

## **QUALITY, PERFORMANCE AND FINANCE COMMITTEE**

### **DRAFT TERMS OF REFERENCE**

#### **1. INTRODUCTION**

- 1.1. The Quality, Performance and Finance Committee (the Committee) is a Committee of NHS Hampshire, Southampton and the Isle of Wight Clinical Commissioning Group (CCG).
- 1.2. The Committee provides an assurance function for the CCG Governing Body and takes a holistic approach in relation to quality, operational and financial performance, and will lead on discussions around specific services/procurements for the CCG, in line with the Scheme of Reservation and Delegation.
- 1.3. These terms of reference set out the membership, remit, responsibilities and reporting arrangements of the Committee.

#### **2. REMIT AND RESPONSIBILITIES OF THE COMMITTEE**

- 2.1. The main responsibilities of the Committee will be to:
  - 2.1.1. Fulfil the assurance function and take a holistic approach in relation to quality, operational and financial performance.
  - 2.1.2. Oversee the preparation and implementation of a delivery plan to ensure operational, quality and financial performance standards are achieved.
  - 2.1.3. Monitor performance and quality, taking proactive action to prevent deterioration, and taking action to restore performance and quality should it fall below acceptable levels.
  - 2.1.4. Allocate resources in line with the agreed plan.
  - 2.1.5. Drive improvements in healthcare from the providers from whom the CCG commissions care.
  - 2.1.6. Fulfil the statutory obligations relating to Patient and Public Involvement.
  - 2.1.7. To oversee the CCG work in relation to the NHS Oversight Framework for CCGs.
  - 2.1.8. Receive reports and matters for escalation from local place based committees in relation to Quality, Finance and Performance. Further detail regarding these committees will be outlined in an Appendix to these terms of reference and published within the CCG's Governance Handbook, when approved.
  - 2.1.9. Review and approve Business Cases in line with the scheme of reservation and delegation, and financial authority limits.

- 2.2. As far as possible, the Committee will work and make decisions that relate to each local health and care system with the aim of reducing duplication in each system and to make decisions once and well. Decisions and recommendations must be compliant with Procurement legislation and the NHS 10 Year Plan.

### **Quality Improvement and Assurance**

- 2.3. Principal duties are to:
- 2.3.1. Provide assurance to the Board of the Hampshire Southampton and Isle of Wight CCG that commissioned services are being delivered in a high quality and safe manner and if not, to ensure that appropriate mitigations are in place.
  - 2.3.2. Oversee and be assured that effective management of risk is in place to manage and address quality governance issues.
  - 2.3.3. Have oversight of the key themes relating to serious incidents (SI's); being informed of all Never Events and informing The Governing Body of the Hampshire, Southampton and Isle of Wight CCG of any escalation or sensitive issues in a timely manner.
  - 2.3.4. Provide the Board of the Hampshire Southampton and Isle of Wight CCG with assurance that appropriate systems and processes are in place for safeguarding.
  - 2.3.5. Seek assurance on the performance of NHS organisations in terms of the Care Quality Commission, and other relevant regulatory bodies.
  - 2.3.6. Receive and review relevant independent investigation reports relating to patient safety and safeguarding issues and agree publication plans.
  - 2.3.7. Ensure a clear escalation process, including appropriate trigger points, is in place to enable appropriate engagement of external bodies on areas of concern.
  - 2.3.8. Review progress being made towards self-regulation by related integrated care partnership quality groups.

### **Finance, Contract Monitoring and Performance**

- 2.4. Principal duties are to:
- 2.4.1. Provide assurance that the Local Teams are managing within financial plans and if not, to ensure that appropriate mitigations are in place.
  - 2.4.2. Ensure that the allocations for the Local Teams are optimised and offer value for money (i.e. being used effectively, efficiently and economically).
  - 2.4.3. Oversee and be assured that effective management of risk in relation to finance, contracts and performance, in particular system savings.
  - 2.4.4. Ensure that contract performance is monitored on a monthly basis (monthly is the default – other periods may be agreed for certain contract types as appropriate).
  - 2.4.5. Explore and test explanations for significant variations from plan including the robustness of demand management initiatives.

- 2.4.6. Ensure actual and forecast contract over-performance or under-performance is quantified in financial terms and activity terms.
- 2.4.7. Maintain an overview of all statutory performance indicators and key system performance standards and quality standards.
- 2.4.8. Agree which of the underperforming contracts need to be brought to the attention of the Governing Body of the Hampshire, Southampton and Isle of Wight CCG for further discussion.
- 2.4.9. Review the Local Team's Decision Logs.
- 2.4.10. Review the CCG's Procurement forward planner.
- 2.4.11. Monitor the delivery of the system savings challenge within financial resources, in line with national requirements (including excellent outcomes).

### **3. MEMBERSHIP**

3.1. The Committee core membership will include:

- Four non-executive directors from the Governing Body (that is the three Lay Members and Secondary Care Specialist)
- Chief Finance Officer (or nominated deputy)
- Chief Nursing Officer (or nominated deputy)
- Executive Director of Performance (or nominated deputy)
- Executive Director of Strategy (or nominated deputy)
- CCG Clinical Leader
- ICS Chief Medical Officer
- One attendee from each of the five Local Teams (Clinical Director or Managing Director)

3.2 The Chair of the Committee shall be a non-executive director from the CCG Governing Body (but not the Lay Member for Governance).

3.3 The Deputy Chair of the Committee shall be a non-executive director from the CCG Governing Body.

3.4 The Committee may call additional experts to attend meetings to inform discussions, for example one or more Clinical Directors, Managing Directors, workstream leads from corporate and Local Teams, as required by the meeting agenda.

3.5 Through its members and attendees, the Committee's work will be guided by the core CCG values in respect of public involvement and inclusion. The CCG works in partnership and involve local people, partners and staff at all stages in planning, shaping, designing and delivering services, and in setting priorities for the Hampshire, Southampton and Isle of Wight population and all its localities.

#### 4. MEETINGS, QUORUM AND VOTING

- 4.1. The Committee will operate in accordance with the CCG's Standing Orders. The Secretary to the Committee (from the CCG Governance Team) 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.
- 4.2. Meetings shall be held **at least six times per year**, with a minimum of one meeting held every two months. Extraordinary meetings can be called by the Chair if required.
- 4.3. The **quorum** for a meeting of the Committee shall be six of the core members and must include at least two non-executive directors, two Executive Directors (or deputies), and two clinical leaders/directors. However, the meeting will not be quorate if the number of deputies is greater than the number of other core members present.
- 4.4. **Each member of the Committee shall have one vote.** Deputies will be permitted and allowed to 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.
- 4.5. 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.
- 4.6. 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.
- 4.7. The **Secretary to the Committee** shall attend to take minutes of the meeting and will be responsible for drawing the Committee's attention to best practice, national guidance and other relevant documents as appropriate.

#### 5. ACCOUNTABILITY AND REPORTING ARRANGEMENTS

- 5.1 The Committee is accountable to both the CCG Governing Body and will make decisions within the bounds of its remit.
- 5.2 The minutes of the Committee meetings shall be formally recorded by the Secretary and submitted to Governing, Body of the Hampshire, Southampton and Isle of Wight CCG accompanied by an executive summary report for information, approved the Chair of the Committee.

- 5.3 The Chair of the Committee shall also draw to the attention of the Governing Body of the Hampshire, Southampton and Isle of Wight CCG or relevant sub-committees any issues that require disclosure to the relevant statutory body, or require executive action at the earliest opportunity. Relevant matters shall be brought to the attention of the CCG Accountable Officer.

## **6. MANAGING CONFLICTS OF INTEREST**

- 6.1. The committee will operate in accordance with *Managing Conflicts of Interest: Statutory Guidance for CCGs* and the CCG Standards of Business Conduct and Managing Conflicts of Interest at all times.
- 6.2. A register of interests for all members and regular invitees will be included within the meeting papers for each meeting of the Committee. Members and invitees are obliged to divulge any potential interests related to items on the meeting agenda at the start of the meeting in order that these may be effectively managed by the Committee.
- 6.3. The member or attendee with a stated interest may be asked to leave the meeting room while the item is discussed to allow for robust discussions to occur without possible or perceived prejudice.
- 6.4. Any declarations of interests, conflicts and potential conflicts, and arrangements to manage those agreed in any meeting of the Committee, will be recorded in the minutes.

## **7. CONFIDENTIALITY AND OTHER GOVERNANCE CONSIDERATIONS**

- 7.1. Members of the Committee shall respect confidentiality requirements as set out in the CCG's Constitution and Standing Orders.
- 7.2. Due to the commercial sensitivity of the information being discussed, any papers that are not in the public interest will be treated as commercial in confidence. All papers that are in the public interest will be classified accordingly.
- 7.3. The detailed arrangements for procurement of agreed services will follow the Standing Financial Instructions and Standing Orders of the Clinical Commissioning Group. These reflect the arrangements within the CCG's constitution. The Committee will adhere to these arrangements.

## **8. REVIEW OF THE TERMS OF REFERENCE**

- 8.1. The Committee will review these Terms of Reference on an annual basis; or sooner in response to any legislation and regulatory guidance.

- 8.2. Any recommended changes brought about as a result of the yearly review, including changes to the Terms of Reference, will be submitted to the Governing Body of the Hampshire, Southampton and Isle of Wight CCG for approval.
- 8.3. A record of the date and outcome of reviews is kept in the CCG governance handbook.

**Date Approved by CCG Governing Body**

**Review Date**

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