

Title: Governance Handbook

Policy Number: SWLCCG/CG03

	Name	Role and Organisation	Date
Author	Liam McGuire	Project Manager - MFT	04/02/2020
Reviewers	Ben Luscombe	Chief of Staff	18/02/2020
Authoriser	Sarah Blow	Accountable Officer	31/03/2020

Approved By	Senior Management Team
Applies To	South West London CCG (The CCG), Governing Body Members, Committee Members and all staff working for, or on behalf of, NHS South West London CCG.

Effective Date	01/04/2020
Review Date	01/04/2021

Controlled Document

The current version of this document is always available electronically via SharePoint or the intranet. All other electronic or paper versions of this document sourced from any network drive, email or other sources are uncontrolled and should be checked against the current SharePoint or intranet version prior to use

Target Audience	Governing Body Members, Committee Members and all staff working for the CCG.
Brief Description	The Governance Handbook brings together, in one place, a range of statutory and corporate documents and information in a format that is easy to navigate.
Action Required	Ensure that the contents of this Policy are shared at all Team Meetings.

Contents

1. Introduction.....	3
2. Principles of Good Governance and Accountability.....	3
3. Our Mission, Vision and Values	4
3.1. Our Mission.....	4
3.2. Our Vision	4
3.3 Our Values	4
4. SWL CCG Corporate Governance Framework	5
5. Figure 1 – SWL CCG Governance Structure	6
6. SWL CCG Membership, Governing Body and Committees	7
7. CCG Constitution.....	8
8. Committee Terms of Reference	8
8.1 NHS SWL CCG Audit Committee, Terms of Reference	8
8.2 NHS SWL CCG Remuneration Committee Terms of Reference.....	16
8.3 NHS SWL CCG Primary Care Commissioning Committee Terms of Reference.....	22
8.4 NHS SWL CCG Finance Committee Terms of Reference.....	32
9. Supporting Policies	36
9.1. Scheme of Reservation and Delegation.....	36
9.2. Prime Financial Policies.....	36
9.3. Standing Orders	36
9.4. Standards of Business Conduct.....	36
9.5. Managing Conflicts of Interest Policy	36
10. Change History	36
11. Appendix 1 - Equality Impact Assessment.....	36

1. Introduction

- 1.1 The purpose of the Governance Handbook is to bring together, in one place, a range of statutory and corporate documents and information in a format that is easy to navigate, and can be used as a routine reference guide for member practices, staff, members of the public and other CCG stakeholders within the South West London Clinical Commissioning Group (hereby known as the CCG).
- 1.2 The handbook is not a legal requirement; however, it is an approach that will assist the 'CCG' to build a consistent, clear and accountable corporate approach and will form part of the corporate memory.
- 1.3 This handbook contains links to the following statutory and corporate documents, all of which are from a core set of governance documents available on the CCG website:
- Committee Terms of Reference;
 - Scheme of Reservation and Delegation;
 - Prime Financial Policies;
 - Standing Financial Instructions;
 - Standing Orders;
 - Standards of Business Conduct;
 - Managing Conflicts of Interest Policy;
- 1.4 The handbook will be published on the CCG's website for transparency and ease of access. For equality of access, other versions of the handbook can be made available on request.

2. Principles of Good Governance and Accountability

- 2.1 In accordance with section 14L(2)(b) of the 2006 *National Health Service Act*, the CCG's Governing Body members will, at all times, observe accepted principles of good governance in the way it conducts its business. The Governing Body have adopted the principles of good governance as set out in the seven principles of the NHS Constitution, The Good Governance Standard for Public Services, the seven principles of public life (the 'Nolan Principles'), and the *Equality Act 2010*. These principles commit us to:
- (a) the highest standards of propriety, impartiality, integrity and objectivity in relation to the stewardship of public funds, the management of the organisation and the conduct of its business;
 - (b) transparency and accountability to our regulator, our membership, stakeholders, patients, and the public.
- 2.2 We reflect our commitment to these principles of good governance and accountability by:
- publishing our Constitution;
 - appointing independent Lay Members and healthcare professionals who are not GPs to our Governing Body;
 - holding meetings of our Governing Body in public;
 - publishing annually our respective commissioning plan;
 - complying with our respective Local Authority's health overview and scrutiny requirements;
 - meeting annually in public to present our Annual Reports and accounts, which we also publish on our website;
 - publishing clear complaints policies and procedures;

- complying with the *Freedom of Information Act 2000*.

3. Our Mission, Vision and Values

3.1. Our Mission

The SWL CCG is committed to working together to improve health and care services and outcomes for people in South West London, and to ensuring that our organisational boundaries do not get in the way of providing the very best care for local people. As part of this, our focus is to commission high quality services that improve the physical, mental health and wellbeing of residents across South West London whilst producing a reduction in health inequalities.

3.2. Our Vision

Our vision is to provide the framework and resources to ensure that place-based partnerships engage with their communities to deliver well-being support that enables people to:

- **Start Well**
- **Live Well**
- **Age Well**

And provides a vehicle to plan and deliver services at scale where these best support place-based partnerships

3.3 Our Values

South West London CCG will develop its principles over time however it is expected that we will share some of the same core principles and values as the future Integrated Care System (ICS). Our five Ps are:

- **People** – Health is not merely the absence of disease; our core role is to improve the well-being of the communities we serve tackling health inequalities and ensuring that our staff can thrive;
- **Place** – We believe in the primacy of place as the core planning footprint for health and care integration with each borough supporting thriving communities and local neighbourhoods;
- **Practice** – Sustainable health improvements can only be delivered with an engaged and empowered population. We want to deliver the very best care and will ensure our communities are involved in the planning and delivery of future improvements;
- **Prevention** – we are more than a treatment service and have a duty to support our populations and our staff to stay well, placing an intense focus on those communities that are facing the greatest challenges;
- **Partnership** – no institution can deliver these improvements alone. We will work together across localities, between institutions and through professional boundaries and with our communities to co-produce and deliver our vision for the people of SWL.

As part of a future SWL ICS and as a key leader in delivering the above priorities we will be committed to behaving in line with the values and behaviours of the overall ICS. The behaviours for future SWL ICS are:

- **Selflessness** – always acting as the servant of the communities we serve and putting their interests above those of ourselves, our institutions or our professions;
- **Integrity** – acting with consistency and doing what we say;

- **Generosity** – showing respect and support to others in public and private and tackling the problem not the person;
- **Inclusivity** – Ensuring that all are provided with a voice;
- **Empowerment** – inspiring our teams, encouraging innovation and supporting them to be the best they can be.

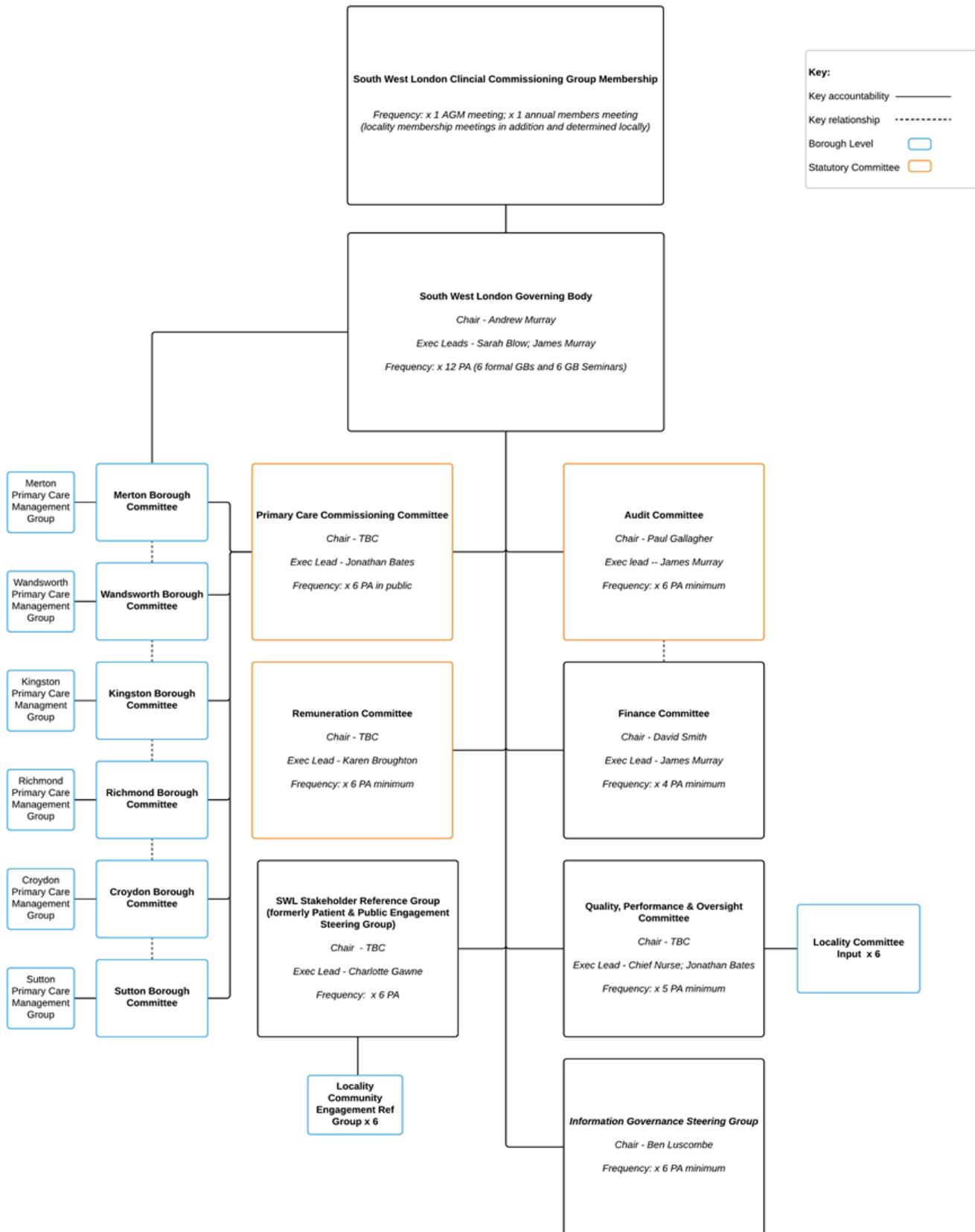
Along with the STP and looking forward to a SWL ICS, these principles, values and behaviours will help us deliver our collective core focus over the next five years:

- **A local approach works best for planning:** After talking to local people and communities, we believe a local approach works best for planning health and care. Our local health and care partnerships in Croydon, Merton, Kingston, Richmond, Sutton and Wandsworth are working together to drive the improvement of services at local level;
- **Care is better when it is centred around a person, not an organisation:** Clinicians and care workers tell us this: Our local health and care partnerships, are about health and care organisations, coming together to look at what services their local people need, rather than continuing to provide services within traditional organisational boundaries. Local health and Care plans describe how we will we provide more joined up health and social care services;
- **Strengthening our focus on prevention and keeping people well:** The greatest influences on our health and wellbeing are factors such as education, employment, housing, healthy habits in our communities and social connections. We want to strengthen the focus on reducing health inequalities and keeping people healthy at home by treating them earlier. We want to stop people from becoming more unwell and give them the right support at home so that they don't need to be admitted to hospital;
- **The best bed is your own bed:** We will work together to keep people well and out of hospital. Working together, one or more of our health and care partnerships, may want to provide some services together where it makes sense for patients;
- **Likely to mean changes to services locally to improve care for local people:** We may need to change how some services are delivered, and we will of course be open and transparent about this and involve local people. We will continue to need all our hospitals though we do not think every hospital has to provide every service.

4. SWL CCG Corporate Governance Framework

- The SWL CCG governance structure can be seen outlined in figure 1 below
- Committees and Working Groups - A number of Committees and Working Groups will feed into the Governing Body to support assurance, delivery, decision-making and provide advice where appropriate. Those committees directly answering to the Governing Body are outlined below in **figure 1**.

5. Figure 1 – SWL CCG Governance Structure



6. SWL CCG Membership, Governing Body and Committees

The following table briefly describes the roles of the SWL CCG Membership, SWL Governing Body and each of the committees and sub-committees reporting to the Governing Body:

South West London Clinical Commissioning Group Membership	
SWL CCG Membership	Overall accountability for CCG functions. The CCG reserves & delegates certain powers under the Scheme of Reservation and Delegation (SORD).
South West London Governing Body	
SWL Governing Board	Makes decisions on behalf of the CCG as delegated by the SORD to deliver the CCG's legal duties and long-term sustainability.
Statutory and mandated Governing Body Committees (outlined in more detail in the CCG Constitution):	
Audit Committee (Statutory)	Reviews the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the CCG's activities that support the achievement of the CCGs objectives
Remuneration Committee (Statutory)	Makes recommendations to the Clinical Commissioning Group Governance Board on determinations about the remuneration, fees and other allowances for employees and for people who provide services to the CCG; and on determinations about allowances under any pension scheme that the CCG may establish as an alternative to the NHS pension scheme.
Primary Care Commissioning Committee (Mandated)	To exercise primary care co-commissioning functions delegated by NHS E to the CCG: GMS, PMS and APMS contracts. Also ratify new LIS; whether to establish new GP practices or approving practice mergers; or discretionary payments (all on recommendation from Borough Committee)
Governing Body Committees and Sub-committees outlined in this CCG Governance Handbook which are not statutory or mandated:	
Quality, Performance and Oversight Committee	Will ensure & oversee that a robust system of quality, oversight and performance is in place across SWL
Finance Committee	Ensures that a robust finance strategy is in place and oversees the system of financial management.
Borough Committee(s)	Each local borough will have delegated power to make commissioning decisions on behalf of the Governing Board, which are safe, timely, personalised, recovery focussed and sustainable. Decisions will meet the needs for and on behalf of the local population within the allocated resource.
Stakeholder Reference Group (formerly Patient & Public Engagement Steering Group)	Ensures the needs, aspirations & experiences of patients & the public influence discussions & decisions of the CCG at SWL level. To act as a champion for patients and public, ensuring the perspective of local people is considered in the business of the CCG.
Information Governance Steering Group (IGSG)	The IGSG is responsible for overseeing and delivering the CCGs statutory responsibilities for all aspects of Information Governance within the CCG. This includes setting robust & effective policies, procedures, systems and strategies for the SWL CCG.

7. CCG Constitution

The SWL CCG's Constitution is available online here: <http://www.swlondonccg.nhs.uk/>

8. Committee Terms of Reference

The following provides the Terms of Reference (TORs) for the statutory and non-statutory CCG committees.

8.1 NHS South West London Clinical Commissioning Group. Audit Committee, Terms of Reference

Revision history

Version	Date	Summary of changes
0.1 - 0.2	Pre 05/09/19	Various comments received by SMT, Chairs and Governance Lay Members on initial drafts
0.3	05/09/19	Amendments as per tracker
0.4	30/09/19	Amendments as per tracker (05-30 Sept)
0.5	12/12/19	Amendments following legal review, as per tracker (30 Sept – 12 Dec)
0.6	20/02/20	Amendments as per tracker (12 Dec 19 – 20 Feb 2020)

Reviewers

This document must be reviewed by the following people:

Reviewer name	Title/responsibility	Date	Version
Governance Lay Members		Aug 19 – Feb 20	0.1 – 0.6
SMT		Aug 19 – Feb 20	0.1 – 0.6
Chairs		Aug 19 – Feb 20	0.1 – 0.6
LMC		Aug 19 – Feb 20	0.1 – 0.6

Approved by

This document must be approved by the following people:

Name	Signature	Title	Date	Version
SWL Governing Body				

Contents

Revision historyError! Bookmark not defined.

Reviewers8

1. Purpose of the Committee 10

2. Authority 10

3. Remit and responsibilities of the Committee 10

4. Whistleblowing..... 12

5. Reporting 12

6. Membership..... 13

7. Attendance 13

8. Secretary 14

9. Quorum 14

10. Frequency and notice of meetings 14

11. Conduct of meetings 14

12. Reporting relationships..... 15

13. Conflicts of Interest 15

14. Other matters 15

15. Review of Terms of Reference 15

1. Purpose of the Committee

- 1.1. The Audit Committee (hereby known as the Committee) is established in accordance with the NHS South West London Clinical Commissioning Group's (hereby known as the CCG) Constitution. These Terms of Reference set out the membership, remit, responsibilities and reporting arrangements of the Committee.

2. Authority

- 2.1. The Committee is authorised by the CCG Governing Body (hereby known as the Governing Body) to investigate any activity within its Terms of Reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
- 2.2. The Committee may seek authorisation from the Governing Body to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary, within its Terms of Reference and within a cost limit determined by the Chief Finance Officer.

3. Remit and responsibilities of the Committee

- 3.1. The key duties of the Committee are:

Integrated governance, risk management and internal control

- 3.2. The Committee shall review the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the CCG's activities that support the achievement of the CCG's objectives.

- 3.3. In particular, the Committee will review the adequacy and effectiveness of:

- 3.3.1. All risk and control related disclosure statements (in particular the governance statement), together with any appropriate independent assurances, prior to endorsement by the CCG;
- 3.3.2. The underlying assurance processes that indicate the degree of achievement of the CCG's objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements;
- 3.3.3. The policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements and related reporting and self-certification; and
- 3.3.4. The policies and procedures for all work related to fraud and corruption as set out in Secretary of State Directions and as required by the NHS Counter Fraud and Security Management Service.

- 3.4. In carrying out this work the Committee will use primarily the work of internal audit, external audit and other assurance functions, but will not be limited to these sources. It will also seek reports and assurances from directors and managers as appropriate, concentrating on the over-arching systems of integrated governance, risk management and internal control, together with indicators of their effectiveness.
- 3.5. This will be evidenced through the Committee's use of an effective assurance framework to guide its work and that of the audit and assurance functions that report to it.

Internal audit

3.6. The Committee shall ensure that there is an effective internal audit function that meets mandatory NHS Internal Audit Standards and provides appropriate independent assurance to the Audit Committee, Accountable Officer and the Governing Body. This will be achieved by:

- Consideration of the provision of the internal audit function, the cost of the audit and any questions of resignation and dismissal;
- Review and approval of the internal audit strategy, operational plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation, as identified in the assurance framework;
- Considering the major findings of internal audit work (and management's response) and ensuring co-ordination between the internal and external auditors to optimise audit resources; and
- Ensuring that the internal audit function is adequately resourced and has appropriate standing within the CCG. An annual review of the effectiveness of internal audit.

External audit

3.7. The Committee shall review the work and findings of the external auditors and consider the implications and management's responses to their work. This will be achieved by:

- 3.7.1. Consideration of the performance of the external auditors, as far as the rules governing the appointment permit;
- 3.7.2. Discussion and agreement with the external auditors, before the audit commences, on the nature and scope of the audit as set out in the annual plan, and ensuring co-ordination, as appropriate, with other external auditors in the local health economy;
- 3.7.3. Discussion with the external auditors of their local evaluation of audit risks and assessment of the CCG and associated impact on the audit fee; and
- 3.7.4. Review of all external audit reports, including the report to those charged with governance, agreement of the annual audit letter before submission to the CCG and any work undertaken outside the annual audit plan, together with the appropriateness of management responses.

Other assurance functions

3.8. The Audit Committee shall review the findings of other significant assurance functions, both internal and external and consider the implications for the governance of the CCG.

3.9. These will include, but will not be limited to, any reviews by Department of Health arm's length bodies or regulators/inspectors (for example, the Care Quality Commission and NHS Resolution) and professional bodies with responsibility for the performance of staff or functions (for example, Royal Colleges and accreditation bodies).

Counter fraud

3.10. The Committee shall satisfy itself that the CCG has adequate arrangements in place for countering fraud and shall review the outcomes of counter fraud work. It shall also approve the counter fraud work programme.

Management

- 3.11. The Committee shall request and review reports and positive assurances from directors and managers on the overall arrangements for governance, risk management and internal control.
- 3.12. The Committee may also request specific reports from individual functions within the CCG as they may be appropriate to the overall arrangements.

Financial reporting

- 3.13. The Audit Committee shall monitor the integrity of the financial statements of the CCG and any formal announcements relating to the CCG's financial performance.
- 3.14. The Committee shall ensure that the systems for financial reporting to the CCG, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the CCG.
- 3.15. The Audit Committee shall review the annual report and financial statements before submission to the Governing Body and the CCG, focusing particularly on:
 - 3.15.1. The wording in the governance statement and other disclosures relevant to the Terms of Reference of the Committee;
 - 3.15.2. Changes in, and compliance with, accounting policies, practices and estimation techniques;
 - 3.15.3. Unadjusted miss-statements in the financial statements;
 - 3.15.4. Significant judgements in preparing of the financial statements;
 - 3.15.5. Significant adjustments resulting from the audit;
 - 3.15.6. Letter of representation;
 - 3.15.7. Qualitative aspects of financial reporting.

4. Whistleblowing

- 4.1. The Audit Committee shall oversee the effectiveness of the arrangements in place for allowing staff across the CCG to raise (in confidence) concerns about possible improprieties in financial, clinical or safety matters and ensure that any such concerns are investigated proportionately and independently.

5. Reporting

- 5.1. The Audit Committee shall report to the Governing Body on how it discharges its responsibilities.
- 5.2. The Minutes of the Committee meetings shall be formally recorded and submitted to the Governing Body. The Chair of the Committee shall draw to the attention of the Governing Body any issues that require disclosure or require executive action.
- 5.3. The Committee will report to the Governing Body annually on its work in support of the Statement on Internal Control, specifically commenting on the fitness for purpose of the Assurance Framework, the completeness and embeddedness of risk management in the organisation, and the integration of governance arrangements.

6. Membership

- 6.1. Members of the Committee shall be appointed by the Governing Body. The Committee shall comprise three Governing Body members (two of whom will be lay members, one of whom will be a clinician). The Committee shall not include full time employees of the CCG. The member practices shall not be in the majority.
- 6.2. The Lay Member with responsibility for Governance will be appointed as Chair to the Audit Committee. The Lay Member must meet the person specification and requirements set out in the Constitution and Standing Orders. If the Chair is absent from any meeting, a Chair shall be nominated by other members attending that meeting.
- 6.3. The Chairman of the CCG shall not be a member of the Committee.

7. Attendance

- 7.1. The following individuals shall normally attend meetings:
 - 7.1.1. The Chief Financial Officer,
 - 7.1.2. Internal and External Audit representatives
 - 7.1.3. Chief of Staff
 - 7.1.4. Local counter fraud specialist
 - 7.1.5. Other directors and/or managers as appropriate;
 - 7.1.6. Representatives from other organisations, as required.
- 7.2. The Accountable Officer will be invited to attend, at least annually, to discuss with the Audit Committee the process for assurance that supports the Statement on Internal Control. He or she would also normally attend when the Committee considers the draft internal audit plan and the annual accounts.
- 7.3. The Accountable Officer and other members of the CCG Governing Body/ senior managers should be invited to attend meetings as necessary, but particularly when the Committee is discussing areas of risk or operation that are the responsibility of that individual.
- 7.4. At least once a year the Committee should meet privately with the external and internal auditors.
- 7.5. The Committee may also meet privately with the internal and external auditors at its absolute discretion.
- 7.6. The Committee may call additional experts to attend meetings on a case by case basis to inform discussion.
- 7.7. The Committee may invite or allow additional people to attend meetings as attendees. Attendees may present at meetings and contribute to the relevant discussions but are not allowed to participate in any formal vote.
- 7.8. The Committee may invite or allow people to attend meetings as observers. Observers may not present at meetings, contribute to any discussion or participate in any formal vote.
- 7.9. Regardless of attendance, external audit, internal audit, local counter fraud and security management providers will have full and unrestricted rights of access to the Audit Committee.

7.10. The Chair of the Governing Body will be invited to attend one meeting each year in order to form a view on, and understanding of, the Committee's operations.

8. Secretary

8.1. The Chief of Staff shall nominate a person to act as Secretary to the Committee.

9. Quorum

9.1. Two members (one of whom must be a Lay member) of the committee are necessary for quoracy.

10. Frequency and notice of meetings

10.1. In the first year, the committee will meet a minimum of 6 times (with the addition of extraordinary meetings for annual accounts sign-off). After the first year the committee will meet a minimum of 4 times

10.2. The appointed external auditors or Head of Internal Audit may request a meeting if they consider that one is necessary.

10.3. Meetings of the Committee shall be summoned by the Secretary to the Committee at the request of any of its members, or at the request of external or internal auditors.

10.4. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, and other persons required to attend no later than five working days before the date of the meeting.

10.5. If a member wishes to include an item on the agenda, they must notify the Chair via the Secretariat no later than five working days prior to the meeting. The decision as to whether to include the agenda item is at the absolute discretion of the Chair.

10.6. Supporting papers shall be sent to Committee members and other attendees as appropriate, at least five working days before the meeting.

11. Conduct of meetings

11.1. Except as outlined in these Terms of Reference, meetings of the Committee shall be conducted in accordance with the provisions of Standing Orders, Scheme of Reservation and Delegation and Standing Financial Instructions approved by the Governing Body and reviewed from time to time.

11.2. In addition, the Committee will conduct its business in accordance with the codes of conduct set out for all Governing Body members and good governance practice as laid out in the Constitution.

11.3. Members, attendees and/or observers must maintain the highest standards of personal conduct and in this regard must comply with:

11.3.1. The law of England and Wales;

11.3.2. The NHS Constitution;

11.3.3. The Nolan Principles;

- 11.3.4. The standards of behaviour set out in the Constitution;
- 11.3.5. Any additional regulations or codes of practice relevant to the Committee.

11.4. The Secretary shall minute the proceedings of all meetings of the Committee, including recording the names of those present and in attendance.

11.5. Minutes of Committee meetings shall be circulated promptly to all attendees of the Committee and, once agreed, presented to the Governing Body.

12. Reporting relationships

12.1. The Committee Chairman shall report formally to the Governing Body on its proceedings after each meeting on all matters within its duties and responsibilities.

12.2. The Committee shall make any such recommendations to the Governing Body it deems appropriate on any area within its remit where action or improvement is needed.

12.3. The Committee will report to the Governing Body annually on its work in support of the Annual Governance Statement, specifically commenting on the completeness and degree of integration of risk management and the holistic nature of governance arrangements.

12.4. The Committee shall compile a report to the Governing Body on its activities to be included in the Annual Report.

13. Conflicts of Interest

13.1. Conflicts of Interest shall be dealt with in accordance with the CCG's Conflicts of Interest Policy and NHS England's statutory guidance for managing Conflicts of Interest.

13.2. The Committee will have a Conflicts of Interest Register that will be presented as a standing item on the agenda.

14. Other matters

14.1. The Committee shall:

- 14.1.1. Have access to sufficient resources to carry out its duties;
- 14.1.2. Be provided with appropriate and timely training, both in the form of an induction programme for new members and an ongoing basis for all members;
- 14.1.3. Give due consideration to laws and regulations impacting on the work of the Committee.
- 14.1.4. Be responsible for co-ordination of the internal and external auditors;
- 14.1.5. At least once a year, review its own performance and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Governing Body.

15. Review of Terms of Reference

15.1. These Terms of Reference will be reviewed from time to time.

15.2. These Terms of Reference will be formally reviewed in April each year, reflecting the experience of the Committees in fulfilling its functions and the wider experience of the CCG in overseeing a common system of controls. These Terms of Reference may be changed or amended with the agreement of the Governing Body and in accordance with the Constitution.

8.2 NHS South West London Clinical Commissioning Group Remuneration Committee Terms of Reference

Revision history

Version	Date	Summary of changes
0.2 - 0.8	Pre 05/09/19	Various comments received by SMT, Chairs and Governance Lay Members on initial drafts
0.9	05/09/19	Amendments as per tracker
v.10	30/09/19	Amendments as per tracker (05/09/19-30/09/19)
0.11	02/12/19	Amendments made following legal review. Amendments as per tracker (30/09/19 – 02/12/19)
0.12		Amendments as per tracker (02/12/19 – 20/02/20)

Reviewers

This document must be reviewed by the following people:

Reviewer name	Title/responsibility	Date	Version
Governance Lay Members		August 19 – Feb 20	0.1 – 0.12
SMT		August 19 – Feb 20	0.1 – 0.12
Chairs		August 19 – Feb 20	0.1 – 0.12
LMC		August 19 – Feb 20	0.1 – 0.12

Approved by

This document must be approved by the following people:

Name	Signature	Title	Date	Version
SWL Governing Body				

Contents

- 1. Introduction
.....
18
- 2. Purpose
.....
18
- 3. Roles and Responsibilities
18
- 4. Conduct of the Committee
19
- 5. Membership
.....
20
- 6. Quorum
.....
20
- 7. Frequency of Meetings.....
21
- 8. Administration
.....
21
- 9. Register of Interests
.....
21
- 10. Reporting Arrangements.....
22
- 11. Monitoring and Review
22

1. Introduction

- 1.1. The Remuneration Committee (hereby known as the Committee) of NHS South West London (SWL) Clinical Commissioning Group (hereby known as the CCG) is established in accordance with the CCG's Constitution, Standing Financial Instructions, Standing Orders and Scheme of Reservation and Delegation.
- 1.2. These Terms of Reference (TOR) set out the membership, remit, responsibilities and reporting arrangements of the Committee and shall have effect as if incorporated into the CCG's Constitution and Standing Orders.
- 1.3. The Committee is a non-executive Committee of the CCG Governing Body (hereby known as the Governing Body) and has no executive powers other than those specifically delegated in this TOR or through the Scheme of Reservation and Delegation.

2. Purpose

- 2.1. The purpose of the Committee is to advise and assist the Governing Body in meeting their responsibilities to ensure appropriate remuneration, allowances and terms of service for the CCG Chair, Accountable Officer, senior managers remunerated under the Very Senior Manager (VSM) Pay Framework, Governing Body clinical posts, and clinical lead corporate roles; at all times having proper regard to the organisation's circumstances and performance, the provisions of any national agreements and NHS England and Improvement guidance, where appropriate.
- 2.2. With the exception of Lay Members (see paragraph 3.6), the Committee may also make recommendations on fees and other allowances for all individuals directly appointed by the CCG as workers, employees or office holders and for people who provide services to the CCG (this excludes commissioned services but may include, for example, contractors); and determinations about allowances under any pension scheme that the CCG may establish as an alternative to the NHS Pension Scheme.

3. Roles and Responsibilities

- 3.1. The Committee does not have any delegated decision-making, therefore will only make recommendations, to be reported to the Governing Body members in a Part Two Governing Body meeting.
- 3.2. The Committee will apply best practice in its processes.
- 3.3. In all of their decisions and recommendations, the Committee should remain aware that each individual NHS organisation is corporately responsible for ensuring that its pay arrangements are appropriate in terms of Equal Pay requirements and other relevant legislation.
- 3.4. The Committee shall:
 - 3.4.1. Have access to sufficient resources to carry out its duties.
 - 3.4.2. Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

- 3.4.3. Give due consideration to laws and regulations impacting on the work of the Committee.
- 3.5. When considering remuneration, the Committee will:
- 3.5.1. Bear in mind the need for properly defensible remuneration packages which are linked to clear statements of responsibilities;
 - 3.5.2. Adhere to all relevant laws, regulations and policy in all respects;
 - 3.5.3. Seek independent advice about remuneration for individuals, where necessary;
 - 3.5.4. Ensure that decisions are based on clear and transparent criteria and procedures;
 - 3.5.5. Ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled;
 - 3.5.6. Ensure all arrangements are in line with NHS England and Improvement, Department of Health, Secretary of State and HMRC directions; and
 - 3.5.7. Have the authority to establish sub-committees of this Committee, as necessary.
- 3.6. The Committee will not discuss Lay Member remuneration or succession planning of these positions. This will be discussed at a meeting convened by the CCG Chair and most appropriate senior officer(s), guided by the national framework and with support from the South West London (SWL) HR and Governance teams.
- 3.7. The Committee has full authority to commission any reports or surveys it deems necessary to help it fulfil its remit; for example, benchmarking of pay for similar roles in other CCGs.
- 3.8. The Committee is authorised to seek any information it requires from any CCG employee and all employees are directed to co-operate with any request made by the Committee.

4. Conduct of the Committee

- 4.1. The Committee will conduct its business at all times in accordance with good governance practice, the codes of conduct set out for all Governing Body members, as laid out in the CCG Constitution, the NHS Code of Conduct and the Nolan Principles.
- 4.2. As a public body, the Committee must, at all times:
- 4.2.1. Observe the highest standards of propriety involving impartiality, integrity and objectivity in relation to the stewardship of public funds and the management of the bodies concerned.
 - 4.2.2. Be accountable to Parliament, to users of services, and to staff for the activities of the bodies concerned, for their stewardship of public funds and the extent to which key performance targets and objectives have been met.
 - 4.2.3. Bear in mind the necessity of keeping comprehensive written records of their dealings, in line with general good practice in corporate governance.
- 4.3. The Committee shall act in accordance with the Scheme of Reservation and Delegation to ensure

Constitutional compliance. Any deviation from this must immediately be brought to the attention of the Chief of Staff or Associate Director of Corporate Services.

- 4.4. For the avoidance of doubt, in the event of any conflict the Standing Orders, the Standing Financial Instructions and the Scheme of Reservation and Delegation of the CCG will prevail over these TOR.

5. Membership

- 5.1. The Committee shall be appointed by the CCG Governing Body from within the Governing Body membership.
- 5.2. Full-time employees of the CCG are not eligible to become members of the Committee.
- 5.3. The Membership of the Committee shall be:
 - 5.3.1. Three Lay Members, one of which shall act as Committee Chair.
- 5.4. Attendees:
 - 5.4.1. A Clinical Governing Body member.
- 5.5. The Committee Chair may invite, at their discretion, senior representation from either the SWL HR or Governance teams. Additionally, the Accountable Officer and Chief Finance Officer may be invited by the Committee Chair to attend for all or part of the meeting. These staff will be in attendance in an advisory role only, to support the Committee in its work, and do not form part of the Membership.
- 5.6. External advisors, clinical or senior officers and CCG staff, may be invited to attend meetings as required by the Committee Chair. These staff will be in attendance in an advisory role only, to support the Committee in its work, and do not form part of the Membership.
- 5.7. As a rule, members of staff at any level should not be present for any discussion around their own remuneration, performance or terms of service. However, the Committee Chair may at any time decide that it is reasonable for the Accountable Officer, the Chief Finance Officer, any representative of the HR or Governance teams, and/or other senior managers where appropriate, to attend meetings of the Committee during which the remuneration of other staff is discussed.

6. Quorum

- 6.1. All three Members of the committee must be present for the committee to be quorate.
- 6.2. If the Committee Chair is absent then the Members of the Committee will select an appropriate Member to Chair. This should be done in advance of the meeting so that the proposed Chair can be briefed and prepared.
- 6.3. It is expected that decisions will be reached by consensus; however, should this be impossible,

the Committee Chair may call a vote. In the case of an equal vote, the Committee Chair shall have a second and casting vote.

6.4. Only core Members of the Committee have the right to vote.

7. Frequency of Meetings

7.1. The Committee will meet at least once a year.

7.2. The Committee Chair shall reserve the right to convene extra meetings and rearrange meetings should they feel this is necessary.

7.3. Notice for meetings must be given at least 5 working days in advance, unless an urgent meeting is convened (see 7.5 below). The agenda and supporting papers should be circulated by the CCG & HCP Secretary at least 5 working days prior to the meeting.

7.4. The Committee Chair reserves the right to hold virtual meetings where appropriate. Where a discussion or decision is required, all Members must respond by e-mail, and the Committee Secretary will oversee this to ensure that all Members are accounted for.

7.5. The Governing Body (the CCG Chair may ask the Committee Chair) or Committee Chair reserve the right to call a meeting at any time if an urgent matter arises. Where urgent matters need to be decided, these can be made by the Committee Chair and two Lay Members. All such actions will be reported back to the full Committee at its next meeting and any member of the Committee may request to see the full report and/or information that was considered when the decision was made.

8. Administration

8.1. The Committee will be supported by the Committee Secretary. The CCG & HCP Secretary will be responsible for supporting the Committee Chair in the management of remuneration business and for drawing the Committee's attention to best practice, national guidance and other relevant documents, as appropriate.

8.2. The Committee Secretary shall minute the proceedings of all meetings of the Committee, including recording the names of those present and in attendance, any deliberations and conclusions. Minutes will be approved by the Committee Chair before they are circulated to all Members; and will be reported to the next available Governing Body Part Two meeting.

8.3. Formal attendance, action and decisions logs will be held by the Board Secretary and reported to each Committee meeting.

9. Register of Interests

9.1. Members and invited attendees will be asked to declare any interests at the beginning of the meeting. The Committee Chair has the authority to decide to exclude Members and invited attendees from the meeting for an agenda item where there is a declared interest.

- 9.2. Failure to disclose an interest, whether intentional or otherwise, will be treated in line with the Managing Conflicts of Interest: Revised Statutory Guidance and may result in suspension from the Committee.
- 9.3. A Register of Interests for the Committee core Membership will be kept by the Committee Secretary. The Register will be a standing agenda item for each meeting of the Committee.

10. Reporting Arrangements

- 10.1. The Chair of the Committee shall report formally, in writing, to the Governing Body after each Committee meeting. The minutes of the meeting should be included as part of the report. The report shall be presented to Part Two of the Governing Body.
- 10.2. The Committee shall make recommendations to the Governing Body on any area within its remit, clearly stating the reasoning behind its recommendations.
- 10.3. The Governing Body remains accountable for taking decisions on the remuneration, allowances and terms of service for those posts for which it has responsibility. The minutes of the Governing Body will record its decisions.
- 10.4. An anonymised annual report will be provided by the Committee to the Governing Body.
- 10.5. The composition of the Committee should be recorded annually in the CCG annual report.

11. Monitoring and Review

- 11.1. At least once a year, the Committee must review its own performance to ensure it is following good governance practice and operating effectively. The Committee must recommend any changes it considers necessary to the Governing Body.
- 11.2. These TOR will be reviewed at least on an annual basis. This will take into account any new national guidance, relevant codes of conduct and good governance practice. Recommendations for amendments must be made by the Committee Chair to the Governing Body for final approval.

8.3 NHS South West London Clinical Commissioning Group, Primary Care Commissioning Committee Terms of Reference

Revision history

Version	Date	Summary of changes
0.1	Pre 05/09/19	Comments as per tracker
0.2	06/09/19	Amendments as per tracker
0.3	02/12/19	Amendments following legal review. Amendments as per tracker (06/09/19 – 02/12/19)

0.4	20/02/20	Comments as per tracker (02/12/19 – 20/02/20)

Reviewers

This document must be reviewed by the following people:

Reviewer name	Title/responsibility	Date	Version
Governance Lay Members		September 19 -20	0.1-0.4
SMT		September 19 -20	0.1-0.4
Chairs		September 19 -20	0.1-0.4
LMC		September 19 -20	0.1-0.4

Approved by

This document must be approved by the following people:

Name	Signature	Title	Date	Version
SWL Governing Body				

Contents

Revision history	22
Reviewers	23
Approved by	23
1. Introduction.....	24
2. Statutory Framework for the CCG.....	24
3. Role of the Committee	25
4. Exclusions	26
5. Geographical Coverage.....	26
6. Membership.....	26
7. Conflicts of Interest.....	27
8. Meetings and Voting	27
9. Quorum	28
10. Confidentiality	28

11.	Frequency of meetings.....	28
12.	Urgent Decision Making	28
13.	Other Matters	29
14.	Reporting	29
15.	Review of Terms of Reference	29

1. Introduction

- 1.1. In accordance with its statutory powers under section 13Z of the National Health Service Act 2006 (as amended), NHS England has delegated the exercise of the functions specified in Schedule 2 of the Delegation Agreement to these Terms of Reference to NHS South West London Clinical Commissioning Group (hereby known as the CCG).
- 1.2. The CCG Primary Care Commissioning Committee (hereby known as the Committee) is established as a Committee of the CCG Governing Body (hereby known as the Governing Body) in accordance with Schedule 1A of the “NHS Act”.
- 1.3. The Committee will exercise the delegated powers as outlined in these Terms of Reference.
- 1.4. The ongoing relationship the Committee will have with NHS England will be revised on an ongoing basis, though is currently outlined as in Schedule 2 of the Delegation Agreement.
- 1.5. The Committee, in common with all CCG Governing Body Committees is formally accountable for furnishing the Finance and Audit Committees with the formal reports it requires to assure the Governing Body that Primary Care Co-Commissioning is being effectively governed and managed.
- 1.6. The members acknowledge that the Committee is subject to any directions made by NHS England or by the Secretary of State.

2. Statutory Framework for the CCG

- 2.1. NHS England has delegated to the CCG authority to exercise the primary care commissioning functions set out in Schedule 2 of the Delegation Agreement in accordance with section 13Z of the NHS Act.
- 2.2. Arrangements made under section 13Z may be on such Terms and Conditions (including terms as to payment) as may be agreed between NHS England and the CCG.
- 2.3. Arrangements made under section 13Z do not affect the liability of NHS England for the exercise of any of its functions. However, the CCG acknowledges that in exercising its functions (including those delegated to it), it must comply with the statutory duties set out in Chapter A2 of the NHS Act and including:

- 2.3.1. Management of conflicts of interest (section 14O);
- 2.3.2. Duty to promote the NHS Constitution (section 14P);
- 2.3.3. Duty to exercise its functions effectively, efficiently and economically (section 14Q);
- 2.3.4. Duty as to improvement in quality of services (section 14R);
- 2.3.5. Duty in relation to quality of primary medical services (section 14S);
- 2.3.6. Duties as to reducing inequalities (section 14T);
- 2.3.7. Duty to promote the involvement of each patient (section 14U);
- 2.3.8. Duty as to patient choice (section 14V);
- 2.3.9. Duty as to promoting integration (section 14Z1);
- 2.3.10. Public involvement and consultation (section 14Z2).

2.4. The CCG will also need to specifically, in respect of the delegated functions from NHS England, exercise those set out below:

- 2.4.1. Duty to have regard to impact on services in certain areas (section 13O);
- 2.4.2. Duty as respects variation in provision of health services (section 13P).

3. Role of the Committee

- 3.1. The overall scope of the Committee consists of those primary care co-commissioning functions formally delegated by NHS England to the CCG as a new CCG function from 1 April 2016.
- 3.2. In performing its role, the Committee will exercise its management of the functions in accordance with the agreement entered into between NHS England and the CCG, which will sit alongside the delegation and Terms of Reference.
- 3.3. The functions of the Committee are undertaken in the context of a desire to promote increased co-commissioning to increase quality, efficiency, productivity and value for money and to remove administrative barriers.
- 3.4. The role of the Committee shall be to carry out the functions relating to the commissioning of primary medical services under section 83 of the NHS Act.
- 3.5. This includes the following:
 - 3.5.1. GMS, PMS and APMS contracts; taking contractual action such as issuing breach/remedial notices, and removing a contract;
 - 3.5.2. Ratification of newly designed Local Incentive Schemes (LISs) on the recommendation of the relevant Borough Committee of the CCG;
 - 3.5.3. Ratification of newly designed local incentive schemes as an alternative to the Quality Outcomes Framework (QOF) on the recommendation of the relevant Borough Committee of the CCG;
 - 3.5.4. Decision making on whether to establish new GP practices in an area on the recommendation of the relevant Borough Committee of the CCG;

- 3.5.5. Approving practice mergers on the recommendation of the relevant Borough Level Committee of the CCG;
- 3.5.6. Making decisions on 'discretionary' payments where Standard Operating Procedures do not exist on the recommendation of the relevant Borough Committee of the CCG; and
- 3.5.7. The Committee will receive quarterly reports from the Borough Committee on the decisions that it has made in relation to the CCG's delegation agreement.

4. Exclusions

- 4.1. Control of primary care (core contracts and discretionary such as LISs) budgets is delegated from the CCG to individual Borough Committees and as such is not within the remit of the Committee. As such, Borough Committees can develop local incentive schemes as per local strategy.
- 4.2. Design, development and delivery of Borough-level primary care strategies is not within the remit of the Committee, with all such matters the responsibility of individual Borough Committees.

5. Geographical Coverage

- 5.1. The Committee will comprise of decisions relating to primary care within South West London, as define in the Constitution.

6. Membership

- 6.1. The Committee shall consist of:

6.1.1. Members

- 6.1.1.1. Chair – Lay Member
- 6.1.1.2. Lay or Independent Member (Vice Chair)
- 6.1.1.3. 2x CCG Executive Directors
- 6.1.1.4. Independent (non-SWL) GP

6.1.2. Attendees:

- 6.1.2.1. GP Lead for Primary Care
- 6.1.2.2. HealthWatch representative
- 6.1.2.3. London-wide LMC representative or Merton, Sutton, Wandsworth representative
- 6.1.2.4. Surrey & Sussex LMC representative
- 6.1.2.5. Place based representative (Croydon)
- 6.1.2.6. Place based representative (Kingston)
- 6.1.2.7. Place based representative (Merton)
- 6.1.2.8. Place based representative (Richmond)
- 6.1.2.9. Place based representative (Sutton)
- 6.1.2.10. Place based representative (Wandsworth)*
- 6.1.2.11. SWL Director Primary Care
- 6.1.2.12. Primary Care representatives from Borough level as appropriate

*The Place Based representative will either be the GP Borough Lead or the Locality Director

- 6.2. The Chair of the Committee shall be a CCG Governing Body Lay Member, who should not be the Chair of the Audit Committee.
- 6.3. The Vice Chair of the Committee shall be a CCG Governing Body Lay or Independent Member.
- 6.4. The Committee may appoint ad-hoc members to advise it on specific matters within its Terms of Reference from time to time as appropriate.
- 6.5. There will be an annual review of the Committee's membership to support its efficient functioning.

7. Conflicts of Interest

- 7.1. Conflicts of Interests will be managed in accordance with the Constitution that outlines the current policy; 'Standards of Business Conduct and Managing Conflicts of Interest Policy'.
- 7.2. Where a Committee member has, or may have, a Conflict of Interest, arrangements will be put into place to manage that Conflict of Interest in accordance with the Constitution and the Conflicts of Interest Policy.

8. Meetings and Voting

- 8.1. The Committee will operate in accordance with the CCG's Constitution, Standing Orders and the Delegation and Delegation Agreement, which take precedence in the event that there is any inconsistency. The Secretary to the Committee will be responsible for giving notice of meetings. This will be accompanied by an agenda and supporting papers and sent to each member representative no later than five working days before the date of the meeting. When the Chair of the Committee deems it necessary in light of the urgent circumstances to call a meeting at short notice, the notice period shall be such as s/he shall specify.
- 8.2. The Committee will make decisions within the bounds of its remit.
- 8.3. The decisions of the Committee shall be binding on NHS England and the CCG.
- 8.4. Each member of the Committee shall have one vote. The Committee shall reach decisions by a simple majority of members present, but with the Chair having a second and deciding vote, if necessary. However, the aim of the Committee will be to achieve consensus decision-making wherever possible.
- 8.5. Members of the Committee have a collective responsibility for the operation of the Committee. They will participate in discussion, review evidence and provide objective expert input to the best of their knowledge and ability, and endeavour to reach a collective view.
- 8.6. Meetings of the Committee:
 - 8.6.1. May resolve to exclude the public and non-voting attendees from a meeting that is open to the public (whether during the whole or part of the proceedings) whenever publicity would be

prejudicial to the public interest by reason of the confidential nature of the business to be transacted or for other special reasons stated in the resolution and arising from the nature of that business or of the proceedings or for any other reason permitted by the Public Bodies (Admission to Meetings) Act 1960 as amended or succeeded from time to time.

9. Quorum

9.1. The Committee will be Quorate with three of the five voting members in attendance, with at least one Lay or independent Member present. A majority of Lay, Independent and Executive Members must be maintained. Where members have a Conflict of Interest, they may be excluded from the agenda item decision. The Chair may ask them to be part of the discussion before the decision is made.

10. Confidentiality

10.1. Members of the Committee shall respect confidentiality requirements as set out in the CCG Constitution or Standing Orders.

11. Frequency of meetings

11.1. In the first year, the committee will meet a minimum of 6 times. After the first year, the committee will meet a minimum of 4 times. The committee will always be in public and will rotate across all boroughs.

11.2. The Chair can request additional meetings where required.

11.3. Where the Chair determines there is insufficient business to be conducted at the Committee, a meeting may be cancelled providing five working days notice is given.

12. Urgent Decision Making

12.1. The Committee has a delegated responsibility from NHS England to make a range of decisions relating to the commissioning of primary care medical services.

12.2. In the vast majority of cases these decisions can be made by the Committee as part of business as usual. However, there may be occasion, when an urgent situation arises that requires a decision or actions to be agreed either immediately or before the next Committee takes place.

12.3. Urgent Decision Making (UDM) meetings, in person or via teleconference, can be called by the Chair (or vice-chair in their absence) or designated deputy. Wherever possible, members will be given five working days notice.

12.4. A minimum of two voting members of the Committee must be present in person or on the teleconference, both of whom must be either a CCG Governing Body Lay Member or an Executive Member for it to be quorate.

12.5. A meeting will be convened by the Committee Chair (or Committee Vice-Chair in their absence) and an Executive Director or designated deputy. Consultation will be made with the Committee Vice-Chair and all other available members of the Committee unless in exceptional circumstances where a time delay cannot be permitted. If other Committee members are not consulted they will be informed at the earliest possible time.

12.6. All decisions will be reported at the next available Committee meeting.

13. Other Matters

13.1. The Committee may delegate tasks to such individuals, sub-committees or individual members as it shall see fit, provided that any such delegations are consistent with the parties' relevant governance arrangements, are recorded in a Scheme of Delegation, are governed by Terms of Reference as appropriate and reflect appropriate arrangements for the management of conflicts of interest.

13.2. The Committee may call additional experts to attend meetings on an ad hoc basis to inform discussions.

13.3. The Committee shall:

13.3.1. Have access to sufficient resources to carry out its duties;

13.3.2. Be provided with appropriate and timely training, both in the form of an induction programme for new members and an ongoing basis for all members;

13.3.3. Give due consideration to laws and regulations impacting on the work of the Committee;

13.3.4. At least once a year, review its own performance and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Governing Body.

14. Reporting

14.1. The Committee will present its agreed minutes and an executive summary report to the Governing Body, following each meeting, for information, including the minutes of any sub-committees to which responsibilities are delegated.

14.2. There is a statutory requirement that the Committee publishes a register of its decisions, outlining the management of any Conflicts of Interest.

14.3. The CCG will also comply with any reporting requirements set out in its Constitution.

15. Review of Terms of Reference

15.1. It is envisaged that these Terms of Reference will be reviewed annually, reflecting experience of the Committee in fulfilling its functions. NHS England may also issue revised model Terms of Reference from time to time.

8.4 NHS South West London Clinical Commissioning Group, Finance Committee, Terms of Reference

Revision history

Version	Date	Summary of changes
0.3 - 0.3	Pre 05/09/19	Various comments received by SMT, Chairs and Governance Lay Members on initial drafts
0.4	06/09/19	Amendments as per tracker
0.5	30/09/19	Amendments as per tracker (06 – 30 September)
0.6	03/12/19	Amendments following legal review (as per tracker 30 Sept – 03 December)
0.7	20/02/20	Amendments as per tracker (30 Sept 19 – 20 Feb 20)

Reviewers

This document must be reviewed by the following people:

Reviewer name	Title/responsibility	Date	Version
Governance Lay Members		August 19 – February 20	0.1- 0.7
SMT		August 19 – February 20	0.1- 0.7
Chairs		August 19 – February 20	0.1- 0.7
LMC		August 19 – February 20	0.1- 0.7

Approved by

This document must be approved by the following people:

Name	Signature	Title	Date	Version
SWL CCG Governing Body				

Contents

Revision historyError! Bookmark not defined.

Reviewers**30**

1. Introduction..... 32

2. Purpose of the Committee 32

3. Remit and responsibilities of the Committee 32

4. Reporting..... 33

5. Membership..... 33

6. Attendance 33

7. Secretary 34

8. Quorum 34

9. Frequency and notice of meetings 34

10. Conduct of meetings 35

11. Conflicts of Interest 35

12. Other matters 35

13. Review of Terms of Reference 35

1 Introduction

- 1.2. The Finance Committee (hereby known as the Committee) is established in accordance with the NHS South West London Clinical Commissioning Group's (hereby known as the CCG) Constitution, Standing Financial Instructions, Standing Orders and Scheme of Reservation and Delegation. These Terms of Reference set out the membership, remit, responsibilities and reporting arrangements of the Committee.

2. Purpose of the Committee

- 2.1. The Committee is established to ensure that a robust financial strategy is in place and to oversee the system of financial management.
- 2.2. The Committee is authorised by the CCG Governing Body (hereby known as the Governing Body) to investigate any activity within its Terms of Reference.

3. Remit and responsibilities of the Committee

- 3.1. The key duties of the Committee are:

- 3.1.1. Keep under review the financial strategy and strategic and operational financial plans, and the current and forecast financial position of the overall CCG and Borough budgets;
- 3.1.2. Oversee the arrangements in place for the allocation of resources and the scrutiny of all expenditure. This will include actual and forecast expenditure and activity on commissioning contracts, ensuring budgets are set and managed in an appropriate and timely manner. This will also include planning for the year ahead;
- 3.1.3. Consider and review ongoing Financial Reports and the Annual Statement to be presented to the Governing Body, incorporating financial performance against budget, targets, financial risk analysis, forecasts, and statements on the rigor of underlying assumptions, to ensure statutory financial duties are met;
- 3.1.4. Review delivery of savings plans and initiatives through regular reports. Understand the drivers behind any variances against the plans, and ensure any risks have been identified, and mitigating actions have been taken to address these;
- 3.1.5. Develop a Performance Framework that enables the Committee to proactively manage the financial, performance, and savings agenda, including:
 - 3.1.5.1. Receiving a report of the in-year financial position and progress towards meeting targets within each Borough's financial plans;
 - 3.1.5.2. Overseeing savings schemes and updates on both the financial and activity performance of each scheme;
 - 3.1.5.3. Overseeing implementation of investments/transformation schemes, receiving updates outlining financial activity and delivery against KPIs for each scheme;
 - 3.1.5.4. Management of system risks to mitigate their impact; and
 - 3.1.5.5. Providing assurance to the Governing Body about delivery and sustained performance in these areas.
- 3.1.6. Proactively identify from reports where remedial action is required, and ensure appropriate action is taken;
- 3.1.7. Where plans are in place to improve performance or reduce financial risks, ensure that progress against plans is monitored, and where appropriate, challenged;
- 3.1.8. Identify the need for, and allocate resources where appropriate, to improve performance;
- 3.1.9. Provide assurance to the Governing Body and the Audit Committee of the completeness and accuracy of the financial information provided to the Governing Body;
- 3.1.10. Consider and review any external financial monitoring returns and commentary;

- 3.1.11. Review, by exception, performance report summaries as required, and consider performance issues in so far as they impact on financial resource;
- 3.1.12. Review, scrutinise and recommend business cases to the Governing Body;
- 3.1.13. Review, and agree, procurement decisions as appropriate, in accordance with Standing Financial Instructions and the Scheme of Delegation, and make recommendation to the Governing Body;
- 3.1.14. Recommend to the Governing Body the thresholds above which quotations or formal tenders should be obtained;
- 3.1.15. Review tender waivers and tenders from firms not on approved lists and ensure these are reported to the Governing Body and Audit Committee;
- 3.1.16. Work alongside the Audit Committee to ensure financial probity in the organisation, and that value for money is reviewed and maintained;
- 3.1.17. Where appropriate, provide recommendations and actions to the Governing Body;
- 3.1.18. Where appropriate, refer issues to other Committees or Sub-Committees of the Governing Body.

4. Reporting

- 4.1. The Committee shall report to the Governing Body on how it discharges its responsibilities.
- 4.2. The Committee shall make any such recommendations to the Governing Body it deems appropriate on any area within its remit where action or improvement is needed.
- 4.3. The minutes of the Committee meetings shall be formally recorded by the Secretary and submitted to the Governing Body. The Chair of the Committee shall draw to the attention of the Governing Body any issues that require disclosure or require executive action.
- 4.4. The Committee will report to the Governing Body at least annually on its work in support of the Annual Statement. The Annual Statement should also describe how the Finance Committee has fulfilled its Terms of Reference and give details of any significant issues that the Finance Committee considered, and how they were addressed.

5. Membership

- 5.1. The Committee membership is as follows:
 - 5.1.1. The Finance Committee Chair;
 - 5.1.2. Two additional Lay Members;
 - 5.1.3. Two of the elected CCG Governing Board GPs;
 - 5.1.4. South West London CCG Chief Financial Officer.
- 5.2. The role of Committee Chair will be undertaken by a Lay Member (who cannot be the Audit Committee Chair).
- 5.3. Members are required to attend a minimum of 75% of meetings, other than absence due to sickness.
- 5.4. Finance Committee members may nominate deputies to represent them in their absence and make decisions on their behalf.
- 5.5. The Chairman of the SWL CCG shall not be a member of the Committee.

6. Attendance

- 6.1. The Committee shall have the following non-voting attendees (as and when required):
 - 6.1.1. Place based finance representatives;
 - 6.1.2. Other Directors and/or Managers as appropriate;

6.1.3. Representatives from other organisations, as required.

- 6.2. Non-voting attendees may nominate deputies to represent them in their absence.
- 6.3. The Committee may call additional experts to attend meetings on a case by case basis to inform discussion.
- 6.4. Non-voting attendees may present at meetings and contribute to the relevant discussions but are not allowed to participate in any formal vote.
- 6.5. The Committee may invite or allow people to attend meetings as observers. Observers may not present at meetings, contribute to any discussion or participate in any formal vote.
- 6.6. The Chair of the Governing Body will be invited to attend one meeting each year in order to form a view on, and understanding of, the Committee's operations.

7. Secretary

7.1. The SWL CCG Chief of Staff shall nominate a person to act as Secretary to the Committee.

8. Quorum

8.1. Three members will constitute a quorum, provided this includes three out of the following:

- the Finance Committee Chair;
- a Lay Member;
- the Chief Financial Officer; or
- a clinical representative

Deputies will be allowed at the discretion of the Chair

9. Frequency and notice of meetings

- 9.1. The Committee will usually meet monthly and, at least a minimum ten times per year, and otherwise as requested.
- 9.2. The Committee may hold additional meetings as required.
- 9.3. Notice of a meeting shall be sent from the Secretariat to all members no less than five working days in advance of the meeting, and ideally should be planned and programmed for the year ahead.
- 9.4. Notice of the meeting from the Secretariat shall contain the date, time, and location of the meeting.
- 9.5. If a member wishes to include an item on the agenda they must notify the Chair via the Secretariat no later than five working days prior to the meeting. The decision as to whether to include the agenda item is at the absolute discretion of the Chair.
- 9.6. Supporting papers shall be sent to Committee members and other attendees as appropriate, at least five working days before the meeting.

10. Conduct of meetings

- 10.1. Except as outlined in these Terms of Reference, meetings of the Committee shall be conducted in accordance with the provisions of Standing Orders, Scheme of Reservation and Delegation and Standing Financial Instructions approved by the Governing Body and reviewed from time to time.
- 10.2. In addition, the Committee will conduct its business in accordance with the codes of conduct set out for all GB members and good governance practice as laid out in the Constitution.
- 10.3. Members, attendees and/or observers must maintain the highest standards of personal conduct and in this regard must comply with:
 - 10.3.1. The law of England and Wales;
 - 10.3.2. The NHS Constitution;
 - 10.3.3. The Nolan Principles;
 - 10.3.4. The standards of behaviour set out in each the Constitution;
 - 10.3.5. Any additional regulations or codes of practice relevant to the Committee.
- 10.4. The Secretary shall minute the proceedings of all meetings of the Committee, including recording the names of those present and in attendance.
- 10.5. Minutes of Committee meetings shall be circulated promptly to all attendees of the Committee and, once agreed, presented to the Governing Body.

11. Conflicts of Interest

- 11.1. Conflicts of Interest shall be dealt with in accordance with the SWL CCG Conflicts of Interest Policy and NHS England statutory guidance for managing Conflicts of Interest.
- 11.2. The Committee will have a Conflicts of Interest Register that will be presented as a standing item on the agenda.

12. Other matters

- 12.1. The Committee shall:
 - 12.1.1. Have access to sufficient resources to carry out its duties;
 - 12.1.2. Be provided with appropriate and timely training, both in the form of an induction programme for new members and an ongoing basis for all members;
 - 12.1.3. Give due consideration to laws and regulations impacting on the work of the Committee.
 - 12.1.4. At least once a year, review its own performance to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Governing Body.

13. Review of Terms of Reference

- 13.1. These Terms of Reference will be reviewed and amended as required.
- 13.2. These Terms of Reference will be formally reviewed in April each year. These Terms of Reference may be changed or amended with the agreement of the Governing Body and in accordance with the Constitution.

9. Supporting Policies

9.1. Scheme of Reservation and Delegation

The Scheme of Reservation and Delegation for SWL CCG can be found online here:

<http://www.swlondonccg.nhs.uk/>

9.2. Prime Financial Policies

The Prime Financial Policies for SWL CCG can be found online here: <http://www.swlondonccg.nhs.uk/>

9.3. Standing Orders

The Standing Orders for SWL CCG can be found online here: <http://www.swlondonccg.nhs.uk/>

9.4. Standards of Business Conduct

The Standards of Business Conduct for SWL CCG can be found online here:

<http://www.swlondonccg.nhs.uk/>

9.5. Managing Conflicts of Interest Policy

The Managing Conflicts of Interest Policy for SWL CCG can be found online here:

<http://www.swlondonccg.nhs.uk/>

10. Change History

Policy Number	Effective Date	Significant Changes
0.1	N/A	Cosmetic changes throughout
1.2		

11. Appendix 1 - Equality Impact Assessment

	Mandatory Questions	Yes/No/NA	Comments
1.	Does the Policy affect any group less or more favourably than another on the basis of:		
	Age?	No	
	Disability?	No	
	Gender?	No	
	Gender identity?	No	
	Marriage or civil partnership?	No	
	Pregnancy and maternity or paternity?	No	
	Race?	No	
	Religion or belief?	No	
	Sexual orientation?	No	

2.	Is there any evidence that any groups are affected differently by the Policy and if so, what is the evidence?	No	
3.	Is any impact of the Policy likely to be negative?	No	
4.	If any impact of the Policy is likely to be negative, can the impact be avoided and if so, how?	NA	
5.	If a negative impact can't be avoided, what, if any, are the reasons the Policy should continue in its current form?	NA	
6.	Where relevant, does the Policy support the FRED A principles: Fairness, Respect, Equality, Dignity and Autonomy?	Yes	

If you have identified a potential discriminatory impact of this Policy, please contact the Chief of Staff.