

Finance, Performance and Contracting Committee

Terms of Reference

Version:	1.0
Committee Approved by:	Governing Body
Date Approved	14 April 2021
Responsible Officer:	Chief Finance Officer
Date issued:	14 April 2021
Review date:	March 2022

Change History

Version No.	Changes Applied	By	Date
Draft v0.1	Based on draft joint committee terms of reference	Laura Ellis, Head of Corporate Governance	2 February 2021
Draft v0.2	Updated draft to comply with Accessible Information Standard	Laura Ellis, Head of Corporate Governance	30 March 2021
Final v1.0	Governing Body approved		14 April 2021

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NHS Kirklees Clinical Commissioning Group
Finance, Performance and Contracting Committee
Terms of Reference

1. Introduction

- 1.1 The Finance, Performance and Contracting Committee is established as a sub-committee of the Governing Body, in accordance with NHS Kirklees Clinical Commissioning Group's (CCG) Constitution, Standing Orders and Scheme of Delegation.
- 1.2 The remit, responsibilities, membership and reporting arrangements of the Finance, Performance and Contracting Committee are set out in these terms of reference and shall have effect as if incorporated into the CCG's constitution. The Finance, Performance and Contracting Committee has no executive powers, other than those specifically delegated in these terms of reference.
- 1.3 The Committee advises and supports the Governing Body in scrutinising and tracking delivery of key financial and service priorities, outcomes and targets as specified in the CCG's Strategic and Operational Plan.

2. Membership

2.1 Core Membership

- Three GP Members/Other Primary Care Professional Practice Members from the Governing Body
- Lay Member for Finance and Remuneration (to be chair) (Named deputy: Lay Member for PPI)
- Lay Member for Audit and Governance (Named deputy: Lay Member for PPI)
- Secondary Care Specialist
- Chief Officer
- Chief Finance Officer (named deputy: Head of Finance)

2.2 Required Attendees

- Head of Finance (or nominated deputy)
- Head of Strategic Planning, Performance and Delivery (or nominated deputy)
- Head of Contracting and Procurement (or nominated deputy)

- 2.3 In order to ensure a line of sight between the Quality Committee and the Finance, Performance and Contracting Committee, the Chief Officer is a designated member of both committees.
- 2.4 Other CCG staff may request or be requested to attend the meeting when matters concerning their responsibilities are to be discussed or they are presenting a paper.
- 2.5 Members can send deputies to represent them. Deputies will count towards Quorum but will only have voting rights if they have formal acting up status.
- 2.6 Any member of the Governing Body can be in attendance subject to agreement with the Chair.

3. Arrangements for the conduct of business

3.1. Chairing meetings

The meetings will be run by the chair. In the event of the chair of the Finance, Performance and Contracting Committee being unable to attend all or part of the meetings, the remaining members of the committee should appoint a chair for the meeting.

3.2. Quoracy

No business shall be transacted unless at least 50% of the membership (which equates to four individuals) and including the following are present:

- One GP Member/Other Primary Care Professional Practice Member
- One Lay Member or Secondary Care Advisor
- Chief Officer or Chief Finance Officer (or nominated deputy)

In line with the CCG's Constitution, where an item of business relates to a matter where all GP Members/Other Primary Care Professional Practice Members have to declare an interest, for that matter the requirement for one GP Member/Other Primary Care Professional Practice Member to attend will be excluded from the arrangements on quoracy. Reference should be made to the undertaking in section 4.14 of the Constitution relating to supporting clinical involvement in decision-making.

Members of the Committee may participate in meetings by telephone or by the use of video conferencing facilities where they are available and with the prior agreement of the Chair. Participation by any of these means shall be deemed to constitute presence in person at the meeting.

Members are normally expected to attend at least 75% of meetings during the year.

3.3. Voting

In line with the CCG's Standing Orders, it is expected that decisions will be reached by consensus. Should this not be possible, each voting member of the Finance, Performance and Contracting Committee will have one vote, the process for which is set out below:

Majority necessary to confirm a decision – simple majority of those present and voting

Casting vote – Chair

Dissenting views – dissenting views must be recorded in the minutes to ensure transparency of business conduct

3.4. Frequency of meetings

The Finance, Performance and Contracting Committee will normally meet bi-monthly. Additional meetings can be scheduled if required.

3.5. Declaration of interest

If any member has an interest, financial or otherwise, in any matter and is present at the meeting at which the matter is under discussion, he/she will declare that interest as early as possible and act in accordance with the CCG's Conflicts of Interests Policy. Subject to any previously agreed arrangements for managing a conflict of interest, the chair of the meeting will determine how a conflict of interest should be managed. The chair of the meeting may require the individual to withdraw from the meeting or part of it. The individual must comply with these arrangements, which must be recorded in the minutes of the meeting.

3.6. Urgent matters arising between meetings

The Chair of the Finance, Performance and Contracting Committee in consultation with the Chief Officer or Chief Finance Officer, may act on urgent matters arising between meetings of the committee. Any actions taken outside the meeting shall be reported to the next meeting of the Committee, where the Chair will explain the reason for the action taken.

3.7. Support to the Committee

The Committee's Lead Manager is the Chief Finance Officer.

Administrative support will be provided from within the CCG. The administrative officer will:

- Agree the agenda with the Chair in consultation with the CCG Lead Manager, take minutes of the meetings, keeping an accurate record of attendance, key points of the discussion, matters arising and issues to be carried forward.

- Maintain an on-going list of actions, specifying members responsible, due dates and keeping track of these actions.
- Send out agendas and supporting papers to members five working days before the meeting.
- Draft minutes for approval by the Chair and CCG Lead Manager within five working days of the meeting and then distribute to all attendees following this approval within 10 working days.
- An annual work plan to be updated and maintained on a monthly basis.

4. Remit and responsibilities of the committee

- 4.1 The Committee shall perform a bi-monthly review of the overall performance of Kirklees CCG. This will include:
- Performance against the delivery of the Operational Plan;
 - Progress and achievement against key national, regional and local targets for service improvement, with a particular focus on specified 'must dos' and external regulation;
 - Progress and achievement against outcomes and targets agreed with external partner organisations;
 - Performance against annual budgets and short term financial plans;
 - An assessment of pressures within the whole system and how these affect contracts for services provided to us and performance;
 - Opportunities to further improve performance;
- 4.2 The Committee will ensure financial management achieves value for money, efficiency and effectiveness in the use of resources with a continuing focus on cost reduction and achievement of efficiency targets.
- 4.3 The Committee will actively review and oversee operational delivery of the CCG's programmes of work to improve Quality, Innovation, Productivity and Prevention (QIPP), and monitor the achievement of QIPP plans.
- 4.4 The Committee will review the CCG's budgets.
- 4.5 The Committee will have overview of procurements and potential procurements.
- 4.6 The Committee will provide challenge in setting ambitious targets for service improvement and embedding improvement opportunities and initiatives and track progress against any action plans.

- 4.7 The Committee will provide a forum to evaluate requirements and advise the Governing Body on committing resources to respond to performance issues and external assessments.
- 4.8 The Committee will recognise areas of good practice and ensure they are embedded along with other benchmarking tools e.g. better care better value indicators, programme budgeting.
- 4.9 The Committee will oversee the continued development of the corporate performance framework.

5. The key duties of the Finance, Performance and Contracting Committee are:

- 5.1 To advise the Governing Body that processes for financial and performance management (including reporting) are robust.
- 5.2 To make recommendations to the Governing Body on developments in the CCG's performance management framework.
- 5.3 To ensure the delivery of action plans.
- 5.4 To provide advice / feedback to management team on the setting of performance indicators within plans and strategies.
- 5.5 To ensure appropriate links are made to Risk Management and Audit processes.
- 5.6 To advise the Governing Body on progress against any action plans stemming from performance issues.
- 5.7 To advise and support the Primary Care Commissioning Committee on areas within the remit of the Finance, Performance and Contracting Committee relating to primary care commissioning.
- 5.8 The Finance, Performance and Contracting Committee has responsibility for finance, performance, contracting and corporate risks. The Committee shall:
 - review and monitor the corporate risk register in respect of the above, and provide assurance on this to the Audit Committee through submission of minutes documenting discussion.
 - request action by accountable individuals to manage risk and variation in performance, ensuring plans are put in place to address the achievement of

objectives and targets. This will include bringing expenditure back in line with allocation and deliver financial balance or planned underspend.

- ensure that variance against target performance levels is reflected in the Risk Register report, High Level Risk Log and Governing Body Assurance Framework as appropriate.

6. Joint meetings with the Quality Committee

The Committee will hold bi-monthly meetings (if required) with the Quality Committee to consider matters that would benefit from a joint discussion/decision.

7. Authority

- 7.1 The Committee is authorised to investigate any activity within its terms of reference. It is authorised to seek any information it requires within its remit, from any employee of the CCG or member of the Governing Body and they are directed to co-operate with any such request made by the Committee.
- 7.2 The Committee is authorised to commission any reports or surveys it deems necessary to help it fulfil its obligations.
- 7.3 The Committee is authorised to obtain legal or other independent professional advice and secure the attendance of advisors with relevant expertise if it considers this is necessary. In doing, so, the Committee must follow procedures put in place by the CCG for obtaining legal or professional advice.
- 7.4 The Committee is authorised to create sub-groups or working groups as are necessary to fulfil its responsibilities within its terms of reference. The Committee may not delegate executive powers delegated to it within these terms of reference (unless expressly authorised by the Governing Body) and remains accountable for the work of any such group.

8. Reporting Arrangements

- 8.1 The Committee shall submit its minutes to each formal Governing Body meeting.
- 8.2 The Chair of the Committee shall draw to the attention of the Governing Body any significant issues or risks relevant to the CCG.
- 8.3 Regular reports on finance, performance and contracting shall also be presented to the Governing Body. Other reports on specific issues will also be prepared for consideration by the Governing Body as required.

- 8.4 The Committee shall ensure that requests for information, documents, records or other items relating to areas delegated to it by the Governing Body, are submitted to the Secretary of State or the NHS Commissioning Board as necessary.
- 8.5 The Committee shall submit an annual report to the Audit Committee and the Governing Body.
- 8.6 The Committee will receive for information the minutes of other meetings which are captured in the Committee work plan.

9. Conduct of the committee

- 9.1 All members will have due regard to and operate within the Constitution of the CCG, standing orders, standing financial instructions and other financial procedures.
- 9.2 Members of the Committee will abide by the 'Principles of Public Life' (The Nolan Principles) and the NHS Code of Conduct.
- 9.3 The Committee shall agree an Annual Work Plan with the Governing Body and in line with the Governing Body Assurance Framework.
- 9.4 The Committee shall undertake an annual self-assessment of its own performance against the annual plan, membership and terms of reference. This self-assessment shall form the basis of the annual report from the Committee.
- 9.5 Any resulting changes to the terms of reference shall be submitted for approval by the Governing Body.

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