

FINANCE AND PERFORMANCE COMMITTEE

DRAFT Terms of Reference

1 Constitution and Authority

NHS Vale of York Clinical Commissioning Group (CCG) resolves to establish a Committee of the Governing Body to be known as the Finance and Performance Committee (FPC) (the Committee). The Committee has delegated decision making authority as set out in these Terms of Reference. The Committee is authorised by the Governing Body to investigate any activity within its Terms of Reference. It is authorised to seek and has full access to any information it requires, from any employee and all employees are directed to co-operate with any request made by the Committee. The Committee is authorised to create working groups as necessary to fulfil its responsibilities within these Terms of Reference. The Committee may not delegate executive powers delegated with these Terms of Reference (unless expressly authorised by the CCG) and remains accountable for the work of any such group.

2 Purpose of the Committee

The paramount role of the Finance and Performance Committee is to oversee the financial recovery of the CCG operating under legal Directions, effective 01 September 2016.

The Committee shall undertake the scrutiny of all financial recovery plans on behalf of the Governing Body of NHS Vale of York CCG and provide assurance to the Governing Body that appropriate actions are being taken in relation to financial and performance recovery. The Committee shall advise and support 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 Plans.

The Committee shall pro-actively challenge and review delivery against the performance expectations for the CCG against the Constitution, NHS mandate and associated NHS performance regimes, agreeing any action plans or recommendations as appropriate.

Specifically the Committee will consider a more in-depth analysis of :

- the financial position through challenge of variances from plan and ensuring action plans are put in place to rectify adverse trends to monitor performance of these action plans;
- performance delivery against the Improvement and Assessment Framework position through challenge of variances from plan, ensuring action plans are put in place to rectify adverse trends and monitor performance of these action plans.

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 (QIPP)
- The CCG's strategic work-streams
- Other areas of significant risk to the achievement of performance standards and financial balance
- Delivery of the RightCare programme
- Review in accordance with the timetable, all financial information, including that submitted to the CCG Governing Body.

The Committee will scrutinise the financial position of the CCG and monitor the delivery of the Commissioning Plan.

The Committee will receive and scrutinise performance delivery information against key performance trajectories ensuring delivery and where necessary corrective actions are followed up.

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

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

3 Remit

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. This will include review of associated business cases and procurement plans.
- Challenge delivery of rectification plans produced to achieve targets or reduce deficit.
- Review implementation of transformation schemes and receive updates outlining financial, activity and delivery against key performance indicators for each scheme.

4 Risk Management

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

5 Frequency

The Finance and Performance Committee will meet monthly, on the fourth Thursday of the month.

6 Membership

Lay Member (Chair)

Accountable Officer

Chief Finance Officer

~~*Executive Director of System Resources and Performance*~~

~~*Chief Nurse Executive Director of Nursing and Quality*~~

~~*Chief Operating Officer Executive Director of Planning and Governance*~~

Deputy Chief Finance Officer

~~*Deputy Chief Operating Officer Deputy Director of Transformation and Delivery*~~

~~*Executive Director of Joint Commissioning*~~

Assistant Director of Delivery & Performance

Representation from Clinical Executive

In attendance: Lay Chair of Audit Committee
 Lay Chair of the Governing Body

Interim Executive Director of System Resources and Performance

Interim Executive Director of Joint Commissioning

Director of Finance, NHS England North (or deputy)

Head of Contracting

Head of Finance

7 Quoracy

A minimum of three members are required for the meeting to be quorate to include a lay member, an executive director and the Chief Finance Officer or Deputy Chief Finance Officer.

8 Accountability

The Finance and Performance Committee will be accountable to the NHS Vale of York Clinical Commissioning Group Governing Body who will receive the Finance and Performance Committee minutes.

9 Decision Making

The Committee acts as a ~~co-ordination~~ an assurance and scrutiny group and provides the opportunity for discussions about financial and performance issues to enable policies to be shaped for approval by the CCG Governing Body. The Committee has specific delegated authority to :

- Develop the annual financial plan for approval by the Governing Body;
- Approval of disposals, condemnations, bad debts, losses and special payments to the value of £50,000 (then taken to Audit Committee to note and review)
- Review the delivery of delivery partners' services and make recommendations to the Governing Body in respect of service delivery, quality, value for money and cost.
- 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 Chair 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.

10 Administrative Support

Administration support to the Committee will be provided by the CCG's Executive Assistant who will work with the Chair to agree the agenda and all papers.

The papers for the Committee will be circulated five working days before the meeting.

11 Committee Effectiveness

The Committee shall review its effectiveness annually.

12 Review of Terms of Reference

The Committee shall review its terms of reference at least annually. The Committee shall ensure that the specific focus on financial recovery whilst under legal Directions remains until such time that the CCG is formally notified of the removal of Directions.

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Committee Approved (including date)	Finance and Performance Committee 23 February 2017
Approval Date	
Issue Date	
Review Date	### at six month review
Version Number	0.456

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