


MEETING DATE:	13 September 2012	 North Lincolnshire Clinical Commissioning Group REPORT TO THE CLINICAL COMMISSIONING GROUP COMMITTEE
AGENDA ITEM NUMBER:	Item 7.8	
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JOB TITLE:	Chief Financial Officer	
DEPARTMENT:	Finance	

CCG STANDING ORDERS, STANDING FINANCIAL INSTRUCTIONS & SCHEME OF DELEGATION

PURPOSE/ACTION REQUIRED:	To Approve
CONSULTATION AND/OR INVOLVEMENT PROCESS:	Audit Group
FREEDOM OF INFORMATION:	Public

1. PURPOSE OF THE REPORT:					
The purpose of this report is to notify the Committee of the current corporate governance framework which is in place for 2012/13, and to indicate plans for the preparation of the CCG's revised corporate governance framework (and in particular for updating Standing Orders, Standing Financial Instructions, and Scheme of Delegation [SO/SFIs/SD]) which is required to come into effect on 1st April 2013.					
2. STRATEGIC OBJECTIVES SUPPORTED BY THIS REPORT: <i>(will be populated following agreement with Council of Members)</i>					
3. IMPACT ON RISK ASSURANCE FRAMEWORK:					
<table border="1" style="display: inline-table;"> <tr> <td style="width: 20px;">Yes</td> <td style="width: 20px; text-align: center;">x</td> <td style="width: 20px;">No</td> <td style="width: 20px;"></td> </tr> </table>	Yes	x	No		
Yes	x	No			
Forms part of governance and assurance framework					

4. IMPACT ON THE ENVIRONMENT – SUSTAINABILITY:			
Yes		No	x
Not directly			
5. LEGAL IMPLICATIONS:			
Yes	X	No	
SFI/SO/SDs may be used to determine what transactions are in effect ultra vires and possibly subject to legal challenge.			
6. RESOURCE IMPLICATIONS:			
Yes	x	No	
Provides the financial governance framework			
7. EQUALITY IMPACT ASSESSMENT:			
Yes		No	X
Not a policy or plan			
8. PROPOSED PUBLIC & PATIENT INVOLVEMENT AND COMMUNICATIONS:			
Yes	x	No	
These draft SFI/SO/SDs were approved as interim by the Audit Group on 30 August and submitted as part of the evidence for CCG authorisation. These will be updated as part of a working group reviewing the constitution and governance framework and in line with the national model, by the end of November. The revised documents will then need to be agreed with Council of Members and Governing Body before 31 March 2013.			
9. RECOMMENDATIONS:			
The CCG Committee is asked to: -			
<ul style="list-style-type: none"> • Review and approve these interim draft SFI/SO/SDs • Support their further development by the end of November as part of a working group to review the Constitution and governance framework including SFI/SO/SDs to follow the national model • Receive updated documents for approval and adoption by COM and CCGC early in 2013 and no later than 31 March 2013. 			

NHS NORTH LINCOLNSHIRE CCG'S STANDING ORDERS, STANDING FINANCIAL INSTRUCTIONS AND SCHEME OF DELEGATION (APRIL 2013)

INTRODUCTION

1. NHS North Lincolnshire CCG's Constitution will need to detail corporate governance arrangements for the CCG as a statutory body, including bespoke Standing Orders (SO), Standing Financial Instructions (SFIs), and Scheme of Delegation (SD). The purpose of this report is inform the Committee of the work which is planned to develop the CCG's SO/SFIs/SD, which will come into effect on 1 April 2013.

INTERIM CORPORATE GOVERNANCE ARRANGEMENTS

2. As Members are aware, the CCG already has an Interim Constitution in place, and utilises the Humber Cluster SO/SFIs/SD with a clear Scheme of Delegation split of authorities / duties which are specifically delegated to the CCG (See Appendix 1 for details). However, this SD extract, along with the existing Terms of Reference for all the CCG Main Committees that are operating in 2012/13, which are attached at Appendix 2, deal solely with the corporate governance arrangements for the CCG **as a non-statutory body**, and will expire in March 2013. The CCG will therefore need to seamlessly review and update all these documents to ensure they are in place for 1st April 2013.

CORPORATE GOVERNANCE REQUIREMENTS FROM APRIL 2013

3. The NHS Commissioning Board Authority has published a Model Constitution Framework which not only identifies the information required by the Health and Social Care Act 2012, but also provides guidance on the content of SO/SFIs/SD and other information which organisations need, or could, include in their Framework.

As this Framework is to be used as the benchmark for assessing all CCG Constitutions, the CCG will need to ensure it either uses the Model Constitution and the Appendices for SO/SFIs/SD as the basis for its own Constitution and SO/SFIs/SD, or ensure it adopts documents that cover all the essential elements set out in the Model Constitution and its Appendices.

NEXT STEPS

4. The CCG will need to make arrangements to update and develop appropriate SO/SFIs/SD before the 31st March 2013, and it is suggested that a working or task group is explicitly established to do this. Indeed the task group approved by the Governing Body on 23rd August 2012 for developing the CCG Constitution, would appear to be ideally suited to undertake the required work on developing the organisation's SOs/SFIs/SD, as well as the Constitution.
5. Once finalised the Constitution plus SO/SFIs/SD, will need to be considered and approved by the CCG's Council of Members. This must be done before the end of March 2013 to ensure the Constitution and SO/SFIs/SD are in place on 1 April 2013. (In approving the Constitution, the Council of Members will be granting authority to the Governing Body and other Committees to act on its behalf – as indicated in the Scheme of Reservation and Delegation).
6. Once approved, the Constitution and SO/SFIs/SD will need to be published and submitted to the CCG's Governing Body for information and adoption.

RECOMMENDATIONS

7. The CCG Committee reviews and recommends to the Council of Members:

- (a) That the Model Constitution Framework and its Appendices, published by the NHS Commissioning Board Authority, are used as the basis for updating the organisation's SO/SFIs/SD for use from 1st April 2013 onwards;
- (b) utilising a working / task group to undertake the work required to develop the CCG's SO/SFIs/SD (and in particular the same group used to develop the new Model Constitution Framework), and;
- (c) that the final Draft of the new SO/SFIs/SD (along with the Constitution) will be completed by the end of November 2012 for the Audit Committee and other key stakeholders to review, before the Council of Members formally approve the SOs/SFIs/SD early in 2013.

Bill Lovell
Head of Finance
August 2012

NHS NORTH LINCOLNSHIRE CCG COMMITTEE - SCHEME OF DELEGATION

- 1) See below for the general powers delegated by the Humber Cluster Committee to North Lincolnshire CCG and individual officers of NHS North Lincolnshire.

- 2) See the Terms of Reference for each of the main sub committees (attached at Appendix 2) which North Lincolnshire Clinical Commissioning Committee has in turn delegated powers to.

SCHEDULE OF DECISIONS/DUTIES DELEGATED BY THE HUMBER CLUSTER BOARD TO OFFICERS OF NHS NORTH LINCOLNSHIRE

HUMBER CLUSTER BOARD'S CORPORATE GOVERNANCE FRAMEWORK SECTION C - SCHEME OF RESERVATION AND DELEGATION

SCHEME OF DELEGATION FROM MODEL STANDING ORDERS

SO REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO AN EXECUTIVE OFFICER OF THE HUMBER CLUSTER	DELEGATED TO CCGCs/CSS (in respect of those functions delegated to the CCGCs/CSS)
1.1	CHAIRMAN	Final authority in interpretation of Standing Orders.	Not Delegated	
2.4	CLUSTER BOARD	Appointment of Vice-Chairman.	Not Delegated	
3.1	CHAIRMAN	Calling meetings.	Not Delegated	
3.9	CHAIRMAN	Chair all Board meetings and associated responsibilities.	Not Delegated	
3.10	CHAIRMAN	Give final ruling in questions of order, relevancy and regularity of meetings.	Not Delegated	
3.12	CHAIRMAN	Having a second or casting vote.	Not Delegated	
3.13	CLUSTER BOARD	Suspension of Standing Orders.	Not Delegated	
3.13	AUDIT COMMITTEE	Audit Committee to review every decision to suspend Standing Orders (power to suspend Standing Orders is reserved to the Cluster Board).	Not Delegated	
3.14	CLUSTER BOARD	Variation or amendment of Standing Orders	Not Delegated	
4.6	THE CLUSTER BOARD	The Cluster Board shall approve the appointments to each of the committees which it has formally constituted	Not Delegated	
5.2	CHAIRMAN & CE	The powers which the Cluster Board has retained to	Not Delegated	

SO REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO AN EXECUTIVE OFFICER OF THE HUMBER CLUSTER	DELEGATED TO CCGCs/CSS (in respect of those functions delegated to the CCGCs/CSS)
		itself within these Standing Orders may in emergency be exercised by the Chair and Chief Executive after having consulted at least two non-officer members		
5.3	CLUSTER BOARD	Formal delegation of powers to the Clinical Commissioning Group Committees, other committees, sub-committees or joint committees and approval of their constitution and terms of reference. (The Chief Executive may approve the constitution and terms of reference of sub-committees.)	Not Delegated	
5.4	CE	The Chief Executive shall prepare a Scheme of Delegation identifying his/her proposals, which shall be considered and <u>approved by the Cluster Board</u> , subject to any amendment agreed during the discussion.	Not Delegated	
5.6	ALL	Disclosure of non-compliance with Standing Orders to the Chief Executive as soon as possible.	Not Delegated	
7.1	ALL CLUSTER BOARD AND BOARD COMMITTEE MEMBERS	Declare relevant and material interests.	Not Delegated	
7.2	CE	Maintain Register(s) of Interests.	Cluster Director of Quality and Governance	Senior Officers of CCGs and CSS
7.1	CHAIRMAN OF A MEETING	Making a declaration on a declared interest.	Not Delegated	

SO REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO AN EXECUTIVE OFFICER OF THE HUMBER CLUSTER	DELEGATED TO CCGCs/CSS (in respect of those functions delegated to the CCGCs/CSS)
7.4	ALL STAFF	Comply with national guidance contained in HSG 1993/5 "Standards of Business Conduct for NHS Staff" and the Code of Conduct for NHS Managers 2004.	N/A	
7.4	ALL	Disclose relationship between self and candidate for staff appointment. (CE to report the disclosure to the Cluster Board and, where relevant, to the Clinical Commissioning Group Committees).	N/A	
8.1/8.3	CE	Keep seal in safe place and maintain a register of sealing.	Not Delegated	Senior Officer
8.5	CE	Approve and sign all documents which will be necessary in legal proceedings.	Director of Finance and an Executive Director	Senior Officer/Senior Financial Officer of CCG

SCHEME OF DELEGATION FROM MODEL STANDING FINANCIAL INSTRUCTIONS

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGCs/CSS (in respect of those functions delegated to the CCGCs/CSS)
10.1.3	DoF	Approval of all financial procedures.	Not Delegated	
10.1.4	DoF	Advice on interpretation or application of SFIs.		Senior Financial Officer CCG and CSS
10.1.6	ALL MEMBERS OF THE CLUSTER BOARD, MEMBERS OF THE CCGCS AND EMPLOYEES	Have a duty to disclose any non-compliance with these Standing Financial Instructions to the Director of Finance & Performance as soon as possible.	N/A	
10.2.4	CE	Responsible as the Accountable Officer to ensure financial targets and obligations are met and has overall responsibility for the System of Internal Control.	Not Delegated	
10.2.4	CE & DoF	Accountable for financial control but will, as far as possible, delegate their detailed responsibilities.	Delegation As Required	Senior Financial Officer CCG and CSS
10.2.5	CE	To ensure all Cluster Board members, officers and employees, present and future, are notified of and understand Standing Financial Instructions.		Senior Financial Officer CCG and CSS

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGCs/CSS (in respect of those functions delegated to the CCGCs/CSS)
10.2.6	DoF	Responsible for: <ul style="list-style-type: none"> a) implementing each Member PCT's financial policies and co-ordinating corrective action; b) maintaining an effective system of financial control including ensuring detailed financial procedures and systems are prepared and documented; c) ensuring that sufficient records are maintained to explain each Member PCT's transactions and financial position; d) providing financial advice to members of Cluster Board, staff and Clinical Commissioning Group Committee members; e) maintaining such accounts, certificates etc as are required for each Member PCT to carry out its statutory duties; f) the design, implementation and supervision of systems of internal control. 		Senior Financial Officers CCG and CSS
10.2.7	ALL MEMBERS OF THE CLUSTER BOARD, MEMBERS OF THE CCGCs/CSS AND EMPLOYEES	Responsible for security of the PCT's property, avoiding loss, exercising economy and efficiency in using resources and conforming to Standing Orders, Standing Financial Instructions and financial procedures.	N/A	

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
10.2.8	CE	Ensure that any contractor or employee of a contractor who is empowered by any of the Member PCTs to commit the relevant Member PCT to expenditure or who is authorised to obtain income are made aware of these instructions and their requirement to comply.	DoF&P	Senior Financial Officer CCG and CSS
11.1.1	AUDIT COMMITTEE	Provide independent and objective view on internal control and probity.	Not Delegated	
11.1.3	CHAIRMAN	Raise the matter at the Cluster Board meeting where Chair of Audit Committee considers there is evidence of ultra vires transactions or improper acts.	Not Delegated	
11.2.1	DoF	a) Ensure an adequate internal audit service, for which he/she is accountable, is provided (and involve the Audit Committee in the selection process when/if an internal audit service provider is changed.) b) Ensure the annual audit report is prepared for consideration by the Audit Committee.	Not Delegated	Senior Financial Officer CCG and CSS
11.2.1	DoF	Decide at what stage to involve police in cases of misappropriation and other irregularities not involving fraud or corruption.	Not Delegated	Senior Financial Officer CCG and CSS
11.3	HEAD OF INTERNAL AUDIT	Review, appraise and report in accordance with NHS Internal Audit Standards and best practice.	Not Delegated	
11.4	AUDIT COMMITTEE	Ensure cost-effective External Audit.	Not Delegated	

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
11.5	CE & DoF	Monitor and ensure compliance with Secretary of State for Health's Directions on fraud and corruption including the appointment of the Local Counter Fraud Specialist.	Not Delegated	Senior Financial Officer CCG and CSS
11.6	CE	Monitor and ensure compliance with Directions issued by the Secretary of State for Health on NHS security management including appointment of the Local Security Management Specialist.		
12.1	CE	Has overall responsibility for each of the Member PCTs' activities and ensuring each of the Member PCTs stay within their resource limit.	Not Delegated	Senior Officer
12.4	DoF	Will provide monthly reports to the Secretary of State for Health, ensure draw down is for approved expenditure and timely and follows best practice in cash management.		Senior Financial Officer (cash management)
12.4	DoF	Ensure monitoring systems are in place to enable the PCTs not to exceed their limits.		Senior Financial Officer CCG
13.1.1	DoF	Periodically review assumptions, submit a report to the Cluster Board annually showing total allocations received and their proposed distribution.	Not Delegated	Senior Financial Officer CCG
13.1.1	DoF	Regularly update the Board on significant changes to the initial allocation and the uses of such funds		Senior Financial Officer CCG

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
13.2.1	CE	Compile and submit to the Board an operational plan which takes into account financial targets and forecast limits of available resources. The plan will contain: <ul style="list-style-type: none"> • a statement of the significant assumptions on which the plan is based; • details of major changes in workload, delivery of services or resources required to achieve the plan. 		Senior Officer CCG
13.2.2 & 13.2.3	DoF	Submit budgets to the Cluster Board for approval (Commissioning) Monitor performance against budget; submit to the Cluster Board financial estimates and forecasts.		Senior Financial Officer CCG and CSS
13.2.5	DoF	Ensure adequate training is delivered on an ongoing basis to budget holders.		Senior Financial Officer CCG and CSS
13.3.1	CE	Delegate budget to budget holders.	Not Delegated	Senior Officer CCG and CSS
13.3.2	CE & BUDGET HOLDERS	Must not exceed the budgetary total or virement limits set by the Board.	Not Delegated	Senior Officer CCG and CSS
13.4.1	DoF	Devise and maintain systems of budgetary control.	Not Delegated	Senior Financial Officer

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
13.4.2	BUDGET HOLDERS	Ensure that: a) no overspend or reduction of income that cannot be met from virement is incurred without prior consent of the Board; b) approved budget is not used for any other than specified purpose subject to rules of virement; c) no permanent employees are appointed without the approval of the CE other than those provided for within available resources and manpower establishment.	Not Delegated	
13.4.3	CE	Identify and implement cost improvements and income generation activities in line with the plan.	Cluster Executive Directors	Senior Officer CCG and CSS
13.6.1	CE	Submit monitoring returns to DH/SHA/NHS Commissioning Board.	DoF&P	Senior Officer CCG
14.1	DoF	Preparation of annual accounts and reports.	Not Delegated	Senior Financial Officer CCG and CSS
15.1	DoF	Managing banking arrangements, including provision of banking services, operation of accounts, preparation of instructions and list of cheque signatories. (Cluster Board approves arrangements.)		Senior Financial Officer CCG and CSS

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
16.	DoF	Income systems, including system design, prompt banking, review and approval of fees and charges, debt recovery arrangements, design and control of receipts, provision of adequate facilities and systems for employees whose duties include collecting or holding cash.		Senior Financial Officer CCG and CSS
16.2.3	ALL EMPLOYEES	Duty to inform DoF&P of money due from transactions which they initiate/deal with.	N/A	
17.	CE	Tendering and contracting procedure.		Senior Officer CCG and CSS
17.5.3	CE	In-house services: Decision to tender services.	Not Delegated	Senior Officer CCG and CSS
17.5.4	CE	Formal tendering procedures to be waived.		Senior Officer CCG and CSS
17.5.4(l)	DoF	Fees payable for the provision of legal advice / services.		Senior Financial Officer CCG
17.5.6	CE	Review of contract opportunity reported to the CE required by SFI 17.5.7 and maintenance of record of such contract opportunity.	Not Delegated	Senior Officer CCG
17.5.5(b)	CE	Report waivers of tendering procedures to the Audit Committee.		Senior Officer/Senior Financial Officer CCG and CSS
17.7.5(a) & (b)	CE	Responsible for the receipt, endorsement and safe custody of tenders received.		Senior Officer CCG and CSS

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
17.7.7(a)	CE	Designation of senior officers/managers to open tenders.	Not Delegated	Senior Officer CCG and CSS
17.7.7(d)	ALL EXECUTIVE DIRECTORS & MEMBERS	Opening tenders.	Not Delegated	Senior Officer CCG and CSS
17.7.7(e)	DoF&P	Opening tenders.		Senior Financial Officer CCG and CSS
17.7.7(g)	CE	Shall maintain a register to show each set of competitive tender invitations dispatched.		Senior Officer CCG and CSS
17.7.8(i)	CE	Admissibility of tenders.	DoF&P	
17.7.8(ii)	CE & DoF	Where one tender is received will assess for value for money and fair price.		Senior Officer/Senior Financial Officer CCG and CSS
17.7.9	CE	Responsible for treatment of 'late tenders'.		Senior Officer CCG and CSS
17.7.10	CE OR DoF&P	Electronic Auctions and Dynamic Purchasing Systems.	Not Delegated	
17.7.11(a)	CE & SPECIFICATION GROUP	Draft specification.	Not Delegated	
17.7.11(a)	CE & IN HOUSE TENDER GROUP	Draft and submit in-house tender submission.	Not Delegated	

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGCs/CSS (in respect of those functions delegated to the CCGCs/CSS)
17.7.11(a)	DOF&P & THE EVALUATION GROUP	Shortlist expressions of interest and evaluate tenders received.	Not Delegated	
17.7.11(d)	CE	Nomination of officer to oversee and manage the contract awarded on behalf of the relevant Member PCT.	Not Delegated	
17.8	CE	Quotations: Competitive and Non-Competitive (including 17.8.2 (ii) decision re requirement to obtain quotation in writing, 17.8.2 (iv) evaluation of quotations and 17.8.3 (b) source of goods from alternative sources).	Executive Directors	Senior Officer
17.8.4	CE/SENIOR OFFICER OR DoF/CFO	No quotation shall be accepted which will commit expenditure in excess of that which has been allocated by the relevant Member PCT and/or which is not in accordance with these Standing Financial Instructions except with the authorisation of the Chief Executive/Senior Officer or Director of Finance/Senior Financial Officer		Senior Officer
17.9.1	CE	Overriding duty to achieve best value for money.		Senior Officer
17.9.2	CE	Shall ensure that appropriate evaluation criteria are adopted to assess the technical and financial capability of those firms that are invited to tender or quote.		Senior Officer

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
17.10.1(d)	CE	No tender shall be accepted which will commit expenditure in excess of that which has been allocated by the relevant Member PCT and/or which is not in accordance with these Instructions except with the authorisation of the Chief Executive.		Senior Officer
17.10.1(e)	CE OR DoF&P	Acceptability of tenders.	Not Delegated	
17.10.2	DESIGNATED BUDGET HOLDER	Award of contracts up to £100,000.	Not Delegated	
17.10.2	SENIOR OFFICERS & DIRECTORS	Award of contracts up to £250,000.	Not Delegated	Senior Officer CCG and CSS
17.10.2	CE	Award of contracts up to £500,000.	Not Delegated	
17.10.2	PCT BOARD	Award of contracts over £500,000.	Not Delegated	
17.11	DoF&P	Use of correct form of contract as required by Instruction 17.11.	Not Delegated	
17.11.5	CE	The Chief Executive shall nominate officers with delegated authority to enter into contracts of employment, regarding staff, agency staff or temporary staff service contracts.	Executive Directors	Senior Officer CCG and CSS
17.11.6(f)	CE	The Chief Executive shall nominate an officer who shall oversee and manage each contract on behalf of the relevant PCT.	Executive Directors	Senior Officer CCG and CSS

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
17.12.1(a)	CE	Use of competitive tendering or quotation procedures.	CE Nominee	Senior Officer CCG and CSS
18.1.1	CE	Must ensure that each Member PCT enters into suitable contracts with service providers for the provision of NHS services and consider the extent to which any NHS standard contract conditions are mandatory.		Senior Officer CCG
18.4	CE	As the Accountable Officer, ensure that regular reports are provided to the Cluster Board detailing actual and forecast expenditure against the contract.		Senior Officer CCG
19.2.1	CE	As the Accountable Officer, ensure secondary services are commissioned in line with the Operational Plan and reach the required standards.		Senior Officer CCG
19.2.3	CE	As the Accountable Officer, ensure regular reports are provided to the Cluster Board detailing actual and forecast expenditure for each contract.		Senior Officer CCG
19.2.4	CE	As the Accountable Officer, ensure that all agreements for provision of services with non-NHS providers achieve quality and are cost effective.		Senior Officer CCG
19.3.1	DoF	Will maintain a system of control to ensure effective accounting of expenditure against each contract.		Senior Financial Officer CCG
19.3.2	DoF	Must account for Out of Area Treatments/Non Contract Activity in accordance with national guidelines.		Senior Financial Officer CCG

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGCs/CSS (in respect of those functions delegated to the CCGCs/CSS)
20.1.1	CLUSTER BOARD	Establish a Remuneration Committee.	Not Delegated	
20.1.2	REMUNERATION COMMITTEE	Advise the Cluster Board on and make recommendations on the remuneration and terms of service of the CE, other officer members and senior employees to ensure they are fairly rewarded having proper regard to each of the Member PCT's circumstances and any national agreements. Monitor and evaluate the performance of individual senior employees. Advise on and oversee appropriate contractual arrangements for such staff, including proper calculation and scrutiny of termination payments.	Not Delegated	
20.1.3	REMUNERATION COMMITTEE	Report in writing to the Cluster Board its advice and its bases about remuneration and terms of service of directors and senior employees.	Not Delegated	
20.1.4	CLUSTER BOARD	Approve proposals presented by the Chief Executive for setting of remuneration and conditions of service for those employees and officers not covered by the Remuneration Committee.	Not Delegated	

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
20.2.2	CE	Approval of variation to funded establishment of any department.	Executive Directors	Senior Officer CCG and CSS
20.3	CE	Approval of appointment of staff, including agency staff, appointments and re-grading within approved budget and funded establishment.	Executive Directors/Director of Human Resources	Senior Officer CCG and CSS/Director of Human Resources
20.4.1 and 20.4.2	DoF	Payroll: a) specifying timetables for submission of properly authorised time records and other notifications; b) final determination of pay and allowances; c) making payments on agreed dates; d) agreeing method of payment; e) issuing instructions (as listed in SFI 10.4.2).		Senior Financial Officer CCG and CSS Via Service Level Agreement
20.4.3	CE	Submit time records in line with timetable. Complete time records and other notifications in required form. Submitting termination forms in prescribed form and on time.	Director of Human Resources	
20.4.4	DoF	Ensure that the chosen method for payroll processing is supported by appropriate (contracted) terms and conditions, adequate internal controls and audit review procedures and that suitable arrangements are made for the collection of payroll deductions and payment of these to appropriate bodies.		Senior Financial Officer CCG and CSS

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
20.5	CE	Ensure that all employees are issued with a Contract of Employment in a form approved by the Board and which complies with employment legislation; Deal with variations to, or termination of, contracts of employment.	Director of Human Resources	
21.1	CLUSTER BOARD	The Cluster Board will approve the level of non-pay expenditure on an annual basis.	Not Delegated	
21.1	CE	Determine, and set out, level of delegation of non-pay expenditure to budget managers, including a list of managers authorised to place requisitions, the maximum level of each requisition and the system for authorisation above that level.	Executive Directors	Senior Officer CCG and CSS Scheme of Budgetary Delegation
21.1.3	CE	Set out procedures on the seeking of professional advice regarding the supply of goods and services.		Senior Officer CCG and CSS
21.2.1	REQUISITIONER*	In choosing the item to be supplied (or the service to be performed) shall always obtain the best value for money for the relevant Member PCT. In so doing, the advice of the Member PCT's adviser on supply shall be sought.	N/A	
21.2.2	DoF	Shall be responsible for the prompt payment of accounts and claims.		Senior Financial Officer CCG and CSS

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGCs/CSS (in respect of those functions delegated to the CCGCs/CSS)
21.2.3	DoF	<ul style="list-style-type: none"> a) Advise the Cluster Board regarding the setting of thresholds above which quotations (competitive or otherwise) or formal tenders must be obtained; and, once approved, the thresholds should be incorporated in standing orders and regularly reviewed; b) Prepare procedural instructions on the obtaining of goods, works and services incorporating the thresholds; c) Be responsible for the prompt payment of all properly authorised accounts and claims; d) Be responsible for designing and maintaining a system of verification, recording and payment of all amounts payable; e) Be responsible for ensuring that payment for goods and services is only made once the goods and services are received. 	Not delegated	
21.2.4	APPROPRIATE EXECUTIVE DIRECTOR OR OTHER DIRECTOR	Make a written case to support the need for a pre-payment.	Not Delegated	Senior Officer or Senior Financial Officer CCG and CSS
21.2.4	DoF	Approve proposed pre-payment arrangements.	Not Delegated	Senior Financial Officer CCG and CSS

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
21.2.4	BUDGET HOLDER	Ensure that all items due under a prepayment contract are received (and immediately inform Director of Finance & Performance if problems are encountered).	Not Delegated	
21.2.5	CE/ SENIOR OFFICER	Authorise who may use and be issued with official orders.	Scheme of Budgetary Delegation	Senior Officer CCG and CSS
21.2.6	MANAGERS AND OFFICERS	Ensure that they comply fully with the guidance and limits specified by the Director of Finance & Performance.	Not Delegated	
21.2.7	CE & DoF	Ensure that the arrangements for financial control and financial audit of building and engineering contracts and property transactions comply with the guidance contained within CONCODE, ESTATECODE, Procure 21, NHS LIFT and PFI Guidance manual. The technical audit of these contracts shall be the responsibility of the relevant Director.	Director of Quality and Governance	
21.3	DoF	Lay down procedures for payments to local authorities and voluntary organisations made under the powers of section 256 of the NHS Act 2006.		Senior Financial Officer CCG and CSS
22	DoF & CFO	Ensure that Cluster Board members are aware of the Financial Framework and ensure compliance	Not Delegated	

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
23.1.1 & 2	CE	Capital investment programme: a) ensure that there is adequate appraisal and approval process for determining capital expenditure priorities and the effect that each has on plans; b) responsible for the management of capital schemes and for ensuring that they are delivered on time and within cost; c) ensure that capital investment is not undertaken without availability of resources to finance all revenue consequences; d) ensure that a business case is produced for each proposal.	Director of Quality and Governance	Senior Officer CCGs
23.1.2	DoF	Certify professionally the costs and revenue consequences detailed in the business case for capital investment.	Not Delegated	Senior Financial Officer CCG
23.1.3	CE	Issue procedures for management of contracts involving stage payments.		Senior Officer CCG
23.1.3	DoF	Issue procedures for the regular reporting of expenditure and commitment against authorised capital expenditure.		Senior Financial Officer CCG
23.1.4	CE	Shall issue to the manager responsible for any scheme specific authority to commit expenditure, proceed to tender and accept a successful tender.		Senior Officer CCG
23.1.4	CE	Issue a scheme of delegation for capital investment management in accordance with Estate code and Standing Orders.		Senior Officer CCG

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
23.1.5	DoF	Issue procedures governing financial management, including variation to contract, of capital investment projects and valuation for accounting purposes.		Senior Financial Officer CCG
23.2.1	DoF	Demonstrate that the use of private finance represents value for money and genuinely transfers significant risk to the private sector.	Not Delegated	
23.2.1	CLUSTER BOARD	Proposal to use PFI must be specifically agreed by the Cluster Board.	Not Delegated	
23.3.1	CE	Maintenance of asset registers (on advice from DoF/CFO).		Senior Officer CCG
23.3.5	DoF	Approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.		Senior Financial Officer CCG
23.3.8	DoF	Calculate and pay capital charges in accordance with Department of Health requirements.		Senior Financial Officer CCG
23.4.1	CE	Overall responsibility for fixed assets.		Senior Officer CCG
23.4.2	DoF	Approval of fixed asset control procedures.		Senior Financial Officer CCG
23.4.4	CLUSTER BOARD, EXECUTIVE MEMBERS AND ALL SENIOR STAFF	Responsibility for security of the Member PCTs' assets including notifying discrepancies to DoF&P, and reporting losses in accordance with the relevant Member PCT's procedure.	N/A	

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
24.2	CE	Delegate overall responsibility for control of stores (subject to DoF&P responsibility for systems of control). Further delegation for day-to-day responsibility subject to such delegation being recorded.		Senior Officer CCG and CSS
24.2	DoF	Responsible for systems of control over stores and receipt of goods.		Senior Financial Officer CCG and CSS
24.2	DoF	Responsible for controls of pharmaceutical stocks.		Senior Officer CCG
24.2	DoF	Responsible for control of stocks of fuel oil and coal.		Senior Officer CCG
24.2	DoF	Security arrangements and custody of keys.		Local Health & Safety Representatives
24.2	DoF&P	Set out procedures and systems to regulate the stores.		Senior Financial Officer CCG and CSS
24.2	DoF&P	Agree stocktaking arrangements		Senior Financial Officer CCG and CSS
24.2	DoF&P	Approve alternative arrangements where a complete system of stores control is not justified.	Not Delegated	Senior Officer CCG and CSS
24.2	DoF&P	Approve system for review of slow moving and obsolete items and for condemnation, disposal and replacement of all unserviceable items.	Not Delegated	Senior Financial Officer

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
24.2	NOMINATED OFFICERS	Operate system for slow moving and obsolete stock, and report to DoF/ Senior Officer evidence of significant overstocking.	Not Delegated	
24.3.1	CE	Identify persons authorised to requisition and accept goods from NHS Supplies stores.		Senior Officer CCG and CSS Scheme of Budgetary Delegation
25.1.1	DoF	Prepare detailed procedures for disposal of assets including condemnations and ensure that these are notified to managers.		Senior Financial Officer CCG
25.2.1	DoF	Prepare procedures for recording and accounting for losses, special payments.		Senior Financial Officer CCG
25.2.2	ALL STAFF	Discovery or suspicion of loss of any kind must be reported immediately to either head of department or nominated officer. The head of department / nominated officer should then inform the CE and DoF&P.	N/A	
25.2.2	DoF	Where a criminal offence is suspected DoF must inform the police if theft or arson is involved. In cases of fraud and corruption DoF must inform the relevant Local Counter Fraud Specialist (LCFS) and NHS Counter Fraud Service (NHS CFS) Operational Fraud Team in line with Secretary of State for Health Directions.		Senior Financial Officer CCG and CSS

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
25.2.3	DoF	Notify CFSMS, LCFS and External Audit of all fraud and corruption cases in line with SoS Directions.		Senior Financial Officer CCG and CSS
25.2.4	DoF	Notify Cluster Board and External Auditor of losses caused by theft, arson, neglect of duty or gross carelessness (unless trivial).		Senior Financial Officer CCG and CSS
25.2.5	CLUSTER BOARD	Approve write off of losses (within limits delegated by DH).	Audit Committee	
25.2.7	DoF	Consider whether any insurance claim can be made.		Senior Financial Officer CCG and CSS
25.2.8	DoF	Maintain losses and special payments register.		Senior Financial Officer CCG and CSS
26.1	DoF	Responsible for accuracy and security of computerised financial data.		Senior Financial Officer CCG and CSS
26.1	DoF	Satisfy him/her self that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by another organisation, assurances of adequacy must be obtained from them prior to implementation.		Senior Financial Officer CCG and CSS

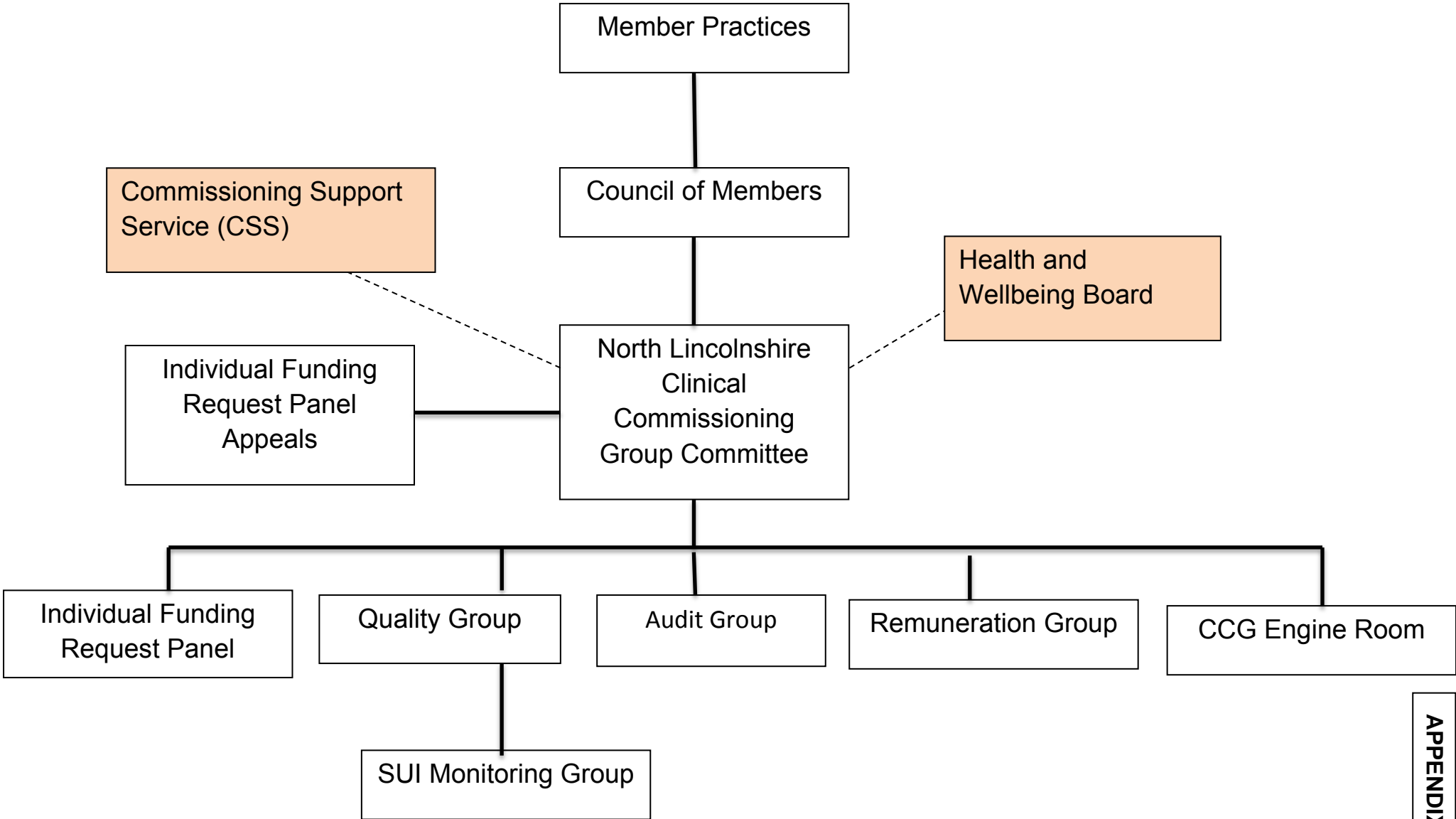
SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
26.1.3	CE	Shall publish and maintain a Freedom of Information Scheme.	Medical Director	
26.2.1	RELEVANT OFFICERS	Send proposals for general computer systems to Director of Finance & Performance.	Not Delegated	
26.3	DoF	Ensure that contracts with other bodies for the provision of computer services for financial applications clearly define responsibility of all parties for security, privacy, accuracy, completeness and timeliness of data during processing, transmission and storage, and allow for audit review. Seek periodic assurances from the provider that adequate controls are in operation.		Senior Financial Officer CCG and CSS
26.4	DoF	Where computer systems have an impact on corporate financial systems satisfy himself that: a) systems acquisition, development and maintenance are in line with corporate policies; b) data assembled for processing by financial systems is adequate, accurate, complete and timely, and that a management rail exists; c) DoF&P and staff have access to such data; d) such computer audit reviews are being carried out as are considered necessary.		Senior Financial Officer CCG and CSS

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGs/CSS (in respect of those functions delegated to the CCGs/CSS)
28	DoF	Ensure all staff are made aware of the relevant Member PCT's policy on the acceptance of gifts and other benefits in kind by staff.		Senior Officer CCG and CSS
29.2	CE	Ensure lists of all contractors are maintained up to date and systems are in place to deal with applications, resignations, inspection of premises etc. within contractors' terms of service.		Senior Officer CCG and CSS
29.3	DoF	Ensure only contractors included on the PCTs' lists receive payments; maintain a system of control to ensure prompt and accurate payments and validation of same.		Senior Financial Officer CCG and CSS
30	CE	Retention of document procedures in accordance with Department of Health guidance.		Senior Officer CCG and CSS
31.1	CE	Risk management programme.	Not Delegated	
31.1	CLUSTER BOARD	Approve and monitor risk management programme.	Not Delegated	
31.2	CLUSTER BOARD	Decide whether the Member PCTs will use the risk pooling schemes administered by the NHS Litigation Authority or self-insure for some or all of the risks (where discretion is allowed). Decisions to self-insure should be reviewed annually.	Not Delegated	

SFI REF	DELEGATED TO	AUTHORITIES/DUTIES DELEGATED	DELEGATED TO HUMBER CLUSTER	DELEGATED TO CCGCs/CSS (in respect of those functions delegated to the CCGCs/CSS)
31.4	DoF&P	<p>Where the Cluster Board decides to use the risk pooling schemes administered by the NHS Litigation Authority the Director of Finance & Performance shall ensure that the arrangements entered into are appropriate and complementary to the risk management programme. The Director of Finance & Performance shall ensure that documented procedures cover these arrangements.</p> <p>Where the Cluster Board decides not to use the risk pooling schemes administered by the NHS Litigation Authority for any one or other of the risks covered by the schemes, the & Director of Finance & Performance shall ensure that the Cluster Board is informed of the nature and extent of the risks that are self- insured as a result of this decision. The Director of Finance & Performance will draw up formal documented procedures for the management of any claims arising from third parties and payments in respect of losses that will not be reimbursed.</p>	Not Delegated	

* In line with the Scheme of Budgetary Delegation

NORTH LINCOLNSHIRE CLINICAL COMMISSIONING GROUP GOVERNANCE STRUCTURE



**EXTANT TERMS OF REFERENCE FOR EXISTING CCG COMMITTEES
AND SUB – COMMITTEES 2011/12.**

The CCG as a Non Statutory Body in 2011/12 utilises the Humber Cluster Audit and Remuneration Committees, but has its own delegated Committees / Sub Committees known as “Groups” as follows:

- a) Individual Funding Request Panel.
- b) Quality Group (& Serious Untoward Incident (SUI) Monitoring Group).
- c) Audit Group.
- d) Remuneration Group.
- e) CCG Engine Room.

From 1st April 2013 the CCG will need to review and confirm, or revise and approve, these Terms of Reference for these groups, as appropriate, as a result of updating its Standing Orders, Standing Financial Instructions.

Terms of Reference of NHS North Lincolnshire Individual Funding Request Panel

1 General

- 1.1 The Individual Funding Request Panel is a sub-Committee of the Clinical Commissioning Group Committee (thereafter known as CCG).

2 Role and Purpose

- 2.1 The Individual Funding Request Panel will be a confidential forum comprising 4 GP members of the CCG and a senior member of the Public Health Department. The Individual Funding Request Panel will have a nominated Panel Chair. The Panel will consider funding requests from NHS clinicians in respect of health care interventions for individuals where NHS North Lincolnshire's general policy is not to fund that intervention or where there is no specific policy/national guidance.
- 2.2 The Panel will be quorate if 1 GP is able to respond to any funding request against current commissioning policies, any other requests will require a quoracy of 2 GP's

3 Remit

- 3.1 The Individual Funding Request Panel works with key managers and clinicians within NHS North Lincolnshire to consider individual requests for procedures/treatment where NHS North Lincolnshire's general policy is not to fund that intervention. This will include those procedures/treatments/drugs classified as low priority, specific contract exclusions or treatments not covered by specific policy/national guidance.
- 3.2 The Individual Funding Request Panel will also consider requests for treatment/procedures which have been classified as low priority or where the patient does not meet specified eligibility criteria for a specific financial year where the requesting clinician claims that there are exceptional circumstances in line with the Individual Funding Request Policy
- 3.3 The financial limit per case will be maximum of £250,000. Requests for treatment over this limit will be referred to the Clinical Commissioning Group Committee.
- 3.4 The Individual Funding Request Panel will receive requests from the triage service via the secure NHS Net email system on a case by case basis. A unique case number will be applied to each case by the triage service. Decisions made will be communicated back to the triage service using the NHS Net email system by each Panel member.
- 3.5 In the event of Individual Funding Request Panel members being unable to agree, the nominated Panel Chair will make the final funding decision.
- 3.6 The Individual Funding Request Panel will not make policy decisions on behalf of the Clinical Commissioning Group Committee but will confine its decision making to individual treatment funding requests. If any individual case requires consideration of an extant policy this will be referred to the Clinical Commissioning Group Committee.
- 3.7 The Individual Funding Request Panel will take into account relevant clinical evidence, NICE recommendations, Specialist Commissioning Group policy and any other specific guidance relating to the requested treatment/procedure when considering the request.

- 3.8 Where necessary, clinical advice will be sought from appropriate specialists e.g. Specialist Commissioning Group, Cancer Networks to assist the decision making process.
- 3.9 All cases will be retained within a safe haven database and electronic filing system with copies of all email communication to and from the Panel including the final decisions stored electronically

4 *Composition of the Individual Funding Request Panel*

- 4.1 Membership of the Individual Funding Request Panel will comprise:-

4 GPs drawn from the CCG one of which will be the nominated Chair
A senior member from Public Health which may be the Director of Public Health

In the event that a GP member has a conflict of interest with an individual request they will take not part on that decision to ensure that a robust process is maintained.

5 *Format of Cases*

- 5.1 Funding requests will be forwarded to the Individual Funding Request Panel in electronic format using the NHS Net account email system. Each request will be forwarded out as an individual case with an assigned case number and will indicate very clearly whether a very urgent decision is required based on the clinical urgency of the case.

6 *Relationship and Reporting to the Board/CEC*

- 6.1 The Individual Funding Request Panel will be directly accountable to the Clinical Commissioning Group Committee.
- 6.2 Regular quarterly reports will be required by Clinical Commissioning Group Committee on the range of cases considered and the cost implications of decisions made.

April 2012

Terms of Reference of the North Lincolnshire Clinical Commissioning Group - Quality Group revision for consideration

1 Role and Purpose

As a sub-group of the Clinical Commissioning Group Committee, the role of the Quality Group (QG) is to ensure that policies and procedures are in place, that relevant monitoring takes place, that lessons are learned for the areas covered within the remit of the group and provide a significant level of assurance across these areas. The sub group is established in accordance with the Clinical Commissioning Group's constitution, standing orders and scheme of delegation

The remit covers the 3 key dimensions of quality – clinical effectiveness, patient safety and engagement. The aim being to co-ordinate the delivery of continuous quality improvement, systems of accountability, promotion of patient safety, and the dissemination of good practice across commissioned services. The Quality Group is part of the overall CCG governance and reporting arrangements.

The group has been established to ensure that the CCG has appropriate and up to date policies, procedures, systems and processes to assure that patients receive safe and clinically effective care across all care settings.

The Quality Group will establish sub groups as deemed necessary. These are likely to include Serious Untoward Incident monitoring, public/service user engagement and NHS 111.

CCG Information Governance, Research Governance and operational Risk Management are also included within the QG responsibilities.

2 Remit

- Information Governance/compliance with national requirements
- Monitor provider implementation of guidance published by NICE, NSFs etc
- Ensure that the CCG has robust systems in place for monitoring quality in commissioned services e.g. quality in contracts and received reports from quality contract meetings.
- Research Governance.
- Monitor adverse incidents and ensure lessons learned and shared (relating to corporate and commissioned activity)
- Monitor patient involvement/engagement/experience
- Monitor and promote quality within independent contractors as part of ensuring the quality of primary care services
- Safeguarding children/adults
- Infection control and prevention
- Lead on operational risk management and identify risks with independent assurance via Audit Group
- Develop any relevant policies and make recommendations to CCG Governing Body
- Receive reports and monitor relevant healthcare standards.
- Review the effectiveness of the QG to ensure members receive the appropriate support and training to undertake their roles as members of the Committee.
- Receive reports relating to medicines management and prescribing

3 Composition of the Quality Group

North Lincolnshire CCG Quality Group will comprise:

Members:-

- Nurse member of CCG Governing Body - Chair
- Senior Officer Quality and Assurance
- Secondary Care Doctor member of CCG Governing Body
- Assistant Senior Officer Quality and Assurance
- At least one CCG Clinical Member Lead (one of whom should also be QIPP Lead)
- Senior Officer Commissioning Support and Service Change (or representative)
- GP prescribing lead (virtual member)
- CCG lay member for Patient and Public Involvement - Vice Chair
- CCG lay member for Governance
- Safeguarding Children Designated Nurse
- CCG Medical Director

In attendance

- Appropriate officers covering relevant functions within the Commissioning Support Unit and via SLAs
- Public and Patient Involvement & Engagement
- Customer Care
- Prescribing/Medicines Management
- Safeguarding Adults
- Infection Control
- Information Governance
- Performance and Information
- Research Governance

The above will be reviewed once service specifications with CSS have been agreed

The QG may co-opt additional members as required.

4 Quoracy of the Quality Group

A register of attendance will be taken at each meeting. Members must attend at least 50% of meetings during the year.

The working group shall be deemed quorate when 50% of members are present including either the Chair or Vice Chair and a CCG Member Lead. If the Senior Officer Quality and Assurance is not present then the Assistant Senior Officer Quality and Assurance must be present.

5 Meetings

The Quality Group will meet monthly. Extra-ordinary meetings can be arranged if necessary.

6 Relationship with and Reporting to the Clinical Commissioning Group Governing Body

The Quality Group will report to the CCG Governing Body via its minutes and specific reports on an exception basis at the next reasonably practicable meeting following the Quality Group meeting.

7 Review Date:

TBA

Karen Rhodes
August 2012

TERMS OF REFERENCE

AUDIT GROUP (Effective 1 April 2012)

1. PURPOSE

The Audit Group is a sub group of the Clinical Commissioning Group Committee (“CCGC”) with no executive powers other than those delegated below. **The Humber Cluster Audit Committee HCAC has delegated powers from the Humber Cluster Board to provide a high level independent review of all the four PCTs until the CCGC becomes a statutory Body. During the Transition the local arrangements will be covered under the auspices of this North Lincolnshire Audit Group.**

This group’s purpose is to provide the CCGC with an independent and objective review of: -

- Financial systems;
- Financial information used by the organisation;
- Compliance with law, guidance and Codes of Conduct;
- The arrangements for safeguarding assets, preventing waste and inefficiency and securing value for money;
- Reviewing the adequacy of structures, processes and responsibilities for identifying and managing key financial risks facing the organisation;
- Corporate arrangements for providing assurance and managing risks;
- The delivery of the Value for Money Framework, and associated action plans.

2. TERMS OF REFERENCE

The Audit Group has the following duties: -

- Providing independent assurance to the Senior Officer and CCGC;
- Meet with and review the work of the external auditor and internal auditors and considering the implications of, and management’s responses to their work;
- Ensuring that the systems for financial reporting to the CCGC including those of budgetary control, are subject to review as to completeness and accuracy of the information provided;
- Reviewing financial and information systems and monitoring the integrity of the financial statements and reviewing significant financial reporting judgments;

- Reviewing the establishment and maintenance of an effective system of integrated governance, risk management (including financial risk management) and internal control, across the whole of the organisation's activities (both clinical and non-clinical), that supports the achievement of the organisation's objectives.

This is to include a review of the risk register and assurance framework.

- Monitoring compliance with Standing Orders and Standing Financial Instructions; including the necessity and approval of any changes.
- Review the Annual Report, Accounts and Financial Statements prior to submission focusing particularly on;
 - the wording in the Statement of Internal Control and other disclosures relevant to the Terms of Reference of the Committee;
 - changes in, and compliance with, accounting policies, practices and estimation techniques;
 - unadjusted mis-statement in the financial statements;
 - major judgmental areas;
 - significant adjustments resulting from audit.
 - qualitative aspects
- Reviewing any incident of fraud or corruption or possible breach of ethical standards or legal or statutory requirements that could have a significant impact on the published financial accounts or reputation and ensure compliance with Counter Fraud arrangements;
- Reviewing 'Value for Money' audits reporting on the effectiveness and efficiency of the selected departments or activities;
- Reviewing and approving the scope of both internal and external audit and counter fraud including the agreement of plans and the number of audits and audit days per year;
- Investigating any matter within its terms of reference, having the right of access to any information relating to the particular matter under investigation including any information required from any employee;
- Reviewing schedules of losses and compensations, write offs and making recommendations to the CCGC;
- Review schedules of debtors/creditors balances over £10,000 and 6 months and explanation/action plans;
- Reviewing waivers to Standing Orders and sealing of documents;
- Reviewing hospitality, sponsorship registers and declarations of interest;
- Obtaining outside legal or other independent professional advice, and attendance of advisors with relevant experience and expertise, as considered necessary;
- Reviewing work/TOR of other subcommittees

Internal Audit

This Group shall ensure that there is an effective internal audit function established by management that meets mandatory NHS Internal Audit Standards and provides appropriate independent assurance to the CCGC, Senior Officer and Board.

This will be achieved by:-

- a) To consider the appointment of the Internal Audit service the audit fee and any questions of resignation and dismissal.
- b) To review and approve 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 and Strategic Plans.
- c) Consideration of the major findings of internal audit work (and management's response), and ensure co-ordination between the Internal and External Auditors to optimise audit resources.
- d) Ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation.
- e) An annual review of the effectiveness of Internal Audit.
- f) Consideration of the periodic review of the effectiveness of Internal Audit arrangements undertaken by External Audit.

External Audit

This Group shall review the work and findings of the External Auditor appointed by the Audit Commission and consider the implications and management's responses to their work.

This will be achieved by:-

- a) Discussion and agreement with the External Auditor, before the audit commences, of the nature and scope of the audit as set out in the Annual Plan and ensure co-ordination, as appropriate, with other External Auditors in the local health and social care economy.
- b) Discussion with the External Auditors of their local evaluation of audit risks and assessment of NHS North Lincolnshire and associated impact on the audit fee.
- c) Review all external audit reports, including the report to those charged with governance, agreement of the annual audit letter before submission to the Cluster Board and any work undertaken alongside the annual audit plan together with the appropriateness of management responses.

The Cluster Board (delegated to Humber Cluster Audit Committee) are currently responsible for External Audit appointments and oversight.

Other Assurance Functions

This Group shall review the findings of other significant assurance functions, both internal and external to the organisation and consider the implications to the governance of the organisation. These will include, but will not be limited to, any reviews by Department of Health Arms Length Bodies or Regulators/Inspectors (e.g. Care Quality Commission, NHS Litigation Authority etc), professional bodies with responsibility for the performance of staff or functions (e.g. Royal Colleges, accreditation bodies, etc).

3. MEMBERSHIP

3.1 Membership will consist of the following:

- Clinical membership to be agreed shortly by the council of members.
- The chairman of the CCGC shall not be a member of this committee.
- The Two Lay members of the CCG. One Lay member to have responsibility for Audit / Governance and one as the PPI Lead.
- Associate Non Executive Director leading on audit will chair the group.

3.2 Attendance at group meetings will include representatives from the following: -

- Senior Officer
- Senior Officer responsible for governance
- Internal Audit Representatives
- External Audit Representatives
- Counter Fraud Manager
- Chief Financial Officer

3.3 Membership of the Group will consist of named representatives and substitutes will have to be agreed with the chair prior to the meeting.

3.4 The Group retains the right to meet with the organisation's internal and external auditors in private (without the presence of an Executive Director) as it deems necessary.

3.5 The Group may request the attendance of any Director or member of staff from the CCG or outside organisations as and when appropriate.

4. QUORUM

No business shall be enacted unless three members referred to in 3.1 above are present. One of which must be a GP.

5. FREQUENCY OF MEETINGS

5.1 The Audit Group will meet at regular intervals as considered by the Group and not less than four times per year. The Auditors may request a meeting at any point with the chair if one is necessary.

5.2 Meetings of the Group will be planned for the calendar year ahead.

6. REPORTING ARRANGEMENTS

6.1 Reports directly to the CCGC: -

- Minutes are submitted to the next available meeting;
- The Group will provide an annual report and progress updates to the CCGC;
- The Audit Group will provide an annual report to the CCGC and its clinical membership.

- 6.2 The Chair of the Audit Group will draw to the attention of the CCGC any issues that require disclosure, or require executive action.
- 6.3 The Group will report to the CCG and its membership annually on its work in support of the Statement of Internal Control, specifically commenting on the Board Assurance Framework, financial risk management and the integration of governance arrangements.
- 6.4 The Audit Group can reasonably request any report from any other CCG sub group, Director or member of staff as required by the Group to carry out its duties including Internal and External Audit as required.

7. ADMINISTRATIVE ARRANGEMENTS

- 7.1 Administrative support will be provided to the Audit Group by the assistant to the Chief Financial Officer.
- 7.2 The Chairman of the Audit Group will draw up the agenda for each meeting with support from the executive leads.
- 7.3 The agenda and papers will be distributed seven days in advance of the meeting.
- 7.4 The minute secretary to the Audit Group will record meetings and detail the recommendations of the Group. The minutes will be sent to the CCGC that follows their ratification.

8. TENURE

This is a permanent sub group of the CCGC and its successor.

9. DATE OF AGREEMENT FOR TERMS OF REFERENCE AND DATE OF NEXT REVIEW

These Terms of Reference shall be reviewed prior to authorisation of the CCG and then annually from each date of approval.

10. DATE OF TERMS OF REFERENCE RATIFICATION BY REPORTING COMMITTEE

Terms of reference ratified by CCGC on 12 April 2012.

Terms of Reference of NHS North Lincolnshire Remuneration Group.

- 1) Up to the present date, all CCG Remuneration issues have been managed by the Humber Cluster Remuneration Committee.
- 2) Subject to the appropriate delegation of powers from the Humber Cluster Committee a local CCG Remuneration Group will be established during 2011/12, based on extant national guidance, with appropriate terms of reference.
- 3) Any terms of reference set for 2012/13, will need to be revised and approved as part of the exercise to review and update the CCG's Standing Orders, Standing Financial Instructions, and Scheme of Delegation before 31st March 2012.

Clinical Commissioning Group 'Engine Room'**TERMS OF REFERENCE****1.0 CONSTITUTION**

- 1.1 The North Lincolnshire Clinical Commissioning 'Engine Room' (CCER) is established as a Sub-Committee of the North Lincolnshire Clinical Commissioning Group (CCG) which is a Committee of the Humber Cluster Board.
- 1.2 The purpose, function and roles of the CCER will develop in line with the development of the CCG taking account of the national reform agenda and the extent of delegation from the Humber Cluster Board.
- 1.3 The CCER will act as the focal point for the coordination and discussion of all clinical developments within the CCG. It will act as the engine room of the organisation shaping the developing strategies to meet local population needs in line with the Joint Strategic Needs Assessment and ensuring their implementation on behalf of the CCG.
- 1.4 Items that are for the purposes of assurance, governance or strategy approval will be dealt with by the CCG Committee all other business will be overseen by the CCER.

2.0 PURPOSE

- 2.1 The purpose of the CCER is to:
- Act as the forum for discussion and agreement on clinical, financial and operational matters including commissioning principles and issues
 - The CCER will identify needs, develop and agree a response, ensure appropriate discussion and consultation takes place to refine the proposal or specification and then oversee implementation. If resources or a strategic decision are required a recommendation with supporting rationale will be submitted to the CCG Committee for approval.
 - Coordinate and direct the work of the following groups/workstreams:
 - Long Term conditions
 - Unplanned care
 - Planned care

DRAFT 4

- End of Life Strategy
 - Mental Health
 - Women's and Children's
 - QIPP leads group
 - Delivery in North Lincolnshire Group
- Influence the following:
- Executive Strategic Commissioning Board (with North Lincolnshire Council adult services)
 - Health and Wellbeing Board
 - Safer Neighbourhood Partnership
 - Children's Board
 - Local Safeguarding Boards
 - Clinical Stakeholder Board
- Oversight of QIPP, including development, monitoring delivery and implementation of schemes
 - To consider options for addressing identified operational issues, including contract performance and risk management, and provide recommended solutions to the CCG Committee where appropriate
 - Operate as the clinical interface between the CCG and the Clinical Senates and clinical networks that would be hosted by the NHS Commissioning Board
 - Provide oversight to the development of the Single Integrated Plan
 - Champion and ensure mechanisms are in place to commission in line with best practice
 - Provide support to the GP Committee members and the designated GP contract leads

3.0 ROLES AND FUNCTIONS

3.1 The CCER operates as the 'engine room' to the CCG and has no delegated powers of responsibility from the CCG Committee. The CCER will submit to the CCG:

- terms of reference for formal approval and annual review
- meeting action notes
- establish and approve the terms of reference of any task and finish groups it believes are necessary to fulfil its terms of reference

DRAFT 4

4.0 MEMBERSHIP

4.1 The core membership of the CCER is as follows:

- Chair of CCG Committee
- All member leads
- Shadow Accountable Officer
- Chief Finance Officer
- Senior Officer Commissioning & Strategy/Director of Strategy & Commissioning
- Senior Officer Quality & Governance/Director of Quality & Clinical Commissioning
- CCG Nurse
- Director of Public Health

The Chair and Vice Chair of the CCER will be member leads

4.2 In Attendance

The following will be in attendance:

- a member of admin staff identified as Secretary to the Committee
- The Committee may also extend invitations to other personnel and clinical leads with relevant skills, experience or expertise as necessary to deal with the business on the agenda. Such personnel will be in attendance and will have no voting rights.

4.3 Responsibility of Members and Attendees

Members of the CCER have a responsibility to:

- Raise and challenge performance; finance or quality issues for further discussion
- Feedback from all meetings attended

5.0 QUORUM

5.1 The Committee is quorate when at least six members are present, including at least three DN member leads, one of whom should be the Chair or Vice Chair and AO or deputy/CFO.

5.2 If such a quorum is not present or if during the meeting ceases to be present, the meeting will stand adjourned.

DRAFT 4

6.0 FREQUENCY OF MEETINGS

6.1 Meetings of the Committee will be held twice a month in accordance with a timetable to be published annually.

7.0 CONDUCT OF MEETINGS

7.1 An Agenda will be issued five days prior to the meeting. Requests for items to be included on the Agenda should be sent to the CCG chair at least one week before the meeting.

7.2 If an item needs to be raised on the day, this will be covered under Any Other Business, subject to there being available time.

7.3 If separate papers require circulation, these should, wherever possible, be issued with the Agenda. This is intended to enable members to have the opportunity to read information in advance.

7.4 At the start of each meeting, Members will be asked to confirm the accuracy of the Declaration of Interests and to declare any interests relating to specific items on the agenda.

7.5 Action notes will be kept and the Secretary will record the discussions. The approved Minutes/action notes will be issued by the Chair, for approval at the next meeting, and will list the topics discussed, actions agreed and any individual responsible for undertaking the action.

8.0 REPORTING

8.1 The CCER action notes will be submitted monthly to the CCG Committee.

9.0 REVIEW

9.1 These Terms of Reference will be reviewed annually.