

FINANCE AND PERFORMANCE COMMITTEE

TERMS OF REFERENCE

1. ROLE OF THE GROUP

The Finance and Performance Committee will act as a formal sub-committee of the Basildon and Brentwood CCG (BBCCG) Board. The primary purpose is to provide the Board with an independent and objective oversight of finance and performance issues to ensure that the CCG meets its obligations.

2. OBJECTIVES:

The objectives of the Finance Committee are as follows:

- To review the draft budget prior to approval by the Board.
 - To monitor in-year financial performance, including seeking explanations for significant deviations from budgets, and agreeing corrective action where necessary and subject to Board approval where necessary.
 - To provide an opportunity to discuss and understand the current and forecast financial position, other key financial issues (including targets and Recovery plans) and delivery of QIPP programmes for BBCCG. It will provide the CCG Board with greater clarity and more information about these financial matters and also be the Committee which helps to shape the financial strategy for the BBCCG Board.
 - To review the performance of the main services commissioned by the CCG. It will provide members with greater clarity and more information about the underlying performance (in terms of cost, activity and quality) on commissioned services and on delivery of the annual commissioning programme set out in the CCG's commissioning plan.
 - To receive commissioning proposals and business cases, advise on the implications and provide advice and support to CCG members in developing plans in accordance with the financial limits in the Scheme of Delegation (SoD). To receive the analysis and make recommendations on business cases to the CCG Board.
 - To monitor the actual and planned cash position and forecast.
 - To review, periodically, the balance sheet and working capital position.
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- To review annually the financial limits in the SoD and make recommendations to the Board accordingly.

3. ACCOUNTABILITY

Accountable to:

BB CCG Board.

Key Relationships:

The Committee will receive reports, including:

- BB CCG QIPP delivery
- Basildon Hospital contract
- Contract financial and performance reports from associate commissioners
- BBCCG procurement proposals
- Acute, Mental Health and Community Services Contract Management Groups
- Any joint commissioning arrangements (Children and Adults) with Essex County Council
- Business case and investment proposals from BB CCG members (subject to the SoD).

4. PRIORITIES

The Committee will:

- Advise the Board to ensure that the BB CCG operates within its Standing Financial Instructions and statutory requirements in respect of financial and performance management.
- Actively support all employees to promote openness, honesty, probity, accountability, and the economic, efficient and effective use of resources.
- Ensure, through good financial management, that BB CCG achieves economy, effectiveness and efficiency in the use of resources, and ensures both probity and accountability.
- Oversee the delivery of services provided to the CCG through the Commissioning Support Unit (CSU) organization to ensure that VFM is obtained.
- Ensure that healthcare services are provided in environments which promote effective care and optimise health outcomes by being a) a safe and secure environment which protects patients, staff, visitors and their property, and b) the physical assets of the organisation.
- Monitor implementation of the relevant corporate objectives relating to the role of the Committee.

It will do this by:

Basildon and Brentwood Clinical Commissioning Group

- Overseeing development of the CCG's' Medium Term Financial Strategy;
- Reviewing annual budgets/short-term financial plans for agreement by the BB CCG Board;
- Monitoring the CCGs' financial standing in-year and recommend corrective action to the Board should year-end forecasts suggest that financial balance will not be achieved;
- Monitoring CCG expenditure against indicative budgets, including any management allowance allocated to localities;
- Receiving regular commissioning performance reports (covering activity, cost and quality) for each of the CCGs' main areas of commissioning expenditure; Receiving reports from the CSU (with commentary from CCG officers in respect of delivery of these services). Lead officers from the CSU may be invited to attend and report directly to the Committee at the discretion of the Chair; and,
- Reviewing performance in implementing the CCG's commissioning and financial plans and providing assurance to the Board 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 BBCCG Board.

The Committee has specific delegated authority to:

- Develop the annual financial plan and longer term strategy for Board approval.
- Approve business cases for expenditure with a value of up to £100k that are not included within the Board's agreed financial investment plan.
- Review the delivery of CSU services and make recommendations to the Board in respect of service delivery 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 performance reports;
- Briefing on developments in NHS finance;
- Regular commissioning performance reports;
- QIPP updates;
- Reports from the CSU;
- Minutes of Acute, Community and Mental Health contract monitoring groups; and,
- Other such information as it considers necessary from time to time.

Reporting arrangements:

The minutes of Committee meetings will be formally recorded and submitted to the CCG Board for information.

7. MEMBERSHIP

Core membership:

GP Chair of the F&P Committee
A GP Board member from each of the four localities
Chair of the Board
Chief Finance Officer
Chief Officer
Chair of CEG
Chief Operating Officer / Joint Director of Integration
Chief Nurse

Whilst the core membership includes a GP representative of each locality, this will include GPs who serve other roles listed above, e.g., Chair of CEG.

Members should nominate another committee member or designated deputy to represent them in their absence. Other staff and GPs may be invited by the Chair to attend the meetings on an ad hoc basis. Meetings will be serviced by the PA to the Chief Finance Officer.

8. QUORUM

The Committee will be considered quorate when at least four members are present, including at least the Chair of the Committee (or the deputy chair), another GP member, Chief Finance Officer (or Deputy Chief Finance Officer) and Chief Operating Officer / Joint Director of Integration or Chief Officer.

9. MEETING FREQUENCY

The Committee will meet on a monthly basis, with meetings planned for between 2 – 6 days prior to CCG Board meetings. The Committee should review its effectiveness annually.

10. REVIEW OF TERMS OF REFERENCE

To be reviewed and agreed annually, and ratified by the CCG Board.

**Last Reviewed : August 2015
Next review: August 2016**