

**NHS VALE OF YORK CLINICAL
COMMISSIONING GROUP**

GOVERNING BODY MEETING



Meeting Date: 6 June 2013

Report Sponsor:

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1. Title of Paper: Finance and Contracting Committee Terms of Reference

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

The attached terms of reference were agreed at the first meeting of the Finance and contracting Committee on 2 May 2013.

4. Evidence Base

Not applicable

5. Risks relating to proposals in this paper

Not applicable



6. Summary of any finance / resource implications

Not applicable

7. Any statutory / regulatory / legal / NHS Constitution implications

Not applicable

8. Equality Impact Assessment

Not applicable

9. Any related work with stakeholders or communications plan

Within plans as appropriate

10. Recommendations / Action Required

The Governing Body is asked to approve the Terms of Reference for the Vale of York Clinical Commissioning Group Finance and Contracting Committee.

11. Assurance

Not applicable



NHS Vale of York Clinical Commissioning Group

Finance and Contracting Committee

Terms of Reference

1 Title

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

2 Accountable To

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

3 Reporting Arrangements

- 3.1 The Committee's Terms of Reference shall be agreed by the NHS Vale of York CCG.
- 3.2 The minutes of the Committee shall be formally recorded. Although there is no formal requirement to present to the Governing Body, the Committee will by exception escalate matters it considers should be brought to the attention at the full Governing Body.
- 3.3 The composition of the Committee shall be published in the Annual Report.

4 Duties and Responsibilities

This Committee will drive through the delivery of the Integrated Commissioning Plan, monitor delivery, report progress and provide assurance of delivery against their specific area of the plan.

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 or contractor e.g. CSU 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 major projects that are considered critical to the financial objectives of the CCG.

4.2 Duties

4.2.1 The overall objectives of the Finance and Contracting Committee are to ensure that there is a detailed review of all aspects of financial performance of the CCG and that, where there are any variations in performance, remedial action plans are put in place.

4.3 Performance Management

4.3.1 The Committee shall pro-actively review the CCG's performance against the key financial targets. Specifically the Committee will:

- Consider a more in-depth analysis of 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.
- In particular, the Committee will receive, assess and challenge performance management information associated with:
 - The CCG's main care contracts
 - The CCG's QIPP Plan
 - Other areas of significant risk to the achievement of financial balance
- Review, when timetables permit, all financial forecasts submitted to the CCG Governing Body.

4.3.2 As part of its deliberations and recommendations the Finance and Contracting Committee will take into account the CCG's statutory service responsibilities and service levels.

4.3.3 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.

4.3.4 The Committee shall determine what reports they would wish to see on a regular basis.

4.4 Planning and Modelling

4.4.1 The Committee shall:

- Monitor the annual planning cycle and ensure that plans are in line with current local and national guidance and are appropriately consulted on
- Oversee the development of an annual financial plan for income and expenditure with an understood and accepted level of risk
- 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 Training and Briefing

4.5.1 The Committee shall specifically consider the level of financial awareness of Governing Body members and staff in the CCG. The Committee shall promote a culture in which:

- Financial and contractual awareness is valued and encouraged
- Financial and contractual skills are developed to ensure regular and wide consideration of financial issues
- Financial and contracting information is shared openly and honestly throughout the organisation
- The local health economy develops a shared financial and commissioning vision and strategy and a shared understanding of that strategy
- There is regular and open dialogue with other organisations, both NHS and non-NHS regarding financial and performance matters

4.6 Risk Management

4.6.1 The Committee will review the risk register and update the Governing Body on key risks relating to Finance and Contracting.

5 Membership

5.1 The Committee shall comprise:

- Three Lay Governing Body Members
- Accountable Officer
- Chief Operating Officer
- Chief Finance Officer

In attendance:

- Finance Officer
- Contracting Officer

Any other member of staff may be asked to attend as necessary.

5.2 The Chair of the Committee shall be the Chairman of the CCG.

5.3 In the event of the Committee Chair being unable to attend a meeting, a GP Governing Body member shall normally deputise.

5.4 Any CCG/CSU employee may be required to attend at the Committee's request.

6 Quorum

6.1 No business shall be transacted unless there are at least three members present, of which one shall be a CCG Governing Body Member.

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 performance and financial position of the CCG.

9 Sub groups

- 9.1 The data group will provide reports to the Finance and Contracting Committee

10 Declaration of Interests

- 10.1 Members are required to declare interests prior to the commencement of the Committee and a register of interests will be maintained. The Chair is required to reconfirm this as a standing item on Committee agendas. As per the Standing Orders, individuals may be required to leave the meeting for relevant agenda items at the discretion of the Committee and will no longer count towards the quorum.

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.

12 Conduct

- 12.1 The members of the Committee must ensure that at all times they:
- Observe the highest standards of propriety involving impartiality, integrity and objectivity in relation to the stewardship of public funds and the management of the bodies concerned
 - Always strive to maximise value for money through ensuring that services are delivered in the most efficient and economical way, within available resources and with independent validation of performance achieved where practicable

- Are accountable to Parliament, to users, to individual citizens, and to staff for the activities of the bodies concerned, for their stewardship of public funds and the extent to which key performance targets and objectives have been met
- Comply fully with the principles of the Citizens charter and the Code of Practice on Access to Government Information, in accordance with Government Policy on openness
- Must comply with the Nolan's seven principles of public life
- Bear in mind the necessity of keeping comprehensive written records of their dealings, in line with general good practice in corporate documents.

13 Review of Terms of Reference

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

Author	Adrian Snarr, Director of Finance
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