

**Public Services Delivery
Scotland
Standing Financial
Instructions**

2026-27

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Section 1: Introduction

General

1.01 Background

Standing Financial Instructions (“SFIs”) are issued in accordance with the financial directions issued by the Scottish Government Health & Social Care Directorate (SGHSCD) under the provisions contained in the Regulation 4 of the NHS (Financial Provisions) (Scotland) Regulations 1974 (GEN) 88 and Annex and NHS Circular MEL (1994) 80. All officers of the Common Services Agency, more commonly known as Public Services Delivery Scotland (and referred to as PSD Scotland throughout these Standing Financial Instructions) must comply with the SFIs from 1 April 2026.

SFIs and supporting policies and procedures detail the financial responsibilities adopted by PSD Scotland. Their purpose is to provide sound control of PSD Scotland's financial and related activities and are carried out in accordance with the law and Scottish Government policy. They should be used in conjunction with the Standing Orders and in particular the Schedule of Matters Reserved to the Board and the Scheme of Delegation therein.

All PSD Scotland policies referred to in this document can be found on PSD Scotland website and intranet.

1.02 The purpose of the scheme of control is:

- To ensure that PSD Scotland 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 PSD Scotland and its expenditure and income, are prepared timeously.
- To protect PSD Scotland against the risk of fraud and irregularity.
- To safeguard PSD Scotland assets.
- To ensure proper standards of financial conduct are maintained.
- To enable the provision of appropriate management information.
- To ensure that PSD Scotland seeks best value from its resources by making proper arrangements to pursue continuous improvement,

having regard to economy, efficiency, and effectiveness in PSD Scotland operations.

- To ensure that any delegation of responsibility is accompanied by clear lines of control and accountability, together with appropriate reporting arrangements; and
- To ensure transparency and accountability in all procurement and contracting activities.

PSD Scotland shall exercise financial supervision and control by:

- Formulating a financial strategy.
- Requiring the submission and approval of financial plans and budgets within approved allocations and overall income.
- Defining and approving essential features of financial arrangements in respect of procedures and financial systems (including the need to obtain value for money).
- Defining specific responsibilities placed on directors and officers as indicated in the Scheme of Delegation.

1.03 Responsibilities & application of the SFIs

These SFIs identify the financial responsibilities that apply to everyone working for PSD Scotland. They do not provide detailed procedural advice and should be read in conjunction with detailed departmental and financial procedure notes. All financial procedures and any consequent amendments must be approved by the Director(s) of Finance,

Should any difficulties arise regarding the interpretation or application of any of the SFIs then the advice of the Director(s) of Finance must be sought before you act.

1.04 Compliance

The Director(s) of Finance is responsible for assisting the Chief Executive as Accountable Officer and therefore have ultimate responsibility ensuring that SFIs are in place, up to date and observed in PSD Scotland. The responsibilities of the Director(s) of Finance, as specified in the SFIs may be carried out by such other senior finance officers as he or she might specify.

All Members and officers of PSD Scotland shall observe these SFIs at all times. The Chief Executive and the Directors shall be responsible for ensuring that the SFIs are made known within the services for which they are responsible and shall ensure they are adhered to.

Any adverse event to these SFIs must, on discovery, be reported immediately to the Director(s) of Finance who will discuss the matter with the Chief Executive and/or Director to determine the proper action to be taken. The views of internal audit and/or Counter Fraud Services may also be taken depending on circumstances. Adverse events will be reported to the Finance and Resources Committee in line with Appendix 1 and the SFI reporting framework.

Where the SFIs 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 PSD Scotland.

Nothing in these SFIs shall be held to override any legal requirement or Ministerial Direction placed upon PSD Scotland, its members, or officers.

Failure to comply with the SFIs shall be a disciplinary matter.

1.05 Variation and Revocation

These SFIs may only be varied or revoked in accordance with the Standing Orders.

1.06 Terminology

The following terminology applies throughout these Standing Financial Instructions:

- (a) “Accountable Officer” means the Scottish NHS Officer responsible and accountable for funds entrusted to PSD Scotland. The Accountable Officer will be responsible for ensuring the proper stewardship of public funds and assets. For PSD Scotland it will be the Chief Executive.
- (b) “Board” means the Board of PSD Scotland.
- (c) “Budget” means a resource, expressed in financial terms, proposed by the Board for the purpose of carrying out, for a specific period, any or all the functions of PSD Scotland.
- (d) “Budget Holder” means the director or employee with delegated authority to manage finances (Income and Expenditure) for a specific area of the organisation.
- (e) “Chief Executive” means the chief officer of PSD Scotland.
- (f) “Contract” means any arrangement giving rise to right and obligations between PSD Scotland and any one or more third parties whether legally enforceable or otherwise.

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- (g) “Director(s) of Finance” means the chief financial officer of PSD Scotland, or chief financial officers at such times as PSD Scotland has more than one Director of Finance
- (h) “Transitional Leadership Group” means the committee of executive officers of PSD Scotland appointed by the Board and given authority by the Board to act in accordance with its remit.
- (i) “Financial Services” means the central finance function of PSD Scotland.
- (j) “Framework Agreement” means a framework agreement in terms of the Public Contracts (Scotland) Regulations 2015.
- (k) “Director” means the chief officer of a Directorate of PSD Scotland; “Legal Advisor” means the properly qualified person appointed by PSD Scotland to provide legal advice.
- (l) “Officer” means employee of PSD Scotland or any other person holding a paid appointment or office with PSD Scotland.
- (m) “PSD Scotland” means Public Services Delivery Scotland, the common name of the “Common Services Agency for the Scottish Health Service.”
- (n) “SGHSCD” means the Scottish Government Health and Social Care Directorate and
- (o) Virement – the reallocation of budget authority
- (p) Wherever the title Chief Executive, Director(s) of Finance, and Director is used in these instructions, it will be deemed to include such other directors or employees who have been duly authorised to represent PSD Scotland.
- (q) Wherever the term "employee" is used and where the context permits it will be deemed to include employees of third parties contracted to PSD Scotland when acting on behalf of PSD Scotland.
- (r) All references in these Instructions to the singular form will be read as equally applicable to the plural. Similarly, any references in these Instructions to the masculine gender will be read as equally applicable to the feminine gender and vice versa.

Section 2: Responsibilities of Chief Executive, Director(s) of Finance, Directors, and Employees

2.01 Responsibilities of Chief Executive as Accountable Officer

- (a) Under the terms of Sections 14 and 15 of the Public Finance and Accountability (Scotland) Act 2000, the Principal Accountable Officer for the Scottish Government has designated the Chief Executive of PSD Scotland as Accountable Officer.
- (b) Accountable Officers must comply with the terms of the Memorandum to National Health Service Accountable officers, and any updates issued to them by the Principal Accountable Officer for the Scottish Government.

2.01 (a) General Responsibilities

- (a) The Accountable Officer is personally answerable to the Scottish Parliament for the propriety and regularity of the public finances for PSD Scotland ensuring that the resources of the body are used economically, efficiently, and effectively.
- (b) The Accountable Officer must ensure that the Board takes account of all relevant financial considerations, including any issues of propriety, regularity, or value for money, in considering policy proposals relating to expenditure or income.
- (c) It is incumbent upon the Accountable Officer to combine their duties as Accountable Officer with their duty to the Board to whom he or she is responsible and from whom they derive their authority. The Board is in turn responsible to the Scottish Parliament in respect of its policies, actions, and conduct.
- (d) The Accountable Officer has a personal duty of signing the Annual Report and Accounts for PSD Scotland. Consequently, he or she may also have the further duty of being a witness before the Scottish Parliament Public Audit Committee (PAC) 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 on examinations into economy, efficiency and effectiveness with which the body has used its resources in discharging its functions.
- (e) The Accountable Officer must 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 specific skills and services.

2.01 (b) Specific Responsibilities

The Accountable Officer must:

- (a) Ensure that from the outset proper financial systems are in place and applied, and that procedures and controls are reviewed from time to time to ensure their continuing relevance and reliability, especially at times of major changes.
- (b) Ensure that the Board's financial obligations and targets are met. The Chief Executive shall be responsible for the implementation of the Board's financial policies and for co-ordinating any corrective action necessary to further these policies. In fulfilling this responsibility, the Chief Executive shall take account of advice given by the Director(s) of Finance on all such matters. The Director(s) of Finance shall be accountable to the Board for this advice.
- (c) 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 the Scottish Ministers.
- (d) Ensure that proper financial procedures are followed incorporating the principles of separation of duties and internal check, and that accounting records are maintained in a form suited to the requirements of the relevant Accounting Manuals, as well as in the form prescribed by the published Accounts.
- (e) Ensure that public funds and assets such as land, buildings or other property including stores and equipment for which he or she is responsible are effectively managed and safeguarded, with the appropriate checks in place.
- (f) Ensure that, in the consideration of policy proposals relating to expenditure or income, for which he or she has responsibilities as Accountable Officer, all relevant financial considerations, including any issues of propriety, regularity or value for money, are considered, and where necessary brought to the attention of the Board.
- (g) 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.
- (h) Ensure that risks, whether relating 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.

- (i) Ensure that best value from resources is sought, by making proper arrangements to pursue continuous improvement having regard for economy, efficiency, and effectiveness, and in a manner which encourages the observance of equal opportunities requirements.
- (j) Ensure that managers at all levels have a clear view of their objectives, and the means to assess and measure outputs for performance in relation to those objectives.
- (k) Ensure that managers at all levels are assigned well defined responsibilities for making best use of resources, including a critical scrutiny of output and best value.
- (l) Ensure that managers at all levels have the information (particularly about costs), training, and access to the expert advice which they need to exercise their responsibilities effectively.
- (m) Ensure that procurement activity is conducted in accordance with the requirements in the Procurement Section of the Scottish Public Finance Manual.
- (n) Ensure that the Directors, employees, and all new appointees are notified of and understand their responsibilities within the SFIs.

2.01(c) Regularity and Propriety of Expenditure

- (a) The Accountable Officer has a particular responsibility for ensuring that PSD Scotland achieves high standards of regularity and propriety in the consumption of resources. Regularity involves compliance with relevant legislation, relevant guidance issued by the Scottish Ministers – in particular, the Scottish Public Finance Manual – and the framework document defining the key roles and responsibilities that underpin the relationship between PSD Scotland and Scottish Government. Propriety involves respecting the Parliament's intentions and conventions and adhering to values and behaviours appropriate to the public sector.
- (b) 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 made must be within the scope and amount specified in that Act.
- (c) All actions must be able to stand the test of parliamentary scrutiny, public judgements on propriety and professional Codes of Conduct. Care must be taken to avoid actual, potential, or perceived conflicts of interest when employing external consultants and their staff.

2.01 (d) Advice to the Board

- (a) The Accountable Officer has a duty to ensure that appropriate advice is tendered to the Board, the Transitional Leadership 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.
- (b) If the Accountable Officer considers that, despite their advice to the contrary, the Board or other decision making body is contemplating a course of action which they consider would infringe the requirements of regularity or propriety, and that they would be required to take action that is inconsistent with the proper performance of their duties as Accountable Officer, they should inform the SGHSCD's Accountable Officer, so that the Department if it considers it appropriate, can intervene and inform the Scottish Ministers. If this is not possible, the Accountable Officer should set out in writing their objection and the reasons, to the proposal. If their advice is overruled, and the Accountable officer does not feel that he or she would be able to defend the proposal to the Audit Committee of the Scottish Parliament, as representing value for money, he or she should obtain written instructions from the Board for which he or she is designated, and send a copy of their request for instruction and the instruction itself as soon as possible to the External Auditor and the Auditor General for Scotland.
- © 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 duly noted.

2.01(e) Absence of Accountable Officer

- (a) The Accountable Officer should ensure that they are generally available for consultation, and that in any temporary period of unavailability a senior officer is identified to act on their behalf.
- (b) If the Accountable Officer would be unable to discharge their responsibilities for a period of four weeks or more, PSD Scotland will notify the Principal Accountable Officer of the Scottish Government, in order that an Accountable Officer can be appointed pending their return.
- (c) Where the Accountable Officer is unable by reason of incapacity or absence to sign the Annual Report and Accounts in time for them to be submitted to the Auditor General, the Board may submit unsigned copies, pending the return of the Accountable Officer.

2.02 Responsibilities of the Director(s) of Finance

Without prejudice to the functions of any other officers of PSD Scotland the duties of the Director(s) of Finance shall include:

- (a) Provision of financial advice to the Board and its employees.
- (b) Implementing the Board's financial policies and for co-ordinating any corrective action necessary to further those policies.
- (c) Ensuring that sufficient financial records are maintained to show and explain the Board's transactions and to disclose, with reasonable accuracy, the financial position of the Board at any time.
- (d) The design, implementation, and supervision of systems of internal financial control incorporating the principles of separation of duties and internal checks.
- (e) The preparation and maintenance of such accounts, certificates, estimates, records, and reports as the Board may require for the purpose of carrying out its statutory duties and responsibilities.
- (f) Setting accounting policies consistent with Scottish Government guidance and generally accepted accounting practice.

2.03 Responsibilities of the Board

- (a) The Board functions in accordance with the NHS Scotland Blueprint for Good Governance (Second Edition) (issued through DL (2022) 38) in setting the direction, clarifying priorities and defining expectations; holding the executive to account and seeking assurance that the organisation is being effectively managed; managing risks to the quality, delivery and sustainability of services; engaging with stakeholders and influencing the Board's and the organisation's culture.

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:

- (b) to set strategic direction of the organisation within the overall policies and priorities of the Government and NHS Scotland, define its annual and longer-term objectives and agree plans to achieve them.
- (c) To oversee the delivery of planned results by monitoring performance against objectives and ensuring corrective action is taken where necessary.

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- (d) to ensure that there is effective dialogue within the organisation and between the organisation and key stakeholders on its plans and performance and that these are responsive to the stakeholders needs.
- (e) to ensure effective financial stewardship through best value, financial control and financial planning and strategy.
- (f) to ensure that high standards of corporate governance and personal behaviour are maintained in the conduct of the business of the whole organisation; and
- (g) to appoint, appraise and remunerate senior executives.

In fulfilling these functions, the Board should:

- (h) specify its requirements in organising and presenting financial and other information succinctly and efficiently to ensure the Board can fully understand its responsibilities.
- (i) 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.
- (j) establish performance and quality targets that maintain the effective use of resources and provide best value.
- (k) 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.
- (l) establish committees, including audit and risk and remuneration committees, 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
- (m) act within the statutory, financial, and other constraints.

2.04 Responsibilities of all Directors and Employees

- (a) The Chief Executive shall have delegated authority from the PSD Scotland Board to secure the efficient operation and management of the full range of PSD Scotland activities in accordance with current policies of PSD Scotland within the limits of the resources available.
- (b) Directors of PSD Scotland 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 procedures and

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- systems including the need to obtain best value, and by defining specific responsibilities placed on officers.
- (c) All directors and employees of the Board, severally and collectively, are responsible for:
- security of the Board's propriety.
 - avoiding loss.
 - exercising economy and efficiency in the use of PSD Scotland resources.
 - complying with the requirements of the Board's Standing Orders, Standing Financial Instructions, Financial Procedures, and the Scheme of Delegation.
 - reporting on discovery of any non-compliance of the SFIs to the Director(s) of Finance.
- (d) The PSD Scotland Strategic Financial Principles must be adopted by all PSD Scotland staff in the exercise of their duties. See Appendix 2.
- (e) All staff must be aware of the Fraud Management Policy (including the Fraud Action Plan) and the Whistleblowing Policy. The Counter Fraud Champion is responsible for ensuring the requirements of Fraud Action Plan are met, and processes followed in every relevant situation.
- (f) The Director should ensure that these SFIs and associated documents are made known to all staff within the Directorates and ensure that they are adhered to.
- (g) Any contractor, or employee of a contractor, who is empowered by PSD Scotland to commit PSD Scotland to expenditure or who is authorised to obtain income will be covered by these instructions. It is the responsibility of the Director to ensure that such persons are made aware of this.
- (h) For all members of the Board and Transitional Leadership Group and employees who carry out a financial function, the form in which financial records are kept and the manner in which those members discharge their duties must be to the satisfaction of the Director(s) of Finance.
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Section 3: Code of Conduct

3.01 Introduction

The Model Code of Conduct for Members of Devolved Public Bodies was issued by the Scottish Ministers on 7 Dec 2021, with the approval for the Scottish Parliament, as required by the Ethical Standards in Public Life etc, (Scotland) Act 2000 . Its purpose is to set out the conduct expected of those who serve on the Boards of public bodies in Scotland.

The Code has been developed in line with the nine key principles of public life in Scotland. The financial responsibilities are set out in this section. The code of conduct for Board members of PSD Scotland are discussed further in the PSD Scotland standing orders.

3.02 General Principles

There is a general presumption against the giving or receipt of gifts and hospitality by employees of PSD Scotland. All employees should: -

- Not put themselves in a position where their official and private interests may conflict.
- To be aware of the presumption of influence on a potential purchasing decision or strategic decision relating to the business objectives of PSD Scotland; and
- Not make use of their official positions to further their private interests.
- These guidelines should be read in conjunction with section 3.12 on bribery.

3.03 Activities involving the use of official information or experience.

Any employee of PSD Scotland (other than medical or dental staff engaged in clinical practice) is required to obtain permission from the relevant Director, before undertaking any form of private work which involves the use of official NHS information or their NHS experience.

All media broadcasts or television appearances by employees of PSD Scotland on matters relating to the work of PSD Scotland should be regarded as official duty, and no question of payment to individuals will normally arise. However, if the work of preparation for the media broadcast/television appearance involves private, as well as official time, the Chief Executive may, at their discretion, allow an employee to retain the whole or part of any fee as appropriate.

3.04 Outside Occupation

Employees of PSD Scotland are not allowed to accept any outside employment which would require their attendance at any time during their normal working hours with PSD Scotland. Employees should notify PSD Scotland if they propose to take up outside employment which would, when both or more employments are combined, result in their average working week exceeding the maximum working week laid down in the Working Time Regulations 1998, currently 48 hours per week.

Employees are advised not to engage in outside employment which may conflict with their NHS work or be detrimental to it.

3.05 Confidentiality

No employee of PSD Scotland shall use for their own benefit or gain, or divulge to any persons, firms, companies, or other organisation whatsoever, any confidential information belonging to PSD Scotland, or relating to its affairs or dealings, which may come to the employee's knowledge during the course of their duties.

Employees will not disclose confidential information or information which should reasonably be regarded as being of a confidential or private nature, without the express consent of a person or body authorised to give such consent, or unless required to do so by law. Employees should note that if they cannot obtain such express consent, they should assume it is not given.

Notwithstanding this, any employee who has genuine concerns about operational issues and service delivery, particularly if the concerns relate to health and safety, malpractice or fraud has a right and responsibility to raise these. Further details of how staff should raise concerns are outlined in the PSD Scotland Whistleblowing policy and the Fraud Management Policy.

3.06 Contracts and use of services of PSD Scotland contractors

On starting employment, all PSD Scotland staff must declare any financial interests or relationships (e.g. Honorary positions held) with any manufacturer, supplier, or contractor, with whom the PSD Scotland has, or is likely to enter into a contractual relationship, or any financial or other interests which may affect PSD Scotland's decisions. In addition, any employee engaged in ongoing activity or a project involving third parties must declare any relevant financial or other interests at the earliest opportunity to their Director and comply with any consequent requests or instructions made by PSD Scotland. Any PSD Scotland staff leading activities or projects with third parties must, at initiation and at all meetings, thereafter, seek positive confirmation as to any such interests which those PSD Scotland staff present may have and take action accordingly. Any

interests declared must be properly recorded in the minutes and records of the meetings.

Board Members have a duty to declare any interests at any meeting when they are acting in their capacity as a Board Member. If a Board Member declares an interest, then the Member must remove themselves from the meeting.

In addition, Board Members, Directors, Senior Managers and Senior Procurement staff of PSD Scotland will be asked quarterly to confirm their declarable interests.

No employee of PSD Scotland may purchase goods from, or use the services of, a contractor on preferential terms for private purposes, if these terms are given directly or indirectly because of the contractual or other official business relationship (whether potential or actual), between the contractor and PSD Scotland.

3.07 Acceptance of Gifts

For the purpose of this section, a gift shall be taken to mean any personal, material and/or financial advantage or reward, which can include material items such as calendars, stationery etc.

Employees must never ask or seek any gift. Where gifts are sent to an employee, these should only be accepted when the gift is of minimal or nominal value and in any case where the value is presumed to be less than £5. All other gifts should be returned to the sender.

It is recognised that, on occasion, a gift may be received from a patient or a donor as a “thank you” for services received. These gifts would be difficult to refuse without causing offence. If they are of low intrinsic value, the principles outlined above should be applied. Should they be expensive, the Director should be consulted for a view on acceptance.

In all cases in relation to gifts, it is recognised that it is PSD Scotland who is the owner of the received gift and not the individual employee.

Casual gifts offered by contractors or others e.g. at Christmas time should be declined.

3.08 Acceptance of Hospitality

For the purpose of this section, hospitality shall be taken to mean an offer of food, drink, invitations to events, travel, and/or accommodation.

As a guiding principle, hospitality should be refused. Modest hospitality, provided it is normal and reasonable in the circumstances, e.g. lunches in the course of working visits, may be acceptable when the scale of hospitality is similar to that which the NHS would be likely to offer in the circumstances. Where hospitality is provided at free events or conferences - where the object is to maintain knowledge or develop networks – this may be accepted, provided the hospitality is proportionate,

For the avoidance of doubt, tickets to national sporting events or similar should be refused.

3.09 Procedure for completing and recording forms.

Full guidance on accepting and recording of gifts and hospitality can be found on the Service Now portal and the intranet.

3.10 Reporting

An annual report of all accepted gifts and hospitality offered and accepted will be submitted to the TLG and Audit and Risk Committee for noting.

3.11 Use of official Accommodation, Equipment or Vehicles

No employee of the PSD Scotland may make use of, or make available for use, official accommodation, equipment, supplies, services, or vehicles, for private purposes, without the prior permission of the Chief Executive.

Employees should not use, or in any way enable others to use, public bodies resources imprudently, unlawfully, for any political activities or matters relating to these or improperly.

Employees should not make inappropriate or unauthorised use of IT systems e.g. email and Internet access. The PSD Scotland guidelines governing the use of IT systems should be referred to for further guidance.

3.12 Bribery

The Bribery Act 2010 came into force on 1 July 2011 and makes it a criminal offence to take part in 'active' or 'passive' bribery or to fail to prevent bribery in an organisation:

- (a) Active bribery (section 1 of the Act) makes it an offence for a person to offer, give or promise to give a financial or other advantage to another individual in exchange for improperly performing a relevant function or activity.
- (b) Passive bribery (section 2 of the Act) makes it an offence for a person to request, accept or agree to accept a financial or other advantage in exchange for improperly performing a relevant function or activity.
- (c) Bribery of a foreign public official (section 6 of the Act) makes it an offence to offer, promise or give a financial or other advantage to a

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foreign public official with the intention of influencing the official in the performance of their official function. Previously such payments may have been known as Facilitation Payments.

- (d) Corporate offence (section 7 of the Act) states that an organisation may be liable if it fails to have adequate procedures in place to prevent bribery.

Employees must be committed to the prevention of bribery and all forms of corruption. PSD Scotland operates a zero-tolerance approach to bribery committed by any person working at PSD Scotland and any person who provides services for or on behalf of PSD Scotland and that any allegation of bribery by a Board member or employee will be investigated in accordance with relevant processes and procedures and may be reported to the authorities, as appropriate.

The PSD Scotland approach to addressing fraud, which includes bribery, is set out in Section 4.

Section 4: Suspected Theft, Fraud and Other Irregularities

4.01 Introduction

This section should be read in conjunction with the Fraud Management Policy, the Fraud Strategy, and the Fraud Action Plan.

The following procedures should be followed, as a minimum, in cases of suspected theft, fraud, embezzlement, corruption, bribery or other financial irregularities to comply with the above guidance.

In addition, guidance and recommendations issued from time to time by PSD Scotland - Counter Fraud Services (CFS) to combat fraud should also be considered and implemented where necessary.

4.02 Theft, Fraud, Embezzlement, Corruption, Bribery and Other Irregularities

The Accountable Officer is responsible for having adequate arrangements in place to counter fraud within the health board. In line with central guidance, these arrangements should encompass robust systems for the prevention, detection, and investigation controls to reduce the risk of fraud and contribute to the promotion of a counter fraud culture.

PSD Scotland has a Fraud Management Policy and Action Plan which supports the CFS fraud strategy. All PSD Scotland staff should be aware of the content of this policy and their responsibilities in relation to the prevention and detection of fraud including bribery and corruption and their duty to report any suspicious activity.

The Fraud Action Plan is reviewed annually, amended as appropriate, and submitted to the Audit and Risk Committee for re-endorsement annually.

The Board has the responsibility to designate an Executive or Non-Executive Member of the Board who is also a member of the Audit and Risk Committee as the Counter Fraud Champion (CFC). Their role is to influence cultural change within the organisation and raise the profile of counter fraud initiatives and publicity across the organisation. The CFC will support the Fraud Liaison Officer (FLO), whose role it is to coordinate action where there are reasonable grounds for believing that an instance of fraud, theft, embezzlement, corruption, bribery, or other financial irregularity has occurred. Contact details for the CFC and FLO can be found in the Fraud Management Policy and on the PSD Scotland intranet.

It is the FLO's responsibility, supported by the CFC where appropriate, to inform as they deem appropriate, the Police, Counter Fraud Services (CFS), the

appropriate director(s), the Appointed External and Internal Auditors, the Chief Executive and the Chair of the Audit and Risk Committee, where such an occurrence is suspected. It should be noted that CFS does not routinely investigate the crime of theft, unless systematic losses have occurred, and the use of covert surveillance is being considered.

Where any officer has grounds to suspect any of the above activities has occurred, they should report this to the FLO without delay. The FLO will ensure that there is consultation with CFS as set out in the Fraud Management Policy. It is essential that preliminary enquiries are carried out in strict confidence and with as much speed as possible.

Where the suspicion involves an Executive or Non-Executive Director the matter will be reported to the CFC. It is the CFC's responsibility, supported by Counter Fraud Services, to co-ordinate any such investigation. The CFC will inform the appointed External and Internal Auditors and the Chair of the Board, where the allegation relates to the Chair of the Board the CFC will inform Scottish Government.

If, in exceptional circumstances, the CFC, the FLO and the Head of Internal Audit are unavailable the officer should report the circumstances to the Chief Executive who will be responsible for informing CFS. As soon as possible thereafter the FLO should be advised of the situation.

Where preliminary investigations suggest that prima facie grounds exist for believing that a criminal offence has been committed, CFS will undertake the investigation on behalf of, and in co-operation with PSD Scotland. At all stages the CFC, the FLO and the Head of Internal Audit will be kept informed of developments on such cases. All referrals to CFS must also be copied to the Appointed Auditor.

4.03 Remedial Action

As with all categories of loss, once the circumstances of a case are known the FLO will be required to take immediate steps to ensure that so far as possible these do not recur. However, no such action will be taken if it would prove prejudicial to the effective prosecution of the case. It will be necessary to identify any defects in the control systems which may have enabled the initial loss to occur, and to decide on any measures to prevent recurrence.

4.04 Reporting to the Scottish Government Health & Social Care Directorate (SGHSCD)

While normally there is no requirement to report individual cases to the Scottish Government Directorate of Health & Social Care there may be occasions where the nature and/or scale of the alleged offence or the position of the person or persons involved, could give rise to national or local controversy and publicity.

Moreover, there may be cases where the alleged fraud appears to have been of a particularly ingenious nature or where it concerns an organisation with which other public health sector bodies may also have dealings. In all such cases, SGHSCD must be notified by the Chief Executive or their representative of the main circumstances of the case at the same time as an approach is made to CFS.

4.05 Responses to Press Enquiries

Where the publicity surrounding a particular case of alleged financial irregularity attracts enquiries from the press or other media, the Chief Executive will ensure that the relevant officials are fully aware of the importance of avoiding issuing any statements, which may be regarded as prejudicial to the outcome of criminal proceedings or potential actions of CFS. Advice on such issues will be provided by CFS.

4.06 National Fraud Initiative

PSD Scotland participates in the National Fraud Initiative coordinated by the Audit Commission for the prevention and detection of fraud and other financial irregularity. As part of this initiative PSD Scotland is required to share financial data including payroll data with the Audit Commission who will compare this data with other public sector bodies to highlight potential fraud. PSD Scotland through the FLO will investigate all queries arising through the initiative and take action in accordance with its findings.

4.07 Whistleblowing

PSD Scotland adopts the National whistleblowing standards and encourages all staff in PSD Scotland to raise any concerns where there is a risk of harm or wrongdoing (including where financial loss or misuse could ensue). Information on how to raise any concerns is available on the intranet.

Any issues raised will be investigated fully and impartially. Nobody will be unfairly treated for raising a concern, for having a whistleblowing allegation made about them or for cooperating with any investigation.

Section 5: Audit and Financial Performance Arrangements

5.01 Audit and Risk Committee

In accordance with Standing Orders the Board will establish an Audit and Risk Committee, with clearly defined terms of reference, which will provide an independent and objective view of internal control.

5.02 Finance and Resources Committee

In accordance with Standing Orders the Board will establish a Finance and Resources Committee, with clearly defined terms of reference, which will provide an independent and objective view on any financial matters referred to it by the Board.

5.03 NHS Scotland Academy

The PSD Scotland Board jointly governs with NHS Golden Jubilee, the work of the NHS Scotland Academy. This is undertaken via the NHSS Academy Executive Programme Board and Governed through the PSD Scotland Education Committee and the NHS Golden Jubilee Strategic Portfolio Governance Committee.

5.04 Director(s) of Finance

The Director(s) of Finance is responsible for:

- a) 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.
- b) ensuring that the internal audit is adequate and meets the NHS best practice.

- c) ensuring that an Internal Audit Plan is prepared for the consideration of the Audit and Risk Committee. The plan must cover:
 - strategic audit plan covering the coming three years; and
 - a detailed plan for the coming year.

- d) ensuring that an annual Internal Audit Report is prepared for the consideration of the Audit and Risk Committee. The report must cover:
 - a clear opinion on the effectiveness of internal control in accordance with current controls assurance guidance issued by SGHSCD including for example compliance with control criteria and standards.
 - major internal financial control weaknesses discovered.
 - progress on the implementation of internal audit recommendations; and
 - progress against plan over the previous year.

The Director(s) of Finance, the Head of Internal Audit or their authorised representatives and CFS in relation to a fraud investigation will have authority, without necessarily giving notice, and on production of identification, to require and receive:

- 1) access at all reasonable times to any land, premises, or employee of PSD Scotland
- 2) access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature (in which case, he will have a duty to safeguard that confidential nature).
- 3) the production or identification by any employee of any PSD Scotland cash, stores, or other property under the employee's control; and
- 4) explanations concerning any matters under investigation.

5.05 Irregularities

Whenever any matter arises which involves, or is thought to involve, irregularities concerning stores or other property of PSD Scotland or any suspected irregularity it will be notified immediately to the Fraud Liaison Officer (FLO) who will inform Counter Fraud Services and the Director(s) of Finance. Where appropriate, the Director(s) of Finance, will inform the Chief Executive and the Head of Counter Fraud Services.

Any decision to involve the police in cases of misappropriation and other irregularities not involving fraud or corruption will be taken by the Chief Executive and the Director(s) of Finance. Such decisions will be taken after obtaining appropriate advice from PSD Scotland Counter Fraud Services.

Further details pertaining to suspected theft, fraud, embezzlement, corruption, bribery, and other irregularities are contained at Section 4.

5.06 Audit Reporting

Annual and longer-term audit plans will be prepared and laid before PSD Scotland's Audit and Risk Committee for approval by 31 March preceding the audit year commencing 1 April, or at such other time as the Committee may approve.

5.07 Internal Audit

The role, objectives and scope of Internal Audit are set out in the NHS Internal Audit Standards and the Public Sector Internal Audit Standards recognising the importance of an independent and objective internal audit service working to the [NHS Internal Audit Standards](#) (2011). The work of Internal Audit is carried out primarily for the benefit of the Accountable Officer and Board/Executive of the organisation. The Head of Internal Audit, in accordance with the [Public Sector Internal Audit Standards](#) (2013), has a responsibility to provide an annual opinion on the overall adequacy and effectiveness of the organisation's governance, risk management and control processes. There is consequently a major synergy between the purpose of the Head of Internal Audit and the role of the Audit and Risk Committee.

The Internal Auditor shall have specific responsibility to review, appraise, and report upon:

- (a) controls to ensure achievement of PSD Scotland's objectives.
- (b) the extent of compliance with established policies, procedures, plans, regulations, and laws etc.
- (c) the extent to which PSD Scotland'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, poor value for money or other causes.
- (d) the suitability, reliability, and integrity of management information systems; and
- (e) the adequacy of follow-up action to their reports.

The Internal Auditors shall be accountable to the Audit and Risk Committee of PSD Scotland. The reporting and follow up systems for internal audit shall be agreed between the Accountable Officer, the Director(s) of Finance, the Audit and Risk 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.

The Internal Auditors shall issue reports to the Director(s) 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.

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 and Risk Committee. In exceptional circumstances, where they deem necessary, the Internal Auditor shall have the right to report direct to the Chief Executive, PSD Scotland's Chair or the Chair of the Audit and Risk Committee.

At each meeting of the Audit and Risk Committee the opportunity should be given for the Chair of the Committee to meet with Non-Executive Members privately. At least twice a year the Chair of the Audit and Risk Committee and the Non-Executive Members should be provided with the opportunity to meet with the Chief Internal Auditor and External Auditors privately.

5.08 External Audit

The Public Finance and Accountability (Scotland) Act 2000 places responsibility on the Auditor General for Scotland to decide who is to undertake the external audit of each health body in Scotland.

The External Auditor is concerned with providing an independent assurance on financial stewardship including best value, probity, material accuracy, compliance with guidelines and accepted accounting practice for PSD Scotland accounts.

The appointed auditor has a general duty to satisfy themselves 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; and
- The organisation has made proper arrangement for securing economy, efficiency, and effectiveness in the use of its resources.

5.09 Service Audit

A Service Audit under ISAE 3402 (the international standard for auditing controls in service organisations) will be undertaken for all services provided by PSD Scotland to NHS Boards which will impact on their financial statements.

The Service Auditor will provide an opinion during the year under review. This will be reported to management as soon as practically possible following the audit year in question.

The report will detail the exceptions that were identified during the course of the testing. [Management must respond formally to audit reports within two weeks of receipt](#)

Management will be required to ensure that action is taken to address the risks or issues identified by the agreed deadlines

The finalised reports will be provided to the responsible service Director, Director(s) of Finance, PSD Scotland's external auditor and reported to the Audit and Risk Committee by 30 May each year.

Periodic review of the actions taken will be carried out by the Service Auditors and the findings will be presented to the Audit and Risk Committee.

5.10 Risk Management

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

The Risk Management Strategy shall include:

- a Statement on the PSD Scotland approach to Risk Management,
- a summary of the PSD Scotland 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, and
- definition of responsibilities with regard to risk management

The Chief Executive is responsible for reviewing the effectiveness of the system of internal control, which includes the maintenance of a PSD Scotland risk register. The PSD Scotland risk register should be reviewed by the Board, Board Committees and Transitional Leadership Group and management teams as set out in the PSD Scotland Risk Management Approach.

The Directors are responsible for ensuring that risk registers are appropriately maintained and reviewed, and that appropriate risk management strategies and practices are adopted within their Directorates as outlined in the Risk Management Approach.

The Audit and Risk Committee is responsible for overseeing the risk management Strategy and the implementation and monitoring of risk management structures and processes for PSD Scotland.

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

Section 6: Financial Planning and Budget Control

6.01 Introduction

PSD Scotland has a responsibility to prepare and submit financial plans in accordance with the requirements of SGHSCD to the Board and to SGHSCD, ensuring that the budgets reconcile to such plans.

PSD Scotland will perform its functions within the total of funds allocated by Scottish Ministers and through income from other Health Boards and from other sources. All plans, financial approvals and control systems will be designed to meet this obligation.

PSD Scotland's income consists of four elements:

- the PSD Scotland baseline allocation which is to be treated as an aggregate sum.
- specific additional allocations of funding for projects and services sponsored by SGHSCD and managed by PSD Scotland on behalf of NHSScotland.
- bottom sliced allocation from other Health Boards to fund National Services provided by PSD Scotland; and
- Income earned from trading with other Health Boards and other third parties.

PSD Scotland's financial planning cycle in respect of all income and expenditure will be co-ordinated with its business planning arrangements and timetables as approved by the Board. The financial plans will be reviewed in detail by the TLG and the Finance and Resources Committee before being put to the Board for approval.

All requests for additional funding and income whether capital or revenue should be made using the Service Now Demand portal or the Corporate Radar. Additional funding requests will be approved and prioritised on both an annual basis through the annual financial planning process and monthly at the TLG meetings.

The funding for specific ring-fenced projects will be agreed in advance of the project's commencement with PSD Scotland and SGHSCD and will be supported by request through the Demand tool in the Service Now portal or through the Corporate Radar and an approved business case where required by SGHSCD. The Director(s) of Finance should be notified of any such projects at the earliest opportunity and will be responsible for ensuring funding is secured via additional allocations.

Services funded through bottom slicing will agree the budget with those Health Boards involved. Retrospective adjustments will be made at the same time for any over/underspend from the previous period.

The financial planning cycle in respect all PSD Scotland functions, including projects, programmes and services managed by PSD Scotland on behalf of NHSScotland will be co-ordinated with SGHSCD's planning cycle.

6.02 Preparation of budgets

The Directors will prepare and submit budgets, which reconcile to the approved financial plan to Director(s) of Finance in line with the agreed timetable for PSD Scotland. Such budgets will:

- 1) be prepared within the limits of available funds as advised by the Director(s) of Finance or SGHSCD in the case of additional allocations.
- 2) meet any requirements of the Board and SGHSCD.
- 3) be in accordance with the aims and objectives set out in the Annual Delivery Plan and reflected in the Directorate's Business Plan
- 4) accord with workload, workforce plans, and funded establishment; and
- 5) identify potential risks and opportunities.

The Directors will be required to formally approve the delegated budget for their Directorate on an annual basis and notify the Director(s) of Finance of any subsequent changes to funding or spending requirements as soon as they become known.

6.03 New Funding Requests

The Director is responsible for securing additional revenue or capital funds for new projects, programmes or services for PSD Scotland or delivered by PSD Scotland on behalf of NHSScotland. All additional funding, whether through PSD Scotland or SGHSCD allocations or income from health boards or third parties must be requested through the Business Case process in the Service Now Demand portal or the Corporate Radar. This will ensure the Board have full visibility of all funds they are accountable for.

Once approved these additional funds will form part of the budget for the duration of the project, programme, or service.

6.04 Systems of budgetary control

The Director(s) of Finance will monitor financial performance against budget and will ensure that a performance management process is in place to periodically review the finance plan.

The Director(s) of Finance will have a right of access to budget holders on budget-related matters and be entitled to receive relevant information promptly and fully.

The Director(s) of Finance will devise, introduce, and maintain systems of budgetary control, and all staff of PSD Scotland will ensure compliance with these systems.

Such systems will incorporate:

- 1) Regular financial reports to the Board in a form approved by the Board containing:
 - a) income and expenditure to date showing trends and forecast year-end position.
 - b) capital projects spend and projected outturn against plan on a monthly basis.
 - c) comparison of the agreed annual workforce establishment to the actual in month, year to date and forecast position.
 - d) specific programme level reporting in respect of all major projects, programmes and services managed by PSD Scotland on behalf of NHSScotland, in line with the specific requirements defined by the Finance and Resources Committee.
 - e) explanations of any material variance from Directorate's Finance Plans (material being defined as the higher of 10% and £100,000). For the purpose of reporting, materiality should be considered in relation to the total income, and the total pay and non-pay expenditure; and
 - f) details of corrective action where necessary and the Director(s) of Finance view of whether such actions are sufficient to correct the situation.
 - g) investigation and reporting of variances from financial, workload and workforce budgets, including a requirement for finance staff to escalate any significant changes to income and expenditure to both the Director(s) of Finance and the Director.
- 2) Monthly reporting of the financial position to the Transitional Leadership Team and Scottish Government in the approved format.
- 3) monitoring of management action to correct variances; and
- 4) arrangements for the authorisation of budget transfers in the case of PSD Scotland's general allocation.

- 5) arrangements for the return of specific additional allocations or proposed virement in line with agreed conditions of funding award for funds managed by PSD Scotland on behalf of NHSScotland (see section 6.06 for rules of virement).

The Director is responsible for ensuring that:

- 1) any likely overspending or reduction of income, which is not offset by corresponding reduction in expenditure, which cannot be met by virement within agreed limits is not incurred without the prior consent of the Director(s) of Finance in respect of the general allocation, in addition to SGHSCD in respect of ring-fenced funds.
- 2) the amount provided in the approved budget is not used in whole or in part for any other purpose other than that specifically authorised subject to the rules of virement.

The monthly financial returns from Directorate's will report actual results and forecasts against a revised budget reflecting in year allocations.

6.05 Budget limits and Delegation

The budgets adopted by PSD Scotland will be set so as to ensure that it meets the financial targets to contain its Revenue and Capital expenditure in each year within the limits approved by SGHSCD and to meet the targets set by SGHSCD regarding Cash Releasing Efficiency Savings (CRES) and cash requirement.

The Board will approve budget limits and set business performance targets for all Directorate's except in respect of earmarked funds allocated for specific purposes by SGHSCD. Overall responsibility for budgetary control will rest with the Chief Executive, who is the Accountable Officer of PSD Scotland

The Chief Executive will, in turn, delegate this responsibility to senior officers in PSD Scotland within the context of an agreed performance assessment framework.

Each Director is the designated budget holder and is accountable to the Chief Executive and to the Board for the financial performance of their Directorate.

The Chief Executive and delegated budget holders must not exceed the budgetary total or virement limits set by the Board or SGHSCD for National Services Directorate earmarked funding and other funds managed by PSD Scotland on behalf of NHSScotland (including eHealth) as set out in the Scheme of Delegation. Any budgeted funds within PSD Scotland's general allocation not required for their designated purpose(s) revert to the immediate control of the Chief Executive, subject to authorised use of virement (see below). In relation to earmarked funds and other funds managed by PSD Scotland on behalf of NHSScotland, budgeted funds not required for their designated purpose revert to the immediate control of either SGHSCD's Director(s) of Finance or Health Board Chief Executives as appropriate, subject to the authorised use of virement (see below).

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As part of monthly financial reporting arrangements, the Director with delegated authority to manage earmarked funds and other funds managed by PSD Scotland on behalf of NHSScotland, must report formally to the Director(s) of Finance where budgeted funds are not required.

The Director(s) of Finance will be responsible for making arrangements to return un-required funds to SGHSCD in line with agreed protocols.

Non-recurring budgets will not be used to finance recurring expenditure without the prior approval of the Chief Executive or Director(s) of Finance, or SGHSCD as appropriate.

Within PSD Scotland's general allocation, the Chief Executive, Director(s) of Finance or the Board, as appropriate, must approve expenditure not covered by an approved budget in advance. Further details are contained in the Scheme of Delegation.

Irrespective of the approved budget levels, commitment of expenditure by budget holders must comply with procurement rules (see section 7 to 11). Approval of any contract award should be in accordance with section 9 and the approval levels set out in 9.02 and 9.05 below.

6.06 Virement

Virement is the re-allocation of budget authority. It involves reducing the level of budget at one or more Budget Centres and correspondingly increasing the level of budget at one or more other Budget Centres.

There is an over-riding requirement on the Board to contain expenditure within PSD Scotland's Revenue Resource Limit (RRL); it may, therefore, be necessary in certain circumstances for the Chief Executive to impose virement and vary the budget of an individual Budget Holder.

Subject to the foregoing rules, planned or fortuitous savings within delegated limits (see Scheme of Delegation) may be redeployed within PSD Scotland's general allocation provided that the Director has verified that:

- (a) they do not arise from major alterations in service provision.
- (b) they are not part of an efficiency savings initiative.
- (c) the level of service defined in the Business Plan has been or will be achieved.
- (d) details of the savings figures have been provided to the Director(s) of Finance.
- (e) non-recurring savings are not committed recurrently.
- (f) the Budget Centre in total is expected to remain within budget by the end of the year.

(g) the alternative use does not conflict with PSD Scotland's policy.

In the case of NSD's earmarked funding allocation, the Director of NSD has delegated authority from SGHSCD and the Chief Executive to allocate revenue funds to national services, and to make a virement of funds between individual national services. Such actions should be within the earmarked allocation for commissioning national healthcare and screening services to ensure that the actual costs of specialist and screening services needed by residents of Scotland are met, as far as possible, within the overall earmarked allocation made available by SGHSCD, provided that:

- a) the level of service defined in National Healthcare and Screening Service Agreements has been or will be achieved.
- b) waiting times are within the limits set by SGHSCD.
- c) funding shifts do not generate major service change unless prior approval by SGHSCD has been granted.
- d) use or application of savings across the total earmarked funds of NSD (subject to the virement reference above) should be agreed in conjunction with the relevant funding bodies, i.e. SGHSCD for top sliced allocation for designated specialist and screening services and NHS Boards for NHS Scotland financial risk share arrangements; and
- e) savings against earmarked funds of NSD will not be used to support PSD Scotland activity; similarly, PSD Scotland funds will not be used to support activity funded through NSD.

The Director of NSD must report significant virements to the Director(s) of Finance in the first instance and to the National Corporate Finance Network. This will also be reported to PSD Scotland Sponsor Team.

Virement within earmarked capital / non-recurring funds and in respect of funding managed by PSD Scotland on behalf of NHSScotland is only permitted with prior approval of SGHSCD.

For the avoidance of doubt, virement between projects and programmes within eHealth must be specifically approved by the Deputy Director (eHealth) in SGHSCD.

All virements must be recorded and approved in the finance ledger against the appropriate service.

6.07 Family Health Service Payments

PSD Scotland is responsible for the payments to primary care practitioners on behalf of the NHS Scotland territorial Health Boards. Cash is drawn down from Scottish Government on a monthly basis to ensure payment to all contractors under the Medical, Pharmacy, Dental and Ophthalmic contractor streams. The

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Director of Primary and Community Care is responsible for the delivery of this service.

The Director(s) of Finance is responsible for:

- a) the accuracy and timeliness of the payments to practitioners and for the flow of accurate and timely information to practitioners, NHS Boards, and the SGHSCD regarding these payments.
- b) all aspects of financial control, the management of cash requirements and the processing of payments,
- c) setting the delegated authority limits for the authorisation of payments on a monthly basis,
- d) regular reviews of financial controls,
- e) reviewing and approving changes to financial controls and
- f) the payment of Scottish Infected Blood Scheme payments as directed by Scottish Government.

The Finance and Resources Committee will receive regular reports from the Director(s) of Finance on financial governance, control, and performance in year.

6.08 Financial consequences of change

The Director(s) of Finance will 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 will advise on the financial and economic aspects of future plans and projects.

Section 7: Resource Limits

8.01 General

PSD Scotland, 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 targets which PSD Scotland must operate within are the:

- Revenue Resource Limit (RRL)
- Capital Resource Limit (CRL)
- Cash Requirement

The Director(s) of Finance shall ensure that all income and expenditure is identified correctly and accounted for in the relevant financial year.

The Director(s) 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.

The Director(s) of Finance shall ensure that amounts drawn for PSD Scotland against the agreed cash limit are required for approved expenditure only.

The Director(s) of Finance will ensure that the cash balances held by PSD Scotland are not excessive but are sufficient to meet immediate liabilities. The Director(s) 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 shall not be made in advance of need and payments of due debts shall not be delayed artificially to a following financial year in order to manage cash balances at year-end.

In submitting the final requisition for a fiscal year, the Director(s) 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.

The Director(s) of Finance will review the RRL/CRL and Cash positions regularly to ensure that remain on target to meet its financial objectives.

The Director(s) of Finance shall provide reports to the Scottish Government Health and Social Care Directorate in the form requested and in accordance with the guidance issued by the Scottish Government Health and Social Care Directorate.

Section 8: Staff Appointments, Remuneration, and related matters

8.01 Remuneration Committee

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 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 People /HR and any necessary SG agreement.

After approval by the Remuneration Committee, the Chair will personally authorise the payment of Performance Related Pay Progression (PRPP) for the Chief Executive. The Chief Executive will personally authorise the PRPP payment for the Executive and Senior Manager cohort.

The Remuneration Committee will approve all new or additional jobs created for Agenda for Change band 8d, 9 and Executive grades. In addition, they will agree all senior appointments where the lower half of the salary range will not secure the preferred candidate.

Subject to limits laid down in the Scheme of Delegation all early retirements, that meet the requirement for a two-year maximum pay-back period and result in additional costs being borne by PSD Scotland, will be submitted to the Remuneration Committee for consideration and recommendation to the Board.

Early retirements due to ill health are approved by SPPA and are usually out-with the remit of the Remuneration Committee, in any rare and exceptional case where additional costs may be borne by PSD Scotland this will be submitted to the Remuneration Committee for consideration and recommendation to the Board.

8.02 Staff Appointments

The Board will delegate responsibility to a manager for:

- a) ensuring that all employees are issued with a Contract of Employment in a form approved by the Board; and
- b) dealing with variations to, or termination of, contracts of employment.
- c) both in a form which complies with employment legislation.

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No officer of the Transitional Leadership Group or employee may engage, re-engage, or regrade employees, either on a permanent or temporary nature, or hire agency staff, or agree to changes in any aspect of remuneration:

- a) unless within the limit of their approved budget and funded establishment; or
- b) in exceptional circumstances if authorised to do so by the Chief Executive.

Prior to the filling of any vacant position within PSD Scotland, permission must be sought from the Group responsible for the review of vacancies. Only once a vacant position has been approved to be filled by the group, can recruitment to an open role commence.

Open roles should not be filled by agency staff without the express approval of the VMG but it should be recognised that permission to fill open roles through agency staff should only be sought in exceptional circumstances.

Where short term capacity is required over and above establishment workforce levels, agency staff may be utilised, subject to VMG approval, in exceptional circumstances.

The Board will approve or delegate to a Board Committee the approval of procedures presented by the Chief Executive for the determination of commencing pay rates, condition of service, etc, for employees.

All employee contracts will conform to relevant standard NHS terms and conditions. Any variation from standard terms and conditions will require prior approval of the Director of People/HR.

8.03 Processing of Payroll

The Director(s) of Finance is responsible for ensuring that appropriate arrangements exist for:

- a) specifying timetables for submission of properly authorised time records, expense claims, and other notifications.
- b) the final determination of pay and allowances.
- c) making payment on agreed dates; and
- d) agreeing method of payment.

The Director(s) of Finance will issue instructions regarding:

- a) verification and documentation of data.

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- 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, national insurance contributions, 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 and National Fraud Initiative.
- g) method of payment available to employees and officers.
- h) procedures for payment by bank credit 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) regular reconciliation of key standing data between the payroll system and the Human Resources Business Systems.
- m) a system to ensure the recovery from leavers of sums of money and property due by them to PSD Scotland
- n) procedures and timetable for reclaiming expenses incurred wholly, necessarily, and exclusively for business purposes.
- o) Policy and procedures for the recovery of any over/under payments; and
- p) procedures for the regular review of protection payments to ensure compliance with policy.

Appropriately nominated managers and TLG members have delegated responsibility for:

- a) completing and authorising time records, and other notifications in accordance with the Director(s) of Finance /Director of People/HR instructions and in the form prescribed by the Director(s) of Finance /Director of People/HR.

- b) submitting time records, and other notifications in accordance with agreed timetables; 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 Transitional Leadership Group obligations in circumstances that suggest they have left without notice, the Director(s) of Finance and payroll must be informed immediately.
- d) Completion and signing of notification of change forms and such other documents necessary to the payment of staff following changes in employment status or terms and conditions of service shall be submitted via appropriate forms for processing through eESS and as close to the effective date of change as possible for the processing through payroll.

Regardless of the arrangements for providing the payroll service, the Director(s) of Finance 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 timely payment of these to appropriate bodies.

8.04 Termination Settlements

In the case of a termination settlement, a cost/benefit statement must be prepared for submission to the Director(s) of Finance to demonstrate the financial effect of the decision and agreed by the Chief Executive. This statement will be in a form approved by the Remuneration Committee. In all cases, the appropriate Director, the Director of People /HR, and the Director(s) of Finance must sign the statement in support.

Where the full cost of the settlement exceeds £95,000, the case must be submitted to the Chair of the Remuneration Committee for prior approval. The Chief Executive will be responsible for authorising settlements where the total cost is less than £95,000. An annual report of all such instances will be presented to the Remuneration Committee by the Chief Executive.

Approval from or notification to SGHSCD of any settlement agreements will be done in conjunction with relevant guidance issued by SGHSCD.

Prior to payment of any termination settlement the Head of Payroll Services will ascertain from the Director(s) of Finance and the Director of People/HR that the settlement has been duly authorised.

An annual report on voluntary severance agreements and any other voluntary resignations with a financial consideration that have been approved through the extant Scottish Government business case process and authorised by the Chief Executive as Accountable Officer shall be presented to the Remuneration Committee in advance of the inclusion in the Annual Report and Accounts.

8.05 Organisational Change

The Chief Executive has overall responsibility for Organisational Change in PSD Scotland. All organisational change will be carried out in partnership with full financial costings as part of any proposal.

8.06 Extension to Pay during periods of absence.

The line manager with support from HR advisors is responsible for requesting an extension to pay during extended periods of absence. The Section 14 Workforce review panel, chaired by the Director of People/HR will assess the circumstances of the individual and where appropriate approve any extension to pay.

8.07 Ex Gratia Payments

All ex-gratia payments made to staff will be approved in line with section 19 on losses and special payments. An annual report of all such payments in excess of delegated limits per Scheme of Delegation and Appendix I will be presented to the Audit and Risk Committee by the Director(s) of Finance.

Section 9: Non-Pay Expenditure

9.01 Introduction

This section deals with obtaining goods, works or services solely for PSD Scotland use.

The PSD Scotland procurement team will provide advice and support to the Directorate's on all aspects of procurement to ensure compliance with all relevant Acts and regulations. The PSD Scotland Procurement Team will manage all route 2 and 3 procurement requirements as defined within the Scottish Government Procurement Journey,

Capital works must be undertaken in line with the requirements set out in the [Scottish Government Scottish Capital Investment](#) Manual and the [Construction Procurement Handbook](#) or any subsequent amendment or revision of those documents issued by Scottish Government.

It is the responsibility of everyone involved in the process of commitment of Non-Pay Expenditure to familiarise themselves with the requirements commensurate with their intended procurement. Guidance can be sought from and will be provided by the PSD Scotland Procurement team.

9.02 Delegation of Authority

Each Director will designate an officer(s) who will be empowered, within defined limits, to authorise the creation of PSD Scotland's official purchase orders on behalf of their respective Directorate. The authorisation of a Purchase Order commits expenditure on behalf of PSD Scotland and, following completion of the relevant procedures, the disbursement of PSD Scotland funds to the supplier.

9.03 Responsibilities

The Chief Executive is responsible for

- setting out procedures on the seeking of professional advice regarding the supply of goods and services in line with SGHSCD guidance and recognised best practice.

The Director(s) of Finance is responsible for ensuring:

- instructions are issued for staff regarding the handling, checking and payment of accounts and claims within the Finance Operations/Governance & Operations teams.

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- where appropriate, the expenditure is in accordance with regulations, and all necessary authorisations have been obtained.
- the account is arithmetically correct.
- appropriate entries have been made in purchasing and payment systems, registers, inventories, stores, or similar records as required.
- appropriate expenditure code numbers are charged with the cost.
- payments for goods and services are only made once goods and services are received.
- appropriate segregation of duties for placing orders, receipting goods and services and authorising payment of invoices.
- ensure that appropriate arrangements are in place for the prompt payment of accounts and claims. Payment of contract invoices will be in accordance with contract terms, or otherwise, in accordance with national guidance.
- only invoices with a valid purchase order number will be paid.
- VAT has been appropriately applied; and
- the account is in order for payment.

The Director is responsible for:

- compliance with the guidance and limits specified by the Director(s) of Finance.
- the purchase of goods is in accordance with Scottish Government Procurement Journey and NHSScotland procurement policies.
- ensuring the procedures are followed when placing an order and invoking competitive quotation or tendering arrangements are outlined in Section 9.
- where consultancy advice is being obtained, the procurement of such advice must be in accordance with Section 11.
- goods and services are received timeously and accurately.
- no contract will be entered into, or purchase order issued for any item or items to any organisation or person which has made an offer of gifts, inducement, reward or benefit to directors or employees,

- no requisition/order or contract acceptance is placed for any item or items for which there is no budget provision unless authorised by the Director(s) of Finance on behalf of the Chief Executive.

9.04 Requisitioning of goods and services

All procurement must be undertaken in line with the [Scottish Government Procurement Journey](#) including 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 Government's Scottish Procurement Policy Handbook 2008, and the Scottish Government's published Procurement Journey, including any subsequent revisions. In addition, as a result of the UK's exit from the European Union on 31 December 2020, The Public Procurement etc. (EU Exit) (Scotland) (Amendment) Regulations 2020 and The Public Procurement (Agreement on Government Procurement) (Amendment) Regulations 2021 also apply.

The requisitioner or officer placing the order, in choosing the goods to be supplied (or the service to be performed) and the procurement process to be followed must always seek to obtain the best value for PSD Scotland and NHS Scotland. In so doing, where deemed appropriate, the advice of PSD Scotland's procurement staff and where appropriate CLO shall be sought. Where this advice is not acceptable to the requisitioner, the Director(s) of Finance (and/or the Chief Executive) must be consulted.

Details of any such occurrences should be reported quarterly as appropriate to the Finance and Resources Committee

Full guidance for ordering and receipting of goods and services can be found on the knowledge base of the Finance and Procurement Service Now portal and SharePoint site.

PSD Scotland manage the "Payment on Behalf" process on behalf of NHS Scotland which eliminates the need for the transfer of cash between NHSScotland Boards for the payment of services. The process removes the need for Boards to raise Purchase Orders and invoices to one another and instead recognises the payments as a non-cash transfer. Where payments to other Boards are managed through this process, the Director(s) of Finance is responsible for ensuring that there is an authorisation process in place which assures that services have been received and payment authorised prior to the transfer being made. The Deputy/Associated Director(s) of Finance has delegated authority to approve the transfer request for PSD Scotland on behalf of the Director(s) of Finance.

Section 10: Tenders, Quotations and Contracting Requirements

10.01 Introduction

These Standing Financial Instructions define the arrangements for tendering or receipt of quotations and contracting requirements. They apply for procuring or ordering goods or services for which no applicable public sector contract or framework agreement currently exists that PSD Scotland can use.

In accordance with CEL 05 (2012) where national, regional, or local contracts exist (including framework agreements) PSD Scotland will use these contracts. Only in exceptional circumstances and with the authority of the Director(s) of Finance, can goods or services be ordered out-with such agreements.

The Director(s) of Finance is responsible for ensuring the maintenance of systems for the invitation, receipt, safe-keeping and selection of tenders and quotations, which will include a register of tenders.

10.02 Thresholds for Purchasing of goods, services and works.

The thresholds for the purchasing/ordering of all goods, services and works are as follows: -

Thresholds	Purchasing Process
Contract value < £10,000	Achievement of best value should be demonstrated. Where possible, this will be through receipt of three competitive quotations from reputable suppliers. (In the absence of such quotes, the purchaser must be prepared to justify the procurement route chosen to the Director(s) of Finance if asked to do so).
Contract value > £10,000 and < £25,000. (except public works) * Public Works <£2m	PCS quick quote/Mini tender required -

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<p>Contract value > £25,000 and < £50,000. (except public works)</p>	<p>Procurement Journey Route 1 / Procurement Journey Route 2. (Procurement team will assess the <u>procurement journey route based on complexity and risk</u>)</p>
<p>Contract value £50,000 or more over its lifetime (4 years maximum) (except public works) Public Works £2m or greater</p>	<p>Procurement Journey Route 2. This must be done with full advice and guidance of PSD Scotland procurement, CLO and other technical advisers as required. The contract must be advertised on Public Contracts Scotland.</p>
<p>Contract with an estimated value equal to or greater than the published thresholds detailed within SPPN 04/2025 (see 10.07 below)</p>	<p>Procurement Journey Route 3 This must be done with full advice and guidance of PSD Scotland procurement, CLO and other technical advisors as required. The contract must be advertised on Public Contracts Scotland.</p>

**To support our SMEs (as defined by HMRC) and comply with Procurement Equality Duty and Fair Work principles, PSD Scotland may directly award contracts up to the value of £25,000 in line with procurement regulations.*

In order to ensure that best value is achieved it is essential that a sufficient number of competent, financially sound suppliers with adequate capacity to undertake the work or provide the goods or service are identified. As part of value for money, due regard to other relevant organisational policies is important, for example, policies in relation to corporate social responsibility, sustainability, and risk management.

In the case of Goods and Services, the estimated value of the contract must include all possible options under the contract. For example, if the contract allows PSD Scotland to aggregate requirements, purchase additional supplies or services or extend the contract period beyond its original duration, the financial implications of these must be included in the estimate of the potential contract value, even if the likelihood of taking up these options is small. This will assist in ensuring the appropriate best practice procurement route is chosen.

In the case of Works, purchasers are required to estimate the value of the whole works project, irrespective of whether or not it comprises a number of separate contracts for different activities, stages, or phases of an individual project.

In certain circumstances, public procurement regulations may not apply. This is permitted using the general exclusions and Specific Situations of the Public Contracts (Scotland) Regulations 2015 Sections 4 or 7 through 18 or by being a service listed in Schedule 3 of the aforementioned regulations. To ensure probity the Sole Source Justification/Waiver form should be completed in these

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circumstances. If the purchase is of an ongoing nature, a single form for the requirement should be completed at the start of each financial year and attached to the initial Purchase Order for PSD Scotland Procurement records. All subsequent Purchase Orders should reference the initial Purchase Order number. The Sole Source Justification form is located on the Service Now portal at [Sole Source Justification - ServiceNow](#)) and the Waiver form can be found on the intranet. These exemptions require careful consideration, and the advice of the PSD Scotland Procurement team must be sought at the earliest opportunity if circumstances may require their use.

No tender may be invited for goods, services or works unless the estimated expenditure is included in the Directorate's Budget or Business Plan or has been previously approved by the Chief Executive.

Tender submissions should be sought by use of the SG supported e-Tendering system or the Public Contracts Scotland web portal or another approved Public Sector web portal.

All Tenders must be appraised against the Scottish Procurement Document (SPD). This is a statutory requirement that ensures all mandatory & discretionary exclusion criteria are appropriately assessed for each bidder. Where existing Framework Agreements are to be used, the procedures set out in that Agreement must be followed. Guidance on the use of the SPD should be sought at all times from the PSD Scotland Procurement team.

Single Tender Regulated

Where, in exceptional circumstances, three competitive written quotations or tenders cannot be provided by reputable suppliers the tender process and selection must be approved by the Chief Executive or the Director(s) of Finance via a sole source justification on Service Now or a Waiver Form on the intranet. The Director(s) of Finance will present, on an annual basis, a report to the Finance and Resources Committee detailing the nature and justification for any such circumstances.

The Director must:

- be satisfied that all required processes and procedures in compliance with public procurement regulations have been adhered to prior to accepting a tender.
- ensure that all accepted tenders have the appropriate details entered onto the PSD Scotland contract register which will be maintained by the PSD Scotland Procurement Department.
- ensure that all tender documentation, reports, and records must be retained and stored in line with PSD Scotland document management and retention policy.

- ensure that every contract contains a clause entitling PSD Scotland to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation if the contractor or their representative, with or without their knowledge, has colluded in tendering for the contract or any other contract with PSD Scotland or has employed any corrupt or illegal practice in obtaining or executing that or any other contract with PSD Scotland.

An officer or executive having a pecuniary interest, whether direct or indirect, in any tender with PSD Scotland must declare this interest to the Director(s) of Finance who must ensure such details are entered in the Register of Pecuniary Interest. Such officers must also disqualify themselves from any involvement in the tender procedures.

Except where otherwise agreed all contracts will be in writing and subject to the Law in Scotland.

10.03 PSD Scotland Contract / Framework Agreement

Prior to award on behalf of PSD Scotland itself of any contract or Framework Agreement or call off by PSD Scotland of any Framework Agreement (or extension of any contract or Framework Agreement or call off same), where the annual amount (or amount relating to the extension period if shorter) which PSD Scotland is committing to pay is:

- less than £50,000, three quotes are required, and approval is required from the Director of Procurement or Director of Finance
- £50,000 to £100,000 must follow formal procurement regulations and approval is required from the Director.
- more than £100,000 but less than £500,000 approval is required as above and the Contracts Approvals Board and the Director(s) of Finance
- more than £500,000 but less than £1 million approval is required from Contracts Approvals Board and then from the Chief Executive.
- More than £1m are reported to the PSD Scotland Board through the Finance and Resources Committee, following approval from the Chief Executive as above.

10.04 Contract Extensions

Wherever practicable, approval for contract extensions should be sought on a timely basis so that should extension approval not be granted that there is sufficient time to run the appropriate procurement process set out in these SFIs. For all contract extensions which require authorisation by the Chief Executive or the PSD Scotland Board, PSD Scotland procurement must seek CLO advice and ensure approval is sought in sufficient time to run an appropriate procurement process or an exemption must be agreed by the Chief Executive and reported to the PSD Scotland Board.

10.05 Contracts on behalf of Scottish Ministers, NHSScotland or other public bodies

Prior to the new financial year, the Director of National Procurement will provide the Finance and Resources Committee with a procurement strategy detailing all planned contracts/framework agreements awards. Based on an assessment of financial and reputational risk the Committee will identify those contracts/framework agreements which will require approval by the Board.

For contracts/framework agreements awards not identified as requiring Board approval by the Finance and Resources Committee the following approval strategy will apply based on the estimated/expected **total annual value** or uptake under the Contract or Framework Agreement:

- less than £2 million, approval is required from the Director of National Procurement, and the Director of DaS for IT-related contracts.
- more than £2 million approval is required from the Contracts Approvals Board (Chief Executive, Director(s) of Finance, Director of National Procurement, Head of Strategic Sourcing, Head of Procurement and Commercial and for IT approvals the DaS Director).
- more than £5 million, approval is required from the Chief Executive of PSD Scotland following the Contracts Approval Board.

No award or execution of a contract or a Framework Agreement shall be made by or on behalf of PSD Scotland without appropriate authority or in advance of an Approval Certificate being issued.

All PSD Scotland officers and employees should be aware of the importance of acting within statutory powers and functions and the requirement of written records.

Verbal contracts are not acceptable. Care must be taken to ensure Contracts and/or Framework Agreements are not concluded informally. Correspondence on contractual issues should contain a statement that the letter or e-mail is not intended to form a contract and that PSD Scotland will not be bound by any

terms unless and until incorporated within a formal award or document entered into by PSD Scotland which satisfies Section 3 of the Requirements of Writing (Scotland) Act 1995.

10.06 NHS Scotland Health Board Capital Expenditure Procurements

Where Equipping Projects are performed by PSD Scotland, either by direct engagement or under a Service Level Agreement (SLA) with Health Boards and under their own SFIs, with Purchasing Approvals on spend by the Health Board Project Teams under their Capital Expenditure Budget for the Project and with our Procurement Team operating as a proxy Health Board procurement team, the following approval levels will apply.

- less than £100,000, approval is required from the relevant procurement Category Manager
- more than £100,000 but less than £500,000, approval is required from the Head of Strategic Sourcing
- more than £500,000, approval is required from the Director of National Procurement

The above approval levels only apply to contracts where purchase orders are raised by Health Boards and there is no PSD Scotland financial commitment.

10.07 Advertising of contracts

In accordance with the Procurement Reform Act (Scotland) 2014, any contract between £50,000 and threshold values set out in [SPPN 04/2025](#) over its lifetime is considered a regulated contract. Guidance in tendering these contracts must be in accordance with the Procurement Reform Act (Scotland) 2014, any contract between £50,000 and threshold value over its lifetime is considered a regulated contract. Guidance in tendering these contracts must be sought from PSD Scotland Procurement.

10.08 Signing of contracts.

The official signing of any contract or framework agreement that requires Board approval (as per sections 10.02 and 10.04 above) will be sealed with the Common Seal of the Common Services Agency.

The Director(s) of Finance must ensure the segregation of duties between negotiating and the signing of contracts. Contracts entered into by PSD Scotland

for services for PSD Scotland or provided on behalf of NHSScotland must be approved by the Director(s) of Finance or the Chief Executive.

10.09 Record of contracts

To effect compliance with the Procurement Reform (Scotland) Act 2014, PSD Scotland utilises the [Public Contracts Scotland](#) (PCS) web portal contract register functionality to maintain a public register of all contracts in excess of £50,000 in value. The Director(s) of Finance will receive a copy of the register on an annual basis.

10.10 Variations to contracts

All agreements with suppliers/contractors to vary contracts for supplies/works of a revenue or capital nature must be in-line with procurement regulations and will require approval should additional expenditure meet thresholds detailed in line with Section 9.

Claims from suppliers/contractors which are not clearly within the terms of the contract concerned will be referred to the Procurement Department, who will inform the Chief Executive and/or Director(s) of Finance, if necessary, before agreement is reached and any payments are made.

Where completion of a contract is delayed the matter will be referred to the Director(s) of Finance for further action.

With regard to contracts for works (capital expenditure), the contract will specify the circumstances that will occur before a variation is appropriate. The officer authorised to supervise and control the work must ensure these conditions are observed before authorising any contract variation.

10.11 Interim and final payments

Officers authorised by Directors to supervise and control work under contracts (including both revenue and capital contracts) will certify payments to suppliers/contractors and approve through the PECOS order system as work is completed.

10.12 Communications

All contracts (other than for a simple purchase permitted within the Scheme of Delegation and excluding Service Agreements for national specialist healthcare and screening services), leases, tenancy agreements and other commitments

which may result in a liability must be notified to the Director(s) of Finance in advance of any commitment being made.

10.13 Contract and Supplier Management

Each Directorate is responsible for ensuring that key contracts and suppliers are managed effectively to ensure agreements meet performance requirements and provide value for money.

Key suppliers should be identified and managed on a quarterly basis utilising the segmentation tool and balanced scorecard within the Scottish Government Procurement Journey.

An annual report will be submitted to the Finance and Resources Committee on supplier management activity.

Section 11: Tenders, Quotations and Contracting Requirements for Research

11.01 Introduction

This section defines the arrangements for tendering or receipt of quotations and contracting requirements specifically for purchasing research services.

Research and development services, being a Specific Situation of the Public Contracts (Scotland) Regulations 2015, are generally considered an exclusion from the public procurement regulations.

However:

- a) if the benefits of the research accrue exclusively to PSD Scotland for use in the conduct of PSD Scotland’s own affairs; **and**
- b) PSD Scotland wholly fund the research from its own budget, then the public procurement regulations do apply and section 9 of these SFIs applies rather than this section 10.

If only one or less of the above conditions apply then the research is considered an exclusion to the public procurement regulations as the research is not considered a commercial contract and the arrangements, as set out below, apply.

The Director is responsible for ensuring that all research contracts comply with current legislation and the Standing Financial Instructions (SFIs), as appropriate.

11.02 Thresholds for Purchasing of Research Services

The thresholds for the purchasing all research services are as follows: -

Thresholds	Purchasing Process
Contract value < £10,000	By value for money. Where possible, through receipt of three competitive quotations from reputable providers. (In the absence of such quotes, the purchaser must be prepared to justify the rationale for not seeking three quotations to the Director(s) of Finance (if asked to do so).

Contract value > £10,000 and < £50,000.	By invitation – seeking three quotations from reputable providers without having to advertise the research contract.
Contract value £50,000 or more over its lifetime (4 years maximum)	By advertisement – advertising the contract on the PSD Scotland site. This can be an open or restricted invitation to tender.

The other purchasing process that exists for research services:

- A non-competitive direct award process, used in exceptional circumstances, where three competitive written quotations or tenders cannot be provided. Notable reasons for awarding a research contract directly to a single, identified external research provider are extreme urgency or intellectual property rights.

In order to ensure that value for money is achieved a sufficient number of suitably qualified providers with adequate capacity to undertake the research services are identified.

The estimated value of the contract must include all possible options under the contract. For example, if the contract allows PSD Scotland to aggregate requirements, purchase additional supplies or services or extend the contract period beyond its original duration, the financial implications of these must be included in the estimate of the potential contract value even if the likelihood of taking up these options is small. This will assist in ensuring the appropriate purchasing process is chosen.

No tender may be invited for research services unless the estimated expenditure is included in the Directorate's Budget or has been previously approved by the Director(s) of Finance. Estimated expenditure must be approved prior to the purchasing process commencing.

11.03 Research contract award approval

Prior to award on behalf of PSD Scotland of any contract, where the **total amount** (or amount relating to the variation if shorter) which PSD Scotland is committing to pay is:

- less than £50,000, three quotes are required, and approval is required from Director.

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- £50,000 to £100,000, research contract is advertised, and approval is required from the Director.
- more than £100,000 but less than £500,000 approval is required as above and the Director(s) of Finance.
- more than £500,000 approval is required from the Director(s) of Finance and then from the Chief Executive.
- more than £1 million are reported to PSD Scotland Board through the Finance and Resources Committee, following approval from the Chief Executive as above.

11.04 Advertising and notification of research contracts

In accordance with the Public Contracts (Scotland) Regulations 2015, research contracts, if they meet the criteria in section 10.01 above are considered excluded contracts. Research contracts above £50,000 over its lifetime are advertised on the PSD Scotland site.

All research tenders, above £50,000, are appraised against the Scottish Procurement Document (SPD). This ensures all mandatory & discretionary exclusion criteria are appropriately assessed for each bidder. Where existing Framework Agreements are to be used, the procedures set out in that Agreement must be followed.

A research contract with an estimated expenditure of more than £1 million (in total) will be notified to the Finance and Resources Committee, via the Director(s) of Finance at the contract advertisement stage.

11.05 Research contract agreement signature

The official signing of any contract or framework agreement must follow the financial thresholds and associated personnel set out in section 9 above.

Except where otherwise agreed all contract agreements will be in writing and subject to the Law in Scotland.

11.06 Record of research contracts

The Directorate must maintain a research contract register for all commissioned research contracts. The Director(s) of Finance shall receive a copy of the research contracts register as requested.

11.07 Interim and final payments

Officers authorised by Directors to supervise and control work under contracts (including both revenue and capital contracts) will certify payments to suppliers/contractors and approve through the PECO's order system as work is completed.

11.08 Research contract variations

Where research contract variations including extensions require additional expenditure, approval for the variation must be sought before agreement is made with the external research provider. For contract variations where the original contract was routed through the Research Office, the Research Office must be notified in the first instance. Approval shall be in line with the financial thresholds and associated personnel set out in section 9 above.

Contract variation agreement signature shall be line with section 9 above.

Wherever practicable, approval for contract variations including extensions should be sought on a timely basis so that should approval not be granted there is sufficient time to run a purchasing process as appropriate.

Claims from external research providers which are not clearly within the terms of the contract concerned will be referred to the Head of PSD Scotland Procurement, if necessary, before agreement is reached and any payments are made. Where completion of a contract is delayed the matter will be referred to the Director(s) of Finance for further action.

11.09 Research collaboration agreements

Where research collaboration agreements require expenditure (including staff time) by PSD Scotland, approval for the collaboration must be sought before agreement is made with the other collaborators.

Collaboration agreement signature shall be line with section 3 above.

11.10 Communications

All research contracts which may result in a liability must be notified to the Director(s) of Finance in advance of any commitment being made.

Section 12: Appointment of advisers and non-permanent staff

12.01 Introduction

These Standing Financial Instructions define the procedures to be followed in the selection and appointment of Advisers and staff not on open-ended contracts and should be read in conjunction with Sections 8 and 9.

Provider	Process
Legal Advisers	CLO must act as appointed legal advisers on all legal matters unless approval has been granted by Chief Executive
Management Consultants/ Contractors (individuals and companies)	The authority limits in section 9 also apply. See sections 12.02 to 12.08 below
Agency staff	<p>In line with all establishment posts, agency and contractor staff will be recorded on the relevant PSD Scotland Business Systems to ensure compliance with the National Directory and NHS Mail access for all members of staff and to allow for effective monitoring of all staff across PSD Scotland. Agency staff must be appointed in line with the PSD Scotland Agency Workers Process including a requirement to utilise any national procurement framework or contract in place for such staff within NHSS. Completion of an online “check of employment status for tax” must also be carried out prior to the start of any engagement.</p> <p>The authority limits in section 9 also apply.</p> <p>The requirements of section 7.02 in respect of the restrictions on the use of agency staff should be clearly noted.</p>
Secondees	Before appointing any Secondees to work in PSD Scotland, the relevant Director must be consulted and their approval to proceed should be given prior to proceeding with any appointment
Temporary/Fixed Term Employees	Normal HR recruitment

12.02 Definition

Contractors are used by PSD Scotland -

- a) to provide specific expertise which may not be readily available within PSD Scotland.
- b) to perform a task within a defined time span; or
- c) to provide an outside objective view on a particular matter.

12.03 Specification of need

In considering the need for Management Consultants/Contractors it is essential that the following processes are adhered to: -

- 1) Define assignment to be undertaken: The nature of the task requires to be identified and a specification with the timescale prepared. This will enable the quantity and quality of professional skill required to be assessed.
- 2) Consider alternative means of undertaking assignment: Having prepared the specification it should be possible to consider whether the Directorate's own staff can undertake the assignment, within normal working hours, in overtime hours or on a secondment basis. If this is not possible the option of involving other Directorate's staff on a secondment or chargeable basis should be explored before any consideration of an outside source is made. Should outside support be necessary the suitability of temporary staff should be considered before finally deciding to progress to the process leading to the appointment of Management Consultants/Contractors.
- 3) Define the basis of the consultancy: It is necessary to decide the appropriate method of appointment, for example if the end date of the assignment and timescale can be clearly identified a block fee would be appropriate. However, it is recognised that it is not always possible to do this and in such circumstances a day rate basis would be appropriate.

12.04 Procedures for appointment

The applicable procurement procedures and limits set out in sections 8, 9 and 10 must always be followed.

12.05 Appointment considerations for the Director

- For each appointment, an online assessment through HMRC must be completed to determine the employment status for tax purposes for the engagement.

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- Contract of employment and fee must be aligned to an established job description, any departure from this must be approved by the Director of People/HR and the Director(s) of Finance.
- Appropriate consideration is given to the particular experience and reputation of the individual(s)/organisation.
- The individual(s)/organisation is competent to undertake the assignment and retain documentary evidence of their consideration.
- Professional competence is vetted, and evidence retained.
- Where the appointment is made due to lack of specific expertise being available within PSD Scotland, arrangements should be made wherever practical for knowledge or skills transfer into PSD Scotland to occur. The anticipated knowledge or skills transfer should be documented and tracked thereafter.
- Conducting a review of the effectiveness and value for money of the assignment prior to the departure of, or as soon as practicably possible thereafter, the appointed Management Consultant/Contractor. Internal Audit, or any other body as may be required, should record the details of such review for the purposes of any subsequent independent scrutiny for ensuring that the work undertaken in the assignment has been carried out satisfactorily, will certify invoices for work done and will ensure that the fee charged is correct.
- Throughout the whole procurement process of developing need, specification, tendering, appointment and payment, the officers involved in the exercise are responsible for ensuring that best value for money is obtained.

12.06 Tendering Arrangements

In all circumstances, the arrangements for tendering set out in Section 9 will be followed.

12.07 Functional continuity

Where for whatever reason it is decided to extend the appointment of a Management Consultant/Contractor, and this will increase the value of the initial or current assignment sufficient to move it into a higher value band (see Section 9) the materiality of any such extension should be measured and appropriate legal advice sought from CLO prior to the approval of the Chief Executive and/or the Director(s) of Finance . The approval of the Chief Executive and/or the

Director(s) of Finance must be obtained before proceeding to extend the appointment.

CLO advice should be sought and the Chief Executive's and/or the Director(s) of Finance' approval must be obtained in all cases where the value or timescale of the extension cannot be estimated.

12.08 Audit and Risk Committee Reporting Requirements

PSD Scotland's Audit and Risk Committee can, at any time, call for the justification of expenditure on Management Consultants.

The Director(s) of Finance will present, on an annual basis, a report to the Audit and Risk Committee detailing the nature of and expenditure incurred by each Directorate on the employment of Management Consultants in the preceding year.

Section 13: Income Generation and Intellectual Property

13.01 Introduction

This Standing Financial Instruction applies to all income generation (excluding SGHSCD allocations) entered into by PSD Scotland, whether or not contractually binding, for the supply of goods and/or services by it to another party and for which money will be receivable by PSD Scotland. It applies to “contracts” with NHSScotland bodies, other public sector bodies and to all arrangements with private sector bodies.

Contracts with SGHSCD are not subject to this section of the Standing Financial Instructions.

13.02 Authority Levels

Directorate’s may enter into income generating activities with outside parties on their own authority provided that:

- 1) the limits set out in Scheme of Delegation are adhered to.
- 2) PSD Scotland’s standard terms and conditions of business/service level agreement apply.
- 3) if denominated in a foreign currency, approval has been obtained from Director(s) of Finance as described below; and
- 4) section 12.06 on legal entity participation or investment is not relevant.

Any income agreement which does not meet all of the criteria above requires prior approval by the Director(s) of Finance and/or Chief Executive.

Income agreements are frequently negotiated over a period of time which may be prolonged and often require to be ratified as soon as terms and conditions are agreed in order to avoid financial loss through further delay. Where authority from a higher level is required, officers should plan for and provide prior warning to all officers whose authority may be required.

13.03 Determination of charges

Each Director will review on at least an annual basis the charges for services provided by the Directorate. Unless such charges are fixed externally or are governed by specific SGHSCD regulations and/or legislation, the Directorate income strategy, including charging principles and proposals for the revision of

charges, will be submitted to the Chief Executive and Director(s) of Finance for consideration and approval in advance of such revised charges being published. This will be formally approved as part of the annual business planning process.

In setting the level of fees and charges, Directors should ensure the full recovery of all costs including capital costs represented by capital charges. For recurring income streams there should be a yearly review as part of the budget process to ensure that full recovery of costs is being achieved.

Where day rates form the basis of any fees and charges the approved PSD Scotland Day rates should be used. Any variation from the approved day rates must be agreed with the Director(s) of Finance.

When deciding whether fees should be charged for courses, consideration must be given to both the source of the funding, and those participating in the courses. Where new courses are run that are not covered by baseline, nor by additional non-recurring funding from Scottish Government, fees should be set at a level which as a minimum covers the net costs to PSD Scotland for providing the course, including an appropriate share of overheads. Approval should be sought as per limits in Scheme of Delegation.

Planned cross subsidisation is not permitted and marginal costing may only be used when unplanned spare capacity arises during the year.

Charges to the private sector may be set at any level that the market will bear, provided the price covers all direct and indirect costs.

In order to preserve the real value of income, increases recommended should have regard to at least the current rate of inflation.

13.04 Foreign Currency

Business should normally be conducted in sterling. Any Sales which are to be denominated wholly or in part in a foreign currency must be pre-notified to the Director(s) of Finance at the earliest opportunity.

Foreign currency transactions will normally only be acceptable in "hard" currencies such as US dollars, the Euro or Swiss Francs. Other major world currencies will be acceptable where business is conducted with the appropriate country.

Foreign currency transactions in excess of £2million require to receive advance authorisation through the Government Banking Service. Such transactions will be referred to the Director(s) of Finance for arrangement. Government accounting regulations require PSD Scotland to minimise the cost of its overseas (banking) transactions while protecting public funds against loss and uncertainty due to foreign exchange movements. PSD Scotland will therefore take steps to minimise its exposure to foreign exchange risks, for example by entering into forward exchange contracts, but must not speculate on foreign exchange movements.

13.05 Third party contracts and agreements

Under certain circumstances, PSD Scotland may enter into non-financial contracts and agreements with third parties. All such agreements should be approved by the relevant Director. The Director should ensure that an appropriate approval process is followed prior to “sign off” in line with Scottish National Blood Transfusion Service Business Development Execution of Agreement Checklist.

13.06 Intellectual Property and Other Guidance

The registration, other forms of protection, management, and exploitation of Intellectual Property Rights (e.g. a brand, patent, domain name, etc.) is subject to compliance with HDL(2004)09 A framework and Guidance on the Management of IP in NHSS, MEL (1998) 23 Policy Framework for the Management of IP within NHSS and PSD Scotland Intellectual Property Policy and Scheme of Delegation.

Where we wish to exploit our right or potential right commercially, it is PSD Scotland policy to take appropriate advice from legal and IP experts in concluding any agreements or licences necessary to deal with the commercial exploitation of IP owned or being developed by PSD Scotland. All proposals to commercially exploit our IPR must be fully costed, taking into account PSD Scotland policies on income generation, and must have the approval of the Director(s) of Finance and the relevant Director.

Consideration should be given to using the services of Scottish National Blood Transfusion Service’s Business Development Department which has particular expertise and experience in providing services necessary for the identification, protection, and exploitation of IP as this is a frequent occurrence within Scottish National Blood Transfusion Service R&D programmes and third-party collaborations. Any such requests should be made via the office of the Director, Scottish National Blood Transfusion Service. An annual report on all relevant IP activity facilitated by Scottish National Blood Transfusion Service Business Development Department will be provided to the PSD Scotland Board/ Chief Executive via the PSD Scotland Clinical Governance Committee.

Any request by a third party for permission to exploit PSD Scotland IPR commercially must be given reasonable consideration in compliance with the Re-use of Public Sector Information regulations, and any refusal must be recorded together with the rationale for refusal. PSD Scotland will, whenever appropriate, ensure that IP resulting from projects funded in whole or in part by NHS funds is exploited to the benefit of NES and ultimately NHSScotland.

As per the PSD Scotland Standard Terms of Purchase, where development forms part of a contract for supply of goods or services, right of ownership of any

invention, design or IP arising from such development shall be transferred to PSD Scotland as soon as any such right arises.

If the sale of any intellectual property rights is being considered, the income requirements set out above should be followed.

13.07 Notification of income to the Director(s) of Finance

All accounts for income due to PSD Scotland will be raised under arrangements approved by the Director(s) of Finance.

The Director is responsible for the new projects, programmes or services for PSD Scotland or delivered by PSD Scotland on behalf of NHSScotland. All new income streams from health boards or third parties must be entered through the Business Case process in the ServiceNow Demand portal/Corporate Radar for approval by the appropriate authority and due diligence.

13.08 Recovery of outstanding debt

The Director(s) of Finance will ensure that appropriate systems are maintained for the recovery of outstanding debts in line with the Debt Management Policy and the Salary Over and Under Payments Policy.

The Director(s) of Finance is responsible for the recovery of outstanding debts and will ensure agreed credit control procedures are exercised to minimise any loss to PSD Scotland.

Outstanding debts that are not recoverable and are to be written off will be dealt with in accordance with the approved procedures for losses (see Section 18 below).

Section 14: Capital Investment, Private Financing, Fixed Asset Registers

14.01 Capital Investment

The Director(s) of Finance and the Chief Executive will ensure that:

- a) there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon business plans.
- b) adequate arrangements are in place for the effective management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost.
- c) capital investment is not undertaken without confirmation of the availability of resources to finance all revenue consequences, including capital charges; and
- d) All capital programme requests are agreed and prioritised by the Property and Asset Management Board.
- e) For all capital expenditure a proposal should be produced in line with the PSD Scotland Business Case Process.

The Director is responsible for securing capital funds for new projects, programmes or services for PSD Scotland or delivered by PSD Scotland on behalf of NHSScotland. New projects must be requested through the agreed Business Case process. Funding will be approved and prioritised on an annual basis through the financial planning process, and any new requirements in year will be approved by the TLG at the monthly meeting. This will ensure the Board have full visibility of all funds they are accountable for.

The Director(s) of Finance will issue procedures for the regular reporting of expenditure and commitment against authorised expenditure.

The Chief Executive, Director(s) of Finance or the Board, as appropriate, must approve capital expenditure not covered by an approved budget in advance. Further details are contained at Scheme of Delegation.

The approval of a capital programme will not, of itself, constitute approval for expenditure on any scheme. The Director(s) of Finance will issue to the manager responsible for any scheme:

- a) specific authority to commit expenditure.
- b) authority to proceed to tender; and

- c) approval to accept a successful tender.

The Director(s) of Finance will ensure procedures governing the financial management, including variations to contract, of capital investment projects and valuation for accounting purposes are issued. These procedures will fully take into account the delegated limits for capital schemes included in guidance from SGHSCD.

14.02 Asset Registers

Director(s) of Finance is responsible for the maintenance of registers of assets, including the form of any register and the method of updating, and arranging for a physical check of assets against the asset register to be conducted at least once a year.

The minimum data set to be held within these registers will be as specified in the Scottish Capital Accounting Manual as issued by SGHSCD.

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).

There is a requirement to achieve the best price reasonably achievable when disposing of the assets belonging to PSD Scotland. Competitive tendering should normally be undertaken in line with requirements of the Board's tendering procedures.

Competitive tendering procedures shall 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 by the Chief Executive.
- b) Obsolete or condemned articles and stores, which may be disposed of in accordance with the supplies policy and recorded within the losses of the organisation.
- c) Items disposed of with an estimated sale value of less than £5,000.
- 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 Scottish Government guidance has been issued by subject to compliance with such guidance.

When evaluating options for the treatment of surplus assets consideration of the disposal of assets to community bodies will be included, where appropriate. This consideration should be consistent with the principles of Best Value, where wider public benefits may be achieved.

The Director(s) of Finance 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 Scottish Capital Accounting Manual issued by SGHSCD.

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

The Director(s) of Finance will ensure that capital charges are calculated and accounted for as specified in the Scottish Capital Accounting Manual issued by SGHSCD.

A small equipment registers as specified by the Director(s) of Finance will be maintained within PSD Scotland. This register will incorporate high value and portable items of equipment, e.g. IT equipment, which do not fall within the scope of Capital Expenditure. The register will be in a format approved by the Director(s) of Finance and a full count of identified items will occur at a time period specified by the Director(s) of Finance. Any discrepancies will be noted in writing to the Director(s) of Finance who will investigate as appropriate.

14.03 Security of assets

The overall control of fixed assets is the responsibility of the Chief Executive.

The Director(s) of Finance must approve asset control procedures (including fixed assets and donated assets). This procedure will 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.

All discrepancies revealed by verification of physical assets to fixed asset register will be notified to the Director(s) of Finance.

Whilst each employee and officer have a responsibility for the security of the property of PSD Scotland, it is the responsibility of the Board and Transitional

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Leadership Group members and senior employees in all disciplines to apply such appropriate routine security practices in relation to PSD Scotland property as may be determined by the Board. Persistent breach of agreed security practices must be reported to the Chief Executive

Any damage to PSD Scotland's premises, vehicles and equipment, or any loss of equipment, stores or supplies must be reported by Board and Transitional Leadership Group members and employees in accordance with the procedure for reporting losses. (See Section 18) Where practical, assets will be marked as PSD Scotland property.

Upon the closure of premises or transfer of functions a physical check of all items will be conducted. All items held will be detailed on a list certified by the responsible officer, together with their disposition.

Section 15: Banking arrangements

15.01 General

The Director(s) of Finance is responsible for the management of PSD Scotland's banking arrangements and for advising PSD Scotland on the provision of banking services and operation of accounts.

PSD Scotland will operate the bank accounts in accordance with all instructions from Scottish Ministers and His Majesty's Treasury in relation to the operation of bank accounts. All bank accounts will only be opened on the instruction of the Director(s) of Finance.

The Government Banking Service (GBS) will hold PSD Scotland's main bank account. Where necessary, subsidiary bank accounts will be held with a commercial bank. All such bank accounts should be authorised by the Director(s) of Finance.

15.02 Banking Procedures

The Director(s) of Finance must agree in writing with PSD Scotland's bankers the conditions under which each account will be operated.

The Director(s) of Finance, will ensure that detailed instructions on the operation of bank and GBS accounts are prepared which must include:

- a) the conditions under which each bank account is to be operated.
- b) those authorised to sign electronic payments on PSD Scotland's accounts; and
- c) the arrangements to be made for payments that may be required in other currency denominations.

15.03 Payments and Approvals

For payments generated from the Finance System, only one authoriser is required to approve payments using secure on-line access. However, all payments, including manual payments which exceed £50,000 require on-line approval from two authorisers. The Director(s) of Finance will specify all officers approved to authorise payments and BACS files.

The signatory(ies) will satisfy themselves that payments are correctly substantiated and are in respect of sums properly payable by PSD Scotland.

The Director(s) 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.

The Director(s) of Finance shall ensure that PSD Scotland 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.

FOREIGN CURRENCY

Business should normally be conducted in sterling. However, some supplies need to be purchased using on-line foreign currency transactions through the Government Banking Services. The Director(s) of Finance will approve the currencies which are open to PSD Scotland for use through GBS.

Foreign currency transactions in excess of £2m require to receive advance authorisation through the Government Banking Service. Such transactions will be referred to the Director(s) of Finance for arrangement.

15.04 Bank balances

All PSD Scotland accounts must be kept in positive balance. Any instance of an account being overdrawn, no matter how temporary, should be reported to the Audit and Risk Committee.

15.05 Provision of Imprests

The Director may request the Director(s) of Finance to provide imprest accounts for the purposes of defraying minor expenses. The request will be in the form of a statement of case and will be by exception where existing processes cannot meet the requirement.

All imprest accounts will be reviewed annually for appropriateness.

15.06 Corporate Purchasing Cards

The Director may request the Director(s) of Finance to provide the use of a corporate purchase card for the purposes of procuring goods and services, where only card payment method is available the request will be in the form of a statement of case and will be by exception where existing processes cannot meet the requirement.

It is the responsibility of the Director to nominate a card holder or card user for their own area.

All corporate purchase card transactions will be reviewed annually for appropriateness by the appropriate finance lead with the Director.

Daily and single transaction limits will be set by the Director(s) of Finance based on the expected use of the card. Increases to those limits must be submitted by the card holder and approved by the Director(s) of Finance.

15.07 Treatment of receipts

The Director(s) of Finance is responsible for ensuring appropriate arrangements are in place for approving the form of all agreement forms, or other means of officially acknowledging or recording monies received or receivable.

All electronic receipts received on behalf of PSD Scotland will be recorded and deposited in accordance with the arrangements authorised by the Director(s) of Finance. No deduction may be made from such money to meet expenditure of any kind.

Section 16: Stocks and Stores

16.01 Introduction

Stocks and stores are those goods normally utilised in day-to-day activity but which at any point in time have not yet been consumed (excluding capital assets).

16.02 Custody of stocks

The management, control and safe custody of stocks will be the responsibility of Directors who may delegate responsibility for specific items to appropriate managers.

The Directors will institute a system, approved by the Director(s) of Finance, for the management, control, and safety of stocks. Any stock loss should be considered for further investigation under Section 4 and any subsequent write off be dealt with in accordance with Section 18.

16.03 Stores records

The Director(s) of Finance will specify the form of stores records to be utilised, in conjunction with the control systems in place.

16.04 Movement of stocks

The Director(s) of Finance will ensure appropriate arrangements are in place to control the receipt and issue of stocks designed to safeguard the assets of PSD Scotland.

16.05 Valuation of stock

Stock will be valued in line with agreed accounting practice. The use of average purchase price is deemed to represent cost where appropriate. Cost includes an appropriate allocation of overheads. Work in Progress will be valued at the cost of direct materials plus other conversion costs.

16.06 Slow moving and / or obsolete stock.

Directors will institute a system, approved by the Director(s) of Finance, for the identification of slow moving and obsolete stock and for the condemnation, disposal, and replacement of all unserviceable items.

Those stocks that have deteriorated or are no longer suitable for their intended purposes or usable for any other reason or may become obsolete or deteriorate before all the stocks can be used, will be written down to their net realisable value. Where this is considered necessary, a report giving full reasons for the write down will be sent to the Director(s) of Finance in such a form to enable a report to be prepared for the Chief Executive and the Board of PSD Scotland. Details of all write downs will be included in the Annual Accounts of PSD Scotland and reported in accordance with the loss's procedures (see Section 19 and Appendix I).

Any stocks disposed of must be recorded and advised to the Director(s) of Finance for inclusion in such a form to enable a report to be prepared for the Chief Executive and the Board. The report will include details of the method of disposal employed, and the costs and/or income accruing.

16.07 Stock levels

Directors will ensure that excess stocks are not held unnecessarily in any part of the supply chain.

Optimum levels of stock must be established by Directors and subjected to continuous monitoring and review as part of the management process.

Unless operational circumstances dictate otherwise, suppliers should be encouraged to hold goods until they are required by direct delivery.

16.08 Stock taking

In order to monitor the effectiveness of measures taken to control stock, a regular programme of stock taking must be established. All stocks will be counted and recorded at least once during each financial year. Unless a programme for 'perpetual inventory' exists, all stocks will also be counted, valued, and reported as at 31 March each year.

16.09 Stock certificates

At each year-end it will be the Directors responsibility to supply the Director(s) of Finance with a certificate for each store that details the value of stock held. The Director(s) of Finance will agree the precise format of this certificate.

16.10 Stocks held on behalf of SGHSCD

PSD Scotland holds and manages a significant value of Scottish Government controlled stock including covid anti-viral, emergency planning and flu vaccination stock. The management of this stock is performed by PSD Scotland as governed by the service level agreement dated 1 September 2015 between PSD Scotland and SGHSCD. Regular reporting on this stock is provided by PSD Scotland to SGHSCD in line with the requirements as noted in the service level agreement mentioned.

16.11 Delegation of authority

The Scottish Government Health Resilience Unit (SGHRU) team have delegated authority to purchase replenishment stock and issue stock from their Pandemic Stock to National Procurement for the following sectors:

- Healthcare Sector
- Acute Hospital Sector
- Independent Sector GP
- Scottish Ambulance Service
- Social Care Sector

16.12 Reporting

The Director for National Procurement will maintain an accurate and up-to-date record of stock balances, issues, and replenishment order status. Weekly status reports and areas of risk will be provided and flagged.

16.13 Escalation

In the event there is a dispute over the management of the stock this will be initially resolved at an operational level and if required escalated to the Director of National Procurement and the lead manager of the SGHRU.

Section 17: Annual Report and Accounts

17.01 Introduction

PSD Scotland is required under the terms of Section 86(3) of the National Health Services (Scotland) Act 1978 and the Public Finance and Accountability I(Scotland) Act 2000 to prepare and transmit the Annual Report and Accounts to the Scottish Ministers.

17.02 Basis for preparation

The Scottish Ministers have issued an Accounts Direction in exercise of powers 1) of the National Health Service (Scotland) Act 1978 which contains provisions covering the basis of the preparation and form of the accounts. PSD Scotland shall comply with all these provisions. Subject to the foregoing requirement, the Annual Report and Accounts shall also contain any disclosure, accounting requirements which Scottish Ministers may issue from time to time.

The Annual Report and Accounts will comply with:

- International Financial reporting standards, as applied to the NHS.
- The accounting and disclosure requirements of the Companies Acts.
- The requirements of the Annual Accounts Manual issued by SGHSCD.

The Annual Report and Accounts shall give a true and fair view of the income and expenditure, total recognised gains and losses, balance sheet, and the cash flow statement.

17.03 Chief Executive Responsibilities

Preparation of the Governance Statement, which he or she shall seek appropriate assurances from the Directors and that of the Head of Internal Audit, with regard to the adequacy and effectiveness of internal control throughout the organisation.

The Chief Executive shall arrange for the publication of the audited Annual Report and Accounts in such form as may be determined by the SGHSCD. The Annual Report and Accounts shall be published no later than nine months after the relevant accounting date, subject to confirmation that they have been formally laid before Parliament.

17.04 Director(s) of Finance Responsibilities

- Will ensure the maintenance of such detailed financial records as are required under relevant statute and regulations that will form the basis for the preparation of the Annual Accounts of PSD Scotland. (see also Section 18 – Information Governance).
- Issue an Annual Report and Accounts completion timetable to Directorate's and Financial Services detailing requirements and associated responsibilities for the provision of information in support of the Annual Report and Accounts process.
- Agree with the External Auditors the timetable for production, audit and approval by the Board of the Annual Report and Accounts by for the Auditor General for Scotland and SGHSCD.

17.05 Approval of Annual Report and Accounts

The Annual Report and Accounts will be reviewed by the Audit and Risk Committee, which has responsibility of recommending approval of the Accounts by the PSD Scotland Board. Under the terms of the Public Finance and Accountability (Scotland) Act 2000, Annual Report and Accounts may not be placed in the public domain, prior to them being formally laid before parliament.

Following the formal approval by PSD Scotland Board, the Annual Report and 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.

PSD Scotland will submit to SGHSCD the approved Annual Report and Accounts and such reports prepared in accordance with the requirements of SGHSCD and any relevant guidance contained in the Annual Accounts Manual issued by SGHSCD.

Section 18: Information Governance

18.01 Financial Information Systems

The Director(s) of Finance, who is responsible for the accuracy and security of the financial data of PSD Scotland, will:

- a) devise and implement any necessary procedures to ensure adequate protection of PSD Scotland's financial data, and related computer hardware and software, for which s/he is responsible from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft, or damage, having due regard for Data Protection principles.
- b) ensure that adequate controls exist over financial data access, entry, processing, storage, transmission, deletion, disposal, 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 used in relation to financial procedures is separated from development, maintenance, and amendment.
- d) ensure that a secure, adequate, management (audit) trail exists through the computerised system used in relation to financial procedures and that such computer audit reviews as s/he may consider necessary are being carried out. All audit data will be held securely and only accessed by those authorised to access it in line with their business duties.
- e) all policies and procedures will be in line with PSD Scotland corporate information governance-related policies, procedures, and guidelines.

The Director(s) of Finance will satisfy themselves that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Development, test, and live financial systems shall be appropriately segregated to reduce the risk of unauthorised access to and corruption of live data. Where this is undertaken by another organisation, assurances of adequacy must be obtained from them prior to implementation. Any new financial systems or amendments to existing financial systems must be implemented in line with NHS Scotland Information Security Policy and Standards including HDL (2006) 41 and DL (0215)17. Where the new system or amendment involves the processing of personal data then the development will follow appropriate assessment of any data protection risks.

In the case of all computer systems which are to be utilised by the majority of the Directorate's, the Director of DaS will be responsible for maintaining:

- a) details of the outline design of the system.

- b) in the case of packages acquired either from a commercial organisation, from the NHS Scotland, or from another public sector organisation, the operational requirement.

The Director(s) of Finance will ensure that contracts for computer services for financial applications with another health organisation or any other agency will clearly define the responsibility of all parties for the security, data protection, privacy, accuracy, completeness, and timeliness of data during processing, transmission, and storage. The contract should also ensure rights of access for audit purposes and that all applications and/or systems are purchased, developed, implemented, operated, and decommissioned in line with the NHS Scotland Information Policy and Standards. Where the contract includes the processing of personal information it will be set in compliance with Data Protection principles and NHS CEL 25 (2011).

Where another health organisation or any other agency provides a computer service for financial applications, the Director(s) of Finance will periodically seek assurances that adequate controls are in operation, and they conform to the NHS Scotland Information Security Policy and Standards. If this other organisation is processing personal data as part of the financial application, the assurances sought should, as a minimum, include those set out in NHS CEL 25 (2011).

Where computer systems have an impact on corporate financial systems the Director(s) of Finance will satisfy them self that:

- a) systems acquisition; development and maintenance are in line with corporate policies such as NHS Scotland Information Security Policy and Standards.
- b) data produced for use with financial systems is secure, adequate, accurate, complete, and timely, and that a management (audit) trail exists.
- c) staff authorised by/on behalf of the Director(s) of Finance staff have authorised appropriate access to such data in line with their job duties; and
- d) such computer audit reviews as are considered necessary are being carried out.

18.02 Data Protection Act

PSD Scotland must comply with provisions and principles of data protection law, including, but not restricted to, the EU General Data Protection Regulation, the Data Protection Act 1998 and the Data Protection Act 2018 including any amendments, subsequent orders under the said Acts or revisions thereto.

PSD Scotland's nominated Data Protection Officer is responsible in overall terms for promoting and advising on compliance with the Acts. All staff members must act in compliance with the Acts by observing the PSD Scotland Data Protection Policy and approved Information Governance policy and guidelines.

18.03 Freedom of Information

The PSD Scotland Freedom of Information, EIR & ROPSI Policy provides a framework for ensuring that PSD Scotland complies with the relevant legislation in respect of Freedom of information requests.

Further information is available on the Freedom of Information page of PSD Scotland intranet.

The three relevant pieces of legislation are:

- Freedom of Information (Scotland) Act 2002 (referred to in this Policy as “FOISA”)
- Environmental Information (Scotland) Regulations 2004 (“EIRs”)
- The Re-Use of Public Sector Information Regulations 2015 (“ROPSI”)

Any member of staff may receive a Freedom of Information or Environmental Information Regulation request, either via email, hand-written letter or verbally. On receipt of the request this should be sent to the Corporate FOI team.

18.04 Management, Retention and Disposal of Administrative Records

PSD Scotland must comply with the Public Records (Scotland) Act 2011 and the records management guidance set out in the Records Management Health and Social Care Code of Practice (Scotland) 2020. This code of practice provides guidance on the retention and disposal of administrative records.

All records should be stored securely and in accordance with the PSD Scotland retention policy.

Section 19: Losses and Special Payments

19.01 General

SGHSCD has delegated authority to PSD Scotland to write-off losses and make special payments up to certain limits. Details are given in the Scheme of Delegation and Appendix I. For payments to be made above the levels specified SGHSCD prior approval must be obtained.

In accordance with the Scheme of Delegation and Appendix 1 the Chief Executive and Director(s) of Finance to approve write-off of losses and authorise special payments within the limits delegated by the SGHSCD as per Circular CEL 10 (2010).

On a regular basis and at least annually, the Director(s) of Finance on behalf of the Chief Executive will submit a report to the Audit and Risk Committee detailing all losses written off and special payments made.

The Director(s) of Finance is responsible for ensuring the maintenance of a Losses and Special Payments Register for recording: -

- the circumstances
- the amount / value involved.
- the action taken.
- the date of write-off authority

This Register will form the basis of PSD Scotland's Annual Scottish Financial Return (SFR 18) which is included in PSD Scotland's Annual Accounts.

The Chief Executive may delegate to nominated officers, authority to make ex-gratia payments below approved thresholds in line with procedures pertaining to such payments, e.g. compensation payments. All such payments must be notified to the Director(s) of Finance and reported to the Audit and Risk Committee on at least an annual basis and reported in the Annual Accounts in accordance with the approved procedure for losses.

The Director(s) of Finance will be authorised to take any necessary steps to safeguard PSD Scotland's interests in bankruptcies and company liquidations.

Section 20: Non-Public funds donated

20.01 General

Receipts of non-public funds such as donations and funds from charitable activities will be donated to the Territorial Health Board which is associated with the geographic source of the funds. Should there be any subjectivity over the geographic source of the funds, then the Director(s) of Finance will determine to which Territorial Board the funds should be passed to.

Section 21: Endowment Funds

21.01 General

Should the Board ever receive an endowment (NHS-linked charity), an endowment fund should be set up following regulations set out in 20.01 above. These were put in place to safeguard the use of NHS-linked charitable funds within the Scottish NHS.

Section 22 General Nursing Council (GNC) Fund: Registered Charity: SC015662

22.01 General

The GNC is a charitable trust and is registered with OSCR (SC015662) and constituted by deed which includes provision for the appointment and resignation of Trustees who manage the fund in the deliverance of its charitable purpose.

The GNC Fund was set up with the net proceeds from the sale of the former General Nursing Council for Scotland premises in Darnaway Street, Edinburgh by the National Board for Nursing, Midwifery and Health Visiting for Scotland, a predecessor body of PSD Scotland, in 1983.

The management of The Fund is the responsibility of the Trustees. The Trustees rely on the GNC Fund project team and disbursement panel to distribute information concerning The Fund to potential beneficiaries and to make recommendations to the Trustees concerning awards. The day-to-day financial management of the charity is delegated to the Director(s) of Finance at PSD Scotland.

The Trustees of the GNC may include PSD Scotland Executive and Non-Executive Directors and Board Members whose appointment will be endorsed by the PSD Scotland Board Chair. All Trustees act independently of the PSD Scotland Board.

The Trustees shall ensure appropriate arrangements are in place to maintain such accounts and records as may be necessary to record and protect all transactions and funds of the GNC Fund, including an Investments Register consistent with the current statutory requirements (Law Reform (Miscellaneous Provision) (Scotland) Act 1990).

The Trustees shall ensure that annual accounts are prepared within 9 months of the year end and in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended), and that proper arrangements are made for these to be either independently examined or audited by a separately appointed External Auditor and submitted to the Office of the Scottish Charity Regulator (OSCR).

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.

Section 23 Joint Working Arrangements

23.01 General

PSD Scotland participation or investment in any legal entity (e.g. joint venture) is subject to prevailing legislation and SGHSCD guidance and is subject to approval by the Minister. Before proceeding, legal and procedural advice is required, and any activity in this area must be advised to and approved by the Director of Finance.

PSD Scotland has entered a joint arrangement with the NHS Golden Jubilee for the provision of the NHS Scotland Academy (NHSSA). The NHSSA is held accountable through the existing parent Board scrutiny and reporting arrangements.

Financial allocations for the NHSSA work are made to and managed by the respective parent Boards. Expenses and liabilities, and the accounting treatment of these, are recorded and reporting within each parent Boards own records. [IAS 31]

Participation or investment in any legal entity (e.g. joint venture) is subject to prevailing legislation and SGHSCD guidance and is subject to approval by the Minister. Before proceeding, legal and procedural advice is required, and any activity in this area must be advised to and approved by the Director(s) of Finance.

Joint working with pharmaceutical companies is permitted within certain parameters set out in the Scottish Government's guidance – A Common Understanding 2012 Working Together for Patients. The guide on joint-working between NHS Scotland and the pharmaceutical industry, should be applied to any such joint-working arrangement and will assist in developing local joint-working, governance, monitoring, and project arrangements. Such arrangements should also be reviewed in line with sponsorship and Intellectual property policies.

Joint working is also permitted with voluntary organisations, in the form of funding arrangements, subject to certain conditions. PSD Scotland can only directly fund a third sector organisation; whose role was in line with PSD Scotland's statutory purpose, strategic direction and roles and responsibilities.

Section 24 Sponsorship

24.01 General

All sponsorship arrangements, entered into by PSD Scotland, must comply with the PSD Scotland Sponsorship policy and MEL(2000)13: “Fund Raising, Income Generation and sponsorship within the NHSS” at all times and be in accordance with the PSD Scotland Sponsorship Policy, as amended for arrangements within the NHS Scotland Academy (NHSSA).

Where sponsorship arrangements are entered into, they should be appropriate and discreet and not call into question NHSS funding of core business.

If sponsorship arrangements are agreed, the requirements set out in the income section 12 of the is document, should be followed.

Appendix I

Losses: delegated limits

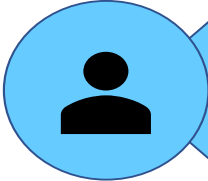
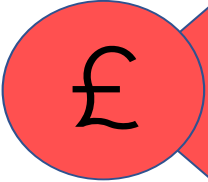
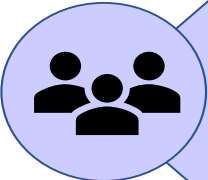
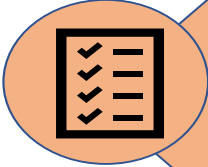
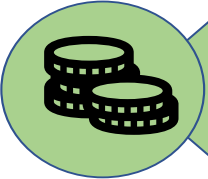
Item No	Category of Loss	Delegate Authority (per case) £
Theft /Arson/ Wilful Damage		
1	Cash	15,000
2	Stores/Procurement	30,000
3	Equipment	15,000
4	Contracts	15,000
5	Payroll	15,000
6	Buildings & Fixtures	30,000
7	Other	15,000
Fraud, Embezzlement & other irregularities (including attempted fraud)		
8	Cash	15,000
9	Stores/Procurement	30,000
10	Equipment	15,000
11	Contracts	15,000
12	Payroll	15,000
13	Other	15,000
14	Nugatory & Fruitless Payments	15,000
Claims Abandoned		
15(a)	Private Accommodation	15,000
15(b)	Road Traffic Accidents	30,000
15(c)	Other	15,000
Stores Losses		
16	Incidents of the Service	30,000
	- Fire	30,000
	- Flood	30,000
	- Accident	30,000
17	Deterioration in Store	30,000
18	Stocktaking Discrepancies	30,000
19	Other Causes	30,000
Losses of Furniture & Equipment and Bedding & Linen in circulation		
20	Incidents of the Service	
	- Fire	15,000
	- Flood	15,000
	- Accident	15,000

Public Services Delivery Scotland

21	Disclosed at physical check	15,000
22	Other Causes	15,000
Compensation Payments – legal obligation		
23	Clinical	250,000
24	Non-Clinical	100,000
Item No	Category of Loss	Delegate Authority (per case) £
Ex-gratia payments		
25	Extra-contractual payments	15,000
26	Compensation payments – Ex-gratia - Clinical	250,000
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 & Fixtures		
30	Incidents of the Service	
	- Fire	30,000
	- Flood	30,000
	- Accidents	30,000
	- Other causes	30,000
31	Extra-Statutory & Extra Regulatory Payments	Nil
32	Gifts in cash or in kind	15,000
33	Other Losses	15,000

Appendix II

Strategic Financial Principles

Accountability		<ul style="list-style-type: none">➤ Take responsibility for the management of financial resources delegated to you➤ Be actively involved in the process and seek advice and support where needed➤ Assume full accountability for decision making and the implications of your decisions
Value for Money		<ul style="list-style-type: none">➤ Use Financial and other resources to best effect to deliver the aims and objectives of the NES Strategic Plan.➤ Take cost, quality of service, financial sustainability and other decisions to deliver the aims of the Strategic Plan and Value for Money➤ Record decisions for transparency
Collaboration		<ul style="list-style-type: none">➤ Seek and give appropriate advice and support from/ to colleagues➤ Work together as trusted partners, be approachable and open to constructive challenge on NES finance matters➤ Share information in a fully open manner and timely manner
Planning & Risk Awareness		<ul style="list-style-type: none">➤ Ensure all expenditure is well planned, costed and deliverable.➤ Be adaptable when spending plans change, arranging virement or declaring underspend to enable alternative corporate resource deployment decisions to be made.➤ Apply a risk-based approach to any spending made prior to final confirmation of funding.
Stewardship		<ul style="list-style-type: none">➤ As custodian, ensure at all times public funds are properly and effectively managed and accounted for.➤ Adhere to all internal financial and other controls.➤ Readily share information with all others involved in the stewardship of financial resources.

Appendix III

Director of Finance Checklist

Reference	Requirement	Frequency	Committee
1.04	Adverse Events to SFIs	Earliest opportunity	Finance and Resources Committee
9.04	Exceptions to procurement guidelines	Quarterly	Finance and Resources Committee
9.04	Advance payment (Non-finance, contractual) for goods and services	Annual	Finance and Resources Committee
11.02	Sole Source Justification/Waiver Report	Annual	Finance and Resources Committee
12.08	Spend on Management Consultancy	Annual	Audit and Risk Committee
15.03	Any Instance of being overdrawn with bank.	Earliest opportunity	Audit and Risk Committee
19.01	Report of losses and special payments	Annual	Audit and Risk Committee
19.01	Ex Gratia payments to staff	Annual	Audit and Risk Committee