



Board of Directors (held in Public)
27 July 2023
Review of Delegated Financial Limits

Item 6.1

Presented for:	Approval
Accountable Director:	Kathryn Vause, Executive Director of Finance
Presented by:	Kathryn Vause, Executive Director of Finance
Author:	Kat Penter, Interim Head of Financial Strategy, Planning & Costing
Previous Committees:	Trust Executive Group, Finance & Performance Committee
Legal / Regulatory:	YES

Key Priorities/Goals	Create a safe and high performing organisation based on openness, ownership and accountability Generate resources to support patient care and the delivery of our long-term plans, by being as efficient as we can be and maximising opportunities for new funding
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Strategic Ambition	(✓)	BAF Strategic Risk
1. Patients and communities experience fully joined-up care responsive to their needs		
2. Our people feel empowered, valued and engaged to perform at their best		
3. We achieve excellence in everything we do		
4. We use resources wisely to invest in and sustain services	✓	4a Ability to plan, manage and control Trust finances effectively

Key points	
For decision/approval regarding:	For decision
1. Proposed changes to the approval limits within the scheme of delegation	

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Report of the Executive Director of Finance

1. SUMMARY

- 1.1 The Trust Board is asked to approve the proposed changes to the approval limits within the scheme of delegation.

2. BACKGROUND

- 2.1 There is a significant amount of business that goes through Trust Board purely to comply with the current delegated financial limits. This often relates to 'business as usual' activities within the Trust. During the COVID-19 pandemic period, the organisation has grown by over 51% (comparing 23/24 income with pre-pandemic levels). This, coupled with extraordinarily high levels of inflation means that an increasing amount of Trust expenditure requires a decision at Board level.
- 2.2 In order to assess the suitability of the current delegated limits; the Trust has undertaken benchmarking with peer NHS organisations, including other ambulance Trusts. An analysis of YAS Trust Board Decisions has also been undertaken for the two-year period April 2021 to April 2023. A summary of the number of Board decisions is shown below in Table 1. A detailed list is included at Appendix 1.
- 2.3 46% of the Trust Board financial approvals were in either the <£500k category or £0.5m - £1m category.
Items below £500k may have been taken to Board because:
- i) Board were being asked to approve *additional* expenditure to an existing arrangement, and the total exceeded £500k.
 - ii) The decision may have required Board consideration for non-financial reasons.
- 2.4 Board meetings previously took place on a quarterly basis meaning there were potential delays occurring to operationally important decisions due to the timing of the Board meetings. The recent changes to the corporate calendar have mitigated this risk to an extent, however some delays can be avoided altogether if the Board approval limit is increased. The proposed change, if approved, will ensure that the Board's time is released for strategically important decisions.
- 2.5 The conclusion reached is that the current Board approval limit of £500k is too low and to maintain the strategic use of board time and facilitate the timeliness of important operational decisions it is recommended that it be raised to £1m. Both North West Ambulance Service NHS Trust and North East Ambulance Service NHS Foundation Trust have raised their limits to £1m in recognition of price increases and growth in the service.

Table 1. Summary of Trust Board Decisions: Number of papers presented to Board for financial approval.

Year and Quarter	<500k	500-1m	1m-1.5m	>1.5m	Total
2021	1	5	2	7	15
Qtr2		2		2	4
Qtr3		1	2	1	4
Qtr4	1	2		4	7
2022	5	7	2	12	26
Qtr1	1	1		5	7
Qtr2	2	1	1	1	5
Qtr3	1	4	1	4	10
Qtr4	1	1		2	4
2023	1	4		4	9
Qtr1	1	3		2	6
Qtr2		1		2	3
Grand Total	7	16	4	23	50
	14%	32%	8%	46%	

3. PROPOSAL

3.1 The table below outlines the proposed changes to the delegated limits, summarised as:

- i) An increase of £500k to the Board limit – revised limit >£1m
- ii) An increase of £500k to the CEO limit - revised limit up to £1m (or £1.25m for expenditure spanning more than one year)
- iii) An increase of £250k to the Director of Finance limit – revised limit up to £500k

3.2 These revised limits have been discussed at Finance and Performance Committee and are supported.

Table 2: Proposed Board Approval Limits

Approval level	Normally applies to	Current limits: NHS Yorkshire Ambulance Trust	Proposed limits: NHS Yorkshire Ambulance Trust
Level 7	Board	Over £500,000	Over £ 1000,000
Level 6	CEO	Up to £500,000 in year Up to £750,000 multiple years	Up to £1000,000 in year Up to £1,250,000 multiple years
Level 5	Director of Finance	Up to £250,000	Up to £500,000
Level 4	Directors	Up to £100,000	Up to £100,000
Level 3	Associate Director or equivalent / Area managers	Up to £25,0000	Up to £25,0000
Level 2	Head of Department / Locality Managers	Up to £10,000	Up to £10,000

Level 1	Cost Centre Managers	up to £5,000	up to £5,000
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4. RISK

4.1 There are no significant risks envisaged from this change.

5. COMMUNICATION AND INVOLVEMENT

5.1 The updated Scheme of Delegation will replace the current table in the Standing Financial Instructions (SFIs) which are available on the Trust website. The Budget Holders manual will be updated and recirculated to budget holders.

6. EQUALITY ANALYSIS

6.1 N/A

7. PUBLICATION UNDER FREEDOM OF INFORMATION ACT

7.1 This paper has been made available under the Freedom of Information Act 2000

8. NEXT STEPS

8.1 All relevant trust documents will be updated to reflect approved changed and shared with the organisation.

9. RECOMMENDATION

9.1 It is recommended that the Trust Board approve the proposed changes to the delegated financial limits.

10. SUPPORTING INFORMATION

Appendix 1 - Analysis of Board decisions

Author: Kat Penter
**Interim Head of Financial Strategy,
 Planning & Costing**

Appendix 1: Trust Board Financial Approvals Apr '21 – Apr '23.

Date	Description	Value	Value range
27/04/2021	Extension to Contract for Provision of Uniforms	£552k	500-1m
27/04/2021	Medical Gas Service Provision	£761k	500-1m
20/05/2021	Motor Fleet Insurance Contract - 1-year extension 2022/23	Increase of £789k (£4.04m in total)	>1.5m
24/06/2021	UC Resource Requirements	£1.7m	>1.5m
27/07/2021	A&E Provider Framework	4 Providers £3.4m	>1.5m
19/08/2021	Logistics Hub	£1.2m capital, £553k revenue	1m-1.5m
23/09/2021	Capital Equipment, increasing DCA fleet	£785k	500-1m
26/10/2021	PTS Capacity and Resourcing	£5.1m	>1.5m
26/10/2021	IUC H2 Planning	£2.4m	>1.5m
26/10/2021	Rapid Response Vehicle Replacement	Increase of £235k	>1.5m
26/10/2021	Procurement of Driver Training Vehicles	£539k	500-1m
25/11/2021	Bodyworn Video Project	£365k	<500k
25/11/2021	EOC Expansion - Fairfield's redevelopment	£2.4m capital, £658k revenue	>1.5m
25/01/2022	Hull Hub and Spoke	£14.2m capital	>1.5m
25/01/2022	Cluster AVP: Scarborough Ambulance Station	£402k	<500k
25/01/2022	Capital Expenditure 2021-22 : Conversion of 64 DCA chassis	£2.048m	>1.5m
25/01/2022	Capital expenditure 2021-22: Stryker stretchers	£790k	500-1m
31/03/2022	Provision of Non-Emergency Transport including Taxis		>1.5m
31/03/2022	Contract for Fleet Parts, Spares & Associated Consumables	£4.8m	>1.5m
31/03/2022	Hybrid Working Office Lease	£110k per annum (15-year lease)	>1.5m
31-May-22	Procurement Process: RRV Vehicles Conversion	£443k	<500k
31-May-22	Organisational Development Consultant Proposal	£775k	500-1m
31-May-22	Long Term Workforce Planning	£1.5m	>1.5m
31-May-22	Hull Hub & Spoke	£1.25m	1m-1.5m
28-Jun-22	2022/23 Clinical Support Systems development	£490k	<500k
26-Jul-22	Occupational Health and Health and Wellbeing contracts	£673k	500-1m
05-Sep-22	111 Licence Contract Renewal	£423k	500-1m
05-Sep-22	Contract Award - Bradford Hub	£1m	1m-1.5m
05-Sep-22	IUC Recruitment and Retention Premium Proposal	£590k	500-1m
05-Sep-22	Logistics Hub	£1.6m	>1.5m
27-Sep-22	2022-23 IUC Clinical Support Sub-Contract	£709k	500-1m
27-Sep-22	Contract Award: Travel and Accommodation	Increase £390k (total contract value £789k).	<500k
27-Sep-22	Contract Award: Academy End Point Assessment Project	£1.6m over 4 years	>1.5m
27-Sep-22	Extension of private provision within A&E	£4.1m.	>1.5m
13-Dec-22	EOC Recruitment and Retention Premium Proposal	£250k	<500k
13-Dec-22	Fairfield EOC Development	Increase - capital £657k, revenue £196k	>1.5m
13-Dec-22	Refurbishment of Goole Ambulance Station	£600k	500-1m
13-Dec-22	Renewal of Call Flex Lease	Estimate £1.5m exc. VAT	>1.5m
02-Feb-23	Business Case - Occupational Health (OH) Project	£6.4m over the 5-year period	>1.5m
02-Feb-23	Gas Supply Contract Award Recommendation 2023-2027	Forecast c. £463k	<500k
02-Feb-23	Travel, Accommodation, and Venue Solutions	£555k	500-1m
23-Mar-23	Capital Computer Equipment Single Tender Waiver	£699.8k	500-1m
23-Mar-23	Logistic Hub Fit Out Works	£1.2m	500-1m
23-Mar-23	Fleet Insurance Renewal – 3 Year Contract from 1 April 2023	£4.5m	>1.5m
27-Apr-23	National Vehicle Recovery Framework Agreement	£800k	500-1m
27-Apr-23	2022/23 Travel, Accommodation and Venue Solutions	£1.9 million	>1.5m
27-Apr-23	PTS Fleet Renewal	£10.14m over 5 to 7 years	>1.5m