

**NHS FYLDE AND WYRE CLINICAL COMMISSIONING GROUP
FINANCE AND PERFORMANCE COMMITTEE OF THE GOVERNING BODY
TERMS OF REFERENCE**

1. CONSTITUTION

- a. The Clinical Commissioning Group's Governing Body hereby resolves to establish a Committee of the Governing Body known as the Finance and Performance Committee. The Committee is established in accordance with Fylde and Wyre Clinical Commissioning Group's Constitution, Standing Orders and Scheme of Delegation.
- b. These terms of reference set out the membership, remit, responsibilities and reporting arrangements of the Group and shall have effect as if incorporated into the CCG's constitution and standing orders.

2. ACCOUNTABILITY

- a) The committee is accountable to the Governing Body and the Group's Member Council. Any changes to these terms of reference must be agreed by the Governing Body and approved by the Group's Member Council.

3. PURPOSE

- a) To provide a performance framework which proactively manages the CCG's Financial, Performance and Quality Innovation, Productivity and Prevention (QIPP) agenda.
- b) To provide assurance in the delivery of these areas to the Governing Body, reviewing and approving performance reports prior to submission to the Group. To hold to account the ~~Clinical Lead~~Governing Body Leads and the Senior Management Team of the CCG for their responsible areas, and will require full delivery plans by exception. To provide assurance in the delivery of these areas to the Area Team and NHS England.

4. MEMBERSHIP AND ATTENDEES

- a) The Finance and Performance Committee comprises the following voting members who are all members of the Governing Body:
 - i) The Group's Chief Finance Officer
 - ii) The Group's Chief Operating Officer
 - iii) The Group's Clinical Chief Officer (Accountable Officer)
 - iv) Elected ~~Governing Body Clinical Lead~~Governing Body Lead for Contracts Finance and Performance
 - v) Elected ~~Governing Body Clinical Lead~~Governing Body Lead
 - ~~vi) The Group's Head of Finance~~
 - ~~vii) _____~~ The Group's Chair

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- b) The elected ~~Governing Body clinical lead~~Governing Body Lead for Finance and Performance will usually chair the committee.
- c) The Committee Vice Chair is the Chief Finance Officer who will act in the event that the Chair is unavailable and the Head of Finance will act as proxy for the Chief Finance Officer in the event that the Chief Finance Officer and the elected ~~Governing Body clinical lead~~Governing Body Lead is unavailable.
- d) Membership will be reviewed regularly to adjust for changes as required by the purpose of the Committee.
- e) Members who cannot attend may send a named deputy. Deputies will have the decision-making and voting rights of the person he/she is representing.
- f) The committee may also extend invitations to other personnel with relevant skills, experience or expertise as necessary to enable it to deal with matters before the committee.

5 QUORUM

- a) A minimum of four members will constitute a quorum, so long as this includes a minimum of two elected ~~Governing Body Clinical Lead~~Governing Body Leads and a minimum of two members of the Senior Management Team.
- b) A decision put to a vote at the meeting shall be determined by a majority of the votes of members and deputies present. In the case of an equal vote, the Chair of the Committee shall have a second and casting vote.

6 MEETINGS

- a. The Finance and Performance Committee will meet at least four times per year.
- b. Other meetings may be convened as appropriate to deal with relevant business including meetings via telephone or video conference.
- c. The CCG will nominate a member of staff to act as Secretary to the Committee. Their responsibility will be to assist the Chair in convening meetings, preparing agendas and papers and keeping the minutes of the meeting and generally ensuring that the administrative arrangements for the Committee comply with the standards set by the CCG for the conduct of all meetings.

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7 AUTHORITY

- a) The committee is authorised to:
 - i) investigate any activity within its terms of reference and produce an annual work programme to discharge its responsibilities
 - ii) take responsibility for ensuring compliance with the principles of good governance and the Group's constitution when undertaking its terms of reference
 - iii) establish and approve the terms of reference of such sub-reporting groups, or task and finish groups as it believes are necessary to fulfil its terms of reference
 - iv) This Committee is empowered to take decisions in committing and authorising expenditure to the level of authority which is held by the lead Executive Director on the Committee, providing that is with the agreed support of the Committee Chair. That level of authority shall be that declared in the CCG's latest approved Scheme of Delegation.

8 DUTIES

8.1. General

- a) The Committee will review and have oversight of finance and performance in relation to the following areas:
 - i) performance against national and local targets
 - ii) 'in year' financial position; receiving a detailed report of the financial position and progress towards meeting the targets within the CCG financial plan
 - iii) implementation of QIPP schemes; receive updates on both the financial and activity performance of each scheme
 - iv) achievement against CCG incentive schemes; receive a report of the actual and forecast performance to inform the achievement of incentive schemes
 - v) implementation of investments / transformation schemes; receive updates
 - vi) outlining financial, activity and delivery against key performance indicators for each scheme
- b) Recommend the Group's long term and annual financial plans to the Governing Body and maintain oversight of the implementation of those plans

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- c) Receive and review departmental delivery plans for indicators or performance areas by exception.
- d) Challenge delivery plans produced to achieve targets or improve performance.
- e) Resolve key performance issues raised by accountable members of the Senior Management Team.
- f) Identify and allocate resources where appropriate to improve performance.
- g) Agree an annual work programme for the committee
- h) The committee shall endorse the self-assessment approach to be used by all Governing Body committees and will incorporate the results of the assessment as part of their annual report

8.2. Finance and Operational Management

- a) Ensure that the management arrangements for the Group are appropriate to discharge the Group's responsibilities and have oversight of those arrangements, ensuring that they comply with relevant legislation including HR, E&D and H&S requirements.
- b) Ensure that there are effective arrangements and financial procedures in place, including budgetary controls, to support delivery of the Group's financial management and financial targets.
- c) Undertake detailed monitoring against the Group's financial operational plans and in accordance with the committee's delegated responsibilities, determine action to improve performance.
- d) Oversee the corporate work programmes that support delivery of the Group's commissioning and operational plans including the Group's:
 - i) financial management
 - ii) delivery against the group's contracts and performance against key targets
 - iii) corporate commissioning support arrangements
 - iv) systems of internal control
 - v) Within delegated limits approve individual funding requests

8.3. Governance

- a) Develop and propose to the Governing Body and Member Council, and keep under review, the Group's constitution, with specific reference to its

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scheme of reservation and delegation, standing orders and its prime financial and procurement policies.

- b) Recommend for approval to the Governing Body the Group's operational scheme of delegation, incorporating financial thresholds for decision taking.
- c) Develop, monitor and propose to the Governing Body and maintain oversight of the Group's arrangements for:
 - managing conflicts of interests;
 - ensuring compliance with best procurement practices
 - obtaining legal and professional advice
 - internal control
 - emergency planning
 - information governance, including information sharing protocols
 - compliance with equality and diversity legislation
- d) Implement key standards in relation to Information Governance including:
 - Monitoring Information Governance performance using the Information Governance Toolkit hosted by the Health and Social Care Information Centre (HSCIC)
 - Approval of Information Governance policies and procedures
 - Ensuring any new information sharing and systems are approved to Information Governance requirements
 - Regular reports are received on Information Governance incidents and issues
- e) Review and where authorised approve, the Group's operational policies, as set out in the group's scheme of reservation and delegation.
- f) Within delegated limits, approve the service specification for corporate governance commissioning support and for managing the service level agreement for that support

9 REPORTING

- a) The committee will have the following reporting responsibilities:
 - i) To ensure that the minutes of the Finance and Performance Committee are formally recorded and submitted to the CCG Governing Body.
 - ii) The Finance and Performance Committee will produce a bi-monthly report for the Fylde and Wyre CCG Governing Body in the form of a performance dashboard report. This report will also be received by the Member Council when available.

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- iii) to ensure that conflicts and/or interests are managed in accordance with the Group's policies and procedures.
- iv) to bring to the attention of the Governing Body in a separate report, any items of specific concern which require Governing Body's approval to act.
- v) to provide exception reports to the Governing Body, highlighting any key developments /achievements or potential risks/ issues.

10 RESPONSIBILITY OF COMMITTEE MEMBERS AND ATTENDEES

Members of the committee have a responsibility to:

- a) attend 75% of meetings, having read all papers beforehand
- b) act as 'champions', disseminating information and good practice as appropriate
- c) identify agenda items to the secretary ten working days before the meeting
- d) submit papers for distribution at least five working days before the meeting

11 ADMINISTRATIVE ARRANGEMENTS

The Secretary to the Committee will ensure:

- i) correct minutes are taken, and once agreed by the chair ensure distribution of the minutes to the members of the Committee
- ii) conflicts of interest are recorded along with the arrangements for managing those conflicts
- iii) a record of matters arising is produced with issues to be carried forward
- iv) an action list is produced following each meeting and ensuring any outstanding action is carried forward on the action list until complete
- v) they provide appropriate support to the chair and committee members
- vi) the agenda is agreed with the chair prior to sending papers to members no later than five working days before the meeting
- vii) the annual programme of work of the Committee is up to date and distributed at each meeting
- viii) the minutes of the meeting are distributed within five working days of the meeting taking place
- ix) the papers of the committee are filed in accordance with the Group's policies and procedures

12 REVIEW

- a) The Committee shall conduct its business in accordance with national guidance, relevant codes of practice including the Nolan Principles and the Conflict of Interest policy.

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- b) The Committee will review its membership and terms of reference annually or sooner if required.
- c) The Committee will review its own effectiveness every two years unless there is any significant change to its remit.
- d) An annual report of its performance, membership and terms of reference with recommendations will be submitted to the Governing Body for agreement and to the Group's Member Council for approval.

February 2014

September 2014

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