
**TERMS OF REFERENCE
FINANCE, CONTRACTING & PROCUREMENT COMMITTEE**

Terms of Reference Document Control Sheet

MEETING	Finance, Contracting & Procurement Committee
ESTABLISHED BY/REPORTING TO:	The Governing Body
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ASSOCIATED DOCUMENTS	CCG Constitution
RELATED COMMITTEES/GROUPS	Governing Body Audit Committee Quality and Performance Committee Clinical Cabinet

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Version Control

Version Ref	Amendment	Date Approved
V1.0	Original version included within the Scheme of Reservation and Delegation	2013
V1.1	To reflect best practice and feedback from MIAA Committee Effectiveness review	June 2016
V1.2	Incorporates feedback from Interim Chief Finance Officer and Lay Member - Finance	July 2016
V1.3	Incorporates feedback from Director of Commissioning and Business delivery	July 2016

1.0 Introduction

- 1.1 The Clinical Commissioning Group hereby resolves to establish a Committee to be known as the Finance, Contracting and Procurement Committee (“the Committee”) to carry out the duties set out at Clause 6 of these Terms of Reference.
- 1.2 The Committee is authorised by the Governing Body to investigate any activity within its Terms of Reference. The Committee can request information, reports, and assurances from any employee in relation to those areas within these Terms of Reference and all employees are directed to cooperate with any request made by the Committee.
- 1.3 The Committee is authorised by 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. The Committee can commission reports and/or surveys necessary to fulfil its obligations.
- 1.4 The Committee has no executive powers, other than those specifically delegated in these Terms of Reference. Any changes to these Terms of Reference must be approved by the CCG Membership.

2.0 Membership

- 2.1 The Committee shall be appointed by the Governing Body and shall consist of the following membership
 - Lay member (Chair);
 - Lay member (vice chair);
 - Clinical Director;
 - Chief Finance Officer;
 - Director of Commissioning and Business Delivery; and
 - CCG Chair
- 2.2 In the event of the chair of the committee being unable to attend all or part of the meeting, the vice chair will undertake the role of Chair of the Committee for that meeting.
- 2.3 In addition the Committee may co-opt members with appropriate specialist expertise.

3.0 Attendance

- 3.1 The following colleagues and representatives will be expected to attend:
 - Deputy Chief Finance Officer;
 - Senior Contract Leads (as and when required)

4.0 Quorum

- 4.1 The meeting will achieve quorum if at least three members are present which must include:
 - Committee Chair or Vice Chair;
 - At least one Governing Body member; and

- Chief Finance Officer or Director of Commissioning and Business Delivery.
- 4.2 Members should normally attend meetings, and it is expected that members will normally attend a minimum of 75% of meetings held per annum.
- 4.3 Should a member not be able to attend a Committee meeting, apologies in advance must be provided to the Chair. Deputies can attend on behalf of officers normally in attendance and any formal acting up status will be recorded in the minutes.
- 4.4 Deputising arrangements must be agreed by the Chair of the Committee.

5.0 Frequency

- 5.1 The Committee shall meet not less than ten times per year; a schedule of pre-arranged meetings will be distributed to all members on an annual basis along with a proposed annual calendar of business.
- 5.2 The Chair of the Committee may arrange extraordinary meetings at his/her discretion or at the request of Committee members.

6.0 Conduct of Meetings

- 6.1 The agenda and supporting papers will be sent out at least 2 days in advance of the meeting. Authors of papers presented must use the required template. Papers must be received by the committee secretary in line with the published deadlines unless, in exceptional circumstances, explicit agreement has been reached with the Committee Chair (or nominated Deputy).
- 6.2 The Committee will be supported by the Chief Finance Officer who is accountable for ensuring the timely distribution of papers, production of minutes, action and decision tracking, and the maintenance of the formal record and documentation of the business of the Finance Committee.
- 6.3 A Committee Administrator will be identified from the Corporate Support Team and will be responsible for operationally delivering the timely distribution of papers, the production of minutes, action and decision tracking and the maintenance of the formal record and documentation of the business of the Finance, Contracting and Procurement Committee.
- 6.4 Minutes of the meetings, action tracker and decision tracker will be circulated promptly to all members as soon as reasonably practical.
- 6.5 Presenters of papers can expect all committee members to have read the papers and should keep to a summary that outlines the purpose of their paper/report and key issues. Committee members may question the presenter.

7.0 Duties

- 7.1 The purpose of the Committee is to provide assurance to the Governing Body on the effective financial performance of the organisation and ensure that the CCG meets its

statutory duties in relation to the procurement of services. It will also support the development, implementation and delivery of the Financial Plan and Procurement Strategy to enable the efficient use of financial resources. The Committee has an overarching responsibility to identify financial risk across the CCG with a view to rectifying where it can or referring to the Governing Body where required.

7.2 In fulfilling its duties under 7.1, the Committee will review and have oversight of financial performance as follows:

- scrutinise and make recommendations on the Financial Plan and Budget of the CCG and its alignment to strategy;
- seek assurance on the delivery of statutory financial duties and financial reporting arrangements and highlight issues and areas for further discussion as necessary;
- review the draft of the five year financial plan and budget and make recommendations thereon to the Governing Body;
- regularly review financial performance against plan and budget;
- provide advice on financial strategy and agree the financial framework for other committees to work to;
- review the QIPP/savings plans produced to manage the CCG's identified financial risk within the Financial Plan and make recommendations to the Governing Body;
- monitor implementation of the QIPP schemes receiving updates on both the financial performance and activity of each scheme and agree corrective actions when required;
- scrutinise individual business cases for investment and disinvestment in line with agreed governance arrangements, making recommendations to the Governing Body for their approval;
- monitor implementation of investments/transformation schemes;
- monitor the financial performance of key provider contracts and identify and allocate resources where appropriate to improve performance;
- review any contract variations and extensions in line with agreed governance arrangements to ensure that decisions are taken in line with national guidance and that there is a consistent approach;
- develop a clear procurement strategy for the CCG in line with statutory requirements (National Health Service Procurement, Patient Choice and Competition) (No.2) Regulations 2013) to ensure services achieve value for money and improved outcomes for the population of Bury;
- seek assurance that the procurement of services by Bury CCG is consistent with the CCG's Procurement Strategy and that any conflicts of interest have been declared, managed and published in accordance with Section 140 of the National Health Service Act 2006;
- ensure that the CCG meets its statutory requirements in relation to maintaining and publishing a register of procurement decisions taken, either for the procurement of a new service or any extension or material variation of a current contract;
- review any risks for which the Committee is responsible to ensure that effective plans are in place to reduce the risk score and that associated actions are completed on time

- monitor the delivery of recommendations arising from audits of the CCG's financial control systems ensuring that actions are closed in an appropriate timeframe and that any associated costs are funded
- ensure that there is a process in place for the annual review of the organisations Prime Financial Policies

8.0 Reporting

8.1 The minutes of the Committee shall be formally recorded and submitted to the Governing Body. The Chair of the Committee shall produce a highlight report to draw to the attention of the Governing Body any issues that require disclosure to the full Governing Body or require executive action.

9.0 Monitoring Compliance

9.1 Meetings of the Committee shall be conducted in accordance with the provisions of the Constitution, Standing Orders, Scheme of Reservation and Delegation and Prime Financial Policies approved by the Governing Body and reviewed from time to time.

9.2 The Committee shall submit an annual report to the Governing Body, incorporating progress, reporting arrangements, frequency of meetings and membership attendance.

9.3 The Committee will develop an annual calendar of business, and a work plan with specific objectives which will be reviewed regularly and formally on an annual basis. The Committee will also review its performance on an annual basis.

10.0 Reviewing Terms of Reference

10.1 The Terms of Reference of the Committee (including membership) shall be reviewed and approved by the Membership at least annually with the first review scheduled for September 2017.