



Sheffield Health
and Social Care
NHS Foundation Trust

Policy:

FIN 001 Non-NHS and Non-Whole Government Accounts (WGA) Income

Executive Director Lead	Executive Director of Finance
Policy Owner	Deputy Director of Finance
Policy Author	Contracts and Tender Manager

Document Type	Policy
Document Version Number	Version 5.0
Date of Approval by PGG	18 April 2024
Ratified By	Audit and Risk Committee (ARC)
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Date for review	31 March 2027

Summary of policy

This policy sets out how the Trust reviews opportunities to secure Non-NHS Income and the approvals processes required to provide services from alternative funding sources.

Target audience	Trust Staff and Board of Directors
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Keywords	Non-NHS, Non-Whole Government Accounts, Income
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Storage

Version 5.0 of this policy is stored and available through the SHSC intranet/internet. This version of the policy supersedes the previous version (v4.0 March 2021). Any copies of the previous policy held separately should be destroyed and replaced with this version.

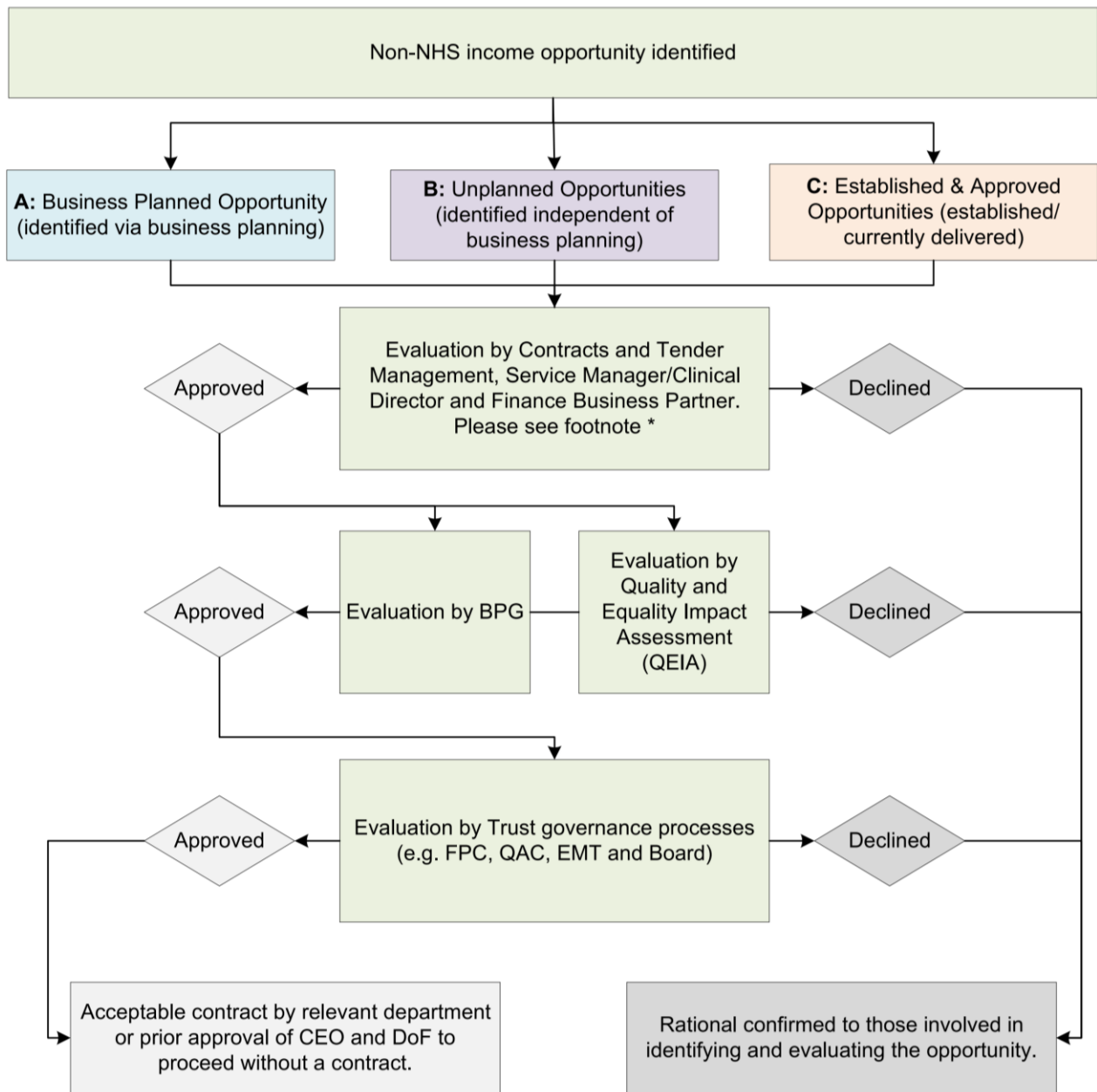
Version Control and Amendment Log

Version No.	Type of Change	Date	Description of change(s)
1	Draft policy creation	Sept 2014	Initial version.
	Drafting Update (KL)	1 Oct 14	Wording changes
	Drafting Update (KL)	3 Nov 2014	Amendments, additions and deletions
	Drafting Updates	11 Nov and 17 Nov 2014	Additions to clause 10 and minor wording updates.
	Final changes following Council of Governors review	23 Dec 2014	Addition of Chairman to clause 4.1 xiv
V2 D0.1	Review on expiry	Sept 2016	Draft changes produced
V2	Ratification / finalisation / issue	November 2016	
V3 D0.1	Review	October 2017	Draft changes produced
V3	Ratification / finalisation / issue	December 2017	
V3.1	Extension to review date	November 2020	Review date extended to 30/04/2020 by PGG/Finance and Performance Committee
4.0	Review on expiry of policy	February 2021	No changes made just moved into new format
5.0	Review on expiry of policy	March 2024	Reviewed with updates to the policy title, terminology and clearer approval process, assessment criteria and identification of income classification.

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Flowchart



* Footnote:

- 1) Evaluation criteria includes – strategic fit, identified area of growth, resources and skills etc.
- 2) Only exception is for established and approved opportunities – evaluated via usual governance processes

1 Introduction

This policy sets out how the Trust reviews opportunities to secure Non-NHS and Non-Whole Government Accounts Income and the approvals processes required to provide services from alternative funding sources.

2 Scope

- 2.1. This policy applies trust wide to all staff. It has particular relevance to those in the Trust who are involved in the evaluation of income opportunities such as Heads of Services, Service Directors and the Finance team.
- 2.2. It includes the activities of SHSC clinicians' and their possible use of the Trust's facilities, staff and services for seeing private patients. All requests for such use will be subject to this process.
- 2.3. It does not relate to income associated with overseas visitors as defined and addressed in the Department of Health and Social Care (DHSC) publication DHSC publication "*Guidance for NHS service providers on charging overseas visitors in England*" (updated September 2023).
- 2.4. This policy applies to all the Trust's business including any wholly owned subsidiaries excepting where any such subsidiary has its own approved policy or its Memorandum of Understanding or similar document contains a relevant exemption.
- 2.5. For the avoidance of doubt, this policy **does not seek to exclude SHSC clinicians from carrying out their own private patient work** where they are compliant with their NHS contract, (specifically Schedule 9 of the Consultants Terms & Conditions, England 2003), other related SHSC policies and the DHSC Code of Practice for Private Practice.
- 2.6. This content of this policy is in accordance with the Trusts Terms of Authorisation and the NHS Constitution.

3 Purpose

This policy is designed to ensure that as far as is reasonably possible, the following set of principles are upheld in consideration of the provision of services funded from Non-NHS Income as defined above.

- 3.1 Non-NHS Income clients, patients or organisations will not receive preferential treatment in **any** regard over NHS patients and in providing the services there shall be no clinical conflict with the delivery of NHS services. All patients, regardless of who pays, will be treated equally. (i.e., patients will be unable to obtain appointments within SHSC quicker than via normal referral processes, solely due to their ability to pay for their treatment).
- 3.2 Where patients could/should receive the service via the NHS, we shall, where we are so aware, advise them of this.
- 3.3 All charges will be based on NHS costs/tariffs where they exist, with a margin applied to match the market rate, which in any event will normally be no less than 10%. Commercial and Non-Commercial research projects will follow the funders pricing requirements in accordance with the local RDU process and procedures.

- 3.4 Where no costed NHS service exists, the charge will be fully allocated, full cost recovery and approved by the Executive Director of Finance or delegated representative(s) with reference to these principles.
- 3.5 Surplus income generated from Non-NHS/WGA income will be reinvested in the provision of NHS services; such investment may include building health related research capacity and capability.
- 3.6 Services provided directly or through other parties should not give the opportunity for the good name of SHSC being brought into disrepute. For example, legal service providers that are associated with seeking unreasonable claims against employers, particularly NHS organisations.
- 3.7 When offering Non-NHS/WGA Income services, we will not normally compete with services offered by ourselves or other NHS providers that we partner with.
- 3.8 Relevant summary statistics shall be gathered and reviewed on a regular basis and where considered appropriate, information gathered on patient demand for Non-NHS/WGA Income services will be shared with our NHS commissioners as part of our strategy to maintain those positive relationships with regard to our NHS Income activities.
- 3.9 Generally, those Non-NHS/WGA Income services offered will be those which are not provided or commissioned locally by the NHS or Local Authority. A common exception would be where a patient pays for services otherwise funded by the Local Authority but through means testing has to self-fund or where they choose to top-up Local Authority funded services.
- 3.10 Non-NHS/WGA organisations will include but are not limited to Housing Associations, Universities and Commercial Research organisations. In addition, consideration must be given to the original source of funding to allow for the evaluation of any funding and/or contractual terms and conditions which may flow down from non-NHS/WGA organisations.
- 3.11 Pre-payments/payments in advance will normally be required prior to commencement of a Non-NHS Income service, unless agreed in advance with the Director of Finance or in the case of commercial/non-commercial research which is usually retrospective.
- 3.12 Providing Non-NHS/WGA Income services will not in any way detract from the resources normally available for the delivery of NHS services, nor will they negatively impact on the quality of the NHS services. A risk assessment should be undertaken in each instance to ensure that NHS services will be maintained.
- 3.13 Typically at business planning time, should the sum of any proposed increased income from non-NHS sources in any financial year represent 5% or more of our total income, (for example from 2% of income to 7%), prior approval of more than 50% of the voting council of governors must be obtained. If during the year subsequent opportunities suggest that the 5% approval figure required by the governors will be reached, the similar prior approval of the voting council of governors must be obtained before the acceptance of further opportunities that will breach the 5% increase limit. This is compliant with the Health and Social Care Act 2012 Section 164.

- 3.14 All Non-NHS/WGA Income will be recorded with a financial identifier and will be administered with the same transparency as applies to NHS patient income.
- 3.15 A legally binding contract must be in place prior to commencement of the delivery of the service except where exceptional circumstances apply, when the prior approval of each of the Chief Executive and Executive Director of Finance will be required.
- 3.16 A valid Purchase Order number (if necessary) for the full value (or annual value if over multiple years) of the contract should be obtained from the commissioner/funder before any service delivery/activity is undertaken.
- 3.17 Requests from SHSC clinicians for the use of SHSC facilities and resources in the treatment of their own Private Patients will normally be declined and the clinician encouraged to refer the client to SHSC in line with this policy.
- 3.18 The provision of any services outside England, including Wales, Scotland, Northern Ireland or overseas must have the prior approval of the board of directors.

4 Definitions

NHS Income:

Any income where the commissioner is NHS England, an NHS ICB or equivalent (this includes those comparable bodies, in Wales, Scotland and N Ireland), the NIHR, and public health /social care services commissioned by local authorities.

NIHR:

National Institute for Health and Care Research, funded through the Department of Health and Social Care to improve the health and wealth of the nation through research.

Non-NHS and Non-Whole Government Accounts (WGA) Income:

Any income not falling under the definition of NHS Income. This will include but not be limited to, commercially funded research, Private Patients, those topping up local authority funded provision and medico legal services. A list is provided in 3.10 of this policy.

Private Patients:

Those patients who give an undertaking (or for whom one is given) to pay charges for accommodation and services.

5 Duties

Roles	Responsibilities
Board of Directors	Responsible for ensuring the Policy is implemented effectively and the strategic context of the Policy is appropriate and meets the needs of the Trust
Chief Executive	Has overall responsibility to ensure implementation of effective systems to ensure compliance with the policy, including Standing Financial Instructions and Scheme of Delegation. Also to approve any contracts progressing without an acceptable contract.
Executive Director of Finance	Responsible for ensuring effective systems and processes to effectively manage non-NHS and WGA to relevant guidance including updated guidance. Involved in decision making and evaluating each opportunity. Also to approve any contracts progressing without an acceptable contract.
Contracts and Tender Management Team	The Contracts Team will ensure the policy is relevant and adjustments made in line with any Trust or national guidance that may impact changes needed. They will work with service leads to ensure that the policy is understood, offer guidance and that process within the policy is followed if applicable.
Clinical/Corporate Executive Directors (Budget Holders)	Responsible for adhering to the policy and ensuring staff follow the policy including engagement with governance processes and communication of any non-NHS or WGA income opportunities.
Deputy Directors to Clinical/Operational Directors or Deputy Directors to Corporate Executive Directors (Budget Managers)	Responsible for ensuring that all staff in their team are aware of this policy and adhere to this and all other policies and have access to where they are stored, and for communication of any non-NHS or WGA income opportunities.
All Personnel (Including Permanent, Temporary or Honorary Staff. Also includes individuals working on behalf of the Trust including Independent Contractors)	It is the individual's responsibility to comply with this and any other associated policies. A failure to comply may result in disciplinary action.

6 Procedure

- 6.1 All opportunities to provide a service from Non-NHS/WGA Income sources will be subject to this policy and follow the procedure detailed below and summarised in the flowchart on page 1.
- 6.2 All Non-NHS/WGA income opportunities would normally fall into one of the following three categories. Where an opportunity does not fit into any of these categories, or the opportunity would require a change to this policy, it will be considered as an Unplanned Opportunity.
- **A: Business Planned Opportunity** – any Non-NHS/WGA Income project that is identified through the business planning round. This is the normal route for all income opportunities whether NHS or Non-NHS/WGA.
 - **B: Unplanned Opportunities** – any Non-NHS/WGA Income project that is not known about during the business planning process or is identified as an ad hoc opportunity. Unplanned opportunities would include where an approach is made to a service by a private individual or organisation, or where a project is identified through market intelligence such as by employees carrying out their normal duties.
 - **C: Established & Approved Opportunities** – any Non-NHS/WGA Income project that arises through existing procedures set up for the purposes of managing and processing the opportunity. Such opportunities would typically be where there are established policy/processes and governance, such as non-commercial or commercial research contract opportunity or where a case management company approaches an SHSC consultant for their services and the consultant refers them onto the Psychological Services team.
- 6.3 All Non-NHS income opportunities must be evaluated by the Contracts and Tender Management Team, appropriate Service Manager/Clinical Director and Finance Business Partner. The **ONLY** exception to this rule is for established opportunities which have already been approved and delivered. This will include research projects, grounds maintenance services and long-standing contracts such as for Birch Avenue. Complex opportunities may require the involvement of the Deputy Director of Finance and Senior Head of Service or equivalent.
- 6.4 The opportunity evaluation may include but will not be limited to; commerciality; estates requirement; reputation; strategic fit; established Non-NHS/WGA income stream; identified area of growth; relationship with funder/purchaser; competitive advantage; understand of the requirements; resources and skills to deliver and opportunity costs. This mirrors the evaluation of NHS Income opportunities.
- 6.5 The opportunity will be considered low risk if it is within an established non-NHS/WGA income stream, the evaluation is affirmative across most criteria and there are established processes/procedures to manage the activity/service delivery. The opportunity will be considered high risk if income is not sufficient (subject to 3.3, 3.4 and 3.5 of this policy), the evaluation not affirmative across most factors and it is a new income stream without established

processes/procedures. However, this may not preclude the opportunity from moving forward.

- 6.6 If approved at 6.3, the opportunity will be evaluated/assessed by Business Planning Group (BPG) under the Terms of Reference for a recommendation to Executive Management Team (EMT). This process mirrors the evaluation of NHS Income opportunities. The opportunity lead will write and present the BPG paper will support from other departments as required.
- 6.7 In parallel to 6.6, the opportunity may be evaluated using the Quality and Equality Impact Assessment (QEIA) process where there is the potential for impact on quality and equality and other key measures as set out in the QEIA policy. This mirrors the evaluation/assessment of NHS Income opportunities.
- 6.8 If approved at both 6.6 and 6.7, the opportunity will be evaluated/assess by the relevant Trust governance processes (e.g. FPC, QAC, EMT and Board).
- 6.9 Where the opportunity is declined at any point in the process, the decision and rationale will be confirmed to those involved in identifying and evaluating the opportunity.
- 6.8 The approval process will further require an acceptable contract before any activity/service delivery commences. Prior approval of both the Chief Executive and Executive Director of Finance will be required should any opportunity progress for whatever reason without any acceptable form of contract.
- 6.9 In the event of service delivery without an approved contract, this will be carried out with due regard to the associated risks and the principles of this policy as set out under Section 3 and Section 6.
- 6.10 Contracts for approved opportunities will be developed by the Contracts Team in conjunction with the relevant service(s), unless another SHSC team is more suitably placed (e.g. People Team for Secondments, Estates Team for Lease Agreements). Contracts and processes to allow activity/service delivery will be compliant with the principles of this policy as set out under Section 3 and other relevant SHSC policies and procedures.
- 6.11 The contractual development will be in accordance with normal contract management procedures, which includes an assessment of insurance cover appropriate to the service and legal advice being sought where appropriate.

7 Development, Consultation and Approval

This Policy has been developed by the Head of Contracts and Tender Management in line with relevant legislation, standards, guidance and policies that were applicable at the time of drafting the document.

Consultation was sought from Directorate leads and Finance representatives. Minor amendments were made as a result of the feedback received.

The Policy was formally submitted to the Policy Governance Group (PGG) to their April 2024 meeting for management review.

8 Audit, Monitoring and Review

The Policy will be reviewed every three years or sooner if any major changes occur in legislation, a significant change in the services SHSC provide (such as if we commenced the offering of Private Patient beds), guidance or policies which have an impact on the provisions of this policy.

Monitoring Compliance Template						
Minimum Requirement	Process for Monitoring	Responsible Individual/group/committee	Frequency of Monitoring	Review of Results process (e.g. who does this?)	Responsible Individual/group/committee for action plan development	Responsible Individual/group/committee for action plan monitoring and implementation
Application of the Policy	To be reviewed in line with any changes to SHSC Strategy on delivery of private patient care and in line with any adjustments to national guidance	Internal Audit	As and when relevant changes that impact policy occur	Contracts and Tender Manager	Any required review/action to be determined by Trust Audit Committee	Senior Contract staff in conjunction with Trust Audit Committee.

The policy review date will be 31 March 2027.

9 Implementation plan

Action / Task	Responsible Person	Deadline	Progress update
Upload new policy onto intranet and remove old version.	Corporate Governance/ Communications Team	31/03/24	

10 Dissemination, storage and archiving (Control)

Version	Date added to intranet	Date added to internet	Date of inclusion in Connect	Any other promotion/ dissemination (include dates)
1.0	Dec 2014	Dec 2014		
2.0	Nov 2016	Nov 2016 via	Communications Digest	
3.0	Dec 2017	Dec 2017		
4.0	March 2021	March 2021	March 2021	
5.0	April 2024	April 2024	April 2024	

11 Training and Other Resource Implications

The contractual arrangements for Non-NHS Income will require the use of terms and conditions that reflect the differing parties and their associated risks. This will vary from contracting with individual members of the public to large and possibly international organisations. Where they do not exist, creation of such standard terms and conditions for these differing circumstances may require some additional resources including legal advice.

The Contracts and Tender Management team will offer support and training to managers and staff in line with implementing this policy.

12 Links to Other Policies, Standards (Associated Documents)

- Trust Declaration of Interests and Standards of Business Conduct Policy
- Trust Standing Orders Reservation and Delegation of Powers and Standing Financial Instructions
- Trust Counter Fraud Bribery and Corruption Policy
- Trust Delegation of Budgetary Authority
- Authorised Signatory Guidance
- Accessing Legal Advice Policy
- Income Collection Policy
- Responding to Tenders Policy for Clinical and Non-Clinical Services
- Quality Equality Impact Assessment (QEIA) Policy
- Code of Conduct for NHS Managers
- DHSC Code of Practice for Private Practice
- Health and Social Care Act 2012
- Health and Care Act 2022
- Terms and Conditions – Consultants (England)

13 Contact Details

<i>Title</i>	<i>Name</i>	<i>Phone</i>	<i>Email</i>
Head of Contracts and Tender Management	Liz Caterer	0114 2264095	liz.caterer@shsc.nhs.uk
Contracts and Tender Manager	Fiona Wright	0114 2263935	fiona.wright@shsc.nhs.uk

Appendix A

Equality Impact Assessment Process and Record for Written Policies

Stage 1 – Relevance - Is the policy potentially relevant to equality i.e. will this policy potentially impact on staff, patients or the public? This should be considered as part of the Case of Need for new policies.

NO – No further action is required – please sign and date the following statement.
I confirm that this policy does not impact on staff, patients or the public.

I confirm that this policy does not impact on staff, patients or the public.

Name/Date: Fiona Wright – Contracts and
 Tender Manager – 20/02/2024

**YES, Go
 to Stage 2**

Stage 2 Policy Screening and Drafting Policy - Public authorities are legally required to have ‘due regard’ to eliminating discrimination, advancing equal opportunity and fostering good relations in relation to people who share certain ‘protected characteristics’ and those that do not. The following table should be used to consider this and inform changes to the policy (indicate yes/no/ don’t know and note reasons). Please see the SHSC Guidance and Flow Chart.

Stage 3 – Policy Revision - Make amendments to the policy or identify any remedial action required and record any action planned in the policy implementation plan section

SCREENING RECORD	Does any aspect of this policy or potentially discriminate against this group?	Can equality of opportunity for this group be improved through this policy or changes to this policy?	Can this policy be amended so that it works to enhance relations between people in this group and people not in this group?
Age	No	No	No
Disability	No	No	No
Gender Reassignment	No	No	No
Pregnancy and Maternity	No	No	No

Race	No	No	No
Religion or Belief	No	No	No
Sex	No	No	No
Sexual Orientation	No	No	No
Marriage or Civil Partnership	No		

Please delete as appropriate: - Policy Amended / Action Identified (see Implementation Plan) / no changes made.

Impact Assessment Completed by: Fiona Wright
Name /Date February 2024

Appendix B

Review/New Policy Checklist

This checklist to be used as part of the development or review of a policy and presented to the Policy Governance Group (PGG) with the revised policy.

		Tick to confirm
Engagement		
1.	Is the Executive Lead sighted on the development/review of the policy?	<input checked="" type="checkbox"/>
2.	Is the local Policy Champion member sighted on the development/review of the policy?	<input checked="" type="checkbox"/>
Development and Consultation		
3.	If the policy is a new policy, has the development of the policy been approved through the Case for Need approval process?	N/A
4.	Is there evidence of consultation with all relevant services, partners and other relevant bodies?	<input checked="" type="checkbox"/>
5.	Has the policy been discussed and agreed by the local governance groups?	<input checked="" type="checkbox"/>
6.	Have any relevant recommendations from Internal Audit or other relevant bodies been taken into account in preparing the policy?	N/A
Template Compliance		
7.	Has the version control/storage section been updated?	<input checked="" type="checkbox"/>
8.	Is the policy title clear and unambiguous?	<input checked="" type="checkbox"/>
9.	Is the policy in Arial font 12?	<input checked="" type="checkbox"/>
10.	Have page numbers been inserted?	<input checked="" type="checkbox"/>
11.	Has the policy been quality checked for spelling errors, links, accuracy?	<input checked="" type="checkbox"/>
Policy Content		
12.	Is the purpose of the policy clear?	<input checked="" type="checkbox"/>
13.	Does the policy comply with requirements of the CQC or other relevant bodies? (where appropriate)	<input checked="" type="checkbox"/>
14.	Does the policy reflect changes as a result of lessons identified from incidents, complaints, near misses, etc.?	<input checked="" type="checkbox"/>
15.	Where appropriate, does the policy contain a list of definitions of terms used?	<input checked="" type="checkbox"/>
16.	Does the policy include any references to other associated policies and key documents?	<input checked="" type="checkbox"/>
17.	Has the EIA Form been completed (Appendix B)?	<input checked="" type="checkbox"/>
Dissemination, Implementation, Review and Audit Compliance		
18.	Does the dissemination plan identify how the policy will be implemented?	<input checked="" type="checkbox"/>
19.	Does the dissemination plan include the necessary training/support to ensure compliance?	<input checked="" type="checkbox"/>
20.	Is there a plan to <ol style="list-style-type: none"> i. review ii. audit compliance with the document? 	<input checked="" type="checkbox"/>
21.	Is the review date identified, and is it appropriate and justifiable?	<input checked="" type="checkbox"/>