



THE STATE HOSPITALS BOARD FOR SCOTLAND

LOSSES AND SPECIAL PAYMENTS POLICY (EXCLUDING PATIENTS' PROPERTY)

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The date for review detailed on the front of all State Hospital policies/ procedures/ guidance does not mean that the document becomes invalid from this date. The review date is advisory and the organisation reserves the right to review a policy/ procedure/ guidance at any time due to organisational/legal changes.

Staff are advised to always check that they are using the correct version of any policy/ procedure/ guidance rather than referring to locally held copies.

The most up to date version of all State Hospital policies/ procedures/ guidance can be found on the intranet: <http://intranet.tsh.scot.nhs.uk/Policies/Policy%20Docs/Forms/Category%20View.aspx>

REVIEW SUMMARY SHEET

No changes required to policy (evidence base checked)	<input checked="" type="checkbox"/>
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Changes required to policy (evidence base checked)	<input type="checkbox"/>
Summary of changes within policy:	

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1. INTRODUCTION

This policy addresses losses and special payments which may be incurred by The State Hospitals Board (the Board) in operating services at The State Hospital (TSH).

There is general guidance available from the Scottish Government Health and Social Care Directorate (SGHSCD) through NHS Circular 1985 (GEN) 17 and from the Health Board Accounting Manual published annually.

In essence, the Board is required to have systems for the control and safe custody of health service property, the administration of visitors', volunteers and staff property, and the recording, reporting and investigation of losses.

2. BACKGROUND

Prevention of loss is a requirement of sound financial control, and the control systems should be designed to achieve this. Losses do nevertheless occur. Internal checks, regular supervision and internal audit will be used to ensure these are minimised.

Any individual entering TSH is responsible for the safe keeping of their personal possessions and valuables and these are brought on to the site at the owner's own risk. Lockers are provided in the reception area for the safe storage of valuables therefore **no liability will be accepted by the Hospital for loss of these items.**

The Hospital will advise staff, volunteers, visitors (including contractors) that it accepts no responsibility for articles lost or damaged on its premises.

Disclaimer notices are displayed in various prominent places around the site.

Staff, volunteers and visitors should endeavour to bring as little as possible on to the site, to cut down the opportunity for loss or damage. If valuables or cash are brought on site, these should be secured in a locker provided in the reception area before entering the site.

It is up to staff, volunteers and visitors to cover themselves by insurance against all risks including the loss of their personal possessions. Ex-gratia payments for the loss of, or damage to, personal property may be made only where:

- the article damaged was reasonably carried during the course of business;
- the article was sufficiently robust for the treatment they might reasonably be expected to bear;
- the item or article is suitable for the expected treatment/ purpose e.g. if you are likely to be involved in work that could result in damage;
- the damage is not due to owner negligence; and
- the damage is not covered by insurance or provision for free replacement.

The various categories of losses and special payments are held by the Finance and eHealth Director, as are the write-off limits which are at present delegated to the Hospital by the Scottish Government. These can be found on the intranet, under the Scheme of Delegation, section 14.11.

A separate policy **QP 20 Theft Fraud and Other Financial Irregularities Policy and Response Plan** - exists for losses where a criminal offence is suspected.

3. SCOPE

This policy relates to staff, visitors and volunteers within the context of State Hospital business within the State Hospital environment.

This policy does not relate to Patients' Property as patients' property is now covered under a separate policy – SP05 Patient Property Policy.

The Hospital has a duty to ensure that any claimant is able to engage in the process and therefore provides tailored support as required in order to ensure that individuals are not disadvantaged as a result of communication barriers (e.g. Language, sensory impairment)

4. GUIDANCE

A register of losses (hard copy) requires to be maintained. In all cases, losses must be recorded in the losses register and reported in the year which they are paid out. These are reported to the Audit Committee and the Scottish Government as part of the annual accounts process.

The Board does not have unlimited powers to make special payments or to write-off losses, see section 2 above for limits.

This policy applies to small losses incurred by staff, volunteers, visitors, contractors and any other groups who may be on Hospital premises.

5. APPLICATION

Losses can be split into three categories:

- a) Items lost on site;
- b) Items damaged in the course of ordinary business, but repairable;
- c) Items damaged in the course of ordinary business, beyond repair.

The basic principles of recording and claiming for the loss are the same for all categories.

When a loss is discovered the losses procedure should be followed for the appropriate category of loss – see Appendix 1.

6. THE CLAIM

The losses procedure provides detailed guidance about each type of loss, along with the loss report form. These are attached at Appendix 1 and can also be found on the intranet.

In general terms the following guidance applies:

- Where an article of intrinsic value is lost on site, due to the owner's own negligence, the loss will be recorded, but no compensation paid;
- Where the article is damaged, in the course of ordinary business and can be repaired, the payment may only cover the actual cost of repair up to a maximum of £100;
- Where the article is damaged beyond repair, the cost of a reasonable alternative may be paid, up to a maximum of £100;
- If the replacement is for spectacles or has a value greater than £50, three quotes should be obtained. The quote should be for a like for like replacement and list the items that make up the total cost e.g. frames, lenses etc. **The purchase of a replacement item should not proceed until approval has been obtained from the Finance & eHealth Director.**

Where destruction of an item occurs, the replacement value will be that of a reasonable replacement i.e. as far as possible, based on proof of purchase or other evidence of value, potentially discounted, taking age of the item into account. If the claim value is thought to be excessive the **Finance & eHealth Director** will have the right to review and amend the claim value.

The Chief Executive will have discretion in exceptional circumstances.

Where the item has been damaged beyond repair and reimbursement has been made, **the damaged item must be returned to the Finance Department for disposal.**

The **Finance & eHealth Director** shall ensure that all local control requirements are fulfilled and shall ensure that the following processes are in place:

- the standing financial instructions include sections on losses and special payments;
- an appropriate entry has been made in the Hospital's losses register;
- authorised payments have been made in accordance within delegated limits;
- appropriate feedback has been provided to the person making claim;
- an annual summary of losses and special payments report is provided to Scottish Government Health & Social Care Directorate (SGHSCD) (forms SFR18.0 and SFR18.1) and to the Audit Committee.

7. MONITORING AND REPORTING

The Audit Committee in conjunction with the **Finance & eHealth Director** will plan periodic reviews, with Internal Audit, of losses and special payments in order to satisfy that systems and controls are operating effectively.

The **Finance & eHealth Director** will review losses year-on-year to ensure that any trends are understood and appropriate actions are in place. A report will be submitted to the Audit Committee and the Senior Management Team at the conclusion of this review.

An annual summary of Losses and Special Payments will be incorporated within the Board's year-end Accounts production and submitted to SGHSCD.

8. ACCOUNTING

The accounting treatment of losses and special payments is set out in the Health Board Manual for Accounts published annually by SGHSCD.

It is the responsibility of the Board to maintain a register of losses; the Finance Department maintain this for the Hospital. The following details are required:

- name of the owner of the property;
- the nature of the damage/ loss;
- the amount claimed;
- the date of payment;
- the amount of payment (based on receipts received);
- payment reference;
- the date of disposal of damaged goods claimed.

The Finance Department will be responsible for retaining the claim forms and receipts for audit purposes and in addition will be responsible for ensuring that the approved losses form is processed.

9. LOST PROPERTY

Items of value should not be brought on to the site. If the owner chooses to do so it is at their own risk and such a loss will not be subject to any compensation claim.

If an item needs to be carried or is brought in by accident, it should be placed in a locker in the reception area or can be held for safe keeping in the Finance Department and a receipt obtained. Any items lost by the Finance Department will be compensated.

Where an item is found on site these are handed to the finance department for safe keeping and recorded in the lost and found register. An all user email will be sent out informing staff of the item found.

Items which are found will be retained for a period of 6 months. If they are not claimed within that time frame the goods will be offered back to the finder. If the finder does not wish to take the item, it will be disposed of. Disclaimer notices are displayed around the Hospital to notify all staff, volunteers and visitors that this is the case.

10. EQUALITY AND DIVERSITY

The State Hospitals Board (the Board) is committed to valuing and supporting equality and diversity, ensuring patients, carers, volunteers and staff are treated with dignity and respect. Policy development incorporates consideration of the needs of all Protected Characteristic groups in relation to inclusivity, accessibility, equity of impact and attention to practice which may unintentionally cause prejudice and / or discrimination.

The Board recognises the need to ensure all stakeholders are supported to understand information about how services are delivered. Based on what is proportionate and reasonable, we can provide information/documents in alternative formats and are happy to discuss individual needs in this respect. If information is required in an alternative format, please contact the Person-Centred Improvement Lead on 01555 842072.

Line Managers are responsible for ensuring that staff can undertake their role, adhering to policies and procedures. Specialist advice is available to managers to ensure that reasonable adjustments are in place to enable staff to understand and comply with policies and procedures. The EQIA considers the Protected Characteristic groups and highlights any potential inequalities in relation to the content of this policy.

Patient pre-admission assessment processes and ongoing review of individual care and treatment plans support a tailored approach to meeting the needs of patients who experience barriers to communication (e.g. Dementia, Autism, Intellectual Disability, sensory impairment). Rapid access to interpretation / translation services enables an inclusive approach to engage patients for whom English is not their first language. Admission processes include assessment of physical disability with access to local services to support implementation of reasonable adjustments. Patients are encouraged to disclose their faith / religion / beliefs, highlighting any adapted practice required to support individual need in this respect. The EQIA considers the Protected Characteristic groups and highlights any potential inequalities in relation to the content of this policy.

Carers / Named Persons are encouraged to highlight any barriers to communication, physical disability or anything else which would prevent them from being meaningfully involved in the patient's care (where the patient has consented) and / or other aspects of the work of the Hospital relevant to their role. The EQIA considers the Protected Characteristic groups and highlights any potential inequalities in relation to the content of this policy".

The volunteer recruitment and induction process supports volunteers to highlight any barriers to communication, physical disability or anything else which would prevent them from contributing meaningfully to patient care and / or engage in other aspects of the work of the Hospital relevant to their role. The EQIA considers the Protected Characteristic groups and highlights any potential inequalities in relation to the content of this policy.

11. STAKEHOLDER ENGAGEMENT

Key Stakeholders	Consulted (Y/N)
Patients	N
Staff	Y
TSH Board	Y
Carers	N
Volunteers	N

12. COMMUNICATION, IMPLEMENTATION, MONITORING AND REVIEW OF POLICY

This policy will be communicated to all stakeholders within The State Hospital via the intranet and through the staff bulletin.

The Audit Committee will be responsible for the implementation and monitoring of this policy.

This policy will be reviewed every three years taking into consideration legislative changes and developments in good practice to ensure it meets the needs of all stakeholders.

LOSS REPORTING PROCEDURE

1 INTRODUCTION

1.1 This procedure provides guidance in relation to the losses procedure for:

- Items lost on site;
- items damaged in the course of ordinary business, but repairable;
- items damaged in the course of ordinary business, beyond repair.

2 GENERAL INFORMATION REQUIRED FOR REPORTING OF ALL LOSSES

The Loss Report Form requires the following information for all losses:

- your name, address and contact telephone number;
- if you are a member of staff, confirmation if you were on duty;
- the date, time and location of the incident;
- details of other people and any equipment / furniture etc. involved;
- the extent and details of any damage or loss;
- estimated value of any damage or loss;
- what actions have been taken;
- who witnessed the event;
- when your line manager was informed;
- who else has been informed i.e. security, police, etc.;
- date the incident form was completed;
- all losses should be logged on the Datix system and Datix reference number and risk rating given;
- if the claim relates to a damaged item, you should also have the item and the appropriate repair quotes and receipts available to pass on to your line manager.
- following completion of the loss form, a signature and date is required;

Assistance to complete the paperwork is available from the Line Manager / Finance Department.

3 ITEMS LOST ON SITE

3.1 Section 1 of the Loss Report Form (Items lost on Site) (Appendix 2), should be fully completed before being passed on to your line manager.

3.2 If you believe the loss to be a theft you should inform your line manager as soon as you are aware that the loss has taken place. They will inform the police on behalf of the Hospital.

4 ITEMS DAMAGED IN THE NORMAL COURSE OF BUSINESS – REPAIRABLE DAMAGE

4.1 Section 1 of the Loss Report Form (Appendix 3), should be completed. Please ensure that all the details are included before you pass on to your line manager.

4.2 You should obtain three written quotes for the repair cost and attach this to the claim form along with the original purchase receipt if you still have it.

- 4.3 Your manager will complete their section of the form and forward to the Finance Department for recording.
- 4.4 The Finance Department will forward the form, receipt and quote to the **Finance & eHealth Director** for approval of the repair.
- 4.5 Upon the **Finance & eHealth Director** approval or rejection of the claim, the Finance Department will contact the person who has made the claim and advise them to go ahead with the repair or share the reason why the claim has been rejected.
- 4.6 If the claim has been approved for repair, the receipt for the repair should be sent to the Finance Department for reimbursement.

5 ITEMS DAMAGED IN THE NORMAL COURSE OF BUSINESS – DAMAGED BEYOND REPAIR

- 5.1 Section 1 of the Loss Report Form (Appendix 3), should be completed. Please ensure that all the details are included before you pass on to your line manager.
- 5.2 The damaged goods and original purchase receipt, if you still have it, will be required.
- 5.3 If the purchase receipt is not available, please describe how old the item is, what condition the item was in and an indication of the cost at purchase.
- 5.4 If the replacement is for spectacles or has a value greater than £50, 3 quotes should be obtained. The quote should be for a like for like replacement and list the items that make up the total cost e.g. frames, lenses etc. You will need to provide these quotes. You should not go ahead with the purchase of a replacement until approval has been obtained from the **Finance & eHealth Director**.
- 5.5 The form should now be passed to your manager along with the damaged goods (if appropriate) and the original receipt(s)/ quote(s).

6 SENIOR CHARGE NURSE / LEAD NURSE / MANAGER RECEIVING A LOSS FORM

- 6.1 Please ensure that the person reporting the loss has completed section 1 of the form. If this is not the case, please ensure that this is complete before continuing.
- 6.2 If you become aware that the loss is a potential theft the police should be called immediately. The crime reference number should be recorded on the form. If the police investigate the incident their findings should also be recorded on the form. Also inform the Fraud Liaison Officer (contact details are on the Intranet under Departments/Finance/Fraud Awareness) of the incident.
- 6.3 If the loss relates to a damaged item, you should also be able to see the item and appropriate estimate.
- 6.4 Please complete section 2 of the Loss Report Form (Damaged Items) (Appendix 3). Please ensure that all the details are included before you pass this on to the Finance Department.
- 6.5 The manager should also sign the form to confirm that the details are complete, correct and that the repair or goods which are to be destroyed have been seen and verified.

- 6.6 The damaged item should be inspected and an assessment of the repair or damage made and confirmed on the form.
- 6.7 The completed form, along with all quotes and the damaged item to be disposed of (if the item cannot be repaired) should be passed to the Finance department for recording and processing.

7 FINANCE DEPARTMENT

For all items:

- 7.1 Ensure that form is completed and signed appropriately
- 7.2 Log on Losses Register.
- 7.3 For items lost, check lost property for the item described.

For compensation claims:

- 7.4 Ensure that the property and original purchase receipts / quotes are attached.
- 7.5 Invoke department loss payment procedures.
- 7.6 Check the purchase / repair receipt provided agrees with the claim form received.
- 7.7 If there are three quotes, summarise these for the **Finance & eHealth Director** to review.
- 7.8 Check that the damaged goods have been inspected and evidenced by the line manager.
- 7.9 Confirm to the claimant when the form has been received. Inform them of any missing information and ensure that they understand the claim cannot be processed without it.

Complete section 3 of the Loss Report Form

- 7.10 Pass the completed Loss Form to the **Finance & eHealth Director** for Approval/
Rejection of payment.
- 7.11 The Finance department then informs the person who has made the claim of the outcome.
- 7.12 Make the approved payment.

ITEM(S) LOST ON SITE

LOSS REPORT – ITEM(S) LOST ON SITE		
SECTION 1: ref <i>TO BE COMPLETED BY PERSON DISCOVERING LOSS</i>	Loss report file	
PARTICULARS OF PERSON REPORTING LOSS or THEFT		
Name:	Contact Phone Number:	
Status (Staff, Volunteer, Visitor etc.):		
Location / Address:		
Were you on site at time of the loss: YES <input type="checkbox"/> NO <input type="checkbox"/>		
PARTICULARS OF LOSS or THEFT		
Date of Discovery:	Time:	
Location:		
Description of loss:		
Any other information:		
Estimated Value (if known):		
ACTION TAKEN		
Manager Informed date;	Time:	Manager's Name:
Other Informed: Yes <input type="checkbox"/> No <input type="checkbox"/>	Time:	Other Name:
Other:		
Incident form completed: date;	Datix Reference:	Risk rating given:
Signature of person reporting the loss / theft:	Date:	

SECTION 2: TO BE COMPLETED BY MANAGER	
NOTES FOLLOWING OCCURRENCE	
Check section 1 has been fully completed Yes <input type="checkbox"/> date	
ACTIONS TAKEN	
If a suspected theft, when were the police called?	Crime reference number
Details of any action taken by the police	
Any other actions taken to prevent further loss?	
ADDITIONAL INFORMATION	
Did you contact anyone else e.g. security, witnesses etc.?	
If so record your actions / findings:	
Signature of Manager:	Date:
PLEASE SEND THIS FORM AND ALL ATTACHMENTS TO THE FINANCE DEPARTMENT	

SECTION 3: FINANCE DEPARTMENT USE ONLY	
Lost property checked for missing item? Found Yes/ No	
Loss Register completed:	Date:
Signature:	Date:

ITEM(S) DAMAGED, IN THE NORMAL COURSE OF BUSINESS

LOSS REPORT – DAMAGED ITEM(S)	
SECTION 1: ref <i>TO BE COMPLETED BY PERSON DISCOVERING DAMAGE</i>	Loss report file
PARTICULARS OF PERSON REPORTING DAMAGE	
Name:	Contact Phone Number:
Status (Staff, Volunteer, Visitor etc.):	
Location / Address:	
Were you on site at time the damage occurred: YES <input type="checkbox"/> NO <input type="checkbox"/>	
PARTICULARS OF DAMAGE	
Date damage occurred:	Time:
Location:	
Nature of damage/ description of event:	
Other People/Equipment involved:	
Any other information:	
Witnesses:	
Estimated Value (if known):	
Original purchase receipt(s) attached: Yes <input type="checkbox"/> No <input type="checkbox"/>	
Quotes for repair attached: Yes <input type="checkbox"/> No <input type="checkbox"/>	

ACTION TAKEN		
Manager Informed date;	Time:	Manager's Name:
Other Informed: Yes <input type="checkbox"/> No <input type="checkbox"/>	Time:	Other Name:
Other:		
Accident/Incident form completed: date;	Datix Reference:	Risk rating given:
Signature of person reporting the damage:		Date:
SECTION 2: TO BE COMPLETED BY MANAGER		
NOTES FOLLOWING OCCURRENCE / PREVENTATIVE ACTION TAKEN		
Check section 1 has been fully completed Yes <input type="checkbox"/> Date		
Estimate Cost/Value of damage:		
Details of receipt(s), damaged item(s) received:		
Any other actions taken to prevent further damage?		
ADDITIONAL INFORMATION		
Did you contact anyone else e.g. security, witnesses etc.?		
If so record your actions / findings:		
Do you support claim? YES <input type="checkbox"/> NO <input type="checkbox"/>		
Comments (including confirmation you have seen the damaged goods and that a repair is required):		
Signature of Manager:		Date:
PLEASE SEND THIS FORM AND ALL ATTACHMENTS TO THE FINANCE DEPARTMENT		

SECTION 3: FINANCE DEPARTMENT USE ONLY		
Finance & eHealth Director Comments:		
Finance & eHealth Director approval: Yes/No	Amount: £	Date:
Finance & eHealth Director signature:		
Loss Register completed:		Date:
Person reporting loss informed of approval / rejection :		
Date of write-off authority:	Reference:	
Internal Audit notified:	Remarks:	