NIMDTA
Northern Ireland
Medical & Dental Training Agency

STANDING ORDERS (SCHEDULE 9)

Standing Financial Instructions

2025 (Version 5.0)
BM>SMC>GRPC>ARC>Board

Policy Review Schedule

Date first Approved by the Board: March 2005

Last Approved by the Board: November 2025

Date of Next Review: November 2026

Document Owner: Senior Business Manager

Amendment Overview

Version	Date	Pages	Comments	Actioned
2005 – 1.0	03/2005	25		
2012 – 2.0	04/2012	25	Submitted to Governance Committee for approval. Point 8.5 (para 5) removed.	Mark McCarey
2012 – 2.1	18/09/2012	25	Re-formatted. All existing Standing Orders re-submitted to Governance & Risk Committee for approval before passing to Board for ratification. This schedule (7) now re-numbered schedule (9). To be marked 'Deferred until BSTP implementation' and brought back to a future G&R meeting for consideration	Linda Craig
2012 – 2.1	27/09/2012	25	Submitted to NIMDTA Board for information only. To be brought back to Governance & Risk Committee for further review	
2012 – 2.2	10/06/2013	27	Updated to include 'The Role of Agency' and NIMDTA mission statement	Linda Craig
2012 – 2.3	04/03/2015		Updated to reflect removal of Agency and insertion of NIMDTA. Reformatted to corporate policy typeface	Linda Craig
2015 – 3.0	19/08/2015		Updated to reflect new roles and responsibilities	Margot Roberts
2015-3.0	04/09/2015		Presented to SMC for approval. **Approved.**	Margot Roberts
2015 – 3.1	24/09/2015		**Approved** by NIMDTA Board subject to one minor amendment to para 2.3.	Margot Roberts
2016-3.2	27/09/2015	36	Reviewed following the retirement of the Administrative Director for consideration by the Governance & Risk Committee	Mark McCarey
2016 – 3.3	23/11/2016	36	Review carried out by Business Manager and Governance, IT & Facilities Manager for approval by the Board. **Approved**	Mark McCarey

2018 – 4.0	11/01/18		Reviewed for consideration at G&R on 24/01/18. Approved	Paula Black
			Presented to Board 25/01/18. Approved.	
2025-5.0	21 Nov 25		Reviewed by Senior Business Manager for approval by the Board. APPROVED, subject to submission to ARC in February 2026.	Paula Black

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Document Control

This Document is a Controlled Document.

Authorising Officer:	Chief Executive
Issuing Officer:	Business Manager
Approval:	Recommended by the Audit Committee to the Board
Review:	Annual
Amendment Procedure:	Proposals for changes to be brought before the Audit Committee who will consider changes

If agreed then either immediate amendment issued, or, if non-urgent awaits annual update.

Approved by Board:

Authorised for Issue:

Date:

Circulation:

1. Chairman of NIMDTA
2. Chairman of Audit and Risk Committee
3. Chief Executive
4. Senior Business Manager

Role of the Northern Ireland Medical and Dental Training Agency

The Role of NIMDTA can be found on the Agency website here:
https://www.nimdta.gov.uk/about/background/role/

1. Introduction and Terminology

These Standing Financial Instructions (SFIs) are issued for the regulation of the conduct of NIMDTA, its Board members, employees and agents in relation to all financial matters. They shall have effect as if incorporated in the Standing Orders of NIMDTA.

In addition to the Standing Orders (which include a scheme of Delegation) and the SFIs, there will be, Financial Procedural Notes and locally generated rules and instructions. Collectively these must comprehensively cover all aspects of financial management and control.

These SFIs detail the financial responsibilities, policies and the procedures to be adopted by NIMDTA. They are designed to ensure that its financial transactions are carried out in accordance with the law and Government policy in order to achieve probity, accuracy, regularity, economy, efficiency and effectiveness. They should be used in conjunction with the Standing Orders, Schedule of Decisions Reserved for the Board and the Scheme of Delegation.

These SFIs identify the financial responsibilities which apply to everyone working for NIMDTA. They do not provide detailed procedural advice. These statements should therefore be read in conjunction with NIMDTA's financial procedure notes. All financial procedures must be approved by the Chief Executive.

The failure to comply with Standing Financial Instructions and Standing Orders can, in certain circumstances, be regarded as a disciplinary matter and could result in dismissal.

2. Responsibilities

2.1 The Board of NIMDTA

The Board exercises financial supervision and control by:

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

NIMDTA will delegate responsibility for the performance of its functions in accordance with the Scheme of Delegation adopted by the Board. (The extent of delegation should be kept under review by the Board).

2.2 The Chief Executive

Within the SFIs, it is acknowledged that the Chief Executive is the Accounting Officer and is ultimately accountable to the Board for ensuring that NIMDTA meets its obligation to perform its functions with the available financial resources. The Chief Executive has overall executive responsibility for NIMDTA's activities and is responsible to the Board for ensuring that its financial obligations and targets are met. The Chief Executive will, as far as possible, delegate his responsibilities but will remain accountable for financial control.

It is a duty of the Chief Executive to ensure that members of the Board, employees and all new appointees are notified of and put in a position to understand their responsibilities within these SFIs.

The Chief Executive will be responsible for ensuring:

- the implementation of NIMDTA's financial policies and for co-ordinating any corrective action necessary to further these policies;
- the maintenance of an effective system of internal financial control, including ensuring that detailed financial procedures and systems, incorporating the principles of segregation of duties and internal checks are prepared, documented and maintained to support the SFIs, that sufficient records are maintained to show and explain NIMDTA's transactions, in order to disclose, with reasonable accuracy, the financial position of NIMDTA at any time; and, without prejudice to any other functions of NIMDTA and its employees, the provision of financial advice to Board members and employees of NIMDTA;
- the design, implementation and supervision of systems of financial control; and
- the preparation and maintenance of such accounts, certificates, estimates, records and reports as NIMDTA may require for the purpose of carrying out its statutory duties

2.3 Business Services Organisation

NIMDTA has employed the services of the Business Services Organisation (BSO) for the provision of financial and accounting services and financial advice to the Chief Executive and the Board of NIMDTA.

BSO Shared Services is also responsible for a range of transactional financial services including payroll and payment services.

The arrangements for the delivery of these services are set out within a Service Level Agreement with the BSO. The Chief Executive shall ensure that monitoring arrangements are in place to make sure that control systems are operating effectively.

2.4 Board Members and Employees

All members of the Board and employees individually and collectively, are responsible for:

- the security of the property of NIMDTA;
- avoiding loss:
- exercising economy and efficiency in the use of resources: and
- conforming with the requirements of Standing Orders, Standing Financial Instructions, Financial Procedures and the Scheme of Delegation.

2.5 Contractors and their Employees

Any contractor or employee of a contractor who is empowered by NIMDTA to commit NIMDTA to expenditure or who is authorised to obtain income shall be covered by these instructions. It is the responsibility of the Chief Executive to ensure that such persons are made aware of this.

For all members of the Board and any employees who carry out a financial function, the form in which financial records are kept and the manner in which members of the Board and employees discharge their duties must be to the satisfaction of the Chair and the Chief Executive.

3. Audit

3.1 Audit and Risk Committee

In accordance with Standing Orders and the Cabinet Office's guidance on Codes of Practice for Public Bodies (FD/DFP 03/06) and as set out in the Audit and Risk Assurance Committee Handbook (NI) DoH), NIMDTA shall establish an Audit and RIsk Committee which will provide an independent and objective view of internal control by overseeing Internal and External Audit services and the adequacy of management response to audit findings;

- reviewing financial and information systems and monitoring the integrity of the financial statements and reviewing significant financial reporting judgements;
- reviewing the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across all activities that support the achievement of NIMDTA's objectives;
- monitoring compliance with Standing Orders and Standing Financial Instructions;
- reviewing schedules of losses and compensation payments and making recommendations to the Board;
- reviewing schedules of debtors/creditors balances over £5,000 and 6 months old and explanations/action plans;
- reviewing the information prepared to support the Assurance Framework process and advising the Board accordingly;
- ensuring that there is an effective Counter Fraud Strategy in place/operation which is in line with DFP's guide "Managing the Risk of Fraud".
- providing, or arranging to have provided, any other assurances that are required by the Board.

Where the Audit and Risk Committee considers that there is evidence of ultra vires transactions, evidence of improper acts, or if there are other important matters that the Committee wishes to raise, the Chair of the Audit and Risk Committee should raise the matter at a full meeting of the Board. Exceptionally, the matter may need to be referred to the DoH. All incidents of fraud must be reported consistent with DoH policy.

It will be the responsibility of the Chief Executive to ensure an adequate internal audit service is provided and the Audit and Risk Committee is involved in the selection process when an internal audit service provider is changed.

3.2 The Chief Executive

The Chief Executive will be responsible for:

- ensuring there are arrangements to review, evaluate and report on the effectiveness of internal financial control including the establishment of an effective Internal Audit function.
- ensuring that the internal audit function is adequate and meets the HSC mandatory audit standards;
- deciding at what stage to involve the police in cases of fraud, misappropriation, and other irregularities not involving fraud or corruption;
- ensuring that an annual internal audit report is prepared for the consideration of the Audit and Risk Committee and the Board. The report must cover:
    - a clear opinion on the effectiveness of internal control in accordance with the Assurance Framework
    - major internal financial control weaknesses discovered
    - progress on the implementation of internal audit recommendations
- ensuring that an annual internal audit strategic audit plan, covering the coming three years is produced, and based on year one of this plan, an operational plan for the coming year.

The Chief Executive or designated auditors are entitled, without necessarily giving prior notice, to require and receive:

- access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature;
- access at all reasonable times to any premises or employee of NIMDTA;
- the production of any cash, stores or other property of NIMDTA under an employee's control; and
- explanations concerning any matter under investigation

3.3 Role of Internal Audit

In accordance with HSS (F) 51/2007, the Head of Internal Audit is required to provide an annual opinion on risk management, control and governance arrangements.

Internal Audit will review, appraise and report upon:

- the extent of compliance with, and the financial effect, of relevant established policies, plans and procedures;
- the adequacy and application of financial and other related management controls;
- the suitability of financial and other related management data;
- the extent to which NIMDTA's assets and interests are accounted for and safe-guarded from loss of any kind, arising from:
    - fraud and other offences
    - waste, extravagance, inefficient administration
    - poor value for money or other causes
- the adequacy of follow up action taken by management in response to Internal Audit Reports

Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, store, or other property or any suspected irregularity in the exercise of any function of a pecuniary nature, the Chief Executive must be notified immediately.

The Head of Internal Audit will normally attend Audit and Risk Committee meetings and has a right of access to all Audit and Risk Committee Members, the Chairman and Chief Executive of NIMDTA.

The Head of Internal Audit shall prepare and submit to the Audit and Risk Committee an Audit Plan and an Annual report of the Internal Audit function providing a summary of audit activity during the year.

3.4 Role of External Audit

The Northern Ireland Comptroller and Auditor General (C&AG) is the appointed External Auditor of NIMDTA, who may outsource the External Audit programme to appropriately qualified private sector organisations. The C&AG has statutory authority to report to the Northern Ireland Assembly on the economy, efficiency and effectiveness with which DoH and other bodies have used their resources. The audit is designed to allow the C&AG to give an opinion on whether:

- the financial statements are 'true and fair'
- the underlying transactions are in accordance with the Northern Ireland Assembly's intentions and any other relevant authorities (known as 'regularity')
- the Remuneration Report has been properly prepared
- the information contained within certain sections of the Annual Report is consistent with the financial statements
- adequate accounting records have been maintained
- the Governance Statement reflects DoH Finance and Personnel guidance

The External Auditor is paid for by NIMDTA. The Audit and Risk Committee must ensure a cost-efficient service. If there are any problems relating to the service provided by an outsourced External Auditor, then this should be raised with the External Auditor and referred on to the NI Audit Office if the issue cannot be resolved. The Chief Executive will notify the Board of any such instances.

4. Resource Limit Control

NIMDTA is required by statutory provisions not to exceed Cash and Resource Limits, with a further requirement to declare all in-year easements to the DoH. The Chief Executive has overall executive responsibility for NIMDTA's activities and is responsible to NIMDTA for ensuring that it stays within these limits and any in-year or cumulative deficits are eliminated.

The Chief Executive will ensure that:

- monthly reports are provided in the form required by the DoH;
- money drawn down from the DoH against Cash Limit is required for approved expenditure only and is drawn only at the time of need;

- an adequate system of monitoring financial performance is in place to enable NIMDTA to fulfil its statutory responsibility not to exceed its Annual Revenue and Capital Resource Limits and Cash limit
- timely action is taken in relation to potential financial problems so that DoH expenditure limits are not breached.
- Adequate information is provided by the senior management team to enable reliable financial projections to be made and any financial risk to the break-even position.

5. Allocations, Business Planning, Budgets, Budgetary Control and Monitoring

5.1 Allocations

The Chief Executive or delegated representative will:

a) prior to the start of each financial year submit a Financial Plan to the Board for approval, showing the total allocations received and their proposed distribution including any sums to be held in reserve;

b) regularly update the Board on significant changes to the initial allocation and the uses of such funds.

5.2 Preparation and Approval of Plans and Budgets

The Chief Executive or delegated representative will compile and submit to the Board and the DoH strategic plans and business plans in accordance with the guidance issued by the DoH. The annual Business Plan will contain:

- A statement of the significant assumptions on which the plan is based;
- Details of NIMDTA's priorities and objectives
- Details of major changes in workload, delivery of services and resources required to achieve the plan

Prior to the start of the financial year the Chief Executive or nominated officer will prepare and submit budgets for approval by the Board. Such budgets will:

- be in accordance with the aims and objectives set out in the annual Business Plan

- be in accordance with workload and resources
- be produced following discussions with appropriate budget holders
- be prepared within the limits of available funds
- identify potential risks

The Chief Executive or delegated representative will monitor financial performance against budget and business plan, periodically review them and report to the Board.

All budget holders must provide information as required by the Chief Executive to enable budgets to be compiled.

The Chief Executive will have a responsibility to ensure that adequate training is delivered on an on-going basis to budget holders to help them manage their budgets effectively

5.3 Budgetary Delegation

The Chief Executive may delegate the management of a budget to permit the performance of a defined range of activities. This delegation must be in writing and be accompanied by a clear definition of:

- the amount of the budget
- the purpose(s) of each budget heading
- individual and group responsibilities
- authority to exercise virement only within total Revenue or total Capital (non virement between revenue and capital)
- achievement of planned levels of service
- the provision of regular reports
- processes for securing management approval, authorisation and performance reporting

The Chief Executive and delegated budget holders must not exceed the budgetary total or virement limits set by the Board.

Any budgeted funds not required for their designate purpose(s) revert to the immediate control of the Chief Executive, subject to any authorised use of virement. Where resources

are not required or not required in full for that purpose they must be returned to the DoH for potential redistribution.

Non-recurring budgets should not be used to finance recurring expenditure without the authority in writing of the Chief Executive.

All Budget Holders are required to regularly review all projected expenditure and identify to the Chief Executive, on a timely basis, where inescapable pressure has the potential to breach their delegated budget.

5.4 Budgetary Control and Reporting

The Chief Executive or delegated representative will devise and maintain systems of budgetary control which will include:

a) monthly financial reports to the Board in a form approved by the Board containing:
    - income and expenditure to date showing trends and forecast year-end position;
    - capital project spend and projected outturn against plan;
    - explanations of any material variances from plan
    - details of any corrective action, where necessary, and the view of the Chief Executive as to whether such actions are sufficient to correct the situation

b) the issue of timely, accurate and comprehensible advice and financial reports to each budget holder, covering the areas for which they are responsible;

c) investigation and reporting of variances from financial, workload and manpower budgets;

d) monitoring of management action to correct variances;

e) the arrangements for the authorisation of budget transfers

Each budget holder will be responsible for ensuring that:

a) any likely overspending or reduction of income which cannot be met by virement is not incurred without the prior consent of the Chief Executive or his delegated representative;

b) the amount provided in the approved budget is not used in whole or in part for any purpose other than that specifically authorised subject to the rules of virement;

c) no permanent employees are appointed without the approval of the Chief Executive, or his/her delegated representative, other than those provided for within the available resources and workforce establishment as approved by the Board

d) Early indications of slippage against budget and projections is reported to the Chief Executive.

The Chief Executive will be responsible for identifying and implementing cost improvements and income generation initiatives in accordance with the requirements of the annual Business Plan and a balanced budget

5.5 Capital Expenditure

The general rules applying to delegation and reporting shall also apply to capital expenditure.

5.6 Monitoring Returns

The Chief Executive will be responsible for ensuring that the appropriate monitoring forms are submitted to the requisite monitoring organisation.

6. Annual Accounts and Reports

The Chief Executive or delegated representative will:

a) prepare financial returns in accordance with the accounting policies and guidance given by the DoH and the Treasury, and generally accepted accounting practice;

b) prepare and submit annual financial reports to the DoH certified in accordance with current guidelines; and

c) submit financial returns to the DoH for each financial year in accordance with the timetable prescribed by the DoH

NIMDTA's annual accounts must be audited by an auditor appointed by the NIAO. NIMDTA's audited annual accounts must be presented to a public meeting and made available to the public.

NIMDTA will publish an annual report, in accordance with guidelines on local accountability, and present it at a public meeting. The document will comply with the DoH's Manual for Accounts.

7. Bank Accounts

7.1 General

The Chief Executive or delegated representative will be responsible for managing NIMDTA's banking arrangements and for advising the Board on the provision of banking services and operation of accounts. This advice will take into account guidance and directions issued from time to time by the DoH. The Board will approve the banking arrangements.

7.2 Banking Procedures

The Chief Executive or delegated representative will prepare detailed instructions on the operation of bank accounts which must include:

a) the conditions under which each bank account is to be operated;

b) those authorised to sign cheques or other orders drawn on NIMDTA's accounts; and

c) the limit to be applied to any overdraft.

The Chief Executive or delegated representative will advise NIMDTA's bankers in writing of the conditions under which each account will be operated.

7.3 Bank Accounts

The Chief Executive or delegated representative will be responsible for:

a) bank accounts;

b) ensuring payments made from bank accounts do not exceed the amount credited to the account except where arrangements have been made;

c) reporting to the board all arrangements made with NIMDTA's bankers for accounts to be overdrawn; and

d) monitoring compliance with DoH guidance on the level of cleared funds.

7.4. Tendering and Review

The Chief Executive will review NIMDTA's commercial banking arrangements at regular intervals to ensure they reflect best practice and represent best value for money. NIMDTA should avail of the regional HSC banking contract, except in exceptional circumstances.

8. Income, Fees, Charges and Security of Cash, Cheques and other Negotiable Instruments

8.1 Income Systems

The Chief Executive or delegated representative will be responsible for, designing, maintaining and ensuring compliance with systems for the proper recording, invoicing, collection and coding of all monies due. The Chief Executive or his delegated representative is also responsible for the prompt banking of all monies received.

8.2 Fees and Charges

The Chief Executive or delegated representative will be responsible for approving and regularly reviewing the level of all fees and charges other than those determined by the DoH or by Statute. Independent professional advice on matters of valuation will be taken as necessary. Where sponsorship income (including items in kind such as subsidised goods or loans of equipment) is considered the guidance in the DoH's Commercial Sponsorship - Ethical standards in the HSC shall be followed.

All employees must inform the Chief Executive promptly of money due arising from transactions which they initiate/deal with, including all contracts, leases, tenancy agreements and other transactions.

8.3 Debt Recovery

The Chief Executive or delegated representative will be responsible for the appropriate recovery action on all outstanding debts.

Income not received should be dealt with in accordance with losses procedures and DoH guidance.

Overpayments should be detected (or preferably prevented) and recovery initiated.

8.4 Security of Cash, Cheques and other Negotiable Instruments

The Chief Executive or delegated representative will be responsible for:

a) approving the form of all receipt books, agreement forms, or other means of officially acknowledging or recording monies received or receivable;

b) ordering and securely controlling any such stationery;

c) the provision of adequate facilities and systems for employees whose duties include collecting and holding cash, including the provision of safes or lockable cash boxes, the procedures for keys, and for coin operated machines; and

d) prescribing systems and procedures for handling cash and negotiable securities on behalf of NIMDTA.

Public money shall not under any circumstances be used for the encashment of private cheques or IOUs.

All cheques, postal orders, cash etc., shall be banked intact. Disbursements shall not be made from cash received.

All unused cheques and other orders will be subject to the same security precautions as are applied to cash.

The holders of safe keys must not accept unofficial funds for depositing in their safes.

Any shortfall in cash, cheques or other negotiable instruments must be reported immediately to the Chief Executive.

9. Tendering and Contracting Procedure

9.1 Duty to Comply with Standing Orders and Standing Financial Instructions

The procedure for making all contracts by or on behalf of the NIMDTA will comply with NIMDTA Standing Orders, Standing Financial Instructions and Contract Management Policy.

9.2 Northern Ireland Public Procurement Policy, EU Directives Governing Public Procurement and DoH Mini-Code Guidance

Northern Ireland Public Procurement Policy, Directives by the Council of the European Union, DOH Guidance on procurement matters will have effect as if incorporated into these Standing Orders and Standing Financial Instructions.

9.3 Formal Competitive Tendering

The Chief Executive will ensure that competitive tenders are invited for:

a) the supply of goods, materials and manufactured articles;

b) the tendering of services including all forms of management consultancy services (other than specialised services sought from or provided by the DoH); and

c) For the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens) and for disposals

9.4 Exceptions and instances where formal tendering need not be applied

It is always advised to seek clarification with BSO PALs prior to placing an order however formal publicly advertised tendering procedures need not be applied where:

a) the estimated expenditure or income does not, or is not reasonably expected to, exceed **£30,000;** or

b) where the supply is proposed under special arrangements, negotiated by the DoH, in which event the said special arrangements must be complied with.

9.5 Direct Award Contracts/Waiving of Competition

Any proposal not to competitively tender must be forwarded to the Compliance Unit BSO's Procurement and Logistics Service (PaLS), Centre of Procurement Expertise (COPE) for advice and agreement before it can be approved by the Chief Executive. This requirement is regardless of whether the actual purchasing is being conducted by PaLS.

Only if BSO PaLS agrees with the case which has been made to waive competitive tendering, known as a Direct Award Contract (DAC), and if the Chief Executive approves the action, may it proceed.

In addition this process also covers procurement with sole suppliers and contract extensions which are outside the options originally specified in the original contract.

Where it is decided that competitive tendering is not applicable and should be waived, the reasons should be clearly documented and reported to the NIMDTA Board.

9.6 Quotations

Quotations are required where formal tendering procedures are not adopted and where the intended expenditure or income exceeds, or is reasonably expected to exceed the current levels contained within the DoH Mini-code Guidance.

Quotations should be obtained in accordance with the Mini-code based on specifications or terms of reference prepared by, or on behalf of, NIMDTA;

Quotations should be in writing unless the Chief Executive or his delegated representative determines that it is impractical to do so in which case quotations may be obtained by telephone. Confirmation of telephone quotations should be obtained as soon as possible and the reasons why the telephone quotation was obtained should be set out in a permanent record;

All quotations should be treated as confidential and should be retained for inspection;

The Chief Executive or his delegated representative should evaluate the quotation and select the quote which gives the best value for money. If this is not the lowest quotation if payment is to be made by NIMDTA, or the highest if payment is to be received by the NIMDTA, then the choice made and the reasons why should be recorded in a permanent record.

9.7 Quotations to be within Financial Limits

No quotation shall be accepted which will commit expenditure in excess of that which has been allocated by NIMDTA and which is not in accordance with Standing Financial Instructions except with the authorisation of the Chief Executive.

9.8 Authorisation of Tenders and Competitive Quotations

Providing all the conditions and circumstances set out in these Standing Financial Instructions have been fully complied with, formal authorisation and awarding of a contract may be decided by the delegated representatives in NIMDTA's Scheme of Delegation.

Where the contract to be awarded is a Regional Contract then the Chief Executive will nominate in advance a NIMDTA employee(s) to participate in the tender evaluation and adjudicate the contract on behalf NIMDTA. In doing so the Chief Executive will delegate authority to that officer(s) to award the contract on behalf of NIMDTA

9.9 Instances where formal competitive tendering or competitive quotation is not required

Where competitive tendering or a competitive quotation is not required NIMDTA should use the BSO PaLS, for the procurement of all goods and services.

9.10 Compliance requirements for all contracts

NIMDTA may only enter into contracts within the statutory powers delegated to it by the Minister for Health and which comply with:

a) NIMDTA's Standing Orders and Standing Financial Instructions;

b) EU Directives and other statutory provisions including N.I. Procurement Policy and DoH Guidance;

c) any relevant directions including the Capital Investment Manual and guidance on the Procurement and Management of Consultants;

d) such of the HSC Standard Contract Conditions as are applicable;

e) In all contracts NIMDTA will endeavour to obtain best value for money. The Chief Executive shall nominate an officer who shall oversee and manage each contract on behalf of the NIMDTA.

9.11 Temporary Staff Contracts

The Chief Executive will nominate officers with relevant delegated budgetary authority to enter into contracts of employment with agency staff for temporary cover.

9.12 Disposals

Competitive tendering or quotation procedures will not apply to the disposal of:

a) any matter in respect of which a fair price can be obtained only by negotiation or sale by auction as determined (or pre-determined in a reserve) by the Chief Executive or his nominated officer;

b) obsolete or condemned articles and stores, which may be disposed of in accordance with NIMDTA's supplies policy;

c) items to be disposed of with an estimated sale value of less than £20,000, this figure to be reviewed on a periodic basis;

d) items arising from works of construction, demolition or site clearance, which should be dealt with in accordance with the relevant contract; and

e) land or buildings concerning which DoH guidance has been issued.

9.13. HSC Service Agreements for Provision of Services

The Chief Executive, as the Accounting Officer, will be responsible for ensuring NIMDTA enters into suitable agreements or contracts Service Level Agreements (SLAs) with service providers for the provision of services.

9.14 Reports to Board on SLAs and Contracts

The Chief Executive will ensure that regular reports are provided to the NIMDTA Board detailing actual and forecast expenditure and activity for each SLA and Contract.

A system of financial monitoring will be maintained to ensure the effective accounting of expenditure under the SLAs and Contracts. This should provide a suitable audit trail for all payments made under the agreements

10. Terms of Service, allowances and Payment of the Board and Employees of NIMDTA

10.1 Remuneration and Terms of Service

In accordance with Standing Orders, the Board will establish a Remuneration Committee, with clearly defined terms of reference, specifying which posts fall within its area of responsibility, its composition, and the arrangements for reporting.

The Committee will:

a) advise the Board about appropriate remuneration and terms of service for the Chief Executive and other senior employees including:

    a. all aspects of salary (including any performance-related elements/bonuses);

    b. provisions for other benefits, including pensions and

    c. arrangements for termination of employment and other contractual terms.

b) make such recommendations to the Board on the remuneration and terms of service of the Chief Executive and other senior employees to ensure they are fairly rewarded for their individual contribution to NIMDTA - having proper regard to the NIMDTA's circumstances and performance and taking account of any national agreements in place;

c) monitor and evaluate the performance of the Chief Executive and other senior employees; and

d) advise on and oversee appropriate contractual arrangements for such staff including the proper calculation and scrutiny of termination payments, taking account of national guidance as appropriate.

The Committee will report in writing to the Board the basis for its recommendations. The Board will use the report as the basis for their decisions, but remain accountable for taking decisions on the remuneration and terms of service of the Chief Executive and senior employees in matters not already directed by the DoH. Minutes of the Board's meetings should record such decisions.

NIMDTA will pay allowances to the Chairman and non-executive members of the Board in accordance with the Payment of Remuneration to Chairmen and Non-Executive Members Determination issued by the DoH.

10.2 Funded Establishment

The workforce plans incorporated within the annual budget will form the funded establishment.

The funded establishment of any department may not be varied without the approval of the Chief Executive.

The Chief Executive will ensure that appropriate controls are in place to ensure the funded establishment is not exceeded.

10.3 Staff Appointments

No member of the Board or NIMDTA employee may engage new staff (either to vacancies or new posts), re-grade employees, or agree to changes in any aspect of remuneration, or hire agency staff (ref 9.10) either on a permanent or temporary basis:

a) unless expressly authorised to do so by the Chief Executive or his delegated representative; and

b) within the limit of their approved budget and funded establishment.

The Board will approve procedures presented by the Chief Executive for the determination of commencing pay rates, conditions of service, etc. for employees.

10.4 Processing Payroll

The processing of NIMDTA payroll is outsourced to the Business Services Organisation

The Head of Shared Services, BSO will responsible for:

a) specifying timetables for submission of properly authorised time records and other notifications;

b) the final determination of pay and allowances;

c) making payment on agreed dates; and

d) agreeing method of payment.

The Chief Executive or delegated representative will ensure the issue of instructions regarding:

a) verification and documentation of data;

b) the timetable for receipt and preparation of payroll data and the payment of employees and allowances;

c) maintenance of subsidiary records for superannuation, income tax, social security and other authorised deductions from pay;

d) security and confidentiality of payroll information;

e) checks to be applied to completed payroll before and after payment;

f) authority to release payroll data under the provisions of the Data Protection Act;

g) methods of payment available to various categories of employee and officers;

h) procedures for payment by cheque, bank credit, or cash to employees and officers;

i) procedures for the recall of cheques and bank credits;

j) pay advances and their recovery;

k) maintenance of regular and independent reconciliation of pay control accounts;

l) separation of duties of preparing records and handling cash; and

m) a system to ensure the recovery from those leaving the employment of NIMDTA of sums of money and property due by them to NIMDTA.

Appropriately nominated managers have delegated responsibility for:

a) submitting time records, and other notifications in accordance with agreed timetables;

b) completing time records and other notifications in accordance with the instructions and in the form prescribed by the Head of Shared Services, BSO; and

c) submitting termination forms in the prescribed form immediately upon knowing the effective date of an employee's or officer's resignation, termination or retirement. Where an employee fails to report for duty or to fulfil obligations in circumstances that suggest they have left without notice, the Chief Executive must be informed immediately.

Regardless of the arrangements for providing the payroll service, the Chief Executive or delegated representative, will ensure that the chosen method is supported by appropriate (contracted) terms and conditions, adequate internal controls and audit review procedures and that suitable arrangements are made for the collection of payroll deductions and payment of these to appropriate bodies.

Payroll processing performance will be monitored by the Chief Executive or delegated representative and set out within the SLA with the BSO.

10.5 Contracts of Employment

The Board will delegate responsibility to the Professional Support Manager for:

a) ensuring that all employees are issued with a Contract of Employment in a form approved by the Board and which complies with employment legislation;

b) dealing with variations to, or termination of, contracts of employment.

11. Non Pay Expenditure

11.1 Delegation of Authority

The Board will approve the level of non-pay expenditure on an annual basis and the Chief Executive will determine the level of delegation to budget managers.

The Chief Executive will set out:

a) the list of managers who are authorised to approve requisitions for the supply of goods and services;

b) the maximum level of each requisition and the system for authorisation above that level.

11.2 System of Payment and Payment Verification

The Chief Executive or delegated representative will be responsible for the prompt payment of accounts and claims. Payment of contract invoices will be in accordance with contract terms, or otherwise, in accordance with Public Sector Prompt Payment Policy.

11.3 Duties of Managers and Officers

Managers and officers acting for NIMDTA must ensure that they comply fully with the guidance and limits specified by the Chief Executive and that:

a) all contracts (except as otherwise provided for in the Scheme of Delegation), leases, tenancy agreements and other commitments, which may result in a liability, are notified to the Chief Executive in advance of any commitment being made;

b) contracts above specified thresholds are advertised and awarded in accordance with EU rules on public procurement;

c) where consultancy advice is being obtained, the procurement of such advice must be in accordance with DoH "Guidance on the Engagement of External Consultants" (HSS(F)40/09 and supplement 1 and 2);

d) no order shall be issued for any item or items to any firm which has made an offer of gifts, reward or benefit to directors or employees, other than:

   - isolated gifts of a trivial character or inexpensive seasonal gifts, such as calendars; or
   - conventional hospitality, such as lunches in the course of working visits;

e) no requisition/order is placed for any item or items for which there is no budget provision unless authorised by the Chief Executive;

f) orders are not split or otherwise placed in a manner devised so as to avoid the financial thresholds;

g) goods are not taken on trial or loan in circumstances that could commit NIMDTA to a future uncompetitive purchase;

h) changes to the list of employees authorised to certify invoices are notified to the BSO;

i) purchases from petty cash are restricted in value and by type of purchase in accordance with instructions issued by the Chief Executive; and

j) petty cash records are maintained in a form as determined by the Director of Finance of the BSO.

12. HSC Financial Guidance

The Chief Executive will ensure that members of the Board are aware of the extant finance guidance issued by the DOH, (i.e. directions which NIMDTA must follow regarding resource and capital allocation and funding to HSC organisations) and that this direction and guidance is followed by NIMDTA.

13. Capital Investment, Fixed Asset Registers and Security of Assets

13.1 Capital Investment

The Chief Executive:

a) will ensure that there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon plans;

b) will be responsible for the management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost;

c) will ensure that the capital investment is not undertaken without confirmation of the availability of resources to finance all revenue consequences, including capital charges;

For every capital expenditure proposal, the Chief Executive will ensure:

a) that a business case commensurate to the level of investment, and in line with the guidance contained within the Capital Investment Manual, is produced setting out:

    - an option appraisal of potential benefits compared with known costs to determine the option with the highest ratio of benefits to costs;
    - the involvement of appropriate NIMDTA personnel and external agencies;
    - appropriate project management and control arrangements;

b) that certified costs and revenue consequences are detailed in the business case;

c) that all approvals for capital expenditure are in line with the NIMDTA's Scheme of Delegated Authority;

d) that DoH approval is obtained for projects costing more than the NIMDTA's delegated limit for capital schemes; and

e) The Chief Executive or delegated representative will issue procedures for the regular reporting of expenditure and commitment against authorised expenditure.

13.2 Asset Registers

The Chief Executive or delegated representative will be responsible for the maintenance of a register of assets and arranging for a physical check of assets against the asset register to be conducted once a year.

NIMDTA will maintain an asset register recording fixed assets as specified in the Capital Accounting Manual issued by the DoH.

Additions to the fixed asset register must be clearly identified to an appropriate budget holder and be validated by reference to:

a) properly authorised and approved agreements, architect's certificates, supplier's invoices and other documentary evidence in respect of purchases from third parties;

b) stores, requisitions and wages records for own materials and labour including appropriate overheads; and

c) lease agreements in respect of assets held under a finance lease and capitalised.

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).

The Chief Executive or delegated representative will approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.

The value of each asset will be indexed to current values in accordance with methods specified in the Capital Accounting Manual issued by the DoH.

The value of each asset shall be depreciated using methods and rates as specified in the Capital Accounting Manual issued by the DoH.

13.3 Security of Assets

The overall control of fixed assets will be the responsibility of the Chief Executive.

Asset control procedures (including fixed assets, cash, cheques and negotiable instruments, and also including donated assets) must be approved by the Chief Executive. This procedure shall make provision for:

a) recording managerial responsibility for each asset;

b) identification of additions and disposals;

c) identification of all repairs and maintenance expenses;

d) physical security of assets;

e) periodic verification of the existence of, condition of, and title to, assets recorded;

f) identification and reporting of all costs associated with the retention of an asset; and

g) reporting, recording and safekeeping of cash, cheques, and negotiable instruments.

All discrepancies revealed by verification of physical assets to fixed asset register will be notified to the Chief Executive.

Each employee and Board member will have a responsibility for the security of NIMDTA property. Any breach of agreed security practices must be reported in accordance with agreed procedures.

Any damage to NIMDTA premises or equipment, or any loss of equipment, stores or supplies must be reported by Board members and employees in accordance with the procedure for reporting losses.

Where practical, assets should be marked as NIMDTA property.

14. Stores and Receipt of Goods

14. 1 Control of Stores

The Chief Executive will delegate responsibility to an employee for the control of stores. The responsibility for security arrangements shall be clearly defined in writing by the designated manager.

The Chief Executive will set out procedures and systems to regulate the stores, including records for receipt of goods, issues and returns to stores and losses.

The designated manager will be responsible for the disposal and replacement of all obsolete stock and shall follow procedures set out for the disposal of obsolete goods.

14.2 Goods Supplied by Centres of Procurement Expertise (COPE)

For all goods supplied via BSO PaLS and other centres of procurement expertise, the Chief Executive will identify those authorised to requisition and accept goods.

15. Disposals and Condemnations, Losses and Special Payments

15.1 Disposals and Condemnations

The Chief Executive or delegated representative will prepare detailed procedures for the disposal of assets including condemnations, and ensure that these are notified to managers.

All unserviceable articles will be condemned or otherwise disposed of by an employee authorised for that purpose and recorded in a form approved by the Chief Executive.

15.2 Losses and Special Payments

The Chief Executive or delegated representative will prepare procedural instructions on the recording of and accounting for losses and special payments.

Any employee or officer discovering or suspecting a loss of any kind will immediately inform their Head of Department, who will inform the Chief Executive.

The Chief Executive or delegated officer must notify the BSO Counter Fraud & Probity Service (CFPS) of all frauds.

For losses apparently caused by theft, arson, neglect of duty or gross carelessness, except if trivial, the Chief Executive must immediately notify the Board and External Auditor:

Within limits delegated to it by the DoH, the Board will approve the writing-off of losses.

The Chief Executive or delegated representative will maintain a Losses and Special Payments Register in which write-off action is recorded.

No special payments exceeding delegated limits will be made without the prior approval of the DoH.

All losses and special payments must be reported to the Audit Committee at least once per annum prior to the consideration of the draft Annual Accounts.

16. Information Technology

16.1 Responsibilities and Duties of the Chief Executive

The Chief Executive or delegated representative is responsible for the accuracy and security of the computerised financial data of NIMDTA and will.

a) devise and implement any necessary procedures to ensure adequate protection of NIMDTA's data, programmes and computer hardware from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Data Protection Act 1998;

b) ensure that adequate controls exist over data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;

c) ensure that adequate controls exist such that the computer operation is separated from development, maintenance and amendment; and

d) ensure that an adequate management audit trail exists through the computerised system and that such computer audit reviews as the Chief Executive may consider necessary are being carried out.

e) ensure that new financial systems and amendments to current financial systems have been developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by another organisation, assurances of adequacy must be obtained from them prior to implementation.

f) publish and maintain a Freedom of Information (FOI) Publication Scheme describing the types of information that is made publicly available.

16.2 Responsibilities and duties of managers and employees in relation to computer systems of a general application

In the case of other computer systems all responsible managers and employees will send details of the outline design of the system and a supporting business case to the Chief Executive.

16.3 Contracts for Computer Services with other Organisations

The Chief Executive or delegated representative will ensure that contracts for computer services for financial applications with another health organisation (e.g. BSO) or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes.

Where another health organisation (e.g. BSO) or any other agency provides a computer service for financial applications, the Chief Executive will periodically seek assurances that adequate controls are in operation.

16.4 Risk Assessment

The Chief Executive or delegated representative will ensure that risks to NIMDTA arising from the use of IT are effectively identified and appropriate action taken to mitigate or control the risk. This shall include the preparation and testing of appropriate disaster recovery plans.

16.5 Requirements for Computer Systems which have an impact on Corporate Financial Systems

Where computer systems have an impact on corporate financial systems the Chief Executive will need to be satisfied 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) such computer audit reviews as are considered necessary are being carried out.

17. Acceptance of Gifts by Staff

The Chief Executive or delegated representative will ensure that all staff are made aware of NIMDTA policy on acceptance of gifts and other benefits in kind by staff. This policy follows the guidance contained in NIMDTA's Code of Conduct for staff which details the Standards of Business Conduct for HSCNI staff in the circular HSS (Gen1)1/95HSS (Gen1)1/95 and is also deemed to be an integral part of these Standing Orders and Standing Financial Instructions..

18. Retention of Records

The Chief Executive or delegated representative will be responsible for maintaining archives for all records required to be retained in accordance with DoH guidelines, Good Management, Good Records

The records held in archives shall be capable of retrieval by authorised persons.

Records held in accordance with DoH guidance shall only be destroyed at the express instigation of the Chief Executive. Detail will be maintained of records so destroyed.

19. Risk Management and Insurance

19.1 Programme of Risk Management

The Chief Executive will ensure that NIMDTA has a programme of risk management, in accordance with current DoH assurance framework requirements, which must be approved and monitored by the Board.

The programme of risk management will include:

a) a process for identifying and quantifying risks and potential liabilities;

b) engendering, among all levels of staff, a positive attitude towards the control of risk;

c) management processes to ensure all significant risks and potential liabilities are addressed including effective systems of internal control, cost effective insurance cover, and decisions on the acceptable level of retained risk;

d) contingency plans to offset the impact of adverse events;

e) audit arrangements including; internal audit, health and safety review;

f) arrangements to review the risk management programme

The existence, integration and evaluation of the above elements will assist in providing a basis on which to make the annual Governance Statement for inclusion in the Annual Report and Accounts as required by current DoH guidance.