

## Terms of Reference for the Quality and Finance Committee

### 1. Title

The Committee shall be known as the Quality and Finance Committee of the NHS Vale of York Clinical Commissioning Group (CCG).

### 2. Accountable To

2.1 The Committee shall be accountable to the NHS Vale of York CCG Governing Body.

2.2 The Committee has full delegated responsibility to manage delegated functions and exercise delegated powers in relation to Primary Care Co-Commissioning.

2.3 In accordance with its statutory powers under section 13Z of the National Health Service Act 2006 (as amended), NHS England has delegated the exercise of the functions specified in Schedule 2 to these Terms of Reference to the NHS Vale of York CCG. The delegation is set out in Schedule 1.

2.4 Arrangements made under section 13z do not affect the liability of NHS England for the exercise of any of its functions. However the CCG acknowledges that in exercising the functions (including those delegated to it) it must comply with the statutory duties as set out in Chapter A2 of the NHS Act 2006.

### 3. Reporting Arrangements

3.1 The Committee's Terms of Reference shall be agreed by the NHS Vale of York CCG Governing Body.

3.2 The minutes of the Committee shall be formally recorded and these can be presented to the Governing Body on request.

3.3 The Chair of the Committee will provide a Quality and Finance summary report to each Governing Body.

3.4 The Committee will, by exception, escalate matters it considers should be brought to the attention at the full Governing Body.

3.5 The composition of the Committee shall be published in the Annual Report.

3.6 The Quality and Finance Committee will present its minutes in respect of the Part II meeting to North Yorkshire and Humber Area Team of NHS England

## **4. Duties**

### **4.1 Authority**

- 4.1.1 The Committee is to investigate any activity within its terms of reference. It may seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
- 4.1.2 The Committee is to monitor the performance of contracts, achievement of the constitutional and quality indicators for the CCG and monitor progress on the local priorities for the CCG as delegated by the Governing Body.
- 4.1.3 The Committee shall make decisions on any remedial action required as a result of contractual or quality performance issues.
- 4.1.4 The Committee shall make decisions regarding the review of commissioned services and business cases for changes to commissioning in line with the CCG detailed scheme of delegation (Chief Officer level).
- 4.1.5 The Committee will ensure that there is a detailed review of all aspects of financial performance of the CCG, including the achievement of QIPP programmes and that, where there are any variations in performance, remedial action plans are put in place.
- 4.1.6 The Committee has delegated authority from the Governing Body with regard to all performance, quality and finance issues in line with the scheme of financial delegation (Chief Officer level).
- 4.1.7 The Committee will carry out the functions of the CCG Primary Care Commissioning Committee from 1<sup>st</sup> April 2015. In order to carry out these functions the Committee will hold Part II meetings at least four times a year to enable decision making in relation to Primary Care Co-Commissioning. These meetings will normally be held in public.
- 4.1.8 In performing its role the Committee will exercise its management of the functions in accordance with the agreement entered into between NHS England and the NHS Vale of York CCG, which will sit alongside the delegation and terms of reference.

### **4.2 Objectives**

- 4.2.1 The overall objectives of the Quality and Finance Committee are to ensure that the CCG has strong contractual and quality performance, clinically appropriate and safe services, and to ensure that this is delivered within the financial plan.
- 4.2.2 The Committee will promote increased co-commissioning to increase quality, efficiency, productivity and value for money and to remove administrative barriers.

- 4.2.3 Where deemed necessary, the Committee shall escalate matters of concern to the Governing Body.
- 4.2.4 The Committee may delegate tasks to such individuals, sub-committees or individual members as it shall see fit, provided that any such delegations are consistent with the CCGs governance arrangements, are recorded in a scheme of delegation, are governed by terms of reference as appropriate and reflect the arrangements for the management of conflicts of interest.

### **4.3 Performance Management and Quality Assurance**

- 4.3.1 The Committee shall review the establishment and maintenance of an effective system of quality assurance. Its work will dovetail with that of the Audit Committee.
- 4.3.2 The Committee shall pro-actively challenge and review the CCG's performance against the standards in the NHS Outcomes Framework and against the strategic priorities of the CCG, agreeing any action plans or recommendations as appropriate.
- 4.3.3 Specifically the Committee will consider a more in-depth analysis of:
- The Outcomes Framework position, challenge variances from plan, ensure action plans are put in place to rectify adverse trends and monitor performance of these action plans
  - The financial position, challenge variances from plan and ensure action plans are put in place to rectify adverse trends to monitor performance of these action plans
  - Quality and safeguarding assurance on the services commissioned by the CCG.
  - The coordination of a common approach to the commissioning of primary care services generally.
  - The planning of, including needs assessment, primary [medical] care services in the Vale of York.
- 4.3.4 In particular, the Committee will receive, assess and challenge performance management information associated with:
- Main provider contracts
  - Voluntary sector contracts
  - Community Services
  - Jointly commissioning services between the CCG and Local Authority
  - The CCG's Quality, Innovation, Productivity and Prevention Plan
  - The CCG's Commissioning for Quality and Innovation schemes
  - The CCG's strategic work-streams
  - The Quality Premium
  - Adult and Children's Safeguarding
  - Cost Improvement Plans (CIP) and Quality Impact Assessment (QIA)
  - GMS, PMS and APMS contracts (including the design of PMS and APMS contracts, monitoring of contracts, taking contractual

action such as issuing branch/remedial notices, and removing a contract)

- Other areas of significant risk to the achievement of quality and performance standards and financial balance

- 4.3.5 The Committee will review in accordance with the timetable; all financial forecasts submitted to the CCG Governing Body and will manage the budget for commissioning of primary [medical] care services in the Vale of York.
- 4.3.6 The Committee will review the financial position of the CCG and monitor the delivery of the Commissioning Plan. This will include reviewing and recommending business cases and procurement plans in line with the CCG's scheme of financial delegation to ensure proposals take account of the quality, financial, sustainability and equality impact on the Vale of York population.
- 4.3.7 As part of its deliberations and recommendations the Committee will take into account the CCG's statutory service responsibilities and service levels.
- 4.3.8 The Committee shall initiate reviews in its own right and undertake, as directed, reviews on behalf of the Governing Body. Work shall be progressed by co-option of other key individuals. The Committee will also undertake reviews of primary [medical] services in the Vale of York.
- 4.3.9 The Committee shall determine what reports they would wish to see on a regular basis.

#### **4.4 Risk Management**

The Committee will review the risk register and update the Governing Body on key risks relating to Performance, Quality, Finance, Innovation programmes and primary [medical] commissioning.

#### **4.5 Planning and Modelling**

The Committee shall:

- 4.5.1 Oversee the development of the Strategic and Operational Plans for the CCG under the direction of the Governing Body.
- 4.5.2 Oversee the development of a rolling five-year financial plan in order to support the delivery of an optimum underlying financial position across the CCG.
- 4.5.3 Monitor the annual planning cycle and ensure that plans are in line with current local and national guidance and are appropriately consulted on.
- 4.5.4 Receive assurance and risk assess all areas of finance, performance and quality across all organisations, including information on serious incidents.

- 4.5.5 Receive assurance for the Commissioning for Quality and Innovation (CQUIN) scheme and Quality Premium.
- 4.5.6 Receive reports, reviews and assurance from relevant external agencies e.g. The Care Quality Commission.
- 4.5.7 Oversee the development of an annual financial plan for income and expenditure with an understood and accepted level of risk.
- 4.5.8 Review quality impact assessments on provider's plans.

#### **4.6 Training and Briefing**

- 4.6.1 The Committee shall promote a culture in which performance, quality, financial management and contractual awareness is valued and encouraged.
- 4.6.2 The Committee shall promote the open and honest sharing of performance, quality and financial information through-out the organisation.
- 4.6.3 The Committee shall promote regular and open dialogue with other organisations, both NHS and non-NHS regarding performance, quality and financial matters.

#### **4.7 Functions relating to primary care**

- 4.7.1 The Committee shall carry out the functions relating to the commissioning of primary medical services under section 83 of the NHS Act. This includes:
  - GMS, PMS and APMS contracts (including the design of PMS and APMS contracts, monitoring of contracts, taking contractual action such as issuing branch/remedial notices, and removing a contract);
  - Newly designed enhanced services (“Local Enhanced Services” and “Directed Enhanced Services”);
  - Design of local incentive schemes as an alternative to the Quality Outcomes Framework (QOF);
  - Decision making on whether to establish new GP practices in an area;
  - Approving practice mergers; and
  - Making decisions on ‘discretionary’ payment (e.g., returner/retainer schemes).
- 4.7.2 The Committee will also carry out the following activities:
  - To plan, including needs assessment, primary [medical] care services within the NHS Vale of York CCG boundaries

- To undertake reviews of primary [medical] care services within the NHS Vale of York CCG boundaries
- To co-ordinate a common approach to the commissioning of primary care services generally
- To manage the budget for commissioning of primary [medical] care services within the NHS Vale of York CCG boundaries

## **5. Membership**

### 5.1 The core Committee shall comprise:

Lay Member of the Governing Body (Chair)  
 2 GPs from the Vale of York Membership  
 Secondary Care Doctor  
 Chief Clinical Officer  
 Chief Operating Officer  
 Deputy Chief Operating Officer  
 Chief Finance Officer  
 Deputy Chief Finance Officer  
 Chief Nurse

### 5.2 The Chair of the Audit Committee may also be asked to attend as appropriate, where the roles of both committees align, for example procurement. Clinical leads and any other members of staff may be asked to attend as necessary.

### 5.3 For Quality and Finance Committee Part II meetings (exercise of the delegated primary [medical] care co-commissioning, a representative from NHS England will be invited as a core member and the following standing attendees (non-voting) will be invited:

Healthwatch representative  
 Health and Wellbeing Board representative  
 Director of Public Health  
 Local Medical Committee representative

### 5.4 For the purposes of the Part II meeting the Chief Clinical Officer will be part of the clinical membership.

## **6. Quorum**

No business shall be transacted unless there are at least five members present: of which one shall be a Lay Member; one shall be a Clinician and one shall be a Chief Officer.

In exceptional circumstances where all the Clinicians have a conflict of interest the decision will be made by a minimum of four of the remaining members, including a Lay Member and either the Chief Operating Officer or Chief Finance Office.

## Decision Making

When a vote is required, each core member of the Committee has a single vote. A simple majority is necessary to confirm a decision. In the event of an equality of votes, the Chairman of the meeting shall have the second and casting vote.

Conflicts of Interest shall be managed in line with NHS Vale of York CCG Conflicts of Interest policy.

### **7. Attendance**

- 7.1 Regular attendance at Committee meetings leads to improved engagement and governance. In the event that an attendee is unable to attend a meeting it is their responsibility to ensure that a nominated deputy is properly briefed and empowered to act on their behalf.
- 7.2 Frequency of attendance by members and attendees will be reviewed by the Committee Chair at least annually.

### **8. Frequency**

- 8.1 The Committee will meet initially on a monthly basis but may adjust frequency as dictated by the quality and performance position of the CCG.
- 8.2 Primary care co-commissioning meetings, Part II meetings will be held a minimum of four times per year and held in public.

### **9. Links to other Committees and Groups**

- 9.1 Due to the nature of integrated governance, the work of the Committee dovetails with some functions of the Audit Committee. Both Chairs will work collaboratively to ensure that where objectives align, their work will complement rather than duplicate effort, bringing their own perspectives to agenda items.
- 9.2 The Committee will have a formal link any Primary Care Strategy Group established by the CCG. This group will be required to formally report to the Committee at the primary care co-commissioning meetings, Part II meetings.
- 9.3 The Committee shall establish task and finish groups as required in order to achieve its objectives.

### **10. Review of Terms of Reference**

The Committee shall review its Terms of Reference at least annually.

### **11. Review of Committee Effectiveness**

- 11.1 The Committee shall undertake a review of its effectiveness at least annually.

11.2 The Committee shall be subject to any review of CCG committees as required.

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Date	5 January 2015

Update by	Helen Sikora, Strategy and Assurance Manager
Comment	Updated sections: Section 4.3.6 - the inclusion of procurement Section 5.1 Membership and quorum Section 9 – an additional paragraph stating links to other committees (Audit and Primary Care), and the establishment of task and finish groups
Date	12 January 2015

Update by	Lynette Smith, Head of Integrated Governance
Comment	Full update to include primary care co-commissioning requirements
Date	21 May 2015

Update by	Lynette Smith, Head of Corporate Assurance and Strategy
Comment	Updated following consultation with Governing Body and Council of Representatives to include Local Medical Committee representation at the Part II meeting.
Date	July 2015