

Finance Committee

Terms of Reference v1.1

1. ESTABLISHMENT AND PURPOSE

The Finance Committee (the “Committee”) has been established in accordance with the Clinical Commissioning Group’s (CCG’s) constitution.

The committee has been established to support the CCG in the delivery of its statutory duties and to provide assurance to the Governing Body in relation to the delivery of these duties. It shall:

- Provide a focus on financial performance and delivery of financial recovery plans to ensure delivery of the CCG's strategic and operational plans are achieved within financial allocations
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- Support the development of reporting across a number of footprints e.g. Primary Care Network, Place and Cheshire.

In particular, the Committee will provide assurance to the Governing Body on delivery of the:

- Duty as to effectiveness and efficiency.

2. COMMITTEE REMIT AND AUTHORITY

In order to deliver its broad purpose as outlined above, the responsibilities of the committee will include:

- a) Overseeing the development and review of financial plans
- b) Overseeing the delivery of these financial plans via reporting on performance, contract management and financial management, including detailed reporting on the financial position, variances and progress towards meeting the targets within the CCG’s financial plans, statutory financial targets and financial control totals
- c) Overseeing the development and review of financial recovery plans
- d) Gaining assurance on the delivery / impact of the financial recovery plan to achieve the outcomes for the CCG in accordance with the short and long term plans approved by NHS England and Improvement
- e) Reviewing and providing assurance on the financial performance of the CCGs
- f) Reviewing and providing assurance on financial performance across the system
- g) Reviewing the CCG budgets on an annual basis
- h) Providing assurance on any other financial matter as requested by the Governing Body or Executive Team, or brought to the committee’s attention by another CCG committee
- i) Reviewing performance against the “finance and use of resources” elements of the NHS Oversight Framework.
- j) Commissioning, reviewing and authorising policies where they are explicitly related to areas within the remit of the Committee as outlined within the TOR, or where specifically delegated by the Governing Body

The Committee is authorised to:

- Request further investigation or assurance on any area within its remit
- Bring matters to the attention of other committees to investigate or seek assurance where they fall within the remit of that committee
- Make recommendations to the Governing Body
- Escalate issues to the Governing Body
- Produce an annual work plan to discharge its responsibilities
- Approve the terms of reference of any sub-groups to the committee.

3. CHAIR ARRANGEMENTS

The Committee shall be chaired by a Lay Member for governance and audit.

If the Chair is unable to attend a meeting, they may designate a representative to act as chair.

If the Chair is unable to chair an item of business due to a conflict of interest, another member of the committee will be asked to chair that item.

4. MEMBERSHIP

Membership of the Committee may be drawn from the CCG's Governing Body membership; the CCG's executive team and officers of the CCG.

The Committee members shall be:

- Lay Member x 2
- Governing Body GP representative (or CCG GP representative) x 2
- Executive Director of Finance and Contracting (or nominated deputy)
- Executive Director of Planning and Delivery (or nominated deputy)

All Committee members may appoint a deputy to represent them at meetings of the Committee. Committee members should inform the Committee Chair of their intention to nominate a deputy to attend/act on their behalf and any such deputy should be suitably briefed and suitably qualified (in the case of clinical members).

The Committee may also request attendance by appropriate individuals to present agenda items and/or advise the Committee on particular issues.

5. QUORACY

The following members must be present for a meeting of the committee to be quorate:

- One Lay Member*
- Executive Director of Finance and Contracting (or their nominated deputy)
- At least one other committee member*

**If regular members are not able to attend they should make arrangements for a representative to attend and act on their behalf.*

6. DECLARATIONS OF INTEREST, CONFLICTS AND POTENTIAL CONFLICTS OF INTEREST

All members shall comply with the provisions of *Managing Conflicts of Interest: Statutory Guidance for CCGs* at all times. In accordance with the CCG's policy on managing conflicts of interest, committee members should:

- Inform the chair of any interests they hold which relate to the business of the committee.
- Inform the chair of any previously agreed treatment of the potential conflict / conflict of interest.
- Abide by the chair's ruling on the treatment of conflicts / potential conflicts of interest in relation to ongoing involvement in the work of the committee.
- Inform the chair of any conflicts / potential conflicts of interest in any item of business to be discussed at a meeting. This should be done in advance of the meeting wherever possible.
- Declare conflicts / potential conflicts of interest in any item of business to be discussed at a meeting under the standing "declaration of interest" item.
- Abide by the chair's decision on appropriate treatment of a conflicts / potential conflict of interest in any business to be discussed at a meeting.

7. DECISION MAKING AND VOTING

As this is not a decision making committee any decisions will be in the form of recommendations to the Governing Body. The Committee will usually seek to make these decisions on recommendations by consensus. Where this is not possible, the Chair may call a vote.

Only voting members, as identified in the "Membership" section of these terms of reference, may cast a vote. A person attending a meeting as a representative of a committee member shall have the same right to vote as the committee member they are representing.

In accordance with paragraph 6, no member (or representative) with a conflict of interest in an item of business will be allowed to vote on that item.

Where there is a split vote, with no clear majority, the Chair will have the casting vote.

8. ACCOUNTABILITY

The Committee is accountable to the Governing Body of the Clinical Commissioning Group.

9. REPORTING ARRANGEMENTS

The Committee shall undertake an annual review of its effectiveness in delivering the CCG's vision and values and report this to the CCG Governing Body.

The Finance Committee will submit a routine assurance report to the Governing Body highlighting key issues.

10. FREQUENCY OF MEETINGS

The committee shall meet at least 10 times a year.

11. SUB-COMMITTEES

The Committee may delegate responsibility for specific aspects of its duties to sub-groups. The terms of reference of any sub groups shall be approved by the Committee.

12. ADMINISTRATIVE SUPPORT

The CCG will provide appropriate resource to ensure meetings are fully supported and business is conducted efficiently and effectively. This will include managerial support as well as administrative support.

The Committee will operate in accordance with the CCG's corporate standards "Manual". This will include the following:

- Minutes of committee meetings will be taken to ensure an appropriate record of committee discussions / decisions.
- Risks and issues will be captured and escalated as appropriate.
- Action lists and forward planners will also be maintained to ensure the committee operates efficient and effectively.

13. RESPONSIBILITIES OF MEMBERS

As well as complying with requirements around declaring and managing potential conflicts of interest (as set out at section 6), Committee members should:

- Comply with the CCG's policies on standards of business conduct which include upholding the Nolan Principles of Public Life;
- Attend meetings, having read all papers beforehand;
- Arrange an appropriate deputy to attend on their behalf, if necessary;
- Act as 'champions', disseminating information and good practice as appropriate;
- Comply with the CCG's administrative arrangements to support the Committee around identifying agenda items for discussion, the submission of reports etc.

14. REVIEW

The Committee shall undertake an annual review of its effectiveness and report this to the CCG Governing Body.

The Committee terms of reference shall be reviewed as part of the wider annual review of effectiveness. A review log of these terms of reference is outlined in the CCG Governance Handbook.

Version Control:

Version	Date Approved	Description of revisions made
V1	1 April 2020	Adoption of TOR used by the four Cheshire CCGs
V1.1	18 June 2020	Section 2 revised to reflect GB approval that the committee has authority to approve policies