
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| N020 | NMAHP - SMMDP | Trainer details - Paper copy | Current + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 (as amended.). Data Protection Act 1998 |
| N021 | NMAHP - SMMDP | Candidates details - Paper copy | Current year + 3 years - Destroy | Data Protection Act 1998. 3 year currency of training. 3 year NMC and Paramedic CPD cycle. |
| N022 | NMAHP – SMMDP | Database - courses and candidates | Remove personal details 4 years after last contact | Data Protection Act 1998. |
| N023 | NMAHP – SMMDP | Contact list - Lead Midwifes | While Current. Weed out superseded entries. | Data Protection Act 1998. |
| N024 | NMAHP – SMMDP | Course files - Course attendance | Current yr + 3 yrs - Destroy | Data Protection Act 1998. 3 year currency of training. 3 year NMC and Paramedic CPD cycle. |
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| N030 | NMAHP - Publications | Publications | Copies of each publication to be sent to the Deposit Libraries and e-Library. Stocks retained while current. Sample kept for 5 years after current - Destroy | Legal Deposit Libraries Act 2003 |
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| N040 | NMAHP - Project Management | Project files | Life of project + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973. |
| N041 | NMAHP - Project Management | Original contracts | Held by Finance | Audit. Standing Financial Instructions. |
| N042 | NMAHP - Project Management | Original tenders. | Award of contract + 6 years | Audit. Standing Financial Instructions. |
| N043 | NMAHP | Data entry forms | Current + 1 year - Destroy | In case of queries |
| N044 | NMAHP | Student records database | Remove personal data 3 years after current. (**To be reviewed.)** | Data Protection Act 1998. Data required for statistical purposes by SGHD. NMC 3 yr registration cycle. NMC retain full records for all registered nurses. |
| N045 | NMAHP | Healthcare Associated Infection course records | Current + 3 years - Destroy | Data Protection Act 1998. Data required for statistical purposes by SGHD. |
| N046 | NMAHP | Registration forms | Current + 1 year - Destroy | In case of queries |
| N047 | NMAHP | Healthcare Associated Infection course records | Current + 3 years - Destroy | DP Act 1998. Required for statistical purposes by SGHD. |
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| **Pharmacy Directorate** | | | | |
| P001 | Pharmacy Training administration | Pharmacists database | Delete records 3 yrs after last contact | Data Protection Act 1998. Business value. |
| P002 | Pharmacy Training administration | Application forms for programmes | End of current year - Destroy | Data is captured to database. |
| P003 | Pharmacy Training administration | Completed register (returned by tutor) | 3 years - Destroy | Data Protection Act 1998. Business value. |
| P004 | Pharmacy Training administration | Q&A sheets returned by students | Current yr + 6 months - Destroy | In case of queries after annual letter issued. |
| P005 | Pharmacy Training administration | Distance learning - MCQs | Sample set for 5 yrs | Prescription and Limitation (Scotland) Act 1973. |
| P006 | Pharmacy Training administration | Reminder letters | 1 year - Destroy | In case of queries. |
| P007 | Pharmacy Training administration | Completed course appraisals | Destroy after data-entry | Original forms not required after data entry. |
| P008 | Pharmacy Training administration | Procedure documents | Superseded + 5 yrs | Prescription and Limitation (Scotland) Act 1973. |
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| **Psychology Directorate** | | | | |
| S101 | Psychology HQ | HEI Course information | Current + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973. |
| S102 | Psychology HQ | Project files | End of Project + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973. |
| S103 | Psychology HQ | Training officer contracts | End of service + 6 years - Destroy | NHS HDL (2006) 28. HR practice. |
| S201 | Training Office | Records of recruitment and selection of trainees | End of recruitment cycle + 1 year - Destroy | NHS HDL (2006) 28. HR practice. In case of query. HEI and employers hold record of successful applicants. |
| S202 | Training Office | Selection process review records. | Review + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973. |
| S203 | Training Office | Feedback forms | 1 year - Destroy | For reference. |
| S204 | Training Office | Event files. | Event + 2 years - Destroy | For reference and use of precedent in future events. |
| **Research function** | | | | |
| R001 | Research activity | Primary research records | 10 years - Destroy | Quality Assurance. JISC Guide to Managing Research Records. Note – Discretion should be used to identify high value records worthy of 10 year retention. |
| R002 | Research activity | Research results and reports | 10 years - Destroy | Reference value. Note – Copies of formally published reports must be placed with the statutory deposit libraries. See NES Information Governance Guidance 5. |

### **APPENDIX 2b**

### **Generic Records Retention Schedule**

This summary schedule gathers the main functional retention periods which underpin the more detailed corporate schedule. It is intended to give guidance in cases where there are gaps in the fuller corporate schedule.

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| **Function** | **Examples of records** | **Retention** | **Drivers** |
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| Project/programme management | Minutes of project meetings; Correspondence; | 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 as amended. |
| Research management | Correspondence, minutes of programme meetings, questionnaires, literature searches, draft reports | 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 as amended. Publications should be deposited with legal deposit libraries and the NES eLibrary. |
| Financial management | Invoices, ledgers, accounts | Current financial year + 6 years - Destroy | Taxes Management Act 1970, HMCE guidance, audit |
| Contract Management | Successful tenders, signed contracts | 6 years - Destroy | Taxes Management Act 1970, HMCE guidance, audit |
| Personnel management | Personal files | Termination of employment + 6 years - Destroy | Taxes Management Act 1970, Data Protection Act 1998 |
| Recruitment | Unsuccessful applications | 1 year - Destroy | Data Protection Act 1998 |
| Education governance and quality assurance of education | Correspondence, accreditation visits, course approvals | Current + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 as amended. 5 year CPD/registration cycle for GDC and GMC. 3 year CPD/registration cycle for NMC. |
| Delivery of education | Course content, records of application and attendance, trainee correspondence, successful applications for training. | Current + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 as amended. 5 year CPD/registration cycle for GDC and GMC. 3 year CPD/registration cycle for NMC. |
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| Administration | General correspondence | Current + 5 years - Destroy | Prescription and Limitation (Scotland) Act 1973 as amended. |
| Ephemeral emails | Delete as soon as no longer required | Corporate requirements. |
| Policy development | Final policy documents, key policy discussion records | Superseded + 10 years | Corporate requirements. |
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| Meetings management | External meetings minutes and papers | Until actions completed - Destroy | Records kept by organiser of meeting |
| NES meetings - minutes and papers | Organiser - Retain 5 years - Destroy | Records kept by organiser of meeting |
| Other recipients - Until actions completed - Destroy | Records kept by organiser of meeting |
| Main set of Board Minutes and papers | Transfer to The National Archives for permanent preservation | Public Records (Scotland) Acts |