

Financial Limits

1. Introduction

- 1.1 The tables below set out the financial limits up to which officers of the Integrated Care Board may exercise executive functions. These financial limits form an integral element of the financial governance arrangements for the ICB as part of the detailed operational policies which support the scheme of reservation and delegation and prime financial policies.

2. Additional Financial Controls

- 2.1 Additional financial controls were implemented in 2023/24 to manage the challenging financial position facing both the ICB and ICS. These additional financial controls processes continue to apply for the ICB. The following principles apply:
- Financial controls apply to all discretionary spend;
 - Discretionary spend between £0 - £10k, where a budget is identified, should be considered by the responsible Executive Director;
 - Discretionary spend between £10k - £250k, where a budget is identified, should be considered by the Investment Oversight Panel;
 - All proposals above £250k or where there is no budget currently identified must continue to follow the current ICB investment business policy and go to Executive Committee for consideration and approval
- 2.2 As a result, the financial limits set out in section 3 and 4 below effectively apply to non-discretionary spend only whilst the additional financial controls above remain in place.

3. Administrative Budgets

- 3.1 Initial budgets and relevant contract values will be reviewed by the Executive Committee and approved by the ICB Board prior to the start of the financial year. The following limits will then apply to administrative budgets:

| Limit | Authoriser |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| Over £5,000,000 | Integrated Care Board |
| Up to £4,999,999 | Executive Committee |
| Up to £1,999,999 | ICB Chief Executive and ICB Chief Finance Officer and ICB Chair |
| Up to £1,000,000 | ICB Chief Executive and ICB Chief Finance Officer |
| Up to £250,000 | Individual ICB Executive Directors |
| Up to £100,000 | Band 9 and VSM |
| Up to £50,000 | Senior Managers (Band 8b-d) |
| Up to £10,000 | Managers (Band 7 to 8a) |
| Invoices for less than £250: All invoices for less than £250 in total can be authorised by an approved member of the finance team without any further authorisation being required by relevant budget holders | |

4. Commissioning Budget and Functions

- 4.1 Contracts will be agreed at the start of the year through the Executive Committee and approved by the ICB Board.
- 4.2 Related requisitions will then be processed on the ISFE system for the agreed contract value and relevant invoices will then be processed without further authorisation being required (up to the requisition value).
- 4.3 Within this framework the following authorisation limits will then operate:

| Limit | Authoriser |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Over £30,000,000 | Integrated Care Board |
| Up to £29,999,999 | Executive Committee |
| LDT / place budgets: | |
| Up to £4,999,999 | Chief Delivery Officer and Director of Finance |
| Up to £1,000,000 | Delivery Director and Director of Finance |
| Contracting, Specialised Commissioning and Primary Care sub-committee budgets: | |
| Up to £4,999,999 | Chief Contracting and Procurement Officer and Director of Finance |
| Up to £1,000,000 | Director of Contracting and Oversight and Director of Finance |
| General budgets: | |
| Up to £4,999,999 | ICB Chief Executive and ICB Chief Finance Officer |
| Up to £2,999,999 | ICB Chief Executive and relevant Executive Director |
| Up to £1,000,000 | Relevant Executive Director and Chief Finance Officer |
| Up to £500,000 | Individual ICB Executive Directors |
| Up to £250,000 | Band 9 and VSM |
| Up to £75,000 | Senior Managers (Band 8b-d) |
| <i>Up to £100,000</i> | <i>Hosted Specialised Commissioning Band 8d staff</i> |
| Up to £10,000 <i>Up to £75,000</i> <i>Individual packages of care only *</i> | Managers (Band 7 to 8a) |
| Up to £10,000 | Nominated Officers for non-contract activity and individual funding requests |
| All age continuing care (AACC) packages only: | |
| Up to £75,000 | Band 6 case managers |
| Up to £90,000 | Manager (Band 7) |
| Up to £100,000 | Managers / Senior Managers (Band 8a-c) |
| Up to £200,000 | Deputy Directors of Nursing (Band 8d) |
| Invoices for less than £250: All invoices for less than £250 in total can be authorised by an approved member of the finance team without any further authorisation being required by relevant budget holders | |

Notes:

The limits above refer to individual contract values or individual contract variations (cumulative value over the life of the contract/variation, i.e. 3 year contract for £50,000 p.a. would be considered £150,000 in context of limits above). Where

expenditure relates to individual packages of care, the limits above will apply to the annual package value.

Values represent total expenditure on each contract/variation (including where relevant any VAT not recoverable by the ICB).

The delegations noted above relate to the use of budgets approved by the ICB and within the individual's own areas of responsibility. Authorisation limits, based on these rules, will only be allocated to staff where this is appropriate to their role. Therefore not all staff at the banding levels listed above will be allocated these authorisation limits.

The limits relating to all age continuing care packages above will only apply to relevant staff approving specific packages of care. This includes Continuing Healthcare packages, Funded Nursing Care, Section 117 healthcare, children's packages, joint funded packages. A full list of relevant posts at Band 6 to Band 8c level to which these limits apply will be agreed with the ICB Chief Finance Officer.

Specialised commissioning staff at band 8d level, hosted by South Yorkshire ICB, will have approval limits of £100,000 to enable consistency across the North East and Yorkshire region. A list of relevant posts will be agreed with the ICB Chief Finance Officer.

These limits are also applicable for the approval of tenders, provided the relevant tender process has been fully complied with.

An operational authorised signatory list will be maintained by the ICB finance team and approved by the ICB Chief Finance Officer. This may include certain individuals employed by other organisations to work on behalf of the ICB.

Relevant senior finance staff will have higher (in some cases unlimited) approval limits within the financial ledger system to enable the processing of high value orders/invoices relating to contracts which have been approved in line with the limits above.

Approval limits for the financial ledger system, including journal authorisation limits, will be reviewed and approved by the Chief Finance Officer and included within the operational authorised signatory list. This list will be available for scrutiny by the Audit Committee as required.

Additional authorisation or procedure may be required for non-financial aspects of any planned expenditure or where exceptional arrangements are contemplated. It is the responsibility of the budget holder to ensure that any such authorisation has been obtained or procedure completed in advance of any financial commitment. Examples would be:

- expenditure requiring quotations, tenders or business case approval
- service change requiring clinical approval
- contracts of unusually long duration
- non-employed individuals where there may be taxation or employment rights issues requiring expert HR advice

- ex gratia or compensation payments, which have specific procedural requirements