

**NHS VALE OF YORK CLINICAL  
COMMISSIONING GROUP**

**SHADOW GOVERNING BODY MEETING**



**Meeting Date: 6 September 2012**

**Report Sponsor:**

Dr Mark Hayes  
Chief Clinical Officer

**Report Author:**

**1. Title of Paper: NHS Vale of York Clinical Commissioning Group Constitution**

**2. Strategic Objectives supported by this paper**

1. Improve healthcare outcomes
2. Reduce health inequalities
3. Improve the quality and safety of commissioned services
4. Improve efficiency
5. Achieve financial balance

**3. Executive Summary**

Development of the Constitution has included consultation with GP practices and the Local Medical Committee (LMC). Legal advice has also been sought.

The Constitution, which is currently out for final consultation with GP practices, describes how the CCG will operate. Members are asked to consider the Constitution, available electronically on the Vale of York CCG website [www.valeofyorkccg.nhs.uk](http://www.valeofyorkccg.nhs.uk), in the context of the ongoing consultation. Should any amendments be requested as a result of this, members will be duly informed.

**4. Evidence Base**

Not applicable

<p><b>5. Risks relating to proposals in this paper</b></p> <p>The Constitution is a requirement for the authorisation of the CCG.</p>
<p><b>6. Summary of any finance / resource implications</b></p> <p>Not applicable.</p>
<p><b>7. Any statutory / regulatory / legal / NHS Constitution implications</b></p> <p>The constitution is a requirement for CCG authorisation.</p>
<p><b>8. Equality Impact Assessment</b></p> <p>Not applicable.</p>
<p><b>9. Any related work with stakeholders or communications plan</b></p> <p>The constitution has been circulated to GP practices and the LMC.</p>
<p><b>10. Recommendations / Action Required</b></p> <p>The Shadow Governing Body is asked to approve the Constitution.</p>
<p><b>11. Assurance</b></p> <p>Not applicable.</p>

# **NHS VALE OF YORK CLINICAL COMMISSIONING GROUP**

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## **CONSTITUTION**

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Version: 1.0

NHS Commissioning Board Effective Date: **[insert date]**

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## FOREWORD

Welcome!

The words in this document are intended to set the rules and guidelines for how the CCG works and how the component parts relate to each other.

The pages that follow are full of references to rules, guidelines, Acts of Parliament and best practice, all of which are essential in safeguarding the various parties that this Constitution applies to.

However the most important section of this document is the page containing our Vision, Mission and Values. These are the words that define everything that we wish to achieve, they form our compass and they will guide us through the troubled waters that lie ahead.

We have been blessed with the good fortune to live in “interesting times”. The NHS is facing a very difficult dynamic; static budgets set against the rising demand of an increasingly elderly population. It has been estimated that this will require a 4% year on year increase in efficiency for at least the next five years. No healthcare system in the world has achieved this to date.

However we should count our blessings because we have all the ingredients required to deliver this “step change” in performance:

- Primary Care in North Yorkshire has been described as “stellar”
- York Hospital provides excellent secondary care and the recent move of Community Services into this trust has got the integration agenda off to a flying start.
- We have excellent local authorities who are keen to work with us to radically improve the way that health and social care integrate.
- With the University, Medical School and Centre for Health Economics we have world class institutions ready to help us innovate
- Finally, we are blessed with great voluntary sector groups who are keen to explore new ways of working with the statutory bodies.

The CCG is in the perfect position to link these component parts into a system that provides seamless care for our community. This is a huge challenge but we will rise to it because we know that success is within our grasp.

This Constitution forms a key building block in the creation of the NHS Vale of York Clinical Commissioning Group and the signatures in Appendix B mark the commitment of all involved to ensure that this will be the best CCG in the NHS.

Dr Mark Hayes  
Clinical Chief Officer

# 1. INTRODUCTION AND COMMENCEMENT

## 1.1. Name

- 1.1.1. The name of this clinical commissioning group is NHS Vale of York Clinical Commissioning Group.

## 1.2. Statutory Framework

- 1.2.1. Clinical commissioning groups are established under the Health and Social Care Act 2012 (“the 2012 Act”).<sup>1</sup> They are statutory bodies that have the function of commissioning services for the purposes of the health service in England and are treated as NHS bodies for the purposes of the National Health Service Act 2006 (“the 2006 Act”).<sup>2</sup> The duties of clinical commissioning groups to commission certain health services are set out in section 3 of the 2006 Act, as amended by section 13 of the 2012 Act, and the regulations made under that provision.<sup>3</sup>

- 1.2.2. The NHS Commissioning Board is responsible for determining applications from prospective groups to be established as clinical commissioning groups<sup>4</sup> and undertakes an annual assessment of each established group.<sup>5</sup> It has powers to intervene in a clinical commissioning group where it is satisfied that a group is failing or has failed to discharge any of its functions or that there is a significant risk that it will fail to do so.<sup>6</sup>

- 1.2.3. Clinical commissioning groups are clinically led membership organisations made up of general practices. The members of the clinical commissioning group are responsible for determining the governing arrangements for their organisations, which they are required to set out in a constitution.<sup>7</sup>

## 1.3. Status of this Constitution

- 1.3.1. This constitution is made between the members of NHS Vale of York Clinical Commissioning Group and has effect from 1st day of November 2012 when the NHS Commissioning Board established the group.<sup>8</sup> The constitution is published on the group’s website at [www.valeofyorkccg.nhs.uk](http://www.valeofyorkccg.nhs.uk); is available upon request for inspection at the CCG’s headquarters; and the document is available upon application, either by post from Sovereign House, 5 Kettlestring Lane, York YO30 4GQ.

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<sup>1</sup> See section 11 of the 2006 Act, inserted by section 10 of the 2012 Act

<sup>2</sup> See section 275 of the 2006 Act, as amended by paragraph 140(2)(c) of Schedule 4 of the 2012 Act

<sup>3</sup> Duties of clinical commissioning groups to commission certain health services are set out in section 3 of the 2006 Act, as amended by section 13 of the 2012 Act

<sup>4</sup> See section 14C of the 2006 Act, inserted by section 25 of the 2012 Act

<sup>5</sup> See section 14Z16 of the 2006 Act, inserted by section 26 of the 2012 Act

<sup>6</sup> See sections 14Z21 and 14Z22 of the 2006 Act, inserted by section 26 of the 2012 Act

<sup>7</sup> See in particular sections 14L, 14M, 14N and 14O of the 2006 Act, inserted by section 25 of the 2012 Act and Part 1 of Schedule 1A to the 2006 Act, inserted by Schedule 2 to the 2012 Act and any regulations issued

<sup>8</sup> See section 14D of the 2006 Act, inserted by section 25 of the 2012 Act



## 1.4. **Amendment and Variation of this Constitution**

1.4.1. This constitution can only be varied in two circumstances.<sup>9</sup>

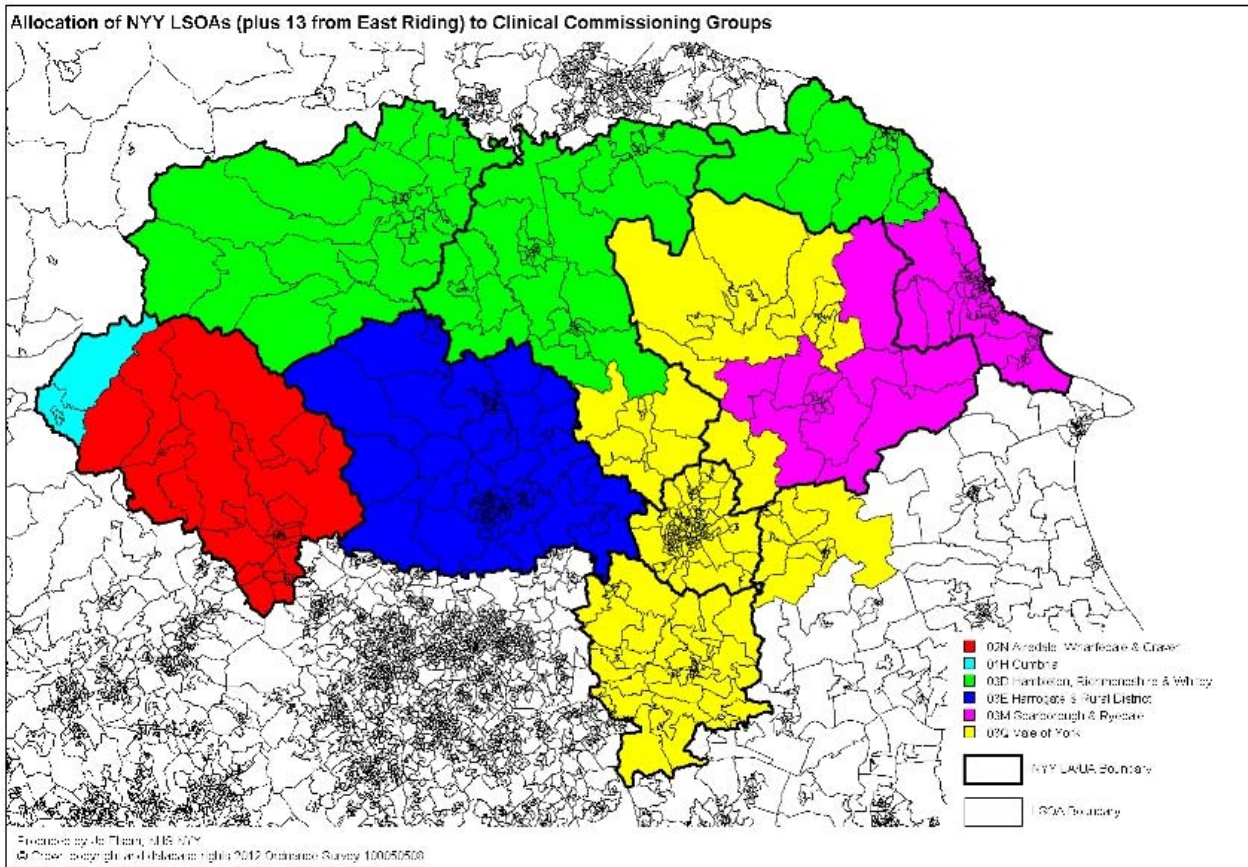
- a) where the group applies to the NHS Commissioning Board and that application is granted
- b) where in the circumstances set out in legislation the NHS Commissioning Board varies the group's constitution other than on application by the group.

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<sup>9</sup> See sections 14E and 14F of the 2006 Act, inserted by section 25 of the 2012 Act and any regulations issued

## 2. AREA COVERED

2.1. The geographical area covered by NHS Vale of York Clinical Commissioning Group is the Vale of York as shown in yellow on the map below.



### 3. MEMBERSHIP

#### 3.1. Membership of the Clinical Commissioning Group

3.1.1. The following practices comprise the members of NHS Vale of York Clinical Commissioning Group.

Practice Name	Address
Abbey Medical Group	28 Millfield Ave YO10 3AB
Beech Grove Medical Practice	1 Beech Grove, YO26 5LD
Beech Tree Surgery	68 Doncaster Road, YO8 9AJ
Dr Boffa	31 Monkgate, YO31 7WA
Dr Burgess	Whitby Drive, YO31 1EX
Clifton Medical Practice	Water Lane, YO30 6PS
The Surgery at 32 Clifton	32 Clifton, YO30 6AE
Dalton Terrace Surgery	Dalton Terrace, YO24 4DB
East Parade Medical Practice	89 East Parade, YO31 7YD
Elvington Medical Practice	York Road, YO41 4DY
Escrick Surgery	Escrick, YO19 6LE
Front Street Surgery	14 Front Street, YO24 3BZ
Gale Farm Surgery	109-119 Front Street, YO24 3BU
Gillygate Surgery	28 Gillygate, YO31 7WQ
Haxby Group Practice	2 The Village, YO32 2LL
Helmsley Surgery	Carlton Road, YO62 5HD
Dr Jones & McPherson	North Back Lane, YO61 1LL
Jorvik Medical Practice	Woolpack House, YO1 7NP
Kirkbymoorside Surgery	Tinley Garth, YO62 6AR
Minster Health	35 Monkgate, YO31 7WE
MyHealth	Southfields Road, YO32 5UA
The Old School Medical Practice	Horseman Lane, YO23 2QG
The Petergate Surgery	Towercourt Health Centre, YO30 4RZ
Pickering Surgery	Southgate, YO18 8BL
Pocklington Surgery	Barmby Road, YO42 2DL
Posterngate Surgery	Portholme Road, YO8 6QF
Dr Price & Partners	Wenlock Terrace, YO10 4DU
Priory Medical Group	Cornlands Road, YO24 3WX
Scott Road Medical Centre	Scott Road, YO8 4BL
Sherburn Group Practice	Beech Grove, LS25 6ED
South Milford Surgery	High Street, LS25 5AA
Tadcaster Medical Centre	Crab Garth, LS24 8HD
Terrington Surgery	Terrington, YO60 6PS
Tollerton Surgery	5-7 Hambleton View, YO61 1QW
Dr Westerman & Partners	Millfield Lane, YO61 3JR
York Medical Group	199 Acomb Road, YO24 4HD

3.1.2. Appendix B of this constitution contains the list of practices, together with the signatures of the practice representatives confirming their agreement to this constitution.

## 3.2. **Eligibility**

- 3.2.1. Providers of primary medical services (as defined in Regulation 2 of the National Health Service (Clinical Commissioning Groups) Regulations 2012) to a registered list of patients will be eligible to apply for membership of this group<sup>10</sup>.

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<sup>10</sup> See section 14A(4) of the 2006 Act, inserted by section 25 of the 2012. Regulations to be made

## 4. VISION, MISSION AND VALUES

4.0.1 The group will promote good governance and proper stewardship of public resources in pursuance of its goals and in meeting its statutory duties.

### 4.1. VISION

4.1.1. **To achieve the best health and well-being for everyone in our community**

### 4.2. MISSION

4.2.1. The group's aims are

- To commission excellent healthcare on behalf of, and in partnership with, everyone in our community
- To involve the wider Clinical Community in the development and implementation of services
- To enable individuals to make the best decisions concerning their own health and well-being
- To build and maintain excellent partnerships between all agencies in Health and Social Care
- To lead the local Health and Social Care system in adopting best practice from around the world
- To ensure that all this is achieved within the available resources

### 4.3. VALUES

4.3.1. The values that lie at the heart of the group's work are:

- **Communication** – Open communication, inside and outside the organisation, is essential in order for us to succeed. We recognize the messages we send out need to be clear to everyone who receives them
- **Courage** – We have the courage to believe that our community has the capacity to understand complex health issues and that it can be trusted to participate in making decisions on the allocation of health resources.
- **Empathy** – We understand that not all ills can be cured, we understand the suffering this causes and we work to reduce it..
- **Equality** – We believe that health outcomes should be the same for everyone. We will reduce unnecessary inequality.
- **Innovation** – We believe in continuous improvement and we will use the creativity of our stakeholders and staff.
- **Integrity** – We will be truthful, open and honest, and we will maintain consistency in our actions, values and principles.
- **Measurement** - Successful measurement is a cornerstone of successful improvement.
- **Prioritisation** – We will use an open and transparent process to arrive at value driven choices
- **Quality** - We strive to be the best that we can be and to deliver excellence in everything we do.

- **Respect** – We have respect for the individuals, whether they are patients or staff colleagues; we respect the culture and customs of our partner organisations.

#### 4.4. Principles of Good Governance

4.4.1. In accordance with section 14L(2)(b) of the 2006 Act,<sup>11</sup> the group will at all times observe “such generally accepted principles of good governance” in the way it conducts its business. These include:

- a) the highest standards of propriety involving impartiality, integrity and objectivity in relation to the stewardship of public funds, the management of the organisation and the conduct of its business;
- b) *The Good Governance Standard for Public Services*;<sup>12</sup>
- c) the standards of behaviour published by the *Committee on Standards in Public Life (1995)* known as the ‘Nolan Principles’<sup>13</sup>
- d) the seven key principles of the *NHS Constitution*;<sup>14</sup>
- e) the Equality Act 2010.<sup>15</sup>
- f) Standards of business conduct and managing conflicts of interest as set out in Clause 8 of this constitution

#### 4.5. Accountability

4.5.1. The group will demonstrate its accountability to its members, local people, stakeholders and the NHS Commissioning Board in a number of ways, including by:

- a) publishing its constitution;
- b) appointing lay members and non GP clinicians to its governing body; in accordance with the Regulations ( as amended from time to time)
- c) holding meetings of its governing body in public (except where the group considers that it would not be in the public interest in relation to all or part of a meeting);
- d) publishing annually a commissioning plan;
- e) complying with local authority health overview and scrutiny requirements;

<sup>11</sup> Inserted by section 25 of the 2012 Act

<sup>12</sup> *The Good Governance Standard for Public Services*, The Independent Commission on Good Governance in Public Services, Office of Public Management (OPM) and The Chartered Institute of Public Finance & Accountability (CIPFA), 2004

<sup>13</sup> See Appendix F

<sup>14</sup> See Appendix G

<sup>15</sup> See <http://www.legislation.gov.uk/ukpga/2010/15/contents>

- f) meeting annually in public to publish and present its annual report (which must be published);
- g) producing annual accounts in respect of each financial year which must be externally audited;
- h) having a published and clear complaints process;
- i) complying with the Freedom of Information Act 2000;
- j) providing information to the NHS Commissioning Board as required.

4.5.2. The governing body of the group will throughout each year have an ongoing role in reviewing the group's governance arrangements to ensure that the group continues to reflect the principles of good governance.

## 5. FUNCTIONS AND GENERAL DUTIES

### 5.1. Functions

5.1.1. The functions that the group is responsible for exercising are largely set out in the 2006 Act, as amended by the 2012 Act. They relate to:

- a) commissioning certain health services (where the NHS Commissioning Board is not under a duty to do so) that meet the reasonable needs of:
  - i. all people registered with member GP practices, and
  - ii. people who are usually resident within the area and are not registered with a member of any clinical commissioning group;
- b) commissioning emergency care for anyone present in the group's area;
- c) paying its employees' remuneration, fees and allowances in accordance with the determinations made by its governing body and determining any other terms and conditions of service of the group's employees;
- d) determining the remuneration and travelling or other allowances of members of its governing body.

5.1.2. In discharging its functions the group will:

- a) act<sup>16</sup>, when exercising its functions to commission health services, consistently with the discharge by the Secretary of State and the NHS Commissioning Board of their duty to ***promote a comprehensive health service***<sup>17</sup> and with the objectives and requirements placed on the NHS Commissioning Board through *the mandate*<sup>18</sup> published by the Secretary of State before the start of each financial year by:
  - i. delegating responsibility to the group's governing body for the development of the group's commissioning strategy and plan for approval by the group
  - ii. promoting the involvement of all group member's and the engagement of stakeholders in the development of the commissioning strategy and plan
  - iii. delegating responsibility to the group's governing body for the delivery of the commissioning strategy and plan
  - iv. requiring the governing body to report to and provide assurance to the group on the delivery of the commissioning strategy and plan and whether the intended outcomes have been achieved.

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<sup>16</sup> See section 3(1F) of the 2006 Act, inserted by section 13 of the 2012 Act

<sup>17</sup> See section 1 of the 2006 Act, as amended by section 1 of the 2012 Act

<sup>18</sup> See section 13A of the 2006 Act, inserted by section 23 of the 2012 Act



- b) ***meet the public sector equality duty***<sup>19</sup> by:
- i. delegating responsibility to the group's governing body to ensure that the policies of the group meet the requirements of the Equality Act 2010
  - ii. preparing and publishing specific and measurable equality objectives which will be reviewed at least every four years
  - iii. requiring the governing body to report to and provide assurance to the group on how the activities of the group have met the public sector equality duty
  - iv. publishing in the group's annual report on how the group has met the public sector equality duty and how the group has performed in relation to the agreed equality objectives.
- c) work in partnership with its local authority[ies] to develop ***joint strategic needs assessments***<sup>20</sup> and ***joint health and wellbeing strategies***<sup>21</sup> by:
- i. participation in the relevant Health and Wellbeing Board
  - ii. nominating representatives to represent the views of the group at the relevant Health and Wellbeing Boards
  - iii. seeking the views of group members and stakeholders to inform the development of the joint strategic needs assessments and joint health and wellbeing strategies in partnership with the relevant Health and Wellbeing Board.

## 5.2. General Duties

5.2.1. In discharging its functions the Group will;

- a) make arrangements to ***secure public involvement*** in the planning, development and consideration of proposals for changes and decisions affecting the operation of commissioning arrangements<sup>22</sup>. The NHS Vale of York Clinical Commissioning Group will ensure that the views and needs of the public are obtained prior to making decisions about how the care provided to them is delivered by:
- i. Working in partnership with patients and the local community to secure the best care for them

<sup>19</sup> See section 149 of the Equality Act 2010, as amended by paragraphs 184 and 186 of Schedule 5 of the 2012 Act

<sup>20</sup> See section 116 of the Local Government and Public Involvement in Health Act 2007, as amended by section 192 of the 2012 Act

<sup>21</sup> See section 116A of the Local Government and Public Involvement in Health Act 2007, as inserted by section 191 of the 2012 Act

<sup>22</sup> See section 14Z2 of the 2006 Act, inserted by section 26 of the 2012 Act

- ii. Adopting engagement activities to meet the specific needs of the different groups and communities
  - iii. Publishing up to date information about health services on the group's website and through other media
  - iv. Developing feedback mechanisms and encouraging and acting on feedback
  - v. Delegating responsibility to the group's governing body to ensure that effective public involvement mechanisms are designed, developed and implemented
  - vi. Requiring the governing body to report to and provide assurance to the group on how public involvement has been secured and influenced the decision making of the group and its governing body.
- b) **Promote awareness of, and act with a view to securing that health services are provided in a way that promotes awareness of, and have regard to the NHS Constitution<sup>23</sup>** by:
- i. Delegating responsibility to the group's governing body to promote the NHS Constitution and to commission health services in a way that ensures compliance with the principles of the NHS Constitution
  - ii. Requiring the governing body to report to and provide assurance to the group on how the principles of the NHS Constitution have been secured through the activities of the group and the governing body on its behalf.
- c) Act **effectively, efficiently and economically<sup>24</sup>** by:
- i. Delegating responsibility to the Group's governing body to ensure that the Group will act effectively, efficiently and economically in security the provision of health services for the population
  - ii. Requiring the governing body to consider effectiveness, efficiency and economy in its decision making processes
  - iii. Requiring the governing body to report to and provide assurance to the group on how the principles of effectiveness, efficiency and economy have been secured in the commissioning activities undertaken on behalf of the group.
- d) Act with a view to **securing continuous improvement to the quality of services<sup>25</sup>** by:

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<sup>23</sup> See section 14P of the 2006 Act, inserted by section 26 of the 2012 Act and section 2 of the Health Act 2009 (as amended by 2012 Act)

<sup>24</sup> See section 14Q of the 2006 Act, inserted by section 26 of the 2012 Act

<sup>25</sup> See section 14R of the 2006 Act, inserted by section 26 of the 2012 Act

- i. Delegating responsibility to the group's governing body to secure continuous improvement to the quality of services
  - ii. Requiring the governing body to report to and provide assurance to the group on how improvement in the quality of services has been secured and how this has impacted on quality outcomes.
- e) Assist and support the NHS Commissioning Board in relation to the Board's duty to ***improve the quality of primary medical services***<sup>26</sup> by:
  - i. Delegating responsibility to the group's governing body to assist the NHS Commissioning Board in improving the quality of primary medical services
  - ii. Requiring the governing body to report to and provide assurance to the group on how the governing body has assisted and supported the NHS Commissioning Board in securing improvement in the quality of primary medical services.
- f) Have regard to the need to ***reduce inequalities***<sup>27</sup> by:
  - i. Delegating responsibility to the group's governing body to develop a strategy that will aim to secure the provision of health care services in a way that seeks to reduce inequalities
  - ii. Requiring the governing body to report to and provide assurance to the group on how inequalities have been reduced.
- g) ***Promote the involvement of patients, their carers and representatives in decisions about their healthcare***<sup>28</sup> by:
  - i. Delegating responsibility to the group's governing body to develop and implement a strategy to secure the involvement of patients, their carers and representatives in the decisions taken about healthcare provision
  - ii. Requiring the governing body to report to and provide assurance to the group on how the involvement of patients, their carers and representatives have been secured and how this has impacted on the decision making process.
- h) Act with a view to ***enabling patients to make choices***<sup>29</sup> by:
  - i. Delegating responsibility to the group's governing body to secure the provision of healthcare services that allows patients to make choices

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<sup>26</sup> See section 14S of the 2006 Act, inserted by section 26 of the 2012 Act

<sup>27</sup> See section 14T of the 2006 Act, inserted by section 26 of the 2012 Act

<sup>28</sup> See section 14U of the 2006 Act, inserted by section 26 of the 2012 Act

<sup>29</sup> See section 14V of the 2006 Act, inserted by section 26 of the 2012 Act

- ii. Delegating responsibility to the group's governing body to develop a policy that supports patients to be able to make choices
  - iii. Requiring the governing body to report to and provide assurance to the group on how patients have been enabled to make choices.
- i) **Obtain appropriate advice**<sup>30</sup> from persons who, taken together, have a broad range of professional expertise in healthcare and public health by:
- i. Delegating responsibility to the group's governing body to obtain appropriate advice from persons who have a board range of professional expertise
  - ii. Requiring the governing body to report to and provide assurance to the group on how advice has been sought and obtained and the impact this has had on how healthcare services have been secured.
- j) **Promote innovation**<sup>31</sup> by:
- i. Delegating responsibility to the group's governing body to promote innovation in how healthcare services are provided
  - ii. Requiring the governing body to report to and provide assurance to the group on how innovation has been achieved in securing the provision of health services.
- k) **Promote research and the use of research**<sup>32</sup> by:
- i. Delegating responsibility to the group's governing body to promote the use of research on matters relevant to the health service and the use of evidence from research to inform the commissioning strategy of the group and in securing the provision of healthcare services
  - ii. Requiring the governing body to report to and provide assurance to the group on how research has been used to inform decisions taken to secure the provision of the healthcare services.
- l) Have regard to the need to **promote education and training**<sup>33</sup> for persons who are employed, or who are considering becoming employed, in an activity which involves or is connected with the provision of services as part of the health service in England so as to assist the Secretary of State for Health in the discharge of his related duty<sup>34</sup> by:

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<sup>30</sup> See section 14W of the 2006 Act, inserted by section 26 of the 2012 Act

<sup>31</sup> See section 14X of the 2006 Act, inserted by section 26 of the 2012 Act

<sup>32</sup> See section 14Y of the 2006 Act, inserted by section 26 of the 2012 Act

<sup>33</sup> See section 14Z of the 2006 Act, inserted by section 26 of the 2012 Act

<sup>34</sup> See section 1F(1) of the 2006 Act, inserted by section 7 of the 2012 Act

- i. Delegating responsibility to the group's governing body to promote education and training for those individuals involved in the provision of healthcare services
  - ii. Nominating the Clinical Chief Officer to attend and represent the views of the group as required by the Local Education and Training Board and the Chief Operating Officer to deputise should Clinical Chief Officer not be able to attend
  - iii. Requiring the governing body to report to and provide assurance to the group on how it has promoted and education and training in its activities.
- m) Act with a view to ***promoting integration*** of both health services with other health services *and* health services with health-related and social care services where the group considers that this would improve the quality of services or reduce inequalities<sup>35</sup> by:
- i. Delegating responsibility to the group's governing body to promote integration with other health services and health services with health-related and social care services
  - ii. Requiring the governing body to report to and provide assurance to the group on how it has promoted integration.

### 5.3. General Financial Duties

5.3.1 The group will perform its functions so as to:

- a) ***Ensure its expenditure does not exceed the aggregate of its allotments for the financial year***<sup>36</sup> by
- i. Delegating responsibility to the group's governing body to ensure expenditure does not exceed the aggregate of its allotments for the financial year, including approval of budgets for the financial year
  - ii. Requiring the Chief Financial Officer to maintain effective financial and reporting systems that provide accurate information to the governing body on a regular basis
  - iii. Requiring the governing body to report to and provide assurance to the group on how it has met the duty to ensure expenditure does not exceed the aggregate of its allotments for the financial year.
- b) ***Ensure its use of resources (both its capital resource use and revenue resource use) does not exceed the amount specified by the NHS Commissioning Board for the financial year***<sup>37</sup> by

<sup>35</sup> See section 14Z1 of the 2006 Act, inserted by section 26 of the 2012 Act

<sup>36</sup> See section 223H(1) of the 2006 Act, inserted by section 27 of the 2012 Act

<sup>37</sup> See sections 223I(2) and 223I(3) of the 2006 Act, inserted by section 27 of the 2012 Act

- i. Delegating responsibility to the group's governing body to ensure its use of resources does not exceed the amount specified by the NHS Commissioning Board for the financial year
  - ii. Requiring the Chief Financial Officer to maintain effective financial and reporting systems that provide accurate information to the governing body on a regular basis
  - iii. Requiring the governing body to report to and provide assurance to the group on how it has met the duty to ensure its use of resources does not exceed the amount specified by the NHS Commissioning Board for the financial year
- c) ***Take account of any directions issued by the NHS Commissioning Board, in respect of specified types of resource use in a financial year, to ensure the group does not exceed an amount specified by the NHS Commissioning Board***<sup>38</sup> by
- i. Delegating responsibility to the group's governing body to ensure the group does not exceed an amount specified by the NHS Commissioning Board
  - ii. Requiring the Chief Financial Officer to maintain effective financial and reporting systems that provide accurate information to the governing body on a regular basis
  - iii. Requiring the governing body to report to and provide assurance to the group on how it has met the duty to ensure the group does not exceed an amount specified by the NHS Commissioning Board.
- d) ***Publish an explanation of how the group spent any payment in respect of quality*** made to it by the NHS Commissioning Board<sup>39</sup> by
- i. Delegating responsibility to the governing body to decide how payments received in respect of quality should be spent
  - ii. Requiring the Chief Financial Officer to maintain effective financial and reporting systems that provide accurate information on how any payments in respect of quality have been spent
  - iii. Requiring the governing body to report to and provide assurance to the group on how it has spent any payment made to the group in respect of quality.

## 5.4. Other Relevant Regulations, Directions and Documents

### 5.4.1. The group will

<sup>38</sup> See section 223J of the 2006 Act, inserted by section 27 of the 2012 Act

<sup>39</sup> See section 223K(7) of the 2006 Act, inserted by section 27 of the 2012 Act

- a) comply with all relevant regulations;
- b) comply with directions issued by the Secretary of State for Health or the NHS Commissioning Board; and
- c) take account, as appropriate, of documents issued by the NHS Commissioning Board.

5.4.2. The group will develop and implement the necessary systems and processes to comply with these regulations and directions, documenting them as necessary in this constitution, its scheme of reservation and delegation and other relevant group policies and procedures.

## **6. DECISION MAKING: THE GOVERNING STRUCTURE**

### **6.1 Authority to act**

6.1.1 The clinical commissioning group is accountable for exercising the statutory functions of the group. It may grant authority to act on its behalf to:

- a) any of its members;
- b) its governing body;
- c) employees;
- d) a committee or sub-committee of the group.

6.1.2 The extent of the authority to act of the respective bodies and individuals depends on the powers delegated to them by the group as expressed through:

- a) the group's scheme of reservation and delegation; and
- b) for committees, their terms of reference.

### **6.2 Scheme of Reservation and Delegation<sup>40</sup>**

6.2.1 The group's scheme of reservation and delegation sets out:

- a) those decisions that are reserved for the membership as a whole;
- b) those decisions that are the responsibilities of its governing body (and its committees), the group's committees and sub-committees, individual members and employees.

6.2.2 The clinical commissioning group remains accountable for all of its functions, including those that it has delegated.

### **6.3 General**

6.3.1 In discharging functions of the group that have been delegated to its governing body (and its committees), committees and individuals must:

- a) comply with the group's principles of good governance,<sup>41</sup>
- b) operate in accordance with the group's scheme of reservation and delegation,<sup>42</sup>
- c) comply with the group's standing orders,<sup>43</sup>

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<sup>40</sup> See Appendix D

<sup>41</sup> See section 4.4 on Principles of Good Governance above

<sup>42</sup> See appendix D

<sup>43</sup> See appendix C



- d) comply with the group's arrangements for discharging its statutory duties,<sup>44</sup>
- e) where appropriate, ensure that member practices have had the opportunity to contribute to the group's decision making process.

6.3.2 When discharging their delegated functions committees must also operate in accordance with their approved terms of reference.

## 6.4 Joint Arrangements

6.4.1 The group will enter into joint arrangements with other Clinical Commissioning Groups and Local Authorities as appropriate to secure commissioned services for their population.

## 6.5 The Governing Body

6.5.1 **Functions** - the governing body has the following functions conferred on it by sections 14L(2) and (3) of the 2006 Act, inserted by section 25 the 2012 Act, together with any other functions connected with its main functions as may be specified in regulations or in this constitution.<sup>45</sup> The governing body may also have functions of the clinical commissioning group delegated to it by the group. Where the group has conferred additional functions on the governing body connected with its main functions, or has delegated any of the group's functions to its governing body, these are set out from paragraph 6.4.1(d) below. The governing body has responsibility for:

- a) ensuring that the group has appropriate arrangements in place to exercise its functions *effectively, efficiently and economically* and in accordance with the groups *principles of good governance*<sup>46</sup> (its main function);
- b) determining the remuneration, fees and other allowances payable to employees or other persons providing services to the group and the allowances payable under any pension scheme it may establish under paragraph 11(4) of Schedule 1A of the 2006 Act, inserted by Schedule 2 of the 2012 Act;
- c) approving any functions of the group that are specified in regulations;<sup>47</sup>
- d) exercising the functions and responsibilities specified in Appendix D

6.5.2 **Composition of the Governing Body** - the governing body shall not have less than 10 and comprises of:

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<sup>44</sup> See chapter 5 above

<sup>45</sup> See section 14L(3)(c) of the 2006 Act, as inserted by section 25 of the 2012 Act

<sup>46</sup> See section 4.4 on Principles of Good Governance above

<sup>47</sup> See section 14L(5) of the 2006 Act, inserted by section 25 of the 2012 Act

- a) Lay person has knowledge about the area specified in the CCG's Constitution such as to enable the person to express informed views about the discharge of the CCG's functions.
- b) Lay person who has qualifications, expertise or experience such as to enable the person to express informed views about financial management and audit matters;
- c) Three General Practitioners with management responsibility
- f) Four other General Practitioners
- g) One Registered Nurse, other than excluded under Regulation 12(1)
- h) One Secondary Care Specialist Doctor, other than one excluded under Regulation 12(1)
- i) Chief Clinical Officer;
- j) An employee of the CCG who has a professional qualification in accountancy and the expertise or experience to lead the financial management of the CCG (who will be the CCG's Chief Finance Officer)
- k) Chief Operating Officer

6.5.3 **Committees of the Governing Body** - the governing body has appointed the following committees and sub-committees:

- a) **Audit Committee** – the audit committee, which is accountable to the group's governing body, provides the governing body with an independent and objective view of the group's financial systems, financial information and compliance with laws, regulations and directions governing the group in so far as they relate to finance. The governing body has approved and keeps under review the terms of reference for the audit committee, which includes information on the membership of the audit committee<sup>48</sup>.

In addition the group or the governing body has conferred or delegated the following functions, connected with the governing body's main function<sup>49</sup>, to its audit committee:

- i. The Committee shall review the establishment and maintenance of an effective system of integrated governance, internal control and risk across the whole of the Clinical Commissioning Group's activities that supports the achievement of its objectives.
- ii. The Committee will review the adequacy and effectiveness of all risk and control related disclosure statements, together with any appropriate

<sup>48</sup> See appendix [insert] for the terms of reference of the Audit Committee

<sup>49</sup> See section 14L(2) of the 2006 Act, inserted by section 25 of the 2012 Act

independent assurances, prior to endorsement by the Clinical Commissioning Group

- iii. The Committee will review the adequacy and effectiveness of the underlying assurance processes that indicate the degree of achievement of the management of principal risks and the appropriateness of the disclosure statements
  - iv. The Committee will review the adequacy and effectiveness of the policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements and related reporting and self certification
  - v. The Committee will review the adequacy and effectiveness of the policies and procedures for all work related to fraud and corruption as required by regulations, including reviewing the outcomes of counter fraud work and approving the counter fraud work programme
  - vi. The Committee shall ensure that there is an effective internal audit function that meets mandatory NHS Internal Audit Standards and provides appropriate independent assurance to the Audit Committee, Clinical Chief Officer and Clinical Commissioning Group. The Committee will consider the findings of internal audit work and will review and approve the internal audit work programme.
  - vii. The Committee shall review the work and findings of the external auditors, including the report to those charged with governance, and consider the implications and Chief Clinical Officer and/or Chief Finance Officer's responses to their work
  - viii. The Committee will consider the external auditors local evaluation of audit risks and assessment of the Clinical Commissioning Group and the associated impact on the audit fee
  - ix. The Committee shall review the findings of other significant assurance functions, both internal and external and consider the implications for the governance of the Clinical Commissioning Group.
- b) **Remuneration Committee** – the remuneration committee, which is accountable to the group's governing body makes recommendations to the governing body on determinations about the remuneration, fees and other allowances for employees and for people who provide services to the group and on determinations about allowances under any pension scheme that the group may establish as an alternative to the NHS pension scheme. The governing body has approved and keeps under review the terms of reference for the remuneration committee, which includes information on the membership of the remuneration committee<sup>50</sup>.

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<sup>50</sup> See appendix [insert] for the terms of reference of the remuneration committee

In addition the group or the governing body has conferred or delegated the following functions, connected with the governing body's main function, to its remuneration committee:

- i. Determining the remuneration and conditions of service of the senior team (for the purposes of this constitution the expression "senior team" shall include any person remunerated on the very senior manager payscale)
  - ii. Reviewing the performance of the Clinical Chief Officer and other senior team members and determining annual salary awards
  - iii. Considering the severance payments of the Clinical Chief Officer and other senior staff, seeking HM Treasury approval as appropriate in accordance with the guidance 'Managing Public Money.'
  - iv. To review and approve the business case for redundancy for all employees, including the proper calculation and scrutiny of such termination payments taking account of national guidance as is appropriate
- c) The Governing Body may create, from time to time, any committees with such delegated powers that it deems necessary to fulfil its obligations.

## **7. ROLES AND RESPONSIBILITIES**

7.0.1 The CCG is a member organisation and each member has a right to expect certain behaviours from their colleagues. The CCG recognises that GPs' primary responsibility is to their patients as laid down in the GMC's publication "Good Medical Practice"

### **7.1. Member Practices**

7.1.1. The members are responsible to the CCG for the following;

- a) To consider, and where appropriate, address identified areas of variation in clinical practice
- b) To actively engage with the CCG to help improve services within the area
- c) To share appropriate referral, prescribing and emergency admissions data
- d) To follow the clinical pathways and referral protocols agreed by the CCG, through its Governing Body (except in individual cases where there are justified clinical reasons for not doing this, in accordance with the individual Funding Process from time to time approved)
- e) To manage the practices prescribing
- f) To participate in and deliver, as far as possible, the clinical and cost effective strategies agreed by the CCG, through its Governing Body
- g) To establish a Patient Reference Group as a means of obtaining the views and experiences of patients and carers
- h) To work constructively with the GP Forum ( the monthly meeting of representatives from each practice)
- i) To respond in a timely manner to reasonable information requests from the CCG, through the Governing Body
- j) To work constructively with other member practices in achieving financial balance
- k) To nominate commissioning and prescribing leads to represent the practice at CCG and GP Forum meetings and represent the needs of the practice's patient population within the CCG

### **7.2. The Governing Body**

7.2.1. The Governing Body is responsible to the member practices for the following:

- a) To ensure the availability of timely, relevant, accurate and accessible data

- b) To actively engage with the member practices to manage, monitor and improve services within the area
- c) To share appropriate referral, prescribing and emergency admissions data
- d) To develop, in partnership with member practices, clinical pathways and referral protocols
- e) To support practices in managing their prescribing
- f) To engage with the member practices to develop clinical and cost-effective strategies
- g) To produce and implement a patient engagement strategy
- h) To ensure that demands for information are reasonable in nature and scope
- i) To oversee the commissioning budget for the member practices and to support them in achieving financial balance
- j) To communicate decisions and developments to all GPs (regardless of contractual status) in a timely fashion
- k) To recognise and engage with the Local Medical Committee as local statutory representatives of the profession
- l) For appropriate CCG Governing Body representative(s) to meet Officers of North Yorkshire LMC on a regular basis
- m) For appropriate CCG Governing Body representative(s) to attend LMC Division meetings

### **7.3. Council of Representatives**

7.3.1. The Council of Representatives includes a representative nominated from each practice. The Council will meet quarterly with one meeting being the Annual General Meeting for the CCG.

7.3.2. Practice representatives represent their practice's views and act on behalf of the practice in matters relating to the group

#### *7.3.3. Voting*

- a) Each representative will have a weighted number of votes on behalf of their practice.
- b) The formula for voting will be one vote per practice plus an additional vote for every 3000 registered patients e.g. Practice A with 2500 patients has **one** vote and Practice B with 3100 patients has **two** votes. A practice representative

holding more than one vote need not necessarily cast each vote in the same manner.

- c) Practices may apply to use a Proxy Vote if they are unable to attend the Council. A practice shall give not less than 5 days' notice in writing to the chair of the meeting for the appointment of a proxy who must in themselves be eligible for appointment as a practice representative.
- d) A vote can be triggered by the request of **five** practices
- e) The usual majority for the Council will be a simple majority
- f) No single practice shall have a right of veto

#### **7.4. All Members of the Group's Governing Body**

- 7.4.1. Guidance on the roles of members of the group's governing body is set out in a separate document<sup>51</sup>. In summary, each member of the governing body should share responsibility as part of a team to ensure that the group exercises its functions effectively, efficiently and economically, with good governance and in accordance with the terms of this constitution. Each brings their unique perspective, informed by their expertise and experience.
- 7.4.2. GP Governing Body Member vacancies will be advertised to all GPs (non-principals, salaried and partners) within the Vale of York. Any GP can apply to a vacant Governing Body Member post and they will be assessed for competency, eg the National Leadership Framework, against a Curriculum Vitae and a letter of application. Assessment shall be in accordance with any arrangements made by the Governing Body
- 7.4.3. Lay Members, Nurse and Secondary Clinician Members vacancies will be advertised. Applicants will be assessed against a Curriculum Vitae and a letter of application. Assessment shall be in accordance with any arrangements made by the Governing Body
- 7.4.4. The Governing Body may co-opt other members as it sees fit from time to time and shall specify whether those co-opted members shall have a vote.
- 7.4.5. Any Governing Body Member may resign in writing to the Clinical Chief Officer with a notice period as specified in their contract of appointment
- 7.4.6. Individual Governing Body Members may be removed from office following the performance management procedures in operation at the time

#### **7.5. The Chair of the Governing Body**

- 7.5.1. The chair of the governing body is responsible for:

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<sup>51</sup> Draft *clinical commissioning group Governing Body Members – Roles Attributes and Skills*, NHS Commissioning Board Authority, March 2012

- a) leading the governing body, ensuring it remains continuously able to discharge its duties and responsibilities as set out in this constitution;
- b) building and developing the group's governing body and its individual members;
- c) ensuring that the group has proper constitutional and governance arrangements in place;
- d) ensuring that, through the appropriate support, information and evidence, the governing body is able to discharge its duties;
- e) supporting the Clinical Chief Officer in discharging the responsibilities of the organisation;
- f) contributing to building a shared vision of the aims, values and culture of the organisation;
- g) leading and influencing to achieve clinical and organisational change to enable the group to deliver its commissioning responsibilities;
- h) overseeing governance and particularly ensuring that the governing body and the wider group behaves with the utmost transparency and responsiveness at all times;
- i) ensuring that public and patients' views are heard and their expectations understood and, where appropriate as far as possible, met;
- j) ensuring that the organisation is able to account to its local patients, stakeholders and the NHS Commissioning Board;
- k) ensuring that the group builds and maintains effective relationships, particularly with the individuals involved in overview and scrutiny from the relevant local authority(ies).

## **7.6. The Deputy Chair of the Governing Body**

7.6.1. The deputy chair of the governing body deputises for the chair of the governing body where he or she has a conflict of interest or is otherwise unable to act.

- a) The Deputy Chairman will be appointed by the Clinical Chief Officer of the Governing Body
- b) The post will be reviewed by the Clinical Chief Officer annually
- c) The post holder may resign in writing to the Clinical Chief Officer
- d) The post holder may be removed from office following the performance management procedures in operation at the time



## **7.7. Role of the Clinical Chief Officer**

7.7.1. The Clinical Chief Officer of the group is a member of the governing body.

7.7.2. The role of Clinical Chief Officer will be;

- a) being responsible for ensuring that the clinical commissioning group fulfils its duties to exercise its functions effectively, efficiently and economically thus ensuring improvement in the quality of services and the health of the local population whilst maintaining value for money;
- b) at all times ensuring that the regularity and propriety of expenditure is discharged, and that arrangements are put in place to ensure that good practice (as identified through such agencies as the Audit Commission and the National Audit Office) is embodied and that safeguarding of funds is ensured through effective financial and management systems.
- c) working closely with the chair of the governing body, the Clinical Chief Officer will ensure that proper constitutional, governance and development arrangements are put in place to assure the members (through the governing body) of the organisation's ongoing capability and capacity to meet its duties and responsibilities. This will include arrangements for the ongoing developments of its members and staff.

7.7.3. In addition to the Clinical Chief Officer's general duties, as the senior clinical voice of the group, they will take the lead in interactions with stakeholders, including the NHS Commissioning Board.

## **7.8. Role of the Chief Finance Officer**

7.8.1. The Chief Finance Officer is a member of the governing body and is responsible for providing financial advice to the clinical commissioning group and for supervising financial control and accounting systems

7.8.2. The role of Chief Finance Officer will be:

- a) being the governing body's professional expert on finance and ensuring, through robust systems and processes, the regularity and propriety of expenditure is fully discharged;
- b) making appropriate arrangements to support, monitor on the group's finances;
- c) overseeing robust audit and governance arrangements leading to propriety in the use of the group's resources;
- d) being able to advise the governing body on the effective, efficient and economic use of the group's allocation to remain within that allocation and deliver required financial targets and duties; and

- e) producing the financial statements for audit and publication in accordance with the statutory requirements to demonstrate effective stewardship of public money and accountability to the NHS Commissioning Board.

## **7.9. Joint Appointments with other Organisations**

- 7.9.1. The Governing Body shall have the power to make joint appointments in conjunction with such other bodies as it sees fit.

## **8. STANDARDS OF BUSINESS CONDUCT AND MANAGING CONFLICTS OF INTEREST**

### **8.1. Standards of Business Conduct**

- 8.1.1. Employees, members, committee and sub-committee members of the group and members of the governing body (and its committees) will at all times comply with this constitution and be aware of their responsibilities as outlined in it. They should act in good faith and in the interests of the group and should follow the *Seven Principles of Public Life*, set out by the Committee on Standards in Public Life (the Nolan Principles) The Nolan Principles are incorporated into this constitution at Appendix F.
- 8.1.2. They must comply with the group's policy on business conduct, including the requirements set out in the policy for managing conflicts of interest.
- a) This policy will be available on the group's website at [www.valeofyorkcccg.nhs.uk](http://www.valeofyorkcccg.nhs.uk)
  - b) This document will be available upon request for inspection at the headquarters of the Vale of York Clinical Commissioning Group. The document is available upon application from Sovereign House, Kettlestring lane, York, YO30 4GQ
- 8.1.3. Individuals contracted to work on behalf of the group or otherwise providing services or facilities to the group will be made aware of their obligation with regard to declaring conflicts or potential conflicts of interest. This requirement will be written into their contract for services.

### **8.2. Conflicts of Interest**

- 8.2.1. As required by section 14O of the 2006 Act, as inserted by section 25 of the 2012 Act, the clinical commissioning group will make arrangements to manage conflicts and potential conflicts of interest to ensure that decisions made by the group will be taken and seen to be taken without any possibility of the influence of external or private interest.
- 8.2.2. Where an individual, i.e. an employee, group member, member of the governing body, or a member of a committee or a sub-committee of the group or its governing body has an interest, or perceived interest or becomes aware of an interest which could lead to a conflict of interests in the event of the group considering an action or decision in relation to that interest, that must be considered as a potential conflict, and is subject to the provisions of this constitution.
- 8.2.3. A conflict of interest will include but is not limited to:
- a) a direct pecuniary interest: where an individual may financially benefit from the consequences of a commissioning decision (for example, as a provider of services);

- b) an indirect pecuniary interest: for example, where an individual is a partner, member or shareholder in an organisation that will benefit financially from the consequences of a commissioning decision;
- c) a non-pecuniary interest: where an individual holds a non-remunerative or not-for profit interest in an organisation, that will benefit from the consequences of a commissioning decision (for example, where an individual is a trustee of a voluntary provider that is bidding for a contract);
- d) a non-pecuniary personal benefit: where an individual may enjoy a qualitative benefit from the consequence of a commissioning decision which cannot be given a monetary value (for example, a reconfiguration of hospital services which might result in the closure of a busy clinic next door to an individual's house);
- e) where an individual is closely related to, or in a relationship, including friendship, with an individual in the above categories.

8.2.4. If in doubt, the individual concerned should assume that a potential conflict of interest exists.

### **8.3. Declaring and Registering Interests**

8.3.1. The group will maintain one or more registers of the interests of:

- a) the members of the group;
- b) the members of its governing body;
- c) the members of its committees or sub-committees and the committees or sub-committees of its governing body; and
- d) its employees.

8.3.2. The registers will be published on the group's website at [www.valeofyorkccg.nhs.uk](http://www.valeofyorkccg.nhs.uk)

8.3.3. This document will be available upon request for inspection at the headquarters of the Vale of York Clinical Commissioning Group. The document is available upon application from Sovereign House, Kettlestring lane, York, YO30 4GQ

8.3.4. Individuals will declare any interest that they have, in relation to a decision to be made in the exercise of the commissioning functions of the group, in writing to the governing body, as soon as they are aware of it and in any event no later than 28 days after becoming aware.

8.3.5. Where an individual is unable to provide a declaration in writing, for example, if a conflict becomes apparent in the course of a meeting, they will make an oral declaration before witnesses, and provide a written declaration as soon as possible thereafter.

8.3.6. The Chairman of the Audit Committee will ensure that the register of interest is reviewed regularly, and updated as necessary.

#### **8.4. Managing Conflicts of Interest: general**

8.4.1. Individual members of the group, the governing body, committees or sub-committees, the committees or sub-committees of its governing body and employees will comply with the arrangements determined by the group for managing conflicts or potential conflicts of interest.

8.4.2. The Chairman of the Audit Committee will ensure that for every interest declared, either in writing or by oral declaration, arrangements are in place to manage the conflict of interests or potential conflict of interests, to ensure the integrity of the group's decision making processes.

8.4.3. Arrangements for the management of conflicts of interest are to be determined by the Chairman of the Audit Committee and will include the requirement to put in writing to the relevant individual arrangements for managing the conflict of interests or potential conflicts of interests, within a week of declaration. The arrangements will confirm the following:

- a) when an individual should withdraw from a specified activity, on a temporary or permanent basis;
- b) monitoring of the specified activity undertaken by the individual, either by a line manager, colleague or other designated individual.

8.4.4. Where an interest has been declared, either in writing or by oral declaration, the declarer will ensure that before participating in any activity connected with the group's exercise of its commissioning functions, they have received confirmation of the arrangements to manage the conflict of interest or potential conflict of interest from the Chairman of the Audit Committee

8.4.5. Where an individual member, employee or person providing services to the group is aware of an interest which:

- a) has not been declared, either in the register or orally, they will declare this at the start of the meeting;
- b) has previously been declared, in relation to the scheduled or likely business of the meeting, the individual concerned will bring this to the attention of the chair of the meeting, together with details of arrangements which have been confirmed for the management of the conflict of interests or potential conflict of interests.

The chair of the meeting will then determine how this should be managed and inform the member of their decision. Where no arrangements have been confirmed, the chair of the meeting may require the individual to withdraw from the meeting or part of it. The individual will then comply with these arrangements, which must be recorded in the minutes of the meeting.

- 8.4.6. Where the chair of any meeting of the group, including committees, sub-committees, or the governing body and the governing body's committees and sub-committees, has a personal interest, previously declared or otherwise, in relation to the scheduled or likely business of the meeting, they must make a declaration and the deputy chair will act as chair for the relevant part of the meeting. Where arrangements have been confirmed for the management of the conflict of interests or potential conflicts of interests in relation to the chair, the meeting must ensure these are followed. Where no arrangements have been confirmed, the deputy chair may require the chair to withdraw from the meeting or part of it. Where there is no deputy chair, the members of the meeting will select one.
- 8.4.7. Any declarations of interests, and arrangements agreed in any meeting of the clinical commissioning group, committees or sub-committees, or the governing body, the governing body's committees or sub-committees, will be recorded in the minutes.
- 8.4.8. Where more than 50% of the members of a meeting are required to withdraw from a meeting or part of it, owing to the arrangements agreed for the management of conflicts of interests or potential conflicts of interests, the chair (or deputy) will determine whether or not the discussion can proceed.
- 8.4.9. In making this decision the chair will consider whether the meeting is quorate, in accordance with the number and balance of membership set out in the group's standing orders. Where the meeting is not quorate, owing to the absence of certain members, the discussion will be deferred until such time as a quorum can be convened. Where a quorum cannot be convened from the membership of the meeting, owing to the arrangements for managing conflicts of interest or potential conflicts of interests, the chair of the meeting shall consult with Chairman of the Audit Committee on the action to be taken.
- 8.4.10. This may include:
- a) requiring another of the group's committees or sub-committees, the group's governing body or the governing body's committees or sub-committees (as appropriate) which can be quorate to progress the item of business, or if this is not possible,
  - b) inviting on a temporary basis one or more of the following to make up the quorum (where these are permitted members of the governing body or committee / sub-committee in question) so that the group can progress the item of business:
    - i. a member of the clinical commissioning group who is an individual;
    - ii. an individual appointed by a member to act on its behalf in the dealings between it and the clinical commissioning group;
    - iii. a member of a relevant Health and Wellbeing Board;
    - iv. a member of a governing body of another clinical commissioning group.

These arrangements must be recorded in the minutes.

- 8.4.11. In any transaction undertaken in support of the clinical commissioning group's exercise of its commissioning functions (including conversations between two or more individuals, e-mails, correspondence and other communications), individuals must ensure, where they are aware of an interest, that they conform to the arrangements confirmed for the management of that interest. Where an individual has not had confirmation of arrangements for managing the interest, they must declare their interest at the earliest possible opportunity in the course of that transaction, and declare that interest as soon as possible thereafter. The individual must also inform either their line manager (in the case of employees), or the Chairman of the Audit Committee of the transaction.
- 8.4.12. The Chairman of the Audit Committee will take such steps as deemed appropriate, and request information deemed appropriate from individuals, to ensure that all conflicts of interest and potential conflicts of interest are declared

## **8.5. Managing Conflicts of Interest: contractors and people who provide services to the group**

- 8.5.1. Anyone seeking information in relation to a procurement, or participating in a procurement, or otherwise engaging with the clinical commissioning group in relation to the potential provision of services or facilities to the group, will be required to make a declaration of any relevant conflict / potential conflict of interest.
- 8.5.2. Anyone contracted to provide services or facilities directly to the clinical commissioning group will be subject to the same provisions of this constitution in relation to managing conflicts of interests. This requirement will be set out in the contract for their services.

## **8.6. Transparency in Procuring Services**

- 8.6.1. The group recognises the importance in making decisions about the services it procures in a way that does not call into question the motives behind the procurement decision that has been made. The group will procure services in a manner that is open, transparent, non-discriminatory and fair to all potential providers.
- 8.6.2. The group will publish a Procurement Strategy approved by its governing body which will ensure that:
- a) all relevant clinicians (not just members of the group) and potential providers, together with local members of the public, are engaged in the decision-making processes used to procure services;
  - b) service redesign and procurement processes are conducted in an open, transparent, non-discriminatory and fair way

- 8.6.3. Copies of this Procurement Strategy will be available on the group's website at [www.valeofyorkccg.nhs.uk](http://www.valeofyorkccg.nhs.uk),
- 8.6.4. This document will be available upon request for inspection at the headquarters of the Vale of York Clinical Commissioning Group. The document is available upon application from Sovereign House, Kettlestring Lane, York, YO30 4GQ



## 9. THE GROUP AS EMPLOYER

- 9.1. The group recognises that its most valuable asset is its people. It will seek to enhance their skills and experience and is committed to their development in all ways relevant to the work of the group.
- 9.2. The group will seek to set an example of best practice as an employer and is committed to offering all staff equality of opportunity. It will ensure that its employment practices are designed to promote diversity and to treat all individuals equally.
- 9.3. The group will ensure that it employs suitably qualified and experienced staff who will discharge their responsibilities in accordance with the high standards expected of staff employed by the group. All staff will be made aware of this constitution, the commissioning strategy and the relevant internal management and control systems which relate to their field of work.
- 9.4. The group will maintain and publish policies and procedures (as appropriate) on the recruitment and remuneration of staff to ensure it can recruit, retain and develop staff of an appropriate calibre. The group will also maintain and publish policies on all aspects of human resources management, including grievance and disciplinary matters.
- 9.5. The group will ensure that its rules for recruitment and management of staff provide for the appointment and advancement on merit on the basis of equal opportunity for all applicants and staff.
- 9.6. The group will ensure that employees' behaviour reflects the values, aims and principles set out above.
- 9.7. The group will ensure that it complies with all aspects of employment law.
- 9.8. The group will ensure that its employees have access to such expert advice and training opportunities as the Governing Body consider reasonable in order to exercise their responsibilities effectively.
- 9.9. The group will adopt a Code of Conduct for staff and will maintain and promote effective 'whistleblowing' procedures to ensure that concerned staff have means through which their concerns can be voiced.
- 9.10. Copies of this Code of Conduct, together with the other policies and procedures outlined in this chapter, will be available on the group's website at [www.valeofyorkccg.nhs.uk](http://www.valeofyorkccg.nhs.uk).
- 9.11. This document will be available upon request for inspection at the headquarters of the Vale of York Clinical Commissioning Group. The document is available upon application from Sovereign House, Kettlestring Lane, York, YO30 4GQ

## 10. TRANSPARENCY, WAYS OF WORKING AND STANDING ORDERS

### 10.1. General

- 10.1.1. The group will publish annually a commissioning plan and an annual report, presenting the group's annual report to a public meeting.
- 10.1.2. Key communications issued by the group, including the notices of procurements, public consultations, governing body meeting dates, times, venues, and certain papers will be published on the group's website at [www.valeofyorkccg.nhs.uk](http://www.valeofyorkccg.nhs.uk)
- 10.1.3. This document will be available upon request for inspection at the headquarters of the Vale of York Clinical Commissioning Group. The document is available upon application from Sovereign House, Kettlestring Lane, York, YO30 4GQ
- 10.1.4. The group may use other means of communication, including circulating information by post, or making information available in venues or services accessible to the public.

### 10.2. Standing Orders

- 10.2.1. This constitution is also informed by a number of documents which provide further details on how the group will operate. They are the group's:
  - a) **Standing orders (Appendix C)** – which sets out the arrangements for meetings and the appointment processes to elect the group's representatives and appoint to the group's committees, including the governing body;
  - b) **Scheme of reservation and delegation (Appendix D)** – which sets out those decisions that are reserved for the membership as a whole and those decisions that are the responsibilities of the group's governing body, the governing body's committees and sub-committees, the group's committees and sub-committees, individual members and employees;
  - c) **Prime financial policies (Appendix E)** – which sets out the arrangements for managing the group's financial affairs.

## APPENDIX A

### DEFINITIONS OF KEY DESCRIPTIONS USED IN THIS CONSTITUTION

<b>2006 Act</b>	National Health Service Act 2006
<b>2012 Act</b>	Health and Social Care Act 2012 (this Act amends the 2006 Act)
<b>Clinical Chief Officer</b>	<p>an individual, as defined under paragraph 12 of Schedule 1A of the 2006 Act (as inserted by Schedule 2 of the 2012 Act), appointed by the NHS Commissioning Board, with responsibility for ensuring the group:</p> <ul style="list-style-type: none"> <li>• complies with its obligations under: <ul style="list-style-type: none"> <li>○ sections 14Q and 14R of the 2006 Act (as inserted by section 26 of the 2012 Act),</li> <li>○ sections 223H to 223J of the 2006 Act (as inserted by section 27 of the 2012 Act),</li> <li>○ paragraphs 17 to 19 of Schedule 1A of the NHS Act 2006 (as inserted by Schedule 2 of the 2012 Act), and</li> <li>○ any other provision of the 2006 Act (as amended by the 2012 Act) specified in a document published by the Board for that purpose;</li> </ul> </li> <li>• exercises its functions in a way which provides good value for money.</li> </ul>
<b>Area</b>	the geographical area that the group has responsibility for, as defined in Chapter 2 of this constitution
<b>Chair of the governing body</b>	the individual appointed by the group to act as chair of the Governing Body
<b>Chief Finance Officer</b>	the qualified accountant employed by the group with responsibility for financial strategy, financial management and financial governance
<b>Clinical Commissioning Group</b>	a body corporate established by the NHS Commissioning Board in accordance with Chapter A2 of Part 2 of the 2006 Act (as inserted by section 10 of the 2012 Act)
<b>Committee</b>	<p>a committee or sub-committee created and appointed by:</p> <ul style="list-style-type: none"> <li>• the membership of the group</li> <li>• a committee / sub-committee created by a committee created / appointed by the membership of the group</li> <li>• a committee / sub-committee created / appointed by the governing body</li> </ul>
<b>Financial year</b>	this usually runs from 1 April to 31 March, but under paragraph 17 of Schedule 1A of the 2006 Act (inserted by Schedule 2 of the 2012 Act), it can for the purposes of audit and accounts run from when a clinical commissioning group is established until the following 31 March
<b>Group</b>	NHS Vale of York Clinical Commissioning Group, whose constitution this is
<b>Governing body</b>	<p>the body appointed under section 14L of the NHS Act 2006 (as inserted by section 25 of the 2012 Act), with the main function of ensuring that a clinical commissioning group has made appropriate arrangements for ensuring that it complies with:</p> <ul style="list-style-type: none"> <li>• its obligations under section 14Q under the NHS Act 2006 (as inserted by section 26 of the 2012 Act), and</li> <li>• such generally accepted principles of good governance as are relevant to it.</li> </ul>
<b>Governing body member</b>	any member appointed to the governing body of the group

<b>Lay member</b>	a lay member of the governing body, appointed by the group. A lay member is an individual who is not a member of the group or a healthcare professional (i.e. an individual who is a member of a profession regulated by a body mentioned in section 25(3) of the National Health Service Reform and Health Care Professions Act 2002) or as otherwise defined in regulations
<b>Local Medical Committee</b>	Means the North Yorkshire Local Medical Committee as recognised by the NHS Act of 1977 and currently recognised by the North Yorkshire and York PCT
<b>Member</b>	a provider of primary medical services to a registered patient list, who is a members of this group (see tables in Chapter 3 and Appendix B)
<b>Practice representatives</b>	an individual appointed by a practice (who is a member of the group) to act on its behalf in the dealings between it and the group, under regulations made under section 89 or 94 of the 2006 Act (as amended by section 28 of the 2012 Act) or directions under section 98A of the 2006 Act (as inserted by section 49 of the 2012 Act)
<b>Registers of interests</b>	registers a group is required to maintain and make publicly available under section 14O of the 2006 Act (as inserted by section 25 of the 2012 Act), of the interests of: <ul style="list-style-type: none"> <li>• the members of the group;</li> <li>• the members of its governing body;</li> <li>• the members of its committees or sub-committees and committees or sub-committees of its governing body; and</li> <li>• its employees.</li> </ul>

## APPENDIX B - LIST OF MEMBER PRACTICES

Practice Name	Address	Practice Representative's Signature	Date Signed
Abbey Medical Group	28 Millfield Ave, YO10 3AB		
Beech Grove Medical Practice	1 Beech Grove, YO26 5LD		
Beech Tree Surgery	68 Doncaster Road, YO8 9AJ		
Dr Boffa	31 Monkgate, YO31 7WA		
Dr Burgess	Whitby Drive, YO31 1EX		
Clifton Health Centre	Water Lane, YO30 6PS		
The Surgery at 32 Clifton	32 Clifton, YO30 6AE		
Dalton Terrace Surgery	Dalton Terrace, YO24 4DB		
East Parade Medical Practice	89 East Parade, YO31 7YD		
Elvington Medical Practice	York Road, YO41 4DY		
Escrick Surgery	Escrick, YO19 6LE		
Front Street Surgery	YO24 3BZ		
Gale Farm Surgery	109-119 Front Street, YO24 3BU		
Gillygate Surgery	28 Gillygate, YO31 7WQ		
Haxby Group Practice	2 The Village, YO32 2LL		
Helmsley Surgery	Carlton Road, YO62 5HD		
Dr Jones & McPherson	North Back Lane, YO61 1LL		

Practice Name	Address	Practice Representative's Signature	Date Signed
Jorvik Medical Practice	Woolpack House, YO1 7NP		
Kirkbymoorside Surgery	Tinley Garth, YO62 6AR		
Minster Health	35 Monkgate, YO31 7WE		
MyHealth	Southfields Road, YO32 5UA		
The Old School Medical Practice	Horseman Lane, YO23 2QG		
The Petergate Surgery	Towercourt Health Centre, YO30 4RZ		
Pickering Surgery	Southgate, YO18 8BL		
Pocklington Surgery	Barmby Road, YO42 2DL		
Posterngate Surgery	Portholme Road, YO8 6QF		
Dr Price & Partners	Wenlock Terrace, YO10 4DU		
Priory Medical Group	Cornlands Road, YO24 3WX		
Scott Road Medical Centre	Scott Road, YO8 4BL		
Sherburn Group Practice	Beech Grove, LS25 6ED		
South Milford Surgery	High Street, LS25 5AA		
Tadcaster Medical Centre	Crab Garth, LS24 8HD		
Terrington Surgery	Terrington, YO60 6PS		
Tollerton Surgery	5-7 Hambleton View, YO61 1QW		

Practice Name	Address	Practice Representative's Signature	Date Signed
Dr Westerman & Partners	Millfield Lane, YO61 3JR		
York Medical Group	199 Acomb Road, YO24 4HD		

## APPENDIX C – STANDING ORDERS

### 1. STATUTORY FRAMEWORK AND STATUS

#### 1.1. Introduction

1.1.1. These standing orders have been drawn up to regulate the proceedings of the NHS Vale of York Clinical Commissioning Group so that group can fulfil its obligations, as set out largely in the 2006 Act, as amended by the 2012 Act and related regulations. They are effective from the date the group is established.

1.1.2. The standing orders, together with the group's scheme of reservation and delegation<sup>52</sup> and the group's prime financial policies<sup>53</sup>, provide a procedural framework within which the group discharges its business. They set out:

- a) the arrangements for conducting the business of the group;
- b) the appointment of member practice representatives;
- c) the procedure to be followed at meetings of the group, the governing body and any committees or sub-committees of the group or the governing body;
- d) the process to delegate powers,
- e) the declaration of interests and standards of conduct.

These arrangements must comply, and be consistent where applicable, with requirements set out in the 2006 Act (as amended by the 2012 Act) and related regulations and take account as appropriate<sup>54</sup> of any relevant guidance.

1.1.3. The standing orders, scheme of reservation and delegation and prime financial policies have effect as if incorporated into the group's constitution. Group members, employees, members of the governing body, members of the governing body's committees and sub-committees, members of the group's committees and sub-committees and persons working on behalf of the group should be aware of the existence of these documents and, where necessary, be familiar with their detailed provisions. Failure to comply with the standing orders, scheme of reservation and delegation and prime financial policies may be regarded as a disciplinary matter that could result in dismissal.

#### 1.2. Schedule of matters reserved to the clinical commissioning group and the scheme of reservation and delegation

1.2.1. The 2006 Act (as amended by the 2012 Act) provides the group with powers to delegate the group's functions and those of the governing body to certain bodies

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<sup>52</sup> See Appendix D

<sup>53</sup> See Appendix E

<sup>54</sup> Under some legislative provisions the group is obliged to have regard to particular guidance but under other circumstances guidance is issued as best practice guidance.



(such as committees) and certain persons. The group has decided that certain decisions may only be exercised by the group in formal session. These decisions and also those delegated are contained in the group's scheme of reservation and delegation (see Appendix D).

## **2. THE CLINICAL COMMISSIONING GROUP: COMPOSITION OF MEMBERSHIP AND KEY ROLES**

### **2.1. Composition of membership**

- 2.1.1. Clause 3 of the group's constitution provides details of the membership of the group (also see Appendix B). The Governing Body may from time to time approve changes in the Membership arising solely out of mergers or demergers of the practices named in Clause 3.1
- 2.1.2. Clause 6 of the group's constitution provides details of the governing structure used in the group's decision-making processes, whilst Clause 7 of the constitution outlines certain key roles and responsibilities within the group and its governing body, including the role of practice representatives (section 7.1 of the constitution).

### **2.2. Key Roles**

- 2.2.1. Paragraph 6.6.2 of the group's constitution sets out the composition of the group's governing body whilst Clause 7 of the group's constitution identifies certain key roles and responsibilities within the group and its governing body. These standing orders set out how the group appoints individuals to these key roles.

## **3. MEETINGS OF THE CLINICAL COMMISSIONING GROUP**

### **3.1. Calling meetings**

- 3.1.1. Ordinary meetings of the group shall be held at regular intervals at such times and places as the Members may determine.

### **3.2. Agenda, supporting papers and business to be transacted**

- 3.2.1. Items of business to be transacted for inclusion on the agenda of a meeting need to be notified to the Chair of the meeting at least 7 working days (i.e. excluding weekends and bank holidays) before the meeting takes place. Supporting papers for such items need to be submitted at least 7 working days before the meeting takes place. The agenda and supporting papers will be circulated to all members of a meeting at least 5 working days before the date the meeting will take place.

- 3.2.2. Agendas and certain papers for the group's governing body – including details about meeting dates, times and venues - will be published on the group's website at [www.valeofyorkccg.nhs.uk](http://www.valeofyorkccg.nhs.uk)
- 3.2.3. This document will be available upon request for inspection at the headquarters of the Vale of York Clinical Commissioning Group. The document is available upon application from Sovereign House, Kettlestring Lane, York, YO30 4GQ
- 3.3. Petitions**
- 3.3.1. Where a petition has been received by the group, the chair of the governing body shall include the petition as an item for the agenda of the next meeting of the governing body.
- 3.4. Chair of a meeting**
- 3.4.1. At any meeting of the group or its governing body or of a committee or sub-committee, the chair of the group, governing body, committee or sub-committee, if any and if present, shall preside. If the chair is absent from the meeting, the deputy chair, if any and if present, shall preside.
- 3.4.2. If the chair is absent temporarily on the grounds of a declared conflict of interest the deputy chair, if present, shall preside. If both the chair and deputy chair are absent, or are disqualified from participating, or there is neither a chair or deputy a member of the group, governing body, committee or sub-committee respectively shall be chosen by the members present, or by a majority of them, and shall preside.
- 3.5. Chair's ruling**
- 3.5.1. The decision of the chair of the governing body on questions of order, relevancy and regularity and their interpretation of the constitution, standing orders, scheme of reservation and delegation and prime financial policies at the meeting, shall be final.
- 3.6. Quorum**
- 3.6.1. For the Governing Body the quorum is a minimum of 6 to include at least 4 General Practitioners, one of the Executive Officers and one Lay Member.
- 3.6.2. In exceptional circumstances where all the GP Members have a conflict of interest the decision will be made by a minimum 4 of the remaining Governing Body members including either the Chief Operating Officer or the Chief Finance Officer.
- 3.6.3. For all of the group's committees and sub-committees, including the governing body's committees and sub-committees, the details of the quorum for these meetings and status of representatives are set out in the appropriate terms of reference.

### **3.7. Decision making**

3.7.1. Clause 6 of the group's constitution, together with the scheme of reservation and delegation, sets out the governing structure for the exercise of the group's statutory functions. Should this not be possible then a vote of members will be required, the process for which is set out below:

- a) **Eligibility** – All members of the relevant meeting have a single vote, with the exception of the Council of Representatives
- b) **Majority necessary to confirm a decision** – simple majority
- c) **Casting vote** – In the event of an equality of votes the Chairman of the meeting shall have a second and casting vote

3.7.2. Should a vote be taken the outcome of the vote must, and any dissenting views may, be recorded in the minutes of the meeting.

### **3.8. Emergency powers and urgent decisions**

3.8.1. The Chairman of the CCG may call a meeting of the Governing Body or Council of Representatives at any time.

3.8.2. One-third or more members of the Governing Body or Council of Representatives may requisition a meeting in writing. If the Chairman refuses, or fails, to call a meeting within seven days of a requisition being presented, the members signing the requisition may forthwith call a meeting.

3.8.3. The powers which the Governing Body has reserved to itself within these Standing Orders may in emergency or for an urgent decision be exercised by the Clinical Chief Officer and the Chairman after having consulted at least two members of the governing body. The exercise of such powers by the Clinical Chief Officer and Chairman shall be reported to the next formal meeting of the Governing Body in public session for formal ratification.

### **3.9. Suspension of Standing Orders**

3.9.1. Except where it would contravene any statutory provision or any direction made by the Secretary of State for Health or the NHS Commissioning Board, or in so far as relates to the rules on quorum any part of these standing orders may be suspended at any meeting.

3.9.2. A decision to suspend standing orders together with the reasons for doing so shall be recorded in the minutes of the meeting.

3.9.3. A separate record of matters discussed during the suspension shall be kept. These records shall be made available to the governing body's audit committee for review of the reasonableness of the decision to suspend standing orders.

### **3.10. Record of Attendance**

- 3.10.1. The names of all members of the meeting present at the meeting shall be recorded in the minutes of the group's meetings. The names of all members of the governing body present shall be recorded in the minutes of the governing body meetings. The names of all members of the governing body's committees / sub-committees present shall be recorded in the minutes of the respective governing body committee / sub-committee meetings.

### **3.11. Minutes**

- 3.11.1. Minutes of meetings of the Governing Body– including details about meeting dates, times and venues - will be published on the group's website at [www.valeofyorkccg.nhs.uk](http://www.valeofyorkccg.nhs.uk)

a) this document will be available upon request for inspection at the headquarters of the Vale of York Clinical Commissioning Group the document is available upon application from Sovereign House, Kettlestring Lane, York, YO30 4GQ

### **3.12. Admission of public and the press**

- 3.12.1. The Governing Body meetings will be held in public once a month. There will be an item of Public Participation, where Members of the Public who have registered to speak will be able to air their views.

- a) The deadline for registration of speakers will be at 5pm, the working day before the meeting. (i.e. if the meeting is on a Monday, the deadline will be on the previous Friday-registrations via email over the weekend will not be accepted)
- b) Those who are interested in speaking at the Governing Body will contact the Executive Assistant to the Governing Body via letter or email
- c) Speakers will have a maximum of 3 minutes to speak to the Governing Body. This will be timed to ensure fairness.
- d) Governing Body members are not limited to 3 minutes speaking time, but are encouraged to be brief.

- 3.12.2. The Governing Body may by resolution exclude members of the press or public where it considers that it would not be in the public interest for an agenda item or items to be dealt with in public such as are envisaged in Section 1(2) of the Public Bodies (Admission to meetings) Act 1960

## **4. APPOINTMENT OF COMMITTEES AND SUB-COMMITTEES**

### **4.1. Appointment of committees and sub-committees**

- 4.1.1. The group may appoint committees and sub-committees of the group, subject to any regulations made by the Secretary of State<sup>55</sup>, and make provision for the appointment of committees and sub-committees of its governing body. Where such committees and sub-committees of the group, or committees and sub-committees of its governing body, are appointed they are included in Chapter 6 of the group's constitution.
- 4.1.2. Other than where there are statutory requirements, such as in relation to the governing body's audit committee or remuneration committee, the group shall determine the membership and terms of reference of committees and sub-committees and shall, if it requires, receive and consider reports of such committees at the next appropriate meeting of the group.
- 4.1.3. The provisions of these standing orders shall apply where relevant to the operation of the governing body, the governing body's committees and sub-committee and all committees and sub-committees unless stated otherwise in the committee or sub-committee's terms of reference.

## **4.2. Terms of Reference**

- 4.2.1. Terms of reference shall have effect as if incorporated into the constitution and shall be added to this document as an appendix.

## **4.3. Delegation of Powers by Committees to Sub-committees**

- 4.3.1. Where committees are authorised to establish sub-committees they may not delegate executive powers to the sub-committee unless expressly authorised by the group.

## **4.4. Approval of Appointments to Committees and Sub-Committees**

- 4.4.1. The group shall approve the appointments to each of the committees and sub-committees which it has formally constituted including those the governing body. The group shall agree such travelling or other allowances as it considers appropriate.

## **5. DUTY TO REPORT NON-COMPLIANCE WITH STANDING ORDERS AND PRIME FINANCIAL POLICIES**

- 5.1. If for any reason these standing orders are not complied with, full details of the non-compliance and any justification for non-compliance and the circumstances around the non-compliance, shall be reported to the next formal meeting of the governing body for action or ratification. All members of the group and staff have a duty to disclose any non-compliance with these standing orders to the Clinical Chief Officer as soon as possible.

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<sup>55</sup> See section 14N of the 2006 Act, inserted by section 25 of the 2012 Act

## **6. USE OF SEAL AND AUTHORISATION OF DOCUMENTS**

### **6.1. Clinical Commissioning Group's seal**

6.1.1. The group may have a seal for executing documents where necessary. The following individuals or Officers are authorised to authenticate its use by their signature:

- a) the Clinical Chief Officer;
- b) the Chair of the Governing Body;
- c) the Chief Finance Officer;
- d) the Chief Operating Officer

### **6.2. Execution of a document by signature**

6.2.1. The following individuals are authorised to execute a document on behalf of the group by their signature.

- a) the Clinical Chief Officer
- b) the Chair of the Governing Body
- c) the Chief Finance Officer
- d) the Chief Operating Officer

## **7. OVERLAP WITH OTHER CLINICAL COMMISSIONING GROUP POLICY STATEMENTS / PROCEDURES AND REGULATIONS**

### **7.1. Policy statements: general principles**

7.1.1. The group will from time to time agree and approve policy statements / procedures which will apply to all or specific groups of staff employed by NHS Vale of York Clinical Commissioning Group. The decisions to approve such policies and procedures will be recorded in an appropriate group minute and will be deemed where appropriate to be an integral part of the group's standing orders.

## **APPENDIX D – SCHEME OF RESERVATION & DELEGATION**

### **1. SCHEDULE OF MATTERS RESERVED TO THE CLINICAL COMMISSIONING GROUP AND SCHEME OF DELEGATION**

- 1.1. The arrangements made by the group as set out in this scheme of reservation and delegation of decisions shall have effect as if incorporated in the group's constitution.
- 1.2. The clinical commissioning group remains accountable for all of its functions, including those that it has delegated.

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
REGULATION AND CONTROL		Determine the arrangements by which the members of the group approve those decisions that are reserved for the membership.	✓								
REGULATION AND CONTROL		Consideration and approval of applications to the NHS Commissioning Board on any matter concerning changes to the group's constitution, including terms of reference for the group's governing body, its committees, membership of committees, the overarching scheme of reservation and delegated powers, arrangements for taking urgent decisions, standing orders and prime financial policies.	✓								
REGULATION AND CONTROL		Exercise or delegation of those functions of the clinical commissioning group which have not been retained as reserved by the group, delegated to the governing body or other				✓					



Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
		committee or sub-committee or [specified] member or employee									
REGULATION AND CONTROL		Final decision regarding questions of order, relevancy and regularity and interpretation of the consultation, standing orders, scheme of reservation and delegation and prime financial policies at a meeting of the Governing Body.			✓						
REGULATION AND CONTROL		The powers which the Governing Body has reserved to itself within these Standing Orders may in emergency or for an urgent decision be exercised by the Clinical Chief Officer and the Chairman after having consulted at least two non-officer members (or member of the governing body??). The exercise of such powers by the Clinical Chief Officer and Chairman shall be reported to the next formal meeting of the Governing Body in public session for formal ratification.			✓	✓					

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
REGULATION AND CONTROL		Approval of urgent decisions taken by the Clinical Chief Officer and Chair.		✓							
REGULATION AND CONTROL		Approval of suspension of standing orders.		✓							
REGULATION AND CONTROL		<p>Prepare the group's overarching scheme of reservation and delegation, which sets out those decisions of the group <u>reserved</u> to the membership and those <u>delegated</u> to the</p> <ul style="list-style-type: none"> <li>○ group's governing body</li> <li>○ committees and sub-committees of the group, or</li> <li>○ its members or employees and sets out those decisions of the governing body <u>reserved</u> to the governing body and those <u>delegated</u> to the governing body's committees and sub-committees,</li> <li>○ members of the governing body,</li> </ul>				✓					

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
		<ul style="list-style-type: none"> <li>an individual who is member of the group but not the governing body or a specified person for inclusion in the group's constitution.</li> </ul>									
REGULATION AND CONTROL		Approval of the group's overarching scheme of reservation and delegation.	✓								
REGULATION AND CONTROL		Prepare the group's operational scheme of delegation, which sets out those key operational decisions delegated to individual employees of the clinical commissioning group, not for inclusion in the group's constitution.					✓				
REGULATION AND CONTROL		Approval of the group's operational scheme of delegation that underpins the group's 'overarching scheme of reservation and delegation' as set out in its constitution.		✓							
REGULATION AND CONTROL		Approval of terms of reference of the Audit Committee and		✓							

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
		Remuneration Committee.									
REGULATION AND CONTROL		Other that where there are statutory requirements, such as in relation to the governing body's audit committee or remuneration committee, the group shall determine the membership and terms of reference of committees and sub committees.	✓								
REGULATION AND CONTROL		Prepare detailed financial policies that underpin the clinical commissioning group's prime financial policies.					✓				
REGULATION AND CONTROL		Approve detailed financial policies.				✓					
REGULATION AND CONTROL		Approve arrangements for managing exceptional funding requests.		✓							
REGULATION AND CONTROL		Set out who can execute a document by signature / use of the seal				✓					
REGULATION AND CONTROL		Approve annual disclosure statements, including the Annual Governance Statement, following independent		✓							

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
		review by the Audit Committee.									
REGULATION AND CONTROL		Sign annual disclosure statements, including the Annual Governance Statement, following. Approval by the governing body				✓					
REGULATION AND CONTROL		Decision to waive formal tendering procedures.				✓					
PRACTICE MEMBER REPRESENTATIVES AND MEMBERS OF THE GOVERNING BODY		Approve the arrangements for <ul style="list-style-type: none"> <li>o identifying practice members to represent practices in matters concerning the work of the group; and</li> </ul>	✓								
PRACTICE MEMBER REPRESENTATIVES AND MEMBERS OF THE GOVERNING BODY		Approve the process for recruiting and removing members to the governing body (subject to any regulatory requirements) and succession planning.	✓								

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
PRACTICE MEMBER REPRESENTATIVES AND MEMBERS OF THE GOVERNING BODY		Approve arrangements for identifying the group's proposed Clinical Chief Officer.	✓								
STRATEGY AND PLANNING		Agree the vision, values and overall strategic direction of the group.	✓								
STRATEGY AND PLANNING		Approval of the group's operating structure.		✓							
STRATEGY AND PLANNING		Approval of the group's commissioning plan.		✓							
STRATEGY AND PLANNING		Approval of the group's corporate budgets that meet the financial duties as set out in section 5.3 of the main body of the constitution.		✓							
STRATEGY AND PLANNING		Approval of variations to the approved budget where variation would have a significant impact on the overall approved levels of income and expenditure or the group's ability to achieve its agreed strategic aims.		✓							

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
		(the governing body could set a limit above which it has to approve any variations – below this it could be the Clinical Chief Officer/Chief Finance Officer									
STRATEGY AND PLANNING		Approval of the use of payment in respect of quality made to the CCG by the NHS Commissioning Board.		✓							
ANNUAL REPORTS AND ACCOUNTS		Approval of the group's annual report and annual accounts.		✓							
ANNUAL REPORTS AND ACCOUNTS		Sign the annual accounts on behalf of the group.				✓	✓				
ANNUAL REPORTS AND ACCOUNTS		Approval of the arrangements for discharging the group's statutory financial duties.		✓							
HUMAN RESOURCES		Approve the terms and conditions, remuneration and travelling or other allowances for governing body members, including pensions and gratuities.								✓	
HUMAN RESOURCES		Approve terms and conditions of employment for all employees of the		✓							

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
		group including, pensions, remuneration, fees and travelling or other allowances payable to employees and to other persons providing services to the group.									
HUMAN RESOURCES		Approve any other terms and conditions of services for the group's employees.		✓							
HUMAN RESOURCES		Determine the terms and conditions of employment for all employees of the group.		✓							
HUMAN RESOURCES		Determine pensions, remuneration, fees and allowances payable to employees and to other persons providing services to the group.		✓							
HUMAN RESOURCES		Recommend pensions, remuneration, fees and allowances payable to employees and to other persons providing services to the group.								✓	
HUMAN RESOURCES		Approve disciplinary arrangements for employees, including the Clinical Chief Officer (where he/she is an employee or member of the clinical		✓							



Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
		commissioning group) and for other persons working on behalf of the group.									
HUMAN RESOURCES		Review disciplinary arrangements where the Clinical Chief Officer is an employee or member of another clinical commissioning group		✓							
HUMAN RESOURCES		Approval of the arrangements for discharging the group's statutory duties as an employer.		✓							
HUMAN RESOURCES		Approve human resources policies for employees and for other persons working on behalf of the group		✓							
HUMAN RESOURCES		To review and approve the business case for redundancy for all employees, including the proper calculation and scrutiny of such termination payments taking account of national guidance as is appropriate								✓	
HUMAN RESOURCES		Approval of Code of Conduct for staff and whistle blowing		✓							

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
		procedures.									
HUMAN RESOURCES		Approval of variation to funded establishment.				✓					
STANDARDS OF BUSINESS CONDUCT AND MANAGEMENT OF CONFLICTS OF INTEREST		Approval of arrangements for managing conflicts of interest as set out in the constitution.		✓							
STANDARDS OF BUSINESS CONDUCT AND MANAGEMENT OF CONFLICTS OF INTEREST		Approval of arrangements for standards of business conduct, including declaring hospitality and sponsorship.		✓							
STANDARDS OF BUSINESS CONDUCT AND MANAGEMENT OF CONFLICTS OF INTEREST		Approval and determination of arrangements for the management of declared conflicts of interest.							✓		
STANDARDS OF BUSINESS CONDUCT AND MANAGEMENT OF CONFLICTS OF INTEREST		Decision as to whether a discussion at the Governing Body or committee meeting can proceed where more than 50% of the members are required to withdraw from			✓				✓		✓

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
		a meeting or part of it owing to the arrangements agreed for the management of conflicts of interest. (Delegation depends on the body/committee meeting.)									
QUALITY AND SAFETY		Approve arrangements, including supporting policies, to minimise clinical risk, maximise patient safety and to secure continuous improvement in quality and patient outcomes.		✓							
QUALITY AND SAFETY		Approve arrangements for supporting the NHS Commissioning Board in discharging its responsibilities in relation to securing continuous improvement in the quality of general medical services.		✓							
OPERATIONAL AND RISK MANAGEMENT		Prepare and recommend an operational scheme of delegation that sets out who has responsibility for operational decisions within the group.				✓					
OPERATIONAL AND RISK MANAGEMENT		Approve a policy identifying all Group policies and their review		✓							

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
T		and approval mechanisms.									
OPERATIONAL AND RISK MANAGEMENT		Approve arrangements for meeting the public sector equality duty		✓							
OPERATIONAL AND RISK MANAGEMENT		Approval of arrangements to secure that health services are provided in a way that promotes awareness of, and have regard to the NHS Constitution.		✓							
OPERATIONAL AND RISK MANAGEMENT		Approve the group's counter fraud and security management arrangements.						✓			
OPERATIONAL AND RISK MANAGEMENT		Approval of the group's risk management arrangements.		✓							
OPERATIONAL AND RISK MANAGEMENT		Approve arrangements for risk sharing and or risk pooling with other organisations (for example arrangements for pooled funds with other clinical commissioning groups or pooled budget arrangements under section 75 of the NHS Act		✓							

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
		2006).									
OPERATIONAL AND RISK MANAGEMENT		Approval of a comprehensive system of internal control, including budgetary control, that underpin the effective, efficient and economic operation of the group.				✓					
OPERATIONAL AND RISK MANAGEMENT		Approval of arrangements for promoting innovation.		✓							
OPERATIONAL AND RISK MANAGEMENT		Approval of arrangements for promoting education and training for who are employed, or are considering becoming employed, in an activity which involves or is connected with the provision of services as part of the health service in England.		✓							
OPERATIONAL AND RISK MANAGEMENT		Approve proposals for action on litigation against or on behalf of the clinical commissioning group.				✓					
OPERATIONAL AND RISK MANAGEMENT		Approve the group's arrangements for business continuity and emergency planning.		✓							

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
INTERNAL CONTROL		Approval of appointment of internal auditors.						✓			
INTERNAL CONTROL		Approval of Internal Audit programmes.						✓			
INTERNAL CONTROL		Approval of Counter Fraud programme.						✓			
INTERNAL CONTROL		Approval of External Audit fee.						✓			
INFORMATION GOVERNANCE		Approve the group's arrangements for handling complaints.		✓							
INFORMATION GOVERNANCE		Approval of the arrangements for ensuring appropriate and safekeeping and confidentiality of records and for the storage, management and transfer of information and data.		✓							
TENDERING AND CONTRACTING		Approval of the group's contracts for any commissioning support.		✓							
TENDERING AND CONTRACTING		Approval of the group's contracts for corporate support (for example finance provision).		✓							
TENDERING AND CONTRACTING		Approval of contracts.  (May want to set different limits according to value		✓							

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
		of contract).									
TENDERING AND CONTRACTING		Approval of the group's Procurement Strategy.		✓							
TENDERING AND CONTRACTING		Approval of business cases for investment and disinvestment decisions.  (Would these need to be taken to the group if not part of the agreed commissioning plan?)  (If inclusion accepted would need to be reflected in prime financial policies)		✓							
TENDERING AND CONTRACTING		Approval of quotes and tenders limits		✓							
PARTNERSHIP WORKING		Approve decisions delegated to joint committees established under section 75 of the 2006 Act.		✓							
COMMISSIONING AND CONTRACTING FOR CLINICAL SERVICES		Approval of the arrangements for discharging the group's statutory duties associated with its		✓							

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
		commissioning functions, including but not limited to promoting the involvement of each patient, patient choice, reducing inequalities, improvement in the quality of services (including primary care), obtaining appropriate advice, promoting research and the use of research, promoting integration and public engagement and consultation.									
COMMISSIONING AND CONTRACTING FOR CLINICAL SERVICES		Approve arrangements for co-ordinating the commissioning of services with other groups and or with the local authority(ies), where appropriate.		✓							
COMMUNICATIONS		Approving arrangements for handling Freedom of Information requests.		✓							
COMMUNICATIONS		Determining arrangements for handling Freedom of Information requests.				✓					
FINANCIAL POLICIES		Approval of the groups prime financial policies.	✓								



Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
FINANCIAL POLICIES		Approval of the groups detailed financial policies and procedures.				✓					
FINANCIAL POLICIES		Approve arrangements relating to the discharge of the Group's responsibilities as a corporate trustee for funds held on trust.		✓							
FINANCIAL POLICIES		Approval of capital investment/disinvestment and change of use decisions, including PFI Initiatives.  (if accepted would need to be reflected in prime financial policies – capital investment)		✓							
FINANCIAL POLICIES		Approval of banking arrangements (including opening and closing of bank accounts).				✓					
FINANCIAL POLICIES		Approval of Virement limits (Limits to be determined)  (If accepted would need to be reflected in prime financial policies)		✓							
FINANCIAL POLICIES		Approval of Write Off limits		✓							

Policy Area	Ref	Decision	Reserved to the Membership	Reserved or delegated to Governing Body	Chair of the Governing Body	Clinical Chief Officer	Chief Finance Officer	Audit Committee	Chair of Audit Committee	Rem Comm	Chair of the Rem Comm
		(If accepted would need to be reflected in prime financial policies)									

## APPENDIX E – PRIME FINANCIAL POLICIES

### 1. INTRODUCTION

#### 1.1. General

- 1.1.1. These prime financial policies and supporting detailed financial policies shall have effect as if incorporated into the group's constitution.
- 1.1.2. The prime financial policies are part of the group's control environment for managing the organisation's financial affairs. They contribute to good corporate governance, internal control and managing risks. They enable sound administration, lessen the risk of irregularities and support commissioning and delivery of effective, efficient and economical services. They also help the Clinical Chief Officer and chief finance Officer to effectively perform their responsibilities. They should be used in conjunction with the scheme of reservation and delegation found at Appendix D.
- 1.1.3. In support of these prime financial policies, the group has prepared more detailed policies, approved by the Clinical Chief Officer known as *detailed financial policies*. The group refers to these prime and detailed financial policies together as the clinical commissioning group's financial policies.
- 1.1.4. These prime financial policies identify the financial responsibilities which apply to everyone working for the group and its constituent organisations. They do not provide detailed procedural advice and should be read in conjunction with the detailed financial policies. The Clinical Chief Officer is responsible for approving all detailed financial policies.
- 1.1.5. A list of the group's detailed financial policies will be published and maintained on the group's website at [www.valeofyorkccg.nhs.uk](http://www.valeofyorkccg.nhs.uk)
- 1.1.6. This document will be available upon request for inspection at the headquarters of the Vale of York Clinical Commissioning Group. The document is available upon application from Sovereign House, Kettlestring Lane, York, YO30 4GQ
- 1.1.7. Should any difficulties arise regarding the interpretation or application of any of the prime financial policies then the advice of the Chief Financial Officer must be sought before acting. The user of these prime financial policies should also be familiar with and comply with the provisions of the group's constitution, standing orders and scheme of reservation and delegation.
- 1.1.8. Failure to comply with prime financial policies and standing orders can in certain circumstances be regarded as a disciplinary matter that could result in dismissal.

#### 1.2. Overriding Prime Financial Policies

- 1.2.1. If for any reason these prime financial policies are not complied with, full details of the non-compliance and any justification for non-compliance and the

circumstances around the non-compliance shall be reported to the next formal meeting of the governing body's audit committee for referring action or ratification. All of the group's members and employees have a duty to disclose any non-compliance with these prime financial policies to the chief finance Officer as soon as possible.

### **1.3. Responsibilities and delegation**

- 1.3.1. The roles and responsibilities of group's members, employees, members of the governing body, members of the governing body's committees and sub-committees, members of the group's committee and sub-committee (if any) and persons working on behalf of the group are set out in chapters 6 and 7 of this constitution.
- 1.3.2. The financial decisions delegated by members of the group are set out in the group's scheme of reservation and delegation (see Appendix D).

### **1.4. Contractors and their employees**

- 1.4.1. Any contractor or employee of a contractor who is empowered by the group to commit the group to expenditure or who is authorised to obtain income shall be covered by these instructions. It is the responsibility of the Clinical Chief Officer to ensure that such persons are made aware of this.

### **1.5. Amendment of Prime Financial Policies**

- 1.5.1. To ensure that these prime financial policies remain up-to-date and relevant, the chief finance Officer will review them at least annually. Following consultation with the Clinical Chief Officer and scrutiny by the governing body's audit committee, the chief finance Officer will recommend amendments, as fitting, to the Governing Body for approval. As these prime financial policies are an integral part of the group's constitution, any amendment will not come into force until the group applies to the NHS Commissioning Board and that application is granted.

## **2. INTERNAL CONTROL**

**POLICY** – the group will put in place a suitable control environment and effective internal controls that provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and policies

- 2.1. The governing body is required to establish an audit committee with terms of reference agreed by the governing body (see paragraph 6.6.3(a) of the group's constitution for further information).
- 2.2. The Clinical Chief Officer has overall responsibility for the group's systems of internal control.

- 2.3. The chief finance Officer will ensure that:
- a) financial policies are considered for review and update annually;
  - b) a system is in place for proper checking and reporting of all breaches of financial policies; and
  - c) a proper procedure is in place for regular checking of the adequacy and effectiveness of the control environment.

### 3. AUDIT

**POLICY** – the group will keep an effective and independent internal audit function and fully comply with the requirements of external audit and other statutory reviews

- 3.1. In line with the terms of reference for the governing body's audit committee the person appointed by the group to be responsible for internal audit and the Audit Commission appointed external auditor will have direct and unrestricted access to audit committee members and the chair of the governing body, Clinical Chief Officer and chief finance Officer for any significant issues arising from audit work that management cannot resolve, and for all cases of fraud or serious irregularity.
- 3.2. The person appointed by the group to be responsible for internal audit and the external auditor will have access to the audit committee and the Clinical Chief Officer to review audit issues as appropriate. All audit committee members, the chair of the governing body and the Clinical Chief Officer will have direct and unrestricted access to the head of internal audit and external auditors.
- 3.3. The chief finance Officer will ensure that:
- a) the group has a professional and technically competent internal audit function; and
  - b) the Governing Body approves any changes to the provision or delivery of assurance services to the group.

### 4. FRAUD AND CORRUPTION

**POLICY** – the group requires all staff to always act honestly and with integrity to safeguard the public resources they are responsible for. The group will not tolerate any fraud perpetrated against it and will actively chase any loss suffered

- 4.1. The governing body's audit committee will satisfy itself that the group has adequate arrangements in place for countering fraud and shall review the outcomes of counter fraud work. It shall also approve the counter fraud work programme.
- 4.2. The governing body's audit committee will ensure that the group has arrangements in place to work effectively with NHS Protect.

## **5. EXPENDITURE CONTROL**

- 5.1. The group is required by statutory provisions<sup>56</sup> to ensure that its expenditure does not exceed the aggregate of allotments from the NHS Commissioning Board and any other sums it has received and is legally allowed to spend.
- 5.2. The Clinical Chief Officer has overall executive responsibility for ensuring that the group complies with certain of its statutory obligations, including its financial and accounting obligations, and that it exercises its functions effectively, efficiently and economically and in a way which provides good value for money.
- 5.3. The chief finance Officer will:
  - a) provide reports in the form required by the NHS Commissioning Board;
  - b) ensure money drawn from the NHS Commissioning Board is required for approved expenditure only is drawn down only at the time of need and follows best practice;
  - c) be responsible for ensuring that an adequate system of monitoring financial performance is in place to enable the group to fulfil its statutory responsibility not to exceed its expenditure limits, as set by direction of the NHS Commissioning Board.

## **6. ALLOTMENTS<sup>57</sup>**

- 6.1. The group's chief finance Officer will:
  - a) periodically review the basis and assumptions used by the NHS Commissioning Board for distributing allotments and ensure that these are reasonable and realistic and secure the group's entitlement to funds;
  - b) prior to the start of each financial year submit to the Governing Body for approval a report showing the total allocations received and their proposed distribution including any sums to be held in reserve; and
  - c) regularly update the Governing Body on significant changes to the initial allocation and the uses of such funds.

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<sup>56</sup> See section 223H of the 2006 Act, inserted by section 27 of the 2012 Act

<sup>57</sup> See section 223(G) of the 2006 Act, inserted by section 27 of the 2012 Act.

## 7. COMMISSIONING STRATEGY, BUDGETS, BUDGETARY CONTROL AND MONITORING

**POLICY** – the group will produce and publish an annual commissioning plan<sup>58</sup> that explains how it proposes to discharge its financial duties. The group will support this with comprehensive medium term financial plans and annual budgets

- 7.1. The Clinical Chief Officer will compile and submit to the Governing Body a commissioning strategy which takes into account financial targets and forecast limits of available resources for approval.
- 7.2. Prior to the start of the financial year the Chief Finance Officer will, on behalf of the Clinical Chief Officer, prepare and submit budgets for approval by the Governing Body
- 7.3. The Chief Financial Officer shall monitor financial performance against budget and plan, periodically review them, and report to the Governing Body. This report should include explanations for variances. These variances must be based on any significant departures from agreed financial plans or budgets.
- 7.4. The Clinical Chief Officer is responsible for ensuring that information relating to the group's accounts or to its income or expenditure, or its use of resources is provided to the NHS Commissioning Board as requested.
- 7.5. The Governing Body will approve consultation arrangements for the group's commissioning plan<sup>59</sup>

## 8. ANNUAL ACCOUNTS AND REPORTS

**POLICY** – the group will produce and submit to the NHS Commissioning Board accounts and reports in accordance with all statutory obligations<sup>60</sup>, relevant accounting standards and accounting best practice in the form and content and at the time required by the NHS Commissioning Board

- 8.1. The Chief Finance Officer will ensure the group:
  - a) prepares a timetable for producing the annual report and accounts and agrees it with external auditors and the Governing Body
  - b) prepares the accounts according to the timetable approved by Governing Body

<sup>58</sup> See section 14Z11 of the 2006 Act, inserted by section 26 of the 2012 Act.

<sup>59</sup> See section 14Z13 of the 2006 Act, inserted by section 26 of the 2012 Act

<sup>60</sup> See paragraph 17 of Schedule 1A of the 2006 Act, as inserted by Schedule 2 of the 2012 Act.

- c) complies with statutory requirements and relevant directions for the publication of annual report;
- d) considers the external auditor's management letter and fully address all issues within agreed timescales; and
- e) publishes the external auditor's management letter on the group's website at [www.valeofyorkccg.nhs.uk](http://www.valeofyorkccg.nhs.uk)
- f) this document will be available upon request for inspection at the headquarters of the Vale of York Clinical Commissioning Group. The document is available upon application from Sovereign House, Kettlestring Lane, York, YO30 4GQ

## 9. INFORMATION TECHNOLOGY

**POLICY** – the group will ensure the accuracy and security of the group's computerised financial data

- 9.1. The chief finance Officer is responsible for the accuracy and security of the group's computerised financial data and shall
  - a) devise and implement any necessary procedures to ensure adequate (reasonable) protection of the group's data, programs and computer hardware from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Data Protection Act 1998;
  - b) ensure that adequate (reasonable) controls exist over data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;
  - c) ensure that adequate controls exist such that the computer operation is separated from development, maintenance and amendment;
  - d) ensure that an adequate management (audit) trail exists through the computerised system and that such computer audit reviews as the chief finance Officer may consider necessary are being carried out.
- 9.2. In addition the chief finance Officer shall ensure that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by another organisation, assurances of adequacy must be obtained from them prior to implementation.

## 10. ACCOUNTING SYSTEMS



**POLICY** – the group will run an accounting system that creates management and financial accounts

10.1. The chief finance Officer will ensure:

- a) the group has suitable financial and other software to enable it to comply with these policies and any consolidation requirements of the NHS Commissioning Board;
- b) that contracts for computer services for financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes.

10.2. Where another health organisation or any other agency provides a computer service for financial applications, the chief finance Officer shall periodically seek assurances that adequate controls are in operation.

## 11. BANK ACCOUNTS

**POLICY** – the group will keep enough liquidity to meet its current commitments

11.1. The chief finance Officer will:

- a) review the banking arrangements of the group at regular intervals to ensure they are in accordance with Secretary of State directions<sup>61</sup>, best practice and represent best value for money;
- b) manage the group's banking arrangements and advise the group on the provision of banking services and operation of accounts;
- c) prepare detailed instructions on the operation of bank accounts.

11.2. The Governing Body shall approve the banking arrangements.

## 12. INCOME, FEES AND CHARGES AND SECURITY OF CASH, CHEQUES AND OTHER NEGOTIABLE INSTRUMENTS.

**POLICY** – the group will

- operate a sound system for prompt recording, invoicing and collection of all monies due
- seek to maximise its potential to raise additional income only to the extent that it does not interfere with the performance of the group or its functions<sup>62</sup>

<sup>61</sup> See section 223H(3) of the NHS Act 2006, inserted by section 27 of the 2012 Act

<sup>62</sup> See section 14Z5 of the 2006 Act, inserted by section 26 of the 2012 Act.

- ensure its power to make grants and loans is used to discharge its functions effectively<sup>63</sup>

12.1. The Chief Financial Officer is responsible for:

- a) designing, maintaining and ensuring compliance with systems for the proper recording, invoicing, and collection and coding of all monies due;
- b) establishing and maintaining systems and procedures for the secure handling of cash and other negotiable instruments;
- c) approving and regularly reviewing the level of all fees and charges other than those determined by the NHS Commissioning Board or by statute. Independent professional advice on matters of valuation shall be taken as necessary;
- d) for developing effective arrangements for making grants or loans.

### 13. **TENDERING AND CONTRACTING PROCEDURE**

**POLICY** – the group:

- will ensure proper competition that is legally compliant within all purchasing to ensure we incur only budgeted, approved and necessary spending
- will seek value for money for all goods and services
- shall ensure that competitive tenders are invited for
  - the supply of goods, materials and manufactured articles;
  - the rendering of services including all forms of management consultancy services (other than specialised services sought from or provided by the Department of Health); and
  - for the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens) for disposals

13.1. The Governing Body may only negotiate contracts on behalf of the group, and the group may only enter into contracts, within the statutory framework set up by the 2006 Act, as amended by the 2012 Act. Such contracts shall comply with:

- a) the group's standing orders;
- b) the Public Contracts Regulation 2006, any successor legislation and any other applicable law; and
- c) take into account as appropriate any applicable NHS Commissioning Board or the Independent Regulator of NHS Foundation Trusts (Monitor) guidance that does not conflict with (b) above.

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<sup>63</sup> See section 14Z6 of the 2006 Act, inserted by section 26 of the 2012 Act.

- 13.2. In all contracts entered into, the group shall endeavour to obtain best value for money. The Clinical Chief Officer shall nominate an individual who shall oversee and manage each contract on behalf of the group.

## 14. COMMISSIONING

**POLICY** – working in partnership with relevant national and local stakeholders, the group will commission certain health services to meet the reasonable requirements of the persons for whom it has responsibility

- 14.1. The group will coordinate its work with the NHS Commissioning Board, other clinical commissioning groups, local providers of services, local authority(ies), including through Health & Wellbeing Boards, patients and their carers and the voluntary sector and others as appropriate to develop robust commissioning plans.
- 14.2. The Clinical Chief Officer will establish arrangements to ensure that regular reports are provided to the Governing Body detailing actual and forecast expenditure and activity for each contract.
- 14.3. The chief finance Officer will maintain a system of financial monitoring to ensure the effective accounting of expenditure under contracts. This should provide a suitable audit trail for all payments made under the contracts whilst maintaining patient confidentiality.

## 15. RISK MANAGEMENT AND INSURANCE

**POLICY** – the group will put arrangements in place for evaluation and management of its risks

- 15.1. The Governing Body will agree the Risk Management Strategy and populate a Risk Register

## 16. PAYROLL

**POLICY** – the group will put arrangements in place for an effective payroll service

- 16.1. The Chief Finance Officer will ensure that the payroll service selected:
- a) is supported by appropriate (i.e. contracted) terms and conditions;
  - b) has adequate internal controls and audit review processes;

- c) has suitable arrangements for the collection of payroll deductions and payment of these to appropriate bodies.

16.2. In addition the chief finance office shall set out comprehensive procedures for the effective processing of payroll

## 17. NON-PAY EXPENDITURE

**POLICY** – the group will seek to obtain the best value for money goods and services received

- 17.1. The Governing Body will approve the level of non-pay expenditure on an annual basis and the Clinical Chief Officer will determine the level of delegation to budget managers
- 17.2. The Clinical Chief Officer shall set out procedures on the seeking of professional advice regarding the supply of goods and services.
- 17.3. The Chief Finance Officer will:
  - a) advise the Governing Body on the setting of thresholds above which quotations (competitive or otherwise) or formal tenders must be obtained; and, once approved, the thresholds should be incorporated in the scheme of reservation and delegation; (need to identify limits for quotes and tenders so can be incorporated into scheme of delegation etc)
  - b) be responsible for the prompt payment of all properly authorised accounts and claims;
  - c) be responsible for designing and maintaining a system of verification, recording and payment of all amounts payable.

## 18. CAPITAL INVESTMENT, FIXED ASSET REGISTERS AND SECURITY OF ASSETS

**POLICY** – the group will put arrangements in place to manage capital investment, maintain an asset register recording fixed assets and put in place policies to secure the safe storage of the group's fixed assets

- 18.1. The Clinical Chief Officer will
  - a) ensure that there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon plans;
  - b) be responsible for the management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost;

- c) shall ensure that the capital investment is not undertaken without confirmation of purchaser(s) support and the availability of resources to finance all revenue consequences, including capital charges;
- d) be responsible for the maintenance of registers of assets, taking account of the advice of the chief finance Officer concerning the form of any register and the method of updating, and arranging for a physical check of assets against the asset register to be conducted once a year.

18.2. The chief finance Officer will prepare detailed procedures for the disposals of assets.

## 19. RETENTION OF RECORDS

**POLICY** – the group will put arrangements in place to retain all records in accordance with NHS Code of Practice Records Management 2006 and other relevant notified guidance

19.1. The Clinical Chief Officer shall:

- a) be responsible for maintaining all records required to be retained in accordance with NHS Code of Practice Records Management 2006 and other relevant notified guidance;
- b) ensure that arrangements are in place for effective responses to Freedom of Information requests;
- c) publish and maintain a Freedom of Information Publication Scheme.

## 20. TRUST FUNDS AND TRUSTEES

**POLICY** – the group will put arrangements in place to provide for the appointment of trustees if the group holds property on trust

20.1. The chief finance Officer shall ensure that each trust fund which the group is responsible for managing is managed appropriately with regard to its purpose and to its requirements.

## APPENDIX F - NOLAN PRINCIPLES

1. The 'Nolan Principles' set out the ways in which holders of public office should behave in discharging their duties. The seven principles are:
  - a) **Selflessness** – Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other benefits for themselves, their family or their friends.
  - b) **Integrity** – Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.
  - c) **Objectivity** – In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.
  - d) **Accountability** – Holders of public office are Accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
  - e) **Openness** – Holders of public office should be as open as possible about all the decisions and actions they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.
  - f) **Honesty** – Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
  - g) **Leadership** – Holders of public office should promote and support these principles by leadership and example.

Source: *The First Report of the Committee on Standards in Public Life* (1995)<sup>64</sup>

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<sup>64</sup> Available at <http://www.public-standards.gov.uk/>

## APPENDIX G – NHS CONSTITUTION

The NHS Constitution sets out seven key principles that guide the NHS in all it does:

1. **the NHS provides a comprehensive service, available to all** - irrespective of gender, race, disability, age, sexual orientation, religion or belief. It has a duty to each and every individual that it serves and must respect their human rights. At the same time, it has a wider social duty to promote equality through the services it provides and to pay particular attention to groups or sections of society where improvements in health and life expectancy are not keeping pace with the rest of the population
2. **access to NHS services is based on clinical need, not an individual's ability to pay** - NHS services are free of charge, except in limited circumstances sanctioned by Parliament.
3. **the NHS aspires to the highest standards of excellence and professionalism** - in the provision of high-quality care that is safe, effective and focused on patient experience; in the planning and delivery of the clinical and other services it provides; in the people it employs and the education, training and development they receive; in the leadership and management of its organisations; and through its commitment to innovation and to the promotion and conduct of research to improve the current and future health and care of the population.
4. **NHS services must reflect the needs and preferences of patients, their families and their carers** - patients, with their families and carers, where appropriate, will be involved in and consulted on all decisions about their care and treatment.
5. **the NHS works across organisational boundaries and in partnership with other organisations in the interest of patients, local communities and the wider population** - the NHS is an integrated system of organisations and services bound together by the principles and values now reflected in the Constitution. The NHS is committed to working jointly with local authorities and a wide range of other private, public and third sector organisations at national and local level to provide and deliver improvements in health and well-being
6. **the NHS is committed to providing best value for taxpayers' money and the most cost-effective, fair and sustainable use of finite resources** - public funds for healthcare will be devoted solely to the benefit of the people that the NHS serves
7. **the NHS is accountable to the public, communities and patients that it serves** - the NHS is a national service funded through national taxation, and it is the Government which sets the framework for the NHS and which is accountable to Parliament for its operation. However, most decisions in the NHS, especially those about the treatment of individuals and the detailed organisation of services, are rightly taken by the local NHS and by patients with their clinicians. The system of responsibility and accountability for taking decisions in the NHS should be transparent and clear to the public, patients and staff. The Government will ensure that there is always a clear and up-to-date statement of NHS accountability for this purpose

Source: *The NHS Constitution: The NHS belongs to us all* (March 2012)<sup>65</sup>

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[http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_132961](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_132961)