Revisions to Standing Orders and Standing Financial Instructions

Standing Orders (SO)

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| 1. **Section**
 | 1. **Proposed change**
 | 1. **Rationale**
 |
| 1. Definitions (SO 17)
 | 1. Section updated to use more modern language.
 | 1. General updating
 |
| 1. The powers of the board (SO 19)
 | 1. As above. Revised to state that the powers of the board as set out in ‘reservation of powers to the board’ is now included as an appendix to the Standing Orders rather than a separate document.
 | 1. General updating
 |
| 1. Appointment and removal of directors (SO 22)
 | 1. Amended to reflect that the deputy chief executive may also be the finance, strategy and transformation director, in which case 3 additional executive directors would need to be appointed (alongside the chief executive and FST director).
 | 1. General updating
 |
| 1. Appointment of a Senior Independent Director (SO 27)
 | 1. Amended to reflect the board’s decision in July 2021 that the chair of the audit and risk committee will also be designated the board’s senior independent director.
 | 1. Proposal was approved by the board in July
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| 1. Appointment of a deputy chief executive (SO 28 and 29)
 | 1. Section added to provide clarity over arrangements.
 | 1. General updating
 |
| 1. Agenda and supporting papers (SO 55)
 | 1. Amended to state that the chairman is responsible for setting the board’s agenda in line with corporate governance best practice.
 | 1. General updating
 |
| 1. Written resolutions (SO 61)
 | 1. Provisions for written resolutions added.
 | 1. To provide greater flexibility and reduce bureaucracy
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| 1. Quorum (SO 70)
 | 1. Confirms that members attending board meetings by video conference will be counted towards the quorum.
 | 1. General updating
 |
| 1. Emergency powers and urgent decisions (SO 120)
 | 1. Amended to state that the audit & risk committee chair will be one of the 2 NEDs consulted if the chief executive and chairman seek to exercise emergency powers
 | 1. General updating and to reflect good governance
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| 1. Declarations of interest (SO 134)
 | 1. Text added to reflect the requirement in the code of conduct for board members of public bodies, to advise the chairman of any new roles outside of NICE.
 | 1. General updating
 |
| 1. Sealing of documents (SO 151)
 | 1. Allows for the execution of documents by sealing specifically relating to building, engineering, property or capital to be signed by any two directors rather than one executive and one non-executive director
 | 1. To provide greater flexibility
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| 1. Signature of documents (SO 154)
 | 1. Allows the execution of deeds or any other agreement by signature in the presence of an attesting witness rather than execution by sealing, (where the subject matter has been approved by the board or any committee, sub-committee or anyone to whom NICE has delegated its powers).
 | 1. To provide greater flexibility
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Standing Orders removed

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| 1. **Section**
 | 1. **Text removed**
 | 1. **Rationale**
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| 1. Use of mechanical or electrical equipment for recording or transmission of meetings (formerly SO 31)
 | 1. Removed this SO as there is no way of knowing if meetings are being recorded by a member of the press or public and recording of some public meetings is permitted.
 | 1. NICE has no way of checking if individuals are recording meetings
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| 1. Voting (formerly SO 32)
 | 1. Removed this SO relating to permission to attend a board meeting by video link or teleconference by exception, as this is now the norm.
 | 1. General updating
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| 1. Tendering and contract procedures
2. (formerly SO106 – 127)
 | 1. Removed sections from SO and inserted into SFI.
 | 1. Good practice and a better fit
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| 1. Delegation to committees, sub committees or joint committees (formerly SO 119 - 124)
 | 1. Sections reviewed and simplified to remove duplication.
 | 1. To reduce duplication
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Reservation of Powers to the Board

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| 1. **Section**
 | 1. **Proposed change**
 | 1. **Rationale**
 |
| 1. Appointments (para 15)
 | 1. Clarification that the retained board power to approve the establishment and dissolution of committees relates to committees directly accountable to the board
 | 1. To provide clarity
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| 1. Appointments (para 16)
 | 1. Clarification that the retained board power to appoint NEDs to outside bodies applies to bodies with decision making powers.
 | 1. To provide clarity and more proportionate approach
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| 1. Appointments (para 16)
 | 1. Paragraph amended to state the board will appoint the vice chair and lead for TA/HST appeals
 | 1. To reflect current arrangements
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| 1. Direct operational decisions (para 28 and 29)
 | 1. The level at which board approval is required for (a) the introduction or discontinuance of any significant activity or operation outside of the business plan; and (b) supplementary capital or revenue expenditure outside of the business plan; has been increased from £250k to £500k.
 | 1. To streamline decision-making and reflect the board’s strategic rather than operational role
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Standing Financial Instructions (SFI)

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| 1. **Section**
 | 1. **Proposed change**
 | 1. **Rationale**
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| 1. Definitions (SFI 7)
 | 1. Added meaning of non-executive director
 | 1. General updating
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| 1. Resource limits
2. (SFI 30)
 | 1. Change of title for this section
 | 1. Re-ordering of sections
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| 1. Delegated budgets – contract authorisation levels (SFI 38)
 | 1. Authority levels have been updated and moved into the scheme of financial delegations in the appendix to the SFI
 | 1. General updating
 |
| 1. Debt recovery (SFI 55)
 | 1. Added the requirement to report all losses by fraud or error (including overpayments) to be reported to the DHSC via the quarterly Consolidated Data Return (CDR) for counter fraud
 | 1. A requirement of the government functional standard: counter fraud
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| 1. Tendering and contract procedures
2. (SFI 60 – 82)
 | 1. This section has been inserted into SFI from SO
 | 1. Good practice
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| 1. Formal competitive tendering (SFI 63)
 | 1. Removed reference to EU procurement limits
 | 1. No longer applicable to the UK
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Scheme of Financial Delegation

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| 1. **Section**
 | 1. **Proposed change**
 | 1. **Rationale**
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| 1. The scheme of delegation (appendix)
 | 1. The scheme of delegation has been inserted into the Standing Financial Instructions.
 | 1. General updating
 |
| Introduction (para 4) | New tiers of management approval introduced. | Greater clarity |
| Expenditure (para 7) | Expenditure limits included for contracts and purchase orders. Distinguishes between expenditure within the approved budget and outside of the board approved annual budget and business plan. | Greater clarity and to streamline decision-making |
| Tendering and contracts (para 9) | Sets out the limits and approvers which were previously in the SO | General updating |
| Agreements (para 10) | New section to provide clarity over who has authority to sign agreements on behalf of NICE. | Greater clarity |
| Income (para 11) | New section stating who has authority to approve fees and charges in addition to the finance, strategy and transformation director. | Greater clarity |
| Employment (para 12) | New section stating who has authority for recruitment decisions. | Greater clarity |