

Governance – Committee Terms of Reference

Background

In January 2016, the CCG received a report from PCW (the “Capability and Capacity Review”) detailing a number of areas for improvement, which included recommendations around governance and committee structures. The CCG made an initial series of changes in early 2016, and during the summer of 2016 held a workshop with Governing Body to discuss outstanding concerns. An interim Accountable Officer was appointed in May 2016 during the period of transition to new structures.

In September 2016 the CCG became the subject of legal directions from NHS England, which stated:

“(4) The Board directs that:

(a) Vale of York CCG shall within four (4) weeks of the date of these Directions produce a revised Improvement Plan that sets out how it shall ensure that the capacity, capability and governance of the CCG is made fit for purpose including agreeing with the Board how it will strengthen its financial leadership.

(b) The content of the Vale of York CCG Improvement Plan shall meet any requirements as set out by the Board and shall provide for the implementation of the recommendations of the Capability and Capacity Review date 28 January 2016. “

In October 2016 a new Accountable Officer was appointed, and a further review of structures has been undertaken, with governance actions set out in the draft Improvement Plan. As a result, the Council of Representatives agreed at their December meeting that the following committees would support the Governing Body:

Audit Committee
Executive
Finance and Performance Committee
Primary Care Commissioning Committee
Quality and Patient Experience Committee
Remuneration Committee
Clinical Executive reporting to Executive Committee

The Council of Representatives also:

- Agreed the terms of reference for the Primary Care Commissioning Committee and the Clinical Executive.
- Delegated approval of the terms of reference to the relevant Committee and ratification by the Governing Body.
- Noted the feedback from members and agreed the composition of the Governing Body.

The remit of the committees listed above will be discussed below.

For diagrams of the former committee structure and the new committee structure, see Annex A attached.

Amended Terms of Reference for Committees

During the last six months, the organisation has seen a level of change and restructuring to meet the CCG's current responsibilities, and therefore each Committee's terms of reference have been reviewed and signed off by the relevant Committee, with the exception of the Primary Care Commissioning Committee, whose members have discussed and agreed changes but have not yet signed off the final version.

Changes to the terms of reference of the Primary Care Commissioning Committee are due to be finalised at the Committee meeting on 27 February.

The following changes should be noted:

- The terms of reference (with the exception of the Primary Care Commissioning Committee, which follows NHS-approved standard wording) have been standardised with each one having an opening paragraph detailing the formation of the Committee and that the Committee is a formal Committee of the Governing Body.
- The purpose and remit of each Committee is detailed.
- The membership of each Committee has been reviewed in line with the amended structure of the CCG, including specifically those in attendance.
- The frequency of each Committee has been detailed.
- All committees are to review their effectiveness and terms of reference annually.
- All Committee terms of reference will be published on the CCG's website.
- The CCG's constitution is currently being updated and the terms of reference will be referenced but not included. This is to allow for amendments to Committee terms of reference, as necessary, without having to amend the Constitution.

Audit Committee

The remit of the Audit Committee covers the following areas:

- Integrated Governance, Risk Management and Internal Control
- Internal Audit
- External Audit
- Other assurance functions
- Counterfraud
- Management
- Financial Reporting
- Auditor Panel

It should be noted that in addition, the Committee will review the work of other committees within the organisation whose work can provide relevant assurance to the Audit Committee's areas of responsibility.

Executive Committee

The Executive Committee's role is:

- To ensure the CCG fulfils the functions, duties and responsibilities set out in the CCG's constitution.
- To ensure processes are in place to deliver the Improvement and Assessment Framework expectations, including in-year targets, clinical, operational and financial.
- To develop, implement and monitor the CCG's Strategic and Operational Plan under the direction of the Governing Body.
- Prioritise programmes of work, investment and de-commissioning proposals across the CCG and ensure appropriate resource allocation.
- To oversee the development of the CCG as an effective healthcare commissioner and local leader building strong relationships with stakeholders and patient and public groups.
- Approval of HR policies and corporate policies.
- Strategic management and clinical oversight of all CCG functions and statutory duties, including equalities.
- Equalities, diversity and human rights development and implementation of the action plan.
- Review services changes ensuring service developments and CCG processes and policies are compliant with national regulations and law, including equalities legislation.
- To oversee emergency planning (EPRR).
- To be responsible for and review the organisation's corporate risks.
- OD and staff engagement.
- To ensure day to day running of the CCG.

Finance and Performance Committee

(NB Changes from previous version are underlined)

The Committee has remit over all areas of finance and performance, including, but not limited to, development and implementation of strategy, planning, reporting, delivery, recovery, management, governance and control.

- Review the Medium Term Financial Strategy, ensuring it is consistent with commissioning plans and is sustainable.
- Review the Financial Plan, including ensuring all planning assumptions are within the guidelines set by NHS England and that there is clear accountability throughout the plan.
- Ensure all financial plans are aligned with planned and contracted activity to deliver constitutional and statutory targets.

- Ensure key financial risks are identified and have clear mitigation plans.
- Review and scrutinise the organisation's in-year financial position.
- Review and scrutinise all financial forecasts, including forecasting methodology.
- Oversee the development of a medium term financial plan, in line with NHS England requirements, in order to support the delivery of an optimum underlying financial position for the CCG.
- Ensure the CCG operates within its Detailed Financial Policies (Standing Financial Instructions).
- Review, scrutinise and monitor CCG performance and associated recovery plans.
- Review performance information to ensure delivery of key constitutional and statutory targets.
- Receive regular contract performance reports from key partners.
- Review and scrutinise delivery of the organisation's QIPP programme, ensuring plans are appropriately phased and reflected in budgets. Challenge delivery of rectification plans produced to achieve targets or reduce deficit. This will include review of associated business cases and procurement plans
- Review implementation of transformation schemes and receive updates outlining financial, activity and delivery against key performance indicators for each scheme.

Primary Care Commissioning Committee

The remit of the Committee remains unchanged, as set out in the Letter of Delegation from NHS England.

The main change to the Terms of Reference was to amend the membership in order to reduce the potential for conflicts of interest. The revised membership will consist of the three Lay Members of the Governing Body, the three statutory CCG officers and an NHS England representative as voting members. Non-voting members will consist of two GPs from each locality, Clinical Executive Chair, a Healthwatch representative, a Health and Wellbeing Board representative, and a Director of Public Health.

In terms of the relationship between the PCCC and the Executive Committee, the Executive Committee would identify available funding and the Primary Care Commissioning Committee, with engagement with the Council of Representatives, would agree areas of spend. The Clinical Executive would provide assurance from a clinical and patient perspective and the information would be included in the regular Financial Performance Report to the Governing Body.

Additionally it was agreed that the frequency of meetings should be increased from “at least 4 times a year” to “6 times a year”.

Quality and Patient Experience Committee

The Committee will monitor, report and provide information including mitigation and actions on the following:

- Quality Assurance Strategy and progress against the Strategy and action plan.
- Patient outcomes.
- Patient ‘insight’ – primarily complaints, concerns, PALs and compliments on commissioned services and the CCG itself.
- Patient information.
- Patient safety – which includes Health Care Associated Infections (HCAI) and Serious Incidents (SI) / Never Events.
- Safeguarding Children and Adults.
- Quality concerns from commissioned services / affecting commissioned services including from sub-contract management boards with providers.
- Regulatory / national reports regarding quality (e.g., CQC, National Enquiries, NHS England reports and strategies).
- Information from and for NHS England Quality Surveillance Groups.

The Committee will receive and scrutinise:

- Independent investigation reports relating to patient safety issues and agree publication plans.
- Agree clear escalation processes, including appropriate trigger points, to enable appropriate engagement of external bodies on areas of concern.
- Agree escalation to the Executive Committee and Governing Body.
- Have a forward work plan.

Remuneration Committee

The remit of the Remuneration Committee is as follows:

The Committee shall make recommendations to the Governing Body on:

- The terms and conditions of employment for all employees of the group.
- Pensions, remuneration, fees and allowances payable to employees and to other persons providing services to the group.
- Retention Premia.
- Annual salary awards [where applicable].
- Allowances under any pension scheme it might establish as an alternative to the NHS pension scheme.
- The severance payments of NHS Vale of York Clinical Commissioning Group employees and contractors, seeking HM approval as appropriate in accordance with the guidance ‘Managing Public Money’.
- Policies and instructions relating to remuneration

Clinical Executive

The Clinical Executive has been established and reports in to the Executive Committee

The Clinical Executive is responsible for clinical leadership in Commissioning. It should identify and provide the clinical lead role for, and appraisal of, service improvement and QIPP proposals. The Clinical Executive will review and endorse clinical policy and research proposals, receive and clinically appraise recommendations from Clinical Research and Effectiveness Committee and Medicines Commissioning Committee. It will lead on developing clinical networks across the clinical community and with the CCG Membership.

Its duties will include:

- Review and influence of service redesign to ensure that pathways of care and commissioned services meet the needs of the Vale of York CCG population, including variation of thresholds.
- Review analysis and intelligence of current service provision in order to provide commissioning adjustments or strategy.
- Review and consider intelligence from horizon scanning sources, benchmarking activities and Clinical Networks.
- Communication and networking to influence the cultivation of the Health and Social Economy.
- Working with the CCG Executive to protect, promote and enhance the CCG Culture, reputation and trust across all stakeholders.
- Ensuring clinical direction of CCG Processes and setting of clinical priorities.
- Provide the Executive Committee, Governing Body and Council of Representatives with recommendations and evaluations of strategy and commissioning intentions for consideration and approval.
- It will actively seek to ensure that Council of Representatives' commissioning intentions and views are fully understood and that the Council of Representatives are consulted and assured in matters of relevant CCG business.
- Clinical oversight of the portfolio of CCG Transformation Programmes and ensure coherence and connectivity across the portfolio.
- Approval of clinical guidelines.
- Approval of prescribing policies where there is no financial impact.

Decision-making processes

Decisions should be made at the appropriate level within the CCG, as set out in the Scheme of Delegation, which is currently under review as the Constitution is updated. The main changes to note are the formation of the Executive Committee, to deal with operational issues and pre-committee discussions, and the Clinical Executive, which does not have formal financial decision-making powers. Decisions with financial implications made at Clinical Executive will be passed to the Executive Committee. The Clinical Executive has delegated decision making authority for

clinical guidelines and Medicines Commissioning Committee recommendations where there is no financial impact.

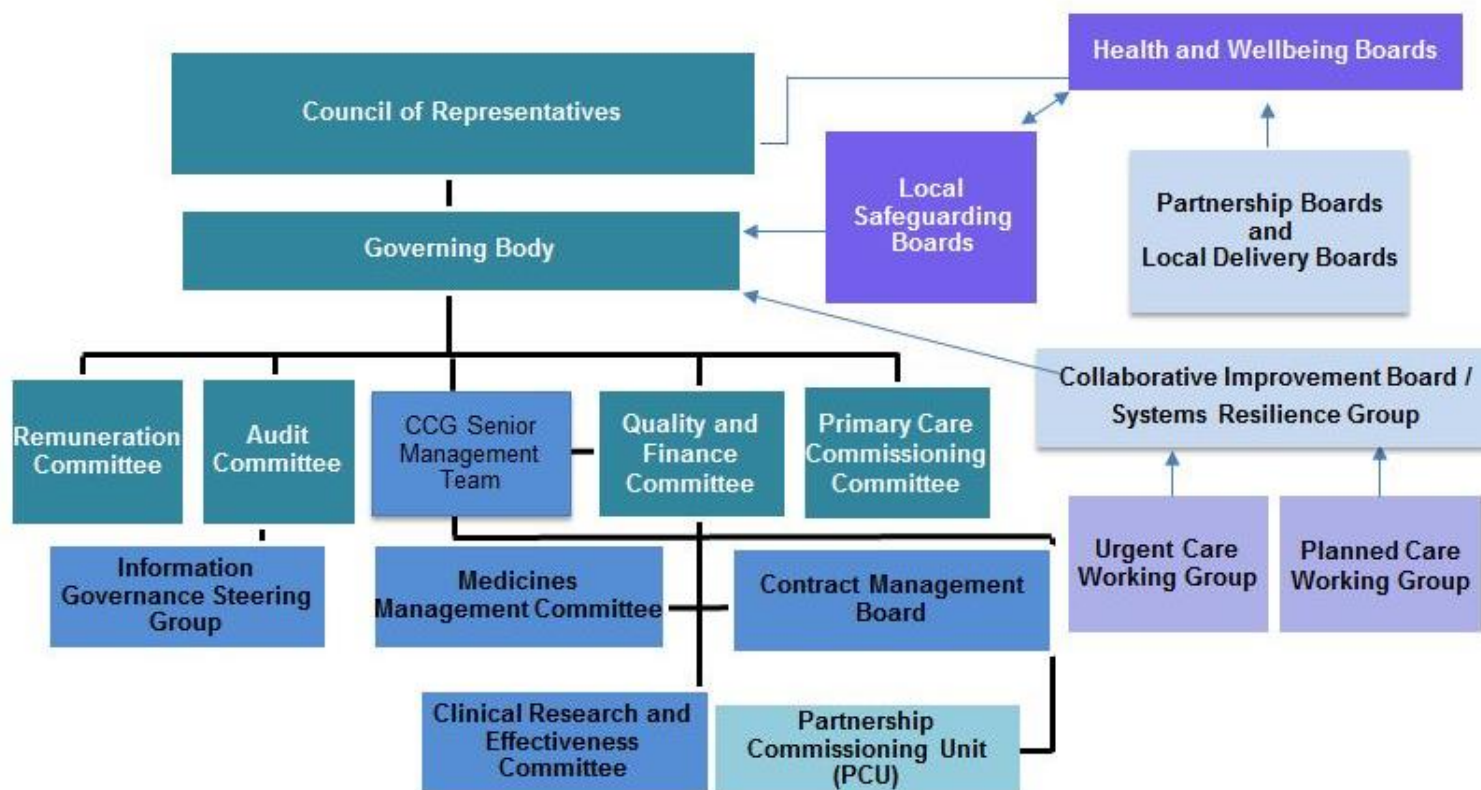
The former Senior Management Team meeting is now a non-formal meeting for weekly operational matters.

Next Steps

Governing Body is requested to approve the attached terms of reference. All Committee terms of reference are reviewed at least annually.

Annex A – Diagrams of Governance Structure

Committee Structure at 31 March 2016



Revised Committee Structure

