



Public – To be published on the Trust external website

# **Losses and Special Payments (Including Redress)**

**Ref: FIN-0001-v6.0**

**Status: Approved**

**Document type: Procedure**

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## 1 Introduction

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The Trust is required to have systems for the control and safe custody of health service property, the administration of patients' and Trust property and the recording, reporting and investigation of losses. They are divided into different categories which govern the way each individual case is handled and determine the amount a Trust can approve to write off.

This procedure links to Our Journey To Change (OJTC) by having a positive effect on patients, staff and visitors as it ensures they are reimbursed all avoidable costs incurred on a Trust site

### To co-create a great experience for our patients, carers and families, so you will experience:

- **Outstanding** and compassionate care, all of the time.
- **Access** to the care that is right for you.
- **Support** to achieve your goals.
- **Choice** and control.

### To co-create a great experience for our colleagues, so you will be:

- **Proud**, because your work is meaningful.
- **Involved** in decisions that affect you.
- **Well led** and managed.
- That your workplace is **fit for purpose**.

### To be a great partner, so we will:

- Have a **shared understanding** of the needs and the strengths of our communities
- Be **working innovatively** across organisational boundaries to improve services.
- Be **widely recognised** for what we have achieved together.

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## 2 Purpose

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Following this procedure will help the Trust to ensure that proper and duly authorised losses are recorded and special payments made ensuring that the appropriate records are maintained.

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## 3 Who this procedure applies to

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- How have you sought views of people who might be affected by this procedure?
  - Engagement is completed as part of patients property policy review, this procedure is linked to reimbursement following an avoidable incident.
  - Feedback on user friendliness of forms is recorded and implemented if appropriate

- Have you considered how the procedure aligns to the Trust values, so that people affected are treated with compassion, respect, responsibility?
  - This procedure outlines the process for reimbursement for incurred costs, this supports OJTC by ensuring no stakeholders are financially impacted by avoidable incidents on Trust sites.



**Respect**

- Listening
- Inclusive
- Working in partnership



**Compassion**

- Kind
- Supportive
- Recognising and Celebrating



**Responsibility**

- Honest
- Learning
- Ambitious

This procedure applies to all stakeholders of the Trust, including staff, service users and visitors. Losses and Special payments fall into predefined categories which determine:

- action to be taken in response; and
- the limits of write off delegated to the Trust.

<b>Losses</b>	Loss of cash due to theft, fraud, non-recoverable overpayment of salaries, fees and allowances or physical loss of cash (e.g. due to fire). Fruitless payments (including abandoned capital schemes). Bad Debts and claims abandoned. Damage to buildings, their fittings, furniture and equipment or other assets due to culpable causes, e.g. theft, fraud, arson or sabotage.
<b>Special payments</b>	Ex-gratia payments is the main use of special payments and covers such items as loss of personal effects for either staff or patients, clinical negligence cases and personal injury claims. Compensation payments made under legal obligation. Extra Contractual payments to contractors. Extra Statutory and extra regulatory payments.

During the course of work or presence on the Trust’s premises, the protection of personal property is the responsibility of each individual. The Trust will not accept financial responsibility for claims arising from theft, loss or damage to personal property at the place of work, unless it can be proven to have arisen because of the organisation’s negligence.

### 3.1 Roles and responsibilities

Role	Responsibility
All staff	Protecting their own and Trust property against damage or loss. Reporting losses appropriately and promptly.
Directors and Managers	<ul style="list-style-type: none"> <li>Ensuring all requests for payments, or identification of losses, are verified and authorised.</li> </ul>
Director of Finance and Information	<ul style="list-style-type: none"> <li>Maintaining the losses register and reporting to relevant committees and boards.</li> </ul>

## 4 Related documents

- Trust Criminal Incident Reporting Procedure
- Anti-Fraud and Corruption Policy
- Patients’ Money and Valuables Guidance Document

## 5 Procedure

### 5.1 Authority to Write Off / Make Special Payment

The Chief Executive and Director of Finance and Information are authorised under the scheme of delegation to write off losses and make special payments. Any payments made outside of their delegated limits and up to the Trust’s delegated limit must be approved by the Trust Board.

This authorisation will be by a signature of the Chief Executive or Director of Finance and Information with a copy of the relevant Trust minutes where Board approval was given.

### 5.2 Reporting Losses

Any officer discovering or suspecting a loss of any kind must immediately inform their line manager or Director.

In all cases the Director must be made aware of any actual or suspected losses in their Locality / Directorate.

On discovering a loss, the following immediate action must be taken:

- Action to end the loss and attempt recovery;
- Determine full facts, causes and implement corrective action e.g.
  - Correcting weakness in control and supervision;

- Establishing negligence, misconduct or incompetence and taking any necessary or appropriate disciplinary action.



Where a criminal offence is suspected the relevant service Director will inform the Police.

**The Trust Incident Reporting Procedure must be followed irrespective of any other reporting or documentation requirements related to this procedure.**

- The procedure for claiming redress for criminal damage is contained in the Criminal Incident Reporting Procedure.
- The Trust is committed to gaining redress for all criminal damage caused by members of the public or patients where criminal responsibility has been established.
- Should the criminal proceedings fail to gain redress the Trust will consider sanctions through a civil redress.
- The decision to follow a civil process will be made by the Trust's Managing Directors and Director of Finance and Information.

### 5.3 Losses over £1,000

The Director of Finance and Information or Financial Controller must be contacted for guidance where a loss exceeds £1,000.

### 5.4 Losses under £1,000

Step	Who	Action
1	Manager	Report losses to Finance Dept. using the losses report form (see Appendix 1).  This form also acts as a checklist for the action that must be taken in response to discovering a loss and to enable write off approval to be obtained.  All sections must be completed and supported, where necessary, by full documentation.
2	Manager with required Authorised Signatory (AS) status	On completion the form must be appropriately authorised.
3	Service Director	Retains a copy of the form and any supporting attachments.
4	Manager	Forward the original to the Financial Controller (Flatts Lane) for entry in the Losses Register and presentation to the Director of Finance and Information for write off.

5	Director of Finance and Information	Establishes arrangements for maintaining a Losses and Compensation Register detailing the losses notified and entry only if supported by a losses report.
6	Financial Controller	At six monthly intervals all losses within the Trusts delegated limits must be reported to the Trust Board and the Audit and Risk Committee for information or approval. Approval of write off items/values will be recorded in the Losses and Compensation Register.

## 5.5 Fraud



Where a fraud is suspected, the Director of Finance and Information must be contacted as per the Local Anti-Fraud and Corruption Policy (see intranet).

## 5.6 Special Payments – Ex-gratia Payments

Step	Who	Action
1	Manager	To initiate a special payment where the value is below £1,000, complete a notification form 'Ex Gratia Payments Under £1,000' (see Appendix 2).  The forms must be fully completed and supported, where necessary, by full documentation.
2	Manager with relevant AS status	Forms must be authorised in accordance with limits specified. Where a special payment would exceed £1,000, please contact the Financial Controller for guidance.
3	Director	Retains a copy of the form plus supporting documents.
4	Manager	Send the originals to the Financial Controller for recording in the Losses and Compensations Register and for submission for payment.



An ex-gratia payment cannot be made for any items that are related to a current, past or future legal claim against the Trust.

## 6 Definitions

Term	Definition
Losses	Losses in respect of money or property belonging to the Trust.

Special Payments	Exceptional compensatory payments made by the Trust to a member of staff, visitor or patient in the event of damage, loss or theft or property.
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## 7 How this procedure will be implemented

- This procedure will be published on the Trust's intranet and external website.
- Line managers will disseminate this procedure to all Trust employees through a line management briefing.
- All employees and managers are responsible for the adherence to this procedure.

### 7.1 Training needs analysis

Staff/Professional Group	Type of Training	Duration	Frequency of Training
All staff	Form completion	As required	As required
Finance clerk	Administration	As required	For new starters

## 8 How the implementation of this procedure will be monitored

This procedure will be regularly monitored by the Directorate of Finance and Information in conjunction with the Estates and Facilities Management Directorate and the Trust's Claims and Legal Services Manager.

The Audit and Risk Committee receives a report detailing payments made / losses to be reported, and detail on actions taken should the payments made be excessive / avoidable.

A register is maintained of all reported incidents. Should a pattern of entries emerge it is escalated and relevant training is offered to minimise future incidents.



## 9 Document control (external)

To be recorded on the policy register by Policy Coordinator

Date of approval:	17 August 2021	
Next review date:	31 December 2024	
This document replaces:	FIN/0001/v5	
This document was approved by:	Name of committee/group	Date
	Senior Finance Team	17 August 2021
This document was ratified by:	Name of committee/group	Date
	Senior Finance Meeting	17 August 2021
An equality analysis was completed on this document on:	17 August 2021	
Document type	Public	
FOI Clause (Private documents only)	n/a	

### Change record

Version	Date	Amendment details	Status
V6	17 August 2021	Full review with minor changes to terminology and form design	Approved
V6	Aug 2024	Review date extended from 18 Aug 2024 to 31 Dec 2024	Approved

## Appendix 1 – Losses Report for Items Under £1,000

Return to Financial Controller, Finance Department, Flatts Lane Ctre, or  
[tewv.receivables@nhs.net](mailto:tewv.receivables@nhs.net)

Locality and Department

### Loss Details

Place of Loss	Date of Loss
Description of items	
Nature of Loss (damage, theft, lost...)	
Circumstances of Loss	

**Were the Police contacted?** Please complete relevant section (use more paper if required).

**YES:**

When:	Reference (if given):
What was the Result:	
Director of Finance and Information notified (date):	

**NO:**

Reasons for no contact:
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**What action has been taken to prevent future loss?**

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Value to be written off (items in use estimated value if stock use book value)	£
Signed by Director/General Manager:	Date:
Director / General Manager Print Name:	Authorised Signatory (AS) Number:

**Finance Use only:**

Finance Authorisation:	
Date entered in Register:	Ref No:
Action in Ledger - Journal Ref No:	Initial:

## Appendix 2 – Ex-Gratia Payments for Under £1,000

Return to Financial Controller, Finance Department, Flatts Lane Ctre, or  
[tevw.receivables@nhs.net](mailto:tevw.receivables@nhs.net)

**Claimant's Details** (required for processing payments)

<b>Name:</b>	
<b>Address:</b>	
<b>Locality and Department:</b>	
<b>Staff / Patient / Other:</b>	
<b>Assignment Number (Staff Only)</b>	
<b>Incident Details</b>	<b>Incident Form No:</b>
<b>Details of Incident:</b>	
<b>Details of Loss/Damage</b>	
<b>Original Cost of items: £</b>	<b>Purchase Date:</b>
<b>Cost of Repair/Replacement £</b> All receipts must be included.	

**I declare that no other insurance claim can be, or will be made in respect of this claim.**

<b>Signature of Claimant:</b>	<b>Date:</b>
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**To be completed by manager:**

I verify that the articles have been damaged/lost/stolen, were required for work and were not due to the claimants own negligence or failure to take adequate precautions.

<b>Suggested Recommended payment: £</b> Give reasons if different from claimant	
<b>Cost Centre Code (must be provided):</b>	
<b>Signed by Director/General Manager:</b>	<b>Date:</b>
<b>Director / General Manager Print Name:</b>	<b>Authorised Signatory (AS) Number:</b>

**Finance Use only:**

<b>Authorised for Payment:</b>		<b>Date:</b>
<b>Entered in Register:</b>	<b>Ref No:</b>	<b>Initials:</b>
<b>Date:</b>		

## Appendix 3 - Equality Analysis Screening Form

Please note; The Equality Analysis Policy and Equality Analysis Guidance can be found on the policy pages of the intranet

Name of Service area, Directorate/Department i.e. substance misuse, corporate, finance etc.	Finance				
Policy (document/service) name	Losses and Special Payments (Including Redress)				
Is the area being assessed a...	Policy/Strategy		Service/Business plan		Project
	Procedure/Guidance			Y	Code of practice
	Other – Please state				
Geographical area covered	Trustwide				
Aims and objectives	Ensure losses and special payments are processed correctly				
Start date of Equality Analysis Screening (This is the date you are asked to write or review the document/service etc.)	17 August 2021				
End date of Equality Analysis Screening (This is when you have completed the equality analysis and it is ready to go to EMT to be approved)	17 August 2021				

**You must contact the EDHR team if you identify a negative impact -**

1. Who does the Policy, Service, Function, Strategy, Code of practice, Guidance, Project or Business plan benefit?					
All stakeholders of the Trust (employees, service users, visitors etc.)					
2. Will the Policy, Service, Function, Strategy, Code of practice, Guidance, Project or Business plan impact negatively on any of the protected characteristic groups below?					
<b>Race</b> (including Gypsy and Traveller)	No	<b>Disability</b> (includes physical, learning, mental health, sensory and medical disabilities)	No	<b>Sex</b> (Men, women and gender neutral etc.)	No
<b>Gender reassignment</b> (Transgender and gender identity)	No	<b>Sexual Orientation</b> (Lesbian, Gay, Bisexual and Heterosexual etc.)	No	<b>Age</b> (includes, young people, older people – people of all ages)	No
<b>Religion or Belief</b> (includes faith groups, atheism and philosophical belief's)	No	<b>Pregnancy and Maternity</b> (includes pregnancy, women who are breastfeeding and women on maternity leave)	No	<b>Marriage and Civil Partnership</b> (includes opposite and same sex couples who are married or civil partners)	No
<p><b>Yes</b> – Please describe anticipated negative impact/s</p> <p><b>No</b> – Please describe any positive impacts/s</p> <p>n/a</p>					

<p><b>3.</b> Have you considered other sources of information such as; legislation, codes of practice, best practice, nice guidelines, CQC reports or feedback etc.? <b>If 'No', why not?</b></p>	<p><b>Yes</b></p>	<p><b>Y</b></p>	<p><b>No</b></p>	
<p><b>Sources of Information may include:</b></p> <ul style="list-style-type: none"> <li>• Feedback from equality bodies, Care Quality Commission, Equality and Human Rights Commission, etc.</li> <li>• Investigation findings</li> <li>• Trust Strategic Direction</li> <li>• Data collection/analysis</li> <li>• National Guidance/Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Staff grievances</li> <li>• Media</li> <li>• Community Consultation/Consultation Groups</li> <li>• Internal Consultation</li> <li>• Research</li> <li>• Other (Please state below)</li> </ul>			
<p><b>4.</b> Have you engaged or consulted with service users, carers, staff and other stakeholders including people from the following protected groups?: Race, Disability, Sex, Gender reassignment (Trans), Sexual Orientation (LGB), Religion or Belief, Age, Pregnancy and Maternity or Marriage and Civil Partnership</p>				
<p><b>Yes</b> – Please describe the engagement and involvement that has taken place</p>				
<p><b>No</b> – Please describe future plans that you may have to engage and involve people from different groups</p>				
<p>No – policy is equally applicable to all. See section 3 of policy for more detail of wider engagement.</p>				

5. As part of this equality analysis have any training needs/service needs been identified?

<b>No</b>	Please describe the identified training needs/service needs below
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A training need has been identified for;

Trust staff	No	Service users	No	Contractors or other outside agencies	No
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**Make sure that you have checked the information and that you are comfortable that additional evidence can provided if you are required to do so**

## Approval checklist

To be completed by lead and attached to any document which guides practice when submitted to the appropriate committee/group for consideration and approval.

	Title of document being reviewed:	Yes/No/ Not applicable	Comments
<b>1.</b>	<b>Title</b>		
	Is the title clear and unambiguous?	Yes	
	Is it clear whether the document is a guideline, policy, protocol or standard?	Yes	
<b>2.</b>	<b>Rationale</b>		
	Are reasons for development of the document stated?	Yes	
<b>3.</b>	<b>Development Process</b>		
	Are people involved in the development identified?	Yes	
	Has relevant expertise has been sought/used?	Yes	
	Is there evidence of consultation with stakeholders and users?	Yes	Forms updated following feedback from users
	Have any related documents or documents that are impacted by this change been identified and updated?	n/a	
<b>4.</b>	<b>Content</b>		
	Is the objective of the document clear?	Yes	
	Is the target population clear and unambiguous?	Yes	
	Are the intended outcomes described?	Yes	
	Are the statements clear and unambiguous?	Yes	
<b>5.</b>	<b>Evidence Base</b>		
	Is the type of evidence to support the document identified explicitly?	Yes	
	Are key references cited?	n/a	
	Are supporting documents referenced?	n/a	
<b>6.</b>	<b>Training</b>		
	Have training needs been considered?	Yes	
	Are training needs included in the document?	Yes	



	<b>Title of document being reviewed:</b>	<b>Yes/No/ Not applicable</b>	<b>Comments</b>
<b>7.</b>	<b>Implementation and monitoring</b>		
	Does the document identify how it will be implemented and monitored?	Yes	
<b>8.</b>	<b>Equality analysis</b>		
	Has an equality analysis been completed for the document?	Yes	
	Have Equality and Diversity reviewed and approved the equality analysis?		
<b>9.</b>	<b>Approval</b>		
	Does the document identify which committee/group will approve it?	Yes	
<b>10.</b>	<b>Publication</b>		
	Has the document been reviewed for harm?	Yes	
	Does the document identify whether it is private or public?	Yes	Public
	If private, does the document identify which clause of the Freedom of Information Act 2000 applies?	n/a	