

<b>Title of Meeting:</b>	<b>Governing Body</b>	<b>Agenda Item: 8.1</b>										
<b>Date of Meeting:</b>	<b>21 December 2021</b>	<table border="1"> <thead> <tr> <th colspan="2">Session (Tick)</th> </tr> </thead> <tbody> <tr> <td>Public</td> <td>X</td> </tr> <tr> <td>Private</td> <td></td> </tr> <tr> <td>Development Session</td> <td></td> </tr> </tbody> </table>			Session (Tick)		Public	X	Private		Development Session	
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Private												
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<b>Paper Title:</b>	<b>Finance, Performance, Contracting and Commissioning Committee Terms of Reference</b>											
<b>Responsible Executive Lead and Job Title</b> Jane Hawcard, Chief Finance Officer Julie Warren, Director of Corporate Services, Governance and Performance		<b>Report Author and Job Title</b> Sasha Sencier, Board Secretary and Senior Governance Manager										
<b>Purpose (this paper if for)</b>	<table border="1"> <thead> <tr> <th>Decision</th> <th>Discussion</th> <th>Assurance</th> <th>Information</th> </tr> </thead> <tbody> <tr> <td>X</td> <td></td> <td></td> <td></td> </tr> </tbody> </table>				Decision	Discussion	Assurance	Information	X			
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X												
<b>Has the report (or variation of it) been presented to another Committee / Meeting?</b> <b>If yes, state the Committee / Meeting:</b> Yes. These terms of reference have been reviewed and approved by the FPCCC.												
<b>Executive Summary</b> <p>The Finance, Performance, Contracting and Commissioning Committee (FPCCC) is required to review and approve its terms of reference.</p> <p>From October 2021 onwards, the Governing Body approved for all assurance delegation to be transferred back to the Governing Body as we transition towards to ICS. FPCCC will retain decision-making powers to ensure that timely decisions can be made outside of the Governing Body where required.</p> <p>The attached terms of reference detail the above changes, as approved by the FPCCC.</p>												
<b>Recommendations</b> <b>The Governing Body is being asking to:</b> <ul style="list-style-type: none"> <li>Review the amended FPCCC Terms of Reference.</li> <li>Ratify the terms of reference as approved by the FPCCC.</li> </ul>												
<b>Monitoring</b> Committees of the Governing Body are required to review their terms of reference at least annually. The Governing Body is required to ratify all Committee terms of reference, as delegated by the Council of Members.												
<b>Any statutory / regulatory / legal / NHS Constitution implications</b>	Terms of Reference of Committees of the Governing Body are required to be ratified by the Governing Body, as delegated by the Council of Members.											
<b>Management of Conflicts of Interest</b>	No conflicts of interest have been identified prior to the meeting.											
<b>Communication / Public &amp; Patient Engagement</b>	Terms of reference are published on the CCG website. Statutory terms of reference are contained within the Constitution and non-statutory committee terms of reference are contained within the Governance Handbook, as per instruction from NHS England. Both documents are published on the CCG website.											
<b>Financial / resource implications</b>	Not applicable.											
<b>Significant Risks to Consider</b>	No significant risks to consider.											
<b>Outcome of Impact Assessments completed</b>	Not applicable.											

Sasha Sencier, Board Secretary and Senior Governance Manager

**NHS North Yorkshire Clinical Commissioning Group**  
**Finance, Performance, Contracting and Commissioning Committee (FPCCC)**

<b>Reviewed and Approved by:</b>	<b>Finance, Performance, Contracting &amp; Commissioning Committee (FPCCC)</b>
<b>Review Date:</b>	<b>One Year from Approval</b>
<b>Ratified By:</b>	<b>NHS North Yorkshire CCG Governing Body</b>
<b>Ratified Date</b>	<b>21 December 2021 (TBC)</b>
<b>Version</b>	<b>V2.0 (TBC)</b>

**From October 2021 onwards, the Governing Body approved that all assurance delegation will be transferred back to the Governing Body. FPCCC will retain decision-making powers to ensure that timely decisions can be made outside of the Governing Body where required.**

**For ease of viewing this document, the following key identifies those responsibilities still delegated to the FPCCC and those responsibilities now with the Governing Body:**

- Governing Body Only – Sections highlighted in blue**
- FPCCC / Governing Body – Sections in black.**

## **1.0 Role and Core Purpose**

The FPCCC is accountable to the Governing Body and has the following role:

- To hold decision-making powers to ensure that timely decisions can be made outside of the Governing Body on matters relating to finance, contracting, commissioning and performance where required.

The Governing Body will have the following role:

- To formally review the financial position of the CCG, incorporating activity levels, provider contract positions and issues, and risks in achieving its forecast out-turn at the end of the year.
- To formally review performance and discuss by exception where performance is not acceptable or has an impact on safety and quality, agreeing service performance actions and timescales to mitigate and recover the position to an acceptable levels.

## **2.0 Remit**

### **2.1 Priorities**

- Monitor that the CCG operates within its Standing Financial Instructions and statutory requirements in respect of financial and performance management;
- Challenge the financial position of the CCG and ensure financial management achieves economy, effectiveness, efficiency, probity and accountability in the use of resources;
- Monitor the performance of CCG contracts;
- Approve the QIPP Delivery Programme which is developed by the Business Executive
- Oversee the delivery of services provided to the CCG through the external contracts;
- Monitor implementation of the relevant corporate objectives
- Review of the Chief Finance Officers detailed financial report.
- Oversight of the financial strategy

This will be achieved through:

- Overseeing the development of the Medium Term Financial Plan & Long Term Financial Plan;
- Reviewing annual budgets/short-term financial plans
- Monitoring the CCGs' financial standing in-year and recommend corrective action should the year-end forecasts suggest that financial balance will not be achieved;
- Monitoring any change in the CCGs' financial activity;
- Monitoring expenditure against indicative budgets, including the running costs allowance;
- Receiving regular contract performance reports (covering activity, cost and quality) for each of the CCGs' main areas of commissioning expenditure;
- Receiving reports from those contracted (with commentary from CCG officers in respect of delivery of these services);
- Reviewing performance in implementing the CCG's commissioning and financial plans
- Review operational performance update.

### **2.2 Decision Making**

The Governing Body has responsibility for the below, however the FPCCC also has delegated decision-making authority for the below where required and timely decisions are required to be made. Virtual decisions made by FPCC will be reported into GB in a timely manner:

- Approve non-primary care business cases for investment & disinvestment decisions.\*

- Approve non-primary care quotes and tenders.\*
- Approve non-primary care capital investments and disinvestments.\*
- Approve GP rent reviews.\*
- Approve new drug prescribing.\*
- Approval of disposals, condemnations, bad debts, losses and special payments \* (then taken to Audit Committee to note and review).
- Review the delivery of external services and make recommendations to the Governing Body in respect of service delivery, quality, value for money and cost.

**\* Values are contained within the Operational Scheme of Delegation which is part of the Corporate Governance Handbook.**

## 2.3 Performance

The Governing Body will hold responsibility for reviewing the overall performance of the CCG.

This shall include:

- Review performance against the delivery of the Operational Plan.
- Review progress and achievement against agreed national, regional and local targets which support the delivery of the CCG's strategy and plans, with a particular focus on "must-dos" and external regulation.
- Receive, and review assurance of, contract management and value for money from commissioning support services.
- An assessment of pressures within the whole system and how these affect contracts and performance.
- Opportunities to further improve performance where not discussed by other committees.
- Any additional national, regional or local requirements as determined by NHS England.

## 2.4 Risk Management

- Review and monitor significant risks in respect of finance, performance, contracting, commissioning and corporate risks.
- Request action by accountable individuals to manage aforementioned risks and variation in performance, ensuring plans are put in place to address the achievement of objectives and targets.
- Assess these actions in their effect on key risks.
- Ensure that variance against target performance levels is reflected in the Risk Register reports and Governing Body Assurance Framework as appropriate.
- Ensure that effective arrangements are in place for business continuity and emergency planning.

### 3.6 Reporting Arrangements and Administration

- All reports submitted to the Committee must be accompanied by a fully completed cover sheet which must effectively summarise the report, explain all acronyms used and clearly specify whether the report is for approval, assurance or discussion (one only).
- Executive Leads and report authors can assume that their reports have been read and that no verbal summary of these reports is needed. The Committee will proceed direct to questions, except when the report author wishes to advise the Committee about new or updated information or areas of concern.
- Decisions made by the FPCCC will be provided to the Governing Body through the regular financial report to the GB. The Chair of the Committee shall draw to the attention of the Governing Body any significant issues or risks relevant to the CCG.
- Papers must be circulated at least 5 working days prior to the meeting. Any urgent papers can be submitted with prior agreement with the Chair and must be circulated at least 2 working days prior to the meeting taking place.

### 4.0 Accountability

The FPCCC is accountable to the Governing Body and will present an annual report of its work. As required by CCG Annual Report guidance this will, as a minimum, include information about: key responsibilities, membership, attendance records and highlights of the Committee's work over the year.

### 5.0 Membership

Core Membership:

- Secondary Care Doctor (Chair)
- Clinical Chair (Vice-Chair)
- 1 GP Clinical Lead
- Lay Member for Financial Performance
- Accountable Officer
- Chief Finance Officer\*
- Director of Strategy and Integration\*
- Director of Acute Commissioning\*
- Director of Corporate Service, Governance and Performance\*
- Chief Nurse\*

\*Nominated deputies may attend where core members are not able to attend, **subject to prior approval from the Chair.**

Other employees of the CCG may be invited to attend all or part of the committee to provide advice or support to specific agenda items as required.

### 6.0 Quorum

The Committee will be quorate when at least 5 members of the Committee are present to include at least:

- The Chair or Vice-Chair
- One Clinician - Clinicians refer to GP Members and Chief Nurse
- Two Executive Members; one of whom must be Accountable Officer or CFO.

## **7.0 Conflicts of Interest**

Where a member has, or becomes aware of, an interest in relation to a matter subject to action or decision of the committee, the interest must be considered as a potential conflict and is subject to the provisions of the CCGs Constitution and the CCGs Conflicts of Interest policy.

The member must declare the interest as early as possible and shall not participate in the discussions.

The Chair will take the decision to request that member to withdraw until the Committee's consideration has been completed. Because of matters of quorum, arrangements should be made in advance to enable the alternate member to be present.

If the Chair is conflicted, then arrangements must be made in advance of the meeting for one of the other Committee members to Chair and for the alternate to also be present.

All members of the committee are expected to have completed their Conflict of Interest training.

The chair may consider any papers for the meeting which would potentially present a conflict to member (s) and withhold those papers from them.

## **8.0 Meeting Frequency**

The Committee will meet virtually as required).

## **9.0 Conduct of the Committee**

The Committee will conduct its business in accordance with any national guidance and relevant codes of conduct / good governance practice, for example,

- Nolan's seven principles of public life.
- The Committee shall undertake a review of its own effectiveness annually.
- The Committee will produce an annual report which will form part of the annual governance statement.
- The Committee will approve the terms of reference of any of its sub-committees.
- Any resulting changes to the Terms of Reference should be approved by the Governing Body.