

## **Finance Committee**

### **Terms of Reference**

#### **1. Purpose**

The Finance Committee exists to scrutinise arrangements for ensuring the delivery of the Greater Nottingham CCGs' statutory financial duties, including the achievement of the Greater Nottingham Financial Recovery Programme (FRP). The Committee will review the monthly financial performance and identify key issues and risks requiring discussion or decision by the Greater Nottingham Joint Commissioning Committee. The Committee will also ensure that procurement responsibilities are appropriately discharged, including oversight of annual procurement plans.

#### **2. Status**

The Finance Committee is established in accordance with the Greater Nottingham Joint Commissioning Committee's Delegation Agreement and Standing Orders, and as such, it is a sub-committee of, and accountable to, the Greater Nottingham Joint Commissioning Committee.

The Committee is authorised to create task and finish sub-groups in order to take forward specific programmes of work as considered necessary by the Committee's membership.

#### **3. Duties**

- a) Oversee the development of the CCGs' financial plans and budgets and recommend these for approval by the Greater Nottingham CCGs' Governing Bodies.
- b) Monitor progress against the CCGs' financial plans and approved budgets, ensuring that corrective actions are in place where plan delivery is off target.
- c) Oversee the development, implementation and monitoring of the CCGs' Financial Recovery Plan. This will include consideration of the differing financial positions of the CCGs.
- d) Triangulate finance, activity and contractual information across the four Greater Nottingham CCGs and for each individual CCG.
- e) Review of expenditure across the four Greater Nottingham CCGs with an understanding of the impact of activity movements on the financial position for each CCG.
- f) Scrutinise major shifts in spending, demand pressures and triangulation with the Financial Recovery Plan.

- g) To scrutinise infrastructure, running cost and programme spend. This will include reviewing significant spend in areas that contribute to productivity and efficiency, including IT and estates.
- h) Ensure risks of exceeding expenditure limits are assessed and mitigating actions are in place.
- i) Oversee arrangements for ensuring the timeliness, accuracy, validity, reliability, relevance and completeness of finance, activity and contractual information being used for monitoring and reporting purposes (in line with data quality standards).
- j) Review and oversight of annual procurement plans.
- k) Oversee the identification and management of risks relating to the Committee's remit.
- l) Approval and monitoring of policies within the Committee's remit.

#### **4. Membership**

The Finance Committee will have 12 members, comprised as follows:

##### Lay Members

- a) Four Lay Members, including at least one Lay Member of the Greater Nottingham Joint Commissioning Committee.

##### Clinical Members

- b) Two GP Leads

##### Managerial Members

- c) Chief Finance Officer
- d) Director of Contracting and Procurement
- e) Director of Acute Contracting
- f) Director of Information and Performance (or nominated deputy)
- g) Associate Director of PMO
- h) Deputy Chief Finance Officer

Other officers may be invited to attend meetings when the Committee is discussing matters that fall within their areas of responsibility.

The Committee's members and attendees will be drawn from employees and appointees of the four Greater Nottingham CCGs.

## **5. Chair and Deputy**

A Lay Member of the Greater Nottingham Joint Commissioning Committee will Chair the Finance Committee, with one of the other Lay Members being nominated to deputise in the Chair's absence.

## **6. Quorum**

The Finance Committee will be quorate with a minimum of six members, to include at least two lay members.

To ensure that the quorum can be maintained, Committee members are able nominate a suitable deputy to attend a meeting of the Committee that they are unable to attend. Committee members are responsible for fully briefing their nominated deputies and for informing the secretariat so that the quorum can be maintained.

If any Committee member has been disqualified from participating in the discussion and/or decision-making for an item on the agenda, by reason of a declaration of a conflict of interest, then that individual shall no longer count towards the quorum.

## **7. Frequency of Meetings**

The Finance Committee will meet on a monthly basis.

Meetings of the Finance Committee, other than those regularly scheduled above, shall be summoned by the secretary to the Committee at the request of the Chair.

## **8. Secretariat and Conduct of Business**

Secretariat support will be provided to the Committee to ensure the day to day work of the Committee is proceeding satisfactorily.

Agendas and supporting papers will be circulated no later than three working days in advance of meetings and will be distributed by the secretary to the Finance Committee.

Any items to be placed on the agenda are to be sent to the secretary no later than five working days in advance of the meeting. Items which miss the deadline for inclusion on the agenda may be added on receipt of permission from the Chair.

The Finance Committee agenda will be agreed with the Chair prior to the meeting.

## **9. Minutes of Meetings**

Minutes will be taken at all meetings, presented according to the corporate style.

The minutes will be ratified by agreement of the Finance Committee at the following meeting.

The Chair of the Finance Committee will agree minutes if they are to be submitted to the Greater Nottingham Joint Commissioning Committee prior to formal ratification.

## **10. Conflicts of Interest Management**

In advance of any meeting of the Finance Committee, consideration will be given as to whether conflicts of interest are likely to arise in relation to any agenda item and how they should be managed. This may include steps to be taken prior to the meeting, such as ensuring that supporting papers for a particular agenda item are not sent to conflicted individuals.

At the beginning of each Committee meeting, members and attendees will be required to declare any interests that relate specifically to a particular issue under consideration. If the existence of an interest becomes apparent during a meeting, then this must be declared at the point at which it arises. Any such declaration will be formally recorded in the minutes for the meeting.

The Chair of the Committee will determine how declared interests should be managed, which is likely to involve one of the following actions:

- a) Requiring the individual to withdraw from the meeting for that part of the discussion if the conflict could be seen as detrimental to the Committee's decision-making arrangements.
- b) Allowing the individual to participate in the discussion, but not the decision-making process.
- c) Allowing full participation in discussion and the decision-making process, as the potential conflict is not perceived to be material or detrimental to the Committee's decision-making arrangements.

## **11. Reporting Responsibilities and Review of Committee Effectiveness**

The Finance Committee will report to the Greater Nottingham Joint Commissioning Committee through regular submission of minutes from its meetings. Any items of specific concern, or which require Greater Nottingham Joint Commissioning Committee approval, will be the subject of a separate report.

The Committee will provide an annual report to the Greater Nottingham Joint Commissioning Committee to provide assurance that it is effectively discharging its delegated

responsibilities, as set out in these terms of reference. The Committee will conduct an annual review of its effectiveness to inform this report.

## 12. Review of Terms of Reference

These Terms of Reference will be formally reviewed on an annual basis, but may be amended at any time in order to adapt to any national guidance as and when issued.

Any proposed amendments to the Terms of Reference will be submitted to the Greater Nottingham Joint Commissioning Committee for approval.

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