

HARROGATE & RURAL DISTRICT CLINICAL COMMISSIONING GROUP

FINANCE, PERFORMANCE AND COMMISSIONING COMMITTEE

Terms of Reference

1. Role of the Committee

The Finance, Performance & Commissioning Committee (FPCC) will act as a formal committee of the Harrogate and Rural District Clinical Commissioning Group (the CCG) Governing Body. The purpose of the FPCC is three-fold:

- To formally review the financial position of the CCG, incorporating activity levels, provider contract positions and issues, deliverability of QIPP, and risks in achieving its forecast out-turn at the end of the year. It will provide committee members with greater clarity on the CCG's financial and contracts position. It will also provide assurance to the Governing Body on the CCG's financial position, flagging concerns and issues for further discussion as and when deemed necessary;
- To formally review the performance dashboard and discuss by exception where performance is not acceptable, agreeing service performance actions and timescales to mitigate and recover the position to an acceptable levels. It will provide committee members with greater clarity on the underlying performance (in terms of cost, activity and quality) on commissioned services and on delivery of the annual plan as set out in the CCG's strategic plan. It will also provide assurance to the Governing Body on the CCG's performance position, flagging concerns and issues for further discussion as and when deemed necessary;
- To receive investment opportunities and business cases, advise committee members on their implications and to approve in line with the CCG's scheme of delegation. If the investment or business case exceeds the committees approval limit the committee should make recommendations and highlight key factors to the Governing Body to assist them to make a decision.

2. Accountability Accountable to:

the Governing Body

3. Key Relationships:

The Committee will receive reports on the following:

- Monthly report on financial performance (Programme & Running Costs)
- Reports covering activity, finances and performance for all Lead Commissioner & Associate Commissioner contracts
- Monthly reports on QIPP progress & delivery
- Action Tracker and Key Messages from the QIPP Delivery Group
- Business case and investment proposals
- SMT/Clinical Executive financial and performance commitments
- Proposals for new drugs and to conform with NICE guidance
- Business cases for discount schemes for prescribing drugs
- Area Prescribing Committee financial commitments
- Reports from the Partnership Commissioning Unit, including updates on their delivery plan
- Minutes and Key Messages from the Harrogate Health Transformation Board
- Key messages from the A&E Delivery Group
- Monthly reports from the Contract Management Board with HDFT
- Monthly report on the eMBED contract performance
- Core Performance Dashboard
- Procurement proposals and steering group tracker
- New/revised finance policies and procedures
- New/revised commissioning policies and procedures
- New Care Models expenditure reports
- Quarterly Better Care Fund dashboard – suggest delete this one?
- Quarterly Primary Care dashboard – suggest delete this one?
- FPCC risk register

4. Priorities

The FPCC will:

- Provide assurance reports to the Governing Body on finance, contracting, QIPP, commissioning and performance;
- Ensure the CCG operates within its Standing Financial Instructions and statutory requirements in respect of financial and performance management;
- Challenge the financial position of the CCG and ensure financial management achieves economy, effectiveness, efficiency, probity and accountability in the use of resources;
- Oversee the delivery of services provided to the CCG through the eMBED contract
- Monitor implementation of the relevant corporate objectives relating to the

role of the Committee.

This will be achieved through:

- Overseeing the development of the Medium Term Financial Plan & operational plan
- Reviewing annual budgets/short-term financial plans for agreement by the Governing Body;
- Monitoring the CCGs' financial standing in-year and recommend corrective action to the Governing Body should the year-end forecasts suggest that financial balance will not be achieved;
- Monitoring expenditure against indicative budgets, including the running costs allowance;
- Receiving regular contract performance reports (covering activity, cost and quality) for each of the CCGs' main areas of commissioning expenditure;
- Receiving reports from eMBED (with commentary from CCG officers in respect of delivery of these services).;
- Receiving reports from the PCU (with commentary from CCG officers in respect of delivery of these services). Lead officers from the PCU may be invited to attend and report directly to the Committee;
- Reviewing performance in implementing the CCG's commissioning and financial plans and providing assurance to the Governing Body on the delivery of the annual commissioning programme.

5. Decision Making

The Committee acts as a co-ordination group and provides the opportunity for discussions about financial 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 strategy for approval by the Governing Body;
- Approve non-primary care business cases for investment & disinvestment decisions to a value of £1 million
- Approve non-primary care quotes and tenders to a value of £1 million
- Approve non-primary care capital investments and disinvestments to a value of £1 million
- Approve GP rent reviews to a value of £50,000
- Approve QIPP schemes and amendments to the value of £10 million
- Approve new drug prescribing to a value of £1 million
- 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 the eMBED services and make recommendations to the Governing Body in respect of service delivery, quality, value for

money and cost.

6. Monitoring and Reporting

Monitoring Arrangements:

The Committee will develop a work plan with specific objectives which will be reviewed regularly and formally on an annual basis. In order to discharge its duties effectively the Committee will require the following information:

- Monthly finance reports;
- Briefing on developments in NHS finance;
- Monthly contract performance reports;
- Monthly QIPP updates;
- Monthly performance reports;
- Performance reports for the eMBED contract;
- Reports from the Partnership Commissioning Unit;
- Minutes of Acute, Community and Mental Health contract monitoring groups; and other such information as it considers necessary from time to time.

Reporting arrangements:

Key messages of each Committee meeting will be formally recorded and submitted to the CCG Governing Body. The Committee will provide a verbal assurance statement from its meeting to the Governing Body as and when required.

The Committee will submit an annual report to the CCG Governing Body at the end of each financial year summarising achievement against its agreed work plan.

7. Membership

Core Membership:

- Clinical Governing Body member – Chair
- Clinical Chair – Deputy Chair
- Chief Officer
- Chief Finance Officer
- Additional GP Governing Body member
- Director of Transformation & Delivery
- Head of Finance
- Head of Contracting
- Head of Commissioning

Other representatives may be invited by the Chair to attend the meetings on an ad

hoc basis.

Members should consider another committee member or designated deputy to represent them in their absence.

8. Quorum

The Committee will be considered quorate when;

Either the Chair or the Clinical Chair

AND

Either the Chief Officer or the Chief Finance Officer/Head of Finance
are present.

9. Conflicts of Interest – to check with Sasha if this needs updating

Where a member has, or becomes aware of, an interest in relation to a matter subject to action or decision of the committee, the interest must be considered as a potential conflict and is subject to the provisions of the CCGs Constitution and the CCGs Conflicts of Interest policy.

The member must declare the interest as early as possible and shall not participate in the discussions.

The Chair will have the power to request that member to withdraw until the Committee's consideration has been completed. Because of matters of quoracy, arrangements should be made in advance to enable the alternate member to be present.

If the Chair is conflicted, then arrangements must be made in advance of the meeting for one of the other Committee members to Chair and for the alternate to also be present.

10. Meeting Frequency

The Committee will meet on a monthly basis (minimum of 10 times per year), with meetings planned to occur the week prior to the CCG Governing Body meetings.

If, for any reason, decisions are required as a matter of urgency and it is not considered necessary to call a full meeting, the committee may choose to convene a telephone conference or other virtual meeting or to review and take decisions via e-mail. These will be recorded by the FPCC secretary and confirmed at the next available committee meeting.

11. Review of Terms of Reference

To be reviewed annually.

To be agreed by the Committee and ratified by the CCG Governing Body.

Approved by: NHS Harrogate and Rural District CCG Governing Body

Issued date: November 2016

Review date: November 2017 (Reviewed by no changes made)

Next Review date: November 2018