

NHS Wolverhampton Clinical Commissioning Group Constitution Appendix H4

Governing Body's Finance and Performance Committee Terms of Reference

1. Introduction

The Finance and Performance Committee (FPC) is established in accordance with paragraph 6.9.3(d) of NHS Wolverhampton City Clinical Commissioning Group's constitution, Standing Orders and Scheme of Reservation and Delegation. These terms of reference set out the membership, remit, responsibilities and reporting arrangements of the FPC and shall have effect as if incorporated into the constitution and standing orders.

The FPC will evaluate its own performance and terms of reference annually. Any resulting changes to the terms of reference and/or concerns in relation to the performance evaluation will be received and considered for approval by the governing body, or the group if they relate to the membership of the committee (Standing Order 4.4), before becoming part of an application for variation to be approved by the group and submitted to NHS England (Paragraph 1.4 of the constitution). The terms of reference will be published on the group's website (www.wolverhamptonccg.nhs.uk/about-us/our-members-constitution) and available by post or email, if requested.

2. Membership

The Chair of the FPC will be the lay member of the governing body for finance and performance.

The number of members of FPC shall be at least 5.

In the event of the Chair of the FPC being unable to attend all or part of a meeting, the members of FPC will nominate a replacement from within the membership to deputise for that meeting.

The other members of the FPC will be appointed by the group to include other members of the governing body including the Chief Finance Officer and employees of the group including at least one representative of the Commissioning function save that, subject to the qualifying proviso below, members of FPC need not be members of the governing body

No individual who could not be a member of the group's governing body by virtue of sections (4) to (10) of Schedule 5 of the 2012 Regulations (SI 2012/1631) will be eligible to be a non-governing body member of the group's FPC

3. In attendance

Employees of and providers of relevant services to the group and representatives of any organisations with which it jointly commissions or from whom it commissions healthcare services may be invited to attend when the FPC is discussing areas that are the responsibility of that person.

4. Secretary

A named individual (or his/her nominee) shall be responsible for supporting the Chair in the management of the FPC's business and for drawing members' attention to best practice, national guidance and other relevant documents as appropriate.

5. Quorum

A meeting of the FPC will be quorate provided that three members are present of whom at least one is a member of the governing body (the Chief Finance Officer not being counted as a member of the governing body for this purpose), the Chief Finance Officer or his/her authorised deputy and one other FPC member.

6. Voting

Should a vote need to be taken, only the members of FPC shall be allowed to vote. In the event of a tied vote, the Chair shall have a second and casting vote.

7. Frequency and notice of meetings

The FPC will meet at least eight times per annum with meeting dates scheduled in advance for at least 12 months, save in an emergency when the Chair of FPC may call a meeting of his/her volition or at the request of a member(s) with the Chair's consent.. No unscheduled or rescheduled meetings will take place without members usually having at least ten days of the date and in an emergency, standing order 3.8 (Emergency Powers and Urgent Decisions) shall apply. The agenda and supporting papers will be circulated to all members at least five working days before the date the meeting will take place unless a shorter time period for circulation of papers is necessary due to a meeting being re-scheduled at short notice..

8. Remit and responsibilities of the committee

The FPC is accountable to the governing body and its remit is to provide the governing body with assurance on issues related to the finances, including financial health, of the group and the achievement of performance objectives and targets. It will deliver this remit in the context of the group's priorities, as they emerge and develop, and the risks associated with achieving them.

The Committee will be responsible for ensuring that risks identified through the CCG's risk management arrangements and allocated to the committee due to its relevance to its responsibilities are effectively managed through regular consideration of the committee's risk profile. The committee will assure the Audit and Governance Committee and the Governing Body that these risks are being managed, escalating and de-escalating risks as it considers necessary.

The specific duties delegated to or conferred on the FPC by the group of its governing body are:

- to support the Chief Finance Officer in the delivery of the general financial duties (constitution 5.3.1 – 5.3.3);
- to report to the governing body on areas of concern regarding financial and performance issues;
- to receive reports from the group's representative on the Wolverhampton Health and Wellbeing Board with regard to development of the joint assessments and strategies and delivery of the latter (constitution 5.1.2(c)(ii));
- to monitor the group's delivery of the duty to act effectively, efficiently and economically (constitution 5.2.3);

- to monitor the group's delivery of the duty to have regard to the need to reduce inequalities (constitution 5.2.6);
- review the Chief Finance Officer's proposals for any changes to the Prime Financial Policies prior to scrutiny of them by the Audit and Governance Committee (PFP 1.5.1)
- approval of detailed financial policies (PFP 1.1.3);
- to consider reports from the Chief Finance Officer regarding significant variances from budgeted performance (PFP 7.3) and approve any changes to budgets not significant enough to require approval by the governing body (PFP 7.4);
- to consider reports from management regarding significant variances from non-financial performance targets;
- agree the Chief Finance Officer's timetable for producing the annual accounts and report (PFP 8.1(a));
- approve the group's overall banking arrangements (PFP 11.2);
- receive reports detailing actual and forecast expenditure and activity for all healthcare contracts (PFP14.3).

It will deliver these duties by developing and delivering annual work programmes giving appropriate focus to the following:

- receive and consider detailed monthly monitoring reports and year-end forecast of performance against financial and performance targets;
- review plans for and delivery of initiatives under QIPP and any subsequent programme of that nature;
- to make recommendations as necessary to the governing body on the remedial actions to be taken with regard to finance and performance issues and risks, including in-year changes to budgets; and
- to report annually to the governing body in relation to how FPC has discharged its duties.

9. Relationship with the governing body

For the next meeting of the governing body following each meeting of the FPC, the Chair of the committee will provide a written summary of the key matters covered by the meeting.

The minutes of each meeting of the FPC, as agreed at the subsequent meeting, will be presented to the next meeting of the governing body for information.

The Chair of the FPC will report by exception to the next meeting of the governing body any significant financial or performance issues brought to the Chair's attention other than at a meeting of the Committee.

10. Policy and best practice

In seeking to apply best practice in the decision- making process, the QSC has full authority to commission any reports, surveys or other information that it deems necessary to assist it in fulfilling its obligations.