**VERSION CONTROL**

<table>
<thead>
<tr>
<th>Version No</th>
<th>Date</th>
<th>Changes</th>
<th>Approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (working drafts)</td>
<td>25 June 2019</td>
<td>New document but based upon the Interim Governance Framework</td>
<td>Received and approved in principal by GB 02.07.19</td>
</tr>
<tr>
<td>2 (Draft)</td>
<td>31 July 2019</td>
<td>No material changes: Minor revisions to contents and formatting.</td>
<td>To be presented to GB 06.08.19</td>
</tr>
<tr>
<td>3 (Final)</td>
<td>06.08.19</td>
<td>Formatting changes - Prime Financial Policies &amp; Standing Financial Instructions transferred to Handbook from CCG Constitution (NHSE suggestion). Scheme of Delegation Removed from Handbook (included in Constitution)</td>
<td>GB Approved 06.08.19</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>Noted by NHSE in letter Ratifying CPCCG Constitution (V12) – 05.19.19</td>
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FOREWORD

This NHS Cambridgeshire & Peterborough Clinical Commissioning Group (CCG) Governance Handbook sets out how member practices intend that the organisation is governed, and how commissioning decisions are made on their behalf. The CCG is a statutory body set up to commission health services on behalf of the patients it serves. CCG member practices agree to work collaboratively to fulfil the purpose of the CCG and abide by the Constitution.

The CCG recognises that the Cambridgeshire Local Medical Committee (LMC) is the independent organisation recognised by statute as representing the county's General Practitioners and will engage with the LMC whenever appropriate to do so in accordance with the functions of the Committee.

Our Vision
Cambridgeshire and Peterborough CCG will work in partnership to improve quality of care, to develop healthy communities through change and innovation, making wise decisions about how we use the resources available to us.

Our Values
We are committed to being:

- Organised
- Honest
- Decisive
- Innovative
- Ambitious
- Compassionate

Member Practices delegate responsibility for overall governance of the CCG and other agreed functions to the Governing Body. This includes ensuring that

- the corporate, clinical and financial governance duties of the CCG are fulfilled;
- there are clear accountability and performance management arrangements in place;
- there is a CCG Annual Plan setting out how the CCG will improve health outcomes, tackle inequalities and achieve quality, performance and financial requirements;
- arrangements for staffing are managed efficiently within permitted running cost limits,
relationships with the NHS Commissioning Board, Health & Well-Being Boards, Health Watch and other relevant regional / national bodies are managed effectively;
there are clear processes for agreeing changes to membership of the CCG.
follow the Seven Principles of Public Life; set out by the Committee on Standards in Public Life (the **Nolan Principles**).

a. **Selflessness** – Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other benefits for themselves, their family or their friends.

b. **Integrity** – Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

c. **Objectivity** – In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

d. **Accountability** – Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

e. **Openness** – Holders of public office should be as open as possible about all the decisions and actions they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

f. **Honesty** – Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

g. **Leadership** – Holders of public office should promote and support these principles by leadership and example.

**Accountable Officer**

NHS Cambridgeshire and Peterborough Clinical Commissioning Group.
1. INTRODUCTION

1.1 This document presents the governance framework for NHS Cambridgeshire and Peterborough CCG. The Framework should be read alongside the CCG’s Constitution published on the website https://www.cambridgeshireandpeterboroughccg.nhs.uk/about-us/corporate-documents-and-policies/

1.2 The Governance Handbook covers:

- the Governance Framework including the Committee structure of the Governing Body and its associated Committees and Enabling Groups;
- the approach to management of these Committees and Groups;
- Chairs and Deputy Chairs of each Committee;
- The roles and responsibilities of Governing Body members;
- Scheme of Delegation
- Arrangements for the admission and removal of member practices
- Supporting Policies

2. GOVERNANCE FRAMEWORK

2.1 CCG Governing Body

As set out in the CCG’s Constitution, the Governing Body has responsibility for:

- ensuring that the CCG has appropriate arrangements in place to exercise its functions effectively, efficiently and economically and in accordance with the CCGs principles of good governance (its main function);
- determining the remuneration, fees and other allowances payable to employees or other persons providing services to the CCG and the allowances payable under any pension scheme it may establish under paragraph 11(4) of Schedule 1A of the 2006 Act, inserted by Schedule 2 of the 2012 Act;
- approving any functions of the NHS C&P CCG that are specified in regulations.
2.2 Committees of the Governing Body

There are three statutory Committees of the Governing Body which are required through the CCG Regulations. In addition, there are three business as usual Committees that the CCG can determine and incorporate into its Constitution. Terms of Reference for each Committee are set out at Appendix 1.

2.2.1 Statutory Committees

**Remuneration and Terms of Service Committee** - via its three Sub-Groups considers the appropriate remuneration and terms of service for the Accountable Officer, Executive Directors and staff on Very Senior Managers terms and conditions, for GP Members, Lay Members and the Secondary Care Doctor. The Sub-Group Chairs will make formal recommendations to the Governing Body following due consideration. In the same way that the Committee avoids any conflicts of interest, only non-conflicted members of the Governing Body will be involved in the decision-making process. The Committee will also oversee the Human Resources (HR) and Organisational Development function of the CCG.

**Audit Committee** - is accountable to the CCG’s Governing Body, provides the Governing Body with an independent and objective view of the CCG’s financial systems, financial information and compliance with laws, regulations and directions governing the CCG in so far as they relate discharging their statutory duties. The Committee ensures that there is an effective system of internal control and provide an objective review of systems and reports presented by Internal and External Audit, and provides the Governing Body with an assurance that the CCG’s governance, including financial, clinical and risk management processes are conducted within best practice guidelines set out in the Audit Committee Handbook.

**Primary Care Commissioning Committee** - oversees commissioning of primary care services and ensures that the CCG delivers its Delegation Agreement with NHSE.

2.2.2 Business as Usual Committees (Determined by the Governing Body) – Operating formally from August 2019

**Strategy & Planning Committee** – Supports the Governing Body to set and deliver the strategic direction and priorities of the CCG. Oversees planning, capacity and demand, and market management and provides a focus on population health. Responsible for Strategic Risk Management.

**Patient Reference Group** – provides an independent view of the work of the CCG that is external to the day-to-day running of the organisation. It will also help to ensure that, in all aspects of the CCG’s business the public voice of the local population is heard and that opportunities are created and protected for patient and public empowerment in the work of the CCG.

### 2.3 Enabling and Delivery Groups

A number of new and existing enabling and delivery groups will feed into the Governing Body and its Committees to support assurance, delivery, decision-making and provide advice where appropriate. The proposed groups are set out below:

- Chief Officer Team led by the Chief Officer
- Senior Leadership Team led by the Chief Operating Officer
- Clinical Policies Forum led by the Medical Director
- Joint Prescribing Group led by the Medical Director and Clinical Lead for Prescribing
- Joint Clinical Group led by the Medical Director
- Organisational Development led by the Clinical Chair
- Workstreams

*Programme Management Office Workstreams* – Running Costs, Planned Care, Primary Care, MOT, Urgent & Emergency Care, NHS Continuing Healthcare  
*Governance and Compliance Workstreams* – led by the Senior Responsible Owner – existing IG & IM&T Steering Group, Emergency Planning Resilience and Response Steering Group, Equality and Diversity Steering Group, Accommodation & Sustainability Sub-Group, Risk Co-ordinators Group, Health Safety and Wellbeing, Joint Consultative Negotiating Partnership, Policy Group

### 2.4 Committee Structure

The Committee Structure is set out on the next page.
COMMITTEE STRUCTURE

NHS Cambridgeshire & Peterborough CCG - Governing Body
Chair – Clinical Chair: MDT
COT, CCGS (G)

Strategy & Planning Committee
Key responsibilities:-
・ Population Health
・ JSNA
・ Capacity / Demand
・ Market Management
・ Planning
・ Strategic Risk Management

Chair
Lay Member (G)
AO, AD IO, GP Lead
CCGS (G)
Monthly (12)

Integrated Performance & Assurance Committee
Key responsibilities:-
・ Quality
・ Finance
・ Performance
・ Contract / Activity
・ Internal Compliance (CIAF)
・ Operational Risk Management

Chair
Lay Member (F)
MDT
AO Team, GP Lead
CGSM (G)
Monthly (12)

Patient Reference Group
Key responsibilities:-
・ Patient Involvement
・ Patient Engagement
・ Patient Activation
・ Consultation

Chair
Lay Member (PPI)
MDT
CN, Chair
CGA (G)
Monthly (10/12)

Primary Care Commissioning Committee
Key responsibilities:-
・ Delivery of Delegation Agreement with NHSE
・ Local Enhanced Services
・ Remuneration – VSM
・ Primary Care Strategy

Chair
Lay Member (PPI)
MDT
COO, MD, CGA (G)
Bi-Monthly (6)

Remuneration & Terms of Service Committee
Key responsibilities:-
・ Terms and Conditions of Service
・ Workforce Performance
・ Remuneration – VSM
・ Remuneration – CCG

Chair
Lay Member (A)
MDT
AO, GP Lead,
CCG Sec (G)
Quarterly (4)

Audit Committee
Key responsibilities:-
・ Internal System of Control
・ Assurance on operational and strategic risks
・ External Audit
・ Annual Reporting
・ Value for Money

Chair
Lay Member (G)
MDT
CFO, GP Lead
CGSM (G)
Quarterly (4)

Enabling & Delivery Groups (Feed into various Committees to support assurance, delivery, decision-making and advisory)

Organisational Development
MDT – CC/AO
Monthly (12)

Joint Clinical Group
MDT – SRO/GP Lead
Monthly (12)

Clinical Policies Forum
MDT – SRO/GP Lead
Bi-Monthly (6)

Joint Prescribing Group
MDT – SRO/GP Lead
Bi-Monthly (6)

Workstreams
MDT – SRO/GP Lead
Monthly (12)

Chief Officer Team (COT)
Weekly (52)

Senior Leadership Team (SLT)
Fortnightly (26)
3. BUSINESS CYCLE APPROACH

3.1 Overview

The CCG’s Business Cycle has been designed to fit into a four-week month, and to ensure time between Committees to inform decision-making at Governing Body level. Each Committee will be required to establish a Business Cycle in line with Professional Standards Framework set out at Annex B.

The Governing Body meets on the 1st or 2nd Tuesday (when there is a bank holiday) of each month. The CCG’s Committee Cycle is summarised below.

Main Committees

<table>
<thead>
<tr>
<th>Committee</th>
<th>Frequency</th>
<th>Week</th>
<th>Day</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit</td>
<td>Quarterly</td>
<td>Week 3</td>
<td>Tuesday</td>
<td>(11.30-1.30pm)</td>
</tr>
<tr>
<td>Remuneration &amp; Terms of Services – Rem Com</td>
<td>Quarterly</td>
<td>Week 3</td>
<td>Tuesday</td>
<td>(09.30-11.30am)</td>
</tr>
<tr>
<td>Primary Care Commissioning - PCCC</td>
<td>Bi Monthly</td>
<td>Week 2</td>
<td>Tuesday</td>
<td>(09.30-12 Noon)</td>
</tr>
<tr>
<td>Integrated Performance &amp; Assurance</td>
<td>Monthly</td>
<td>Week 4</td>
<td>Tuesday</td>
<td>(1.00-5.00 pm)</td>
</tr>
<tr>
<td>Strategy &amp; Planning</td>
<td>Monthly</td>
<td>Week 2</td>
<td>Tuesday</td>
<td>(2.00-4.00 pm)</td>
</tr>
<tr>
<td>PRG – Patient Reference Group</td>
<td>Monthly</td>
<td>Week 1</td>
<td>Thursday</td>
<td>(2.00-4.00pm)</td>
</tr>
</tbody>
</table>

(Multi-disciplinary Management Team Meetings will be arranged for 10 days before each Committee)

Enabling & Delivery Groups

<table>
<thead>
<tr>
<th>Group</th>
<th>Frequency</th>
<th>Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>COT - Chief Officers Team</td>
<td>Weekly</td>
<td>Monday (usually)</td>
</tr>
<tr>
<td>SLT - Senior Leadership Team</td>
<td>Fortnightly</td>
<td>Wednesday’s (Usually)</td>
</tr>
<tr>
<td>CPF – Clinical Policies Forum</td>
<td>Quarterly</td>
<td>Varies</td>
</tr>
<tr>
<td>JPG – Joint Prescribing Group</td>
<td>Quarterly</td>
<td>Thursday (Usually)</td>
</tr>
<tr>
<td>JCG - Joint Clinical Group</td>
<td>Bi-Monthly</td>
<td>Thursday (Usually)</td>
</tr>
</tbody>
</table>
3.2 Multi-disciplinary Management Team approach

All Committees and Enabling Groups will be managed via a multi-disciplinary approach which involves an Executive Lead, Clinical Lead and Corporate Governance advice/support. This is described below:

<table>
<thead>
<tr>
<th>Committee</th>
<th>Executive Lead (s)</th>
<th>Clinical Lead</th>
<th>Governance Lead/Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Committee</td>
<td>Chief Finance Officer</td>
<td>GP GB Member</td>
<td>Governance Support Manager</td>
</tr>
<tr>
<td>Remuneration &amp; Terms of Service Committee</td>
<td>Chief Officer</td>
<td>Clinical Chair</td>
<td>CCG Secretary</td>
</tr>
<tr>
<td>Primary Care Commissioning Committee</td>
<td>Chief Operating Officer / Medical Director</td>
<td>N/A</td>
<td>CCG Secretary</td>
</tr>
<tr>
<td>Integrated Performance and Assurance Committee</td>
<td>Chief Officer Team</td>
<td>GP GB Member</td>
<td>Governance Support Manager</td>
</tr>
<tr>
<td>Strategy and Planning Committee</td>
<td>Chief Officer</td>
<td>GP GB Member</td>
<td>CCG Secretary</td>
</tr>
<tr>
<td>Patient Reference Group</td>
<td>Chief Nurse</td>
<td>Clinical Chair</td>
<td>Corporate Governance Administrator</td>
</tr>
</tbody>
</table>

3.3 Chairs of Committees

Chairs of each Committee are set out below:

<table>
<thead>
<tr>
<th>Committee</th>
<th>Chair</th>
<th>Deputy Chair</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Committee</td>
<td>Lay Member – Governance</td>
<td>Lay Member - Finance</td>
</tr>
<tr>
<td>Remuneration &amp; Terms of Service Committee</td>
<td>Lay Member – Assurance</td>
<td>Lay Member - Governance</td>
</tr>
<tr>
<td>Primary Care Commissioning Committee</td>
<td>Lay Member – PPI</td>
<td>Lay Member - Assurance</td>
</tr>
<tr>
<td>Integrated Performance and Assurance Committee</td>
<td>Lay Member - Finance</td>
<td>GP GB Member</td>
</tr>
<tr>
<td>Strategy and Planning Committee</td>
<td>Lay Member – Governance</td>
<td>GP GB Member</td>
</tr>
<tr>
<td>Patient Reference Group</td>
<td>Lay Member – PPI</td>
<td>Chief Nurse</td>
</tr>
</tbody>
</table>
3.4 Professional Standards

All staff are required to uphold the professional standards for report writing which are set out in the Report Writing Standard Operating Procedure which is set out at Annex 2.

4. ROLES AND RESPONSIBILITIES OF GOVERNING BODY MEMBERS

4.1 All Members of the CCG’s Governing Body

Each Member of the Governing Body should share corporate responsibility as part of a team to ensure that the CCG exercises its functions effectively, efficiently and economically, with good governance and in accordance with the terms of this constitution. Each brings their unique perspective, informed by their expertise and experience. All Members’ should:

- demonstrate commitment to continuously improving outcomes, tackling health inequalities and delivering the best value for money for the taxpayer;
- embrace effective governance, accountability and stewardship of public money and demonstrate an understanding of the principles of good scrutiny;
- demonstrate commitment to clinical commissioning, the CCG and to the wider interests of the health services;
- be committed to ensuring that the Governing Body remains —in tune with the member practices;
- bring a sound understanding of, and a commitment to upholding, the NHS principles and values as set out in the NHS Constitution;
- demonstrate a commitment to upholding The Nolan Principles of Public Life along with an ability to reflect them in his/her leadership role and the culture of the CCG;
- be committed to upholding the proposed Standards for members of NHS Boards and Governing Bodies in England developed by the Council for Healthcare Regulatory Excellence;
- be committed to ensuring that the organisation values diversity and promotes equality and inclusivity in all aspects of its business;
- consider social care principles and promote health and social care integration where this is in the patients’ best interest;

4.2 GP Practice Representatives

Member Practices will elect GP representatives to the Governing Body from across the CCG’s area using a fair and open process agreed with the Cambridgeshire and Peterborough Local Medical Committee.
4.3 Chair of the Governing Body

The Chair of the Governing Body is responsible for:

a) leading the Governing Body, ensuring it remains continuously able to discharge its duties and responsibilities as set out in this constitution;

b) building and developing the NHS C&P CCG’s Governing Body and its individual members;

c) ensuring that the NHS C&P CCG has proper constitutional and governance arrangements in place;

d) ensuring that, through the appropriate support, information and evidence, the Governing Body is able to discharge its duties;

e) supporting the accountable officer in discharging the responsibilities of the organisation;

f) contributing to building a shared vision of the aims, values and culture of the organisation;

g) leading and influencing to achieve clinical and organisational change to enable the NHS C&P CCG to deliver its commissioning responsibilities;

h) overseeing governance and particularly ensuring that the governing body and the wider NHS C&P CCG behaves with the utmost transparency and responsiveness at all times;

i) ensuring that public and patients’ views are heard, and their expectations understood and, where appropriate as far as possible, met;

j) ensuring that the organisation is able to account to its local patients, stakeholders and the NHS Commissioning Board;

k) ensuring that the NHS C&P CCG builds and maintains effective relationships, particularly with the individuals involved in overview and scrutiny from the relevant Local Authorities.

4.4 Deputy Chair of the Governing Body

The Deputy Chair of the Governing Body deputises for the Chair of the Governing Body where he or she has a conflict of interest or is otherwise unable to act. The Deputy Chair will be elected by the Governing Body and will be either a GP if the Chair is a Lay Member or a Lay Member if the Chair is a GP.

4.5 Accountable Officer

The role of the Accountable Officer will be to ensure that all necessary leadership and managerial arrangements are in place, and all duties and obligations are discharged, in line with the requirements of the NHS Commissioning Board, to which the NHS C&P CCG is accountable. The role places clinical leadership at the centre of the NHS C&P CCG. The Accountable Officer will either be a GP or a Manager. The Accountable Officer will be recruited using a transparent selection process and will also be assessed externally as competent. The NHS C&P CCG Operating Model sets the process out in more detail. The NHS Commissioning Board will ratify appointment of the NHS C&P CCG’s nominated Accountable Officer in line with the Guidance published by NHS England.
The Accountable Officer will be supported by a number of Executive Directors who will deliver all CCG management responsibilities through the Clinical Executive. The role of the Accountable Officer has been summarised in a national document as:

a) being responsible for ensuring that the NHS C&P CCG fulfils its duties to exercise its functions effectively, efficiently and economically thus ensuring improvement in the quality of services and the health of the local population whilst maintaining value for money;
b) at all times ensuring that the regularity and propriety of expenditure is discharged, and that arrangements are put in place to ensure that good practice (as identified through such agencies as the Audit Commission and the National Audit Office) is embodied and that safeguarding of funds is ensured through effective financial and management systems.
c) working closely with the Chair of the Governing Body, the Accountable Officer will ensure that proper constitutional, governance and development arrangements are put in place to assure the members (through the Governing Body) of the organisation’s on-going capability and capacity to meet its duties and responsibilities. This will include arrangements for the on-going developments of its members and staff.
d) will take the lead in interactions with stakeholders, including the NHS Commissioning Board.

4.6 Chief Finance Officer
The Chief Finance Officer is a member of the Governing Body and is responsible for providing financial advice to the NHS C&P CCG and for supervising financial control and accounting systems

The role of Chief Finance Officer has been summarised in a national document as:

a) being the Governing Body’s professional expert on finance and ensuring, through robust systems and processes, the regularity and propriety of expenditure is fully discharged;
b) making appropriate arrangements to support, monitor on the NHS C&P CCG’s finances;
c) overseeing robust audit and governance arrangements leading to propriety in the use of the NHS C&P CCG’s resources, including the management of Local Counter Fraud Services;
d) being able to advise the Governing Body on the effective, efficient and economic use of the CCG’s allocation to remain within that allocation and deliver required financial targets and duties; and
e) producing the financial statements for audit and publication in accordance with the statutory requirements to demonstrate effective stewardship of public money and accountability to the NHS Commissioning Board.
4.7 Chief Operating Officer

The Chief Operating Officer (COO) is a member of the Governing Body with specific responsibility for ensuring effective management systems are in place and for directing the operation of the CCG according to the strategic commissioning priorities set by the CCG.

As one of 3 senior Chief Officer roles in the CCG, the COO will work together with the Chief Finance Officer and Clinical/ Medical Director to deliver the CCG Improvement and Delivery Plan, ensuring we:
- Deliver on our commitments to our population and regulators.
- Are data and fact driven and work with clinical best practice at the heart of delivery.
- Work collaboratively with all our system partners to deliver and Integrated Care System approach within the STP.
- Have skilful management of people and process to ensure our commissioning business as usual functions are delivering as required.
- Activity create a clinically led CCG Governing Body approach.

4.8 Chief Nurse

The Director of Nursing (Chief Nurse) is a member of the Governing Body. They provide direction and leadership in commissioning of services and using commissioning as a lever for new ways of delivering patient care that is of high quality and cost effective. They will engage with front line services and organisations to deliver new ways of working through redesign and care pathways. They ensure that commissioning arrangements at all levels result in improved services, better health and care outcomes, and more effective use of resources. They are in direct contact with patients and public, representing the CCG in matters such as appeals, special panels and strategic consultations.

4.9 Medical Director

The Medical Director is a Member of the Governing Body and gives leadership and guidance to the CCG on providing solution-based care to meet the needs of the patient population in the CCG area. They will provide Clinical Leadership for the CCG and in partnership with the Director of Nursing, has specific responsibility for providing strategic and operational leadership and management of the clinical risk within the CCG and clinical leadership to the Governing Body and Executive Management team.

4.10 Secondary Care Director

The Secondary Care Doctor will bring a broader view on health and care issues to underpin the work of the CCG. They will bring to the Governing Body an understanding of patient care in the secondary care setting. They will be able to provide an understanding of how secondary care providers work within the health system to bring appropriate insight to discussions regarding service re-design, clinical pathways and system reform.
4.11 Additional Attendees at Governing Body Meetings

The Governing Body will regularly invite the following individuals to attend any or all of its meetings as attendees:

- Director of Public Health
- CCG Secretary (to the Governing Body)
- Clinical Leads appointed within the CCG to focus on key programme areas
- Other Executive Directors in line with the Organisational Structure

5. STANDING FINANCIAL INSTRUCTIONS

The CCG’s Standing Financial Instructions (SFIs) detail the financial responsibilities, policies and procedures adopted by the CCG. They are designed to ensure that the CCG’s financial transactions are carried out in accordance with the law and Government Policy in order to achieve probity, accuracy, economy, efficiency and effectiveness. The SFIs can be found at Appendix 2.

The CCG’s Scheme of Delegation which describes the decisions that are reserved to the Membership, Governing Body, Committees of the Governing Body and Officers of the Governing Body can be found in the CCG’s Constitution which is published on the website (refer to link elsewhere in this document) together with the Decisions, Authorities & Duties Delegated to Officers of the CCG Governing Body (Financial Limits).

6. SUPPORTING POLICIES

CCG Prime Financial Policies

This document provides an overview of the prime financial policies which form part of the CCG’s control environment for managing the organisation’s financial affairs. This includes the Scheme of Delegation and Financial limits which are set in the CCG’s Constitution and the CCG’s Standing Financial Instructions which are included in this Handbook at Appendix 2. The CCG Prime Policies document can be found at Appendix 3.

CCG Commercial Sponsorship and Standards of Business Conduct Policy

The purpose of this policy is to protect staff, members and the organisation against contention or allegations of misconduct and should be read in conjunction with the Conflicts of Interest Policy (referenced below) and the latest Counter Fraud and Anti-Bribery Policy. The policy also covers offers of gifts or hospitality how these should be appropriately managed; donations and requests for commercial sponsorship. The policy is published on the website. Link below.
CCG Conflicts of Interest Policy

This Policy sets out how to effectively manage conflicts of interest and ensure that the CCG maintains the trust of the public in its role as a commissioning organisation. The policy covers areas such as:

- The nature of conflicts of interest;
- The arrangements for declaring any conflicts of interest;
- The arrangements in place for dealing with any breaches to the Policy;
- The maintenance of the CCG’s register of interests and related governance;
- The exclusion of individuals from decision making where a conflict arises;
- The arrangement for an annual audit of conflicts of interest.

This is a key CCG policy that is relevant to all employees, contractors (and sub-contractors, agency staff, all Governing Body Members, and members of other Committees, and all member GPs and practice staff.

The policy is published on the website. Link below.

https://www.cambridgeshireandpeterboroughccg.nhs.uk/easysiteweb/getresource.axd?assetid=11294&type=0&servicetype=1

CCG Policy for Involvement of External Clinical Advisors in Commissioning Decisions for Service Reconfiguration

This policy provides a local interpretation of how the overlapping elements of national guidance are applied in practice with regard to the use of external clinical advisors in ensuring appropriate management of conflicts of interest. The policy should be read in conjunction with the CCG’s Conflict of Interests Policy referenced above.

The policy is published on the website (Corporate documents and Policies Page)
7. **ARRANGEMENTS FOR ADMISSION AND REMOVAL OF MEMBER PRACTICES**

The Health and Social Care Act allows for practices to join or leave a CCG. If the Governing Body deems that a material change in the membership needs to take place, it will ask all member practices to vote on the revised configuration [two thirds majority decision], and if necessary, seek permission from the NHS Commissioning Board to vary the terms of its authorisation.

8. **REVIEW**

This Handbook will be reviewed on an annual basis or as required by any subsequent changes to statutory guidance or legislation.

*Sharon Fox*

*CCG Secretary*

*31 July 2019*
## Appendix A

### Committee Terms of Reference

<table>
<thead>
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<th>Committee Term of Reference</th>
<th>Review Date</th>
<th>Page No</th>
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<tr>
<td>Audit Committee</td>
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<tr>
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AUDIT COMMITTEE TERMS OF REFERENCE

1. Constitution, Philosophy and Aim

The Cambridgeshire and Peterborough Clinical Commissioning Body hereby resolve to establish a Committee to be known as the Audit Committee (the Committee). The Committee is a non-executive committee of the CCG Governing Body and has no executive powers, other than those specifically delegated in these Terms of Reference. The Audit Committee reports directly to the CCG Governing Body and has a scrutiny role with other committees, namely the Integrated Performance and Assurance Committee. The Committee will be chaired by the Lay Member responsible for Governance.

The Committee’s principal objective is to ensure that there is an effective system of internal control. The Committee provides an objective review of systems and reports presented by Internal and External Audit and provides the CCG Governing Body with an assurance that the organisation’s governance, including financial, clinical and risk management processes are conducted within best practice guidelines set out in the Audit handbook.

2. Membership

The Committee shall be appointed by the CCG Governing Body from amongst the Lay Members and GP Members of the CCG and shall consist of up to six members. The Chair of the CCG Governing Body shall not be a member of the Committee.

3. Quorum

A quorum shall be three members which must include the Audit Committee Chair, or the Lay Member nominated as Deputy Chair and a GP Member

For the purpose of a Quorum members of the Committee who ‘dial-in’ to a meeting will be considered to be in attendance

4. Attendance

Chaired by Lay Member responsible for Governance – Audit Committee Chair
Lay Member (up to 2) – One to act as Deputy Chair
GP Member(s) of the Governing Body (up to two)
Chief Finance Officer
CCG Secretary
Internal Audit and Local Counter Fraud Services representatives and External Audit representatives

At least once a year the Committee will meet privately with the External and Internal Auditors.

The Chief Officer (Accountable Officer) and any other Directors may be invited to attend, particularly when the Committee is discussing areas of risk or operation that are the responsibility of that Director.
The Chief Officer (Accountable Officer) should be invited to attend, at least annually, to discuss with the Audit Committee the process for assurance that supports the Statement on Internal Control and Annual Governance Statement.

The CCG Secretary or their representative shall be Secretary to the Committee and attend to take minutes of the meeting and provide appropriate support to the Chairman and Committee members.

Regardless of attendance external audit, internal audit, local counter fraud and security management providers will have full and unrestricted rights of access to the committee.

5. Frequency

Meetings of the Committee will be held on a quarterly basis. The Chair of the Committee, the External Auditor or Head of Internal Audit may request a meeting if they consider that one is necessary.

6. Authority

The Committee is authorised by the CCG Governing Body to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee. The Committee is authorised by the CCG 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.

7. Objectives

- To receive progress on the CCG Improvement and Delivery Plan and to:
  - provide assurance to the Governing Body that actions are delivered, embedded and the outcomes closely scrutinized.
  - To monitor delivery of the statutory recommendations imposed the CCG by External Audit under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014 in respect of the Improvement and Delivery Plan.
- To review the establishment and maintenance of an effective system of internal control: risk management, clinical governance, controls assurance and financial management to ensure they meet good practice guidelines and they function effectively.
- To consider the appointment of the internal audit service to the CCG and make recommendations to the Governing Body
- To agree the Internal Audit Plan and review progress, considering the major findings of internal audit investigations
- To consider the work of the Local Counter Fraud Specialist
- To maintain an External Auditor Panel to recommend the appointment of the External Auditor, in line with Local Audit and Accountability Act 2014
- To agree the External Audit Plan
- To review external audit reports including value for money and the Annual Audit Letters
- To review the Annual Report including the Annual Financial Statements and Annual Governance Statement prior to submission to the CCG Governing Body
• To establish a process of self-assessment of the Committee in order that its effectiveness can be monitored and improved.

8. **Duties**

To carry out the objectives set out above, the duties of the Committee can be categorized as follows:

8.1 **Integrated Governance, Risk Management and Internal Control**

The Committee shall review the establishment and maintenance of an effective system of integrated governance, risk management and internal control, across the whole of the organisation’s activities (both non-clinical and clinical) that supports the achievement of the organisation’s objectives.

In particular, the Committee will review the adequacy of:

• all risk and control related disclosure statements (in particular the Annual Governance Statement), together with any accompanying Head of Internal Audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the CCG Governing Body
• the underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements
• the policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements and related reporting and self-certification.
• the policies and procedures for all work related to fraud and corruption as set out in Secretary of State Directions.

In carrying out this work the Committee will primarily utilise the work of Internal Audit, External Audit and other assurance functions, but will not be limited to these audit functions. It will also seek reports and assurances from Directors and Managers as appropriate, concentrating on the over-arching systems of integrated governance, risk management and internal control, together with indicators of their effectiveness.

This will be evidenced through the Committee’s use of an effective Assurance Framework to guide its work and that of the audit and assurance functions that report to it.

8.2 **Internal Audit**

The Committee shall ensure that there is an effective internal audit function established by management that meets mandatory Public Sector Internal Audit Standards (PSIAS) and provides appropriate independent assurance to the Audit Committee, Accountable Officer and CCG Governing Body. This will be achieved by:

• consideration of the provision of the Internal Audit service, the cost of the audit and any questions of resignation and dismissal.
• review and approval of the Internal Audit strategy, operational plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organization as identified in the Assurance Framework.
• 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.
• ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation
• annual review of the effectiveness of Internal Audit
8.3 External Audit

The Committee shall review the work and findings of the External Auditors and consider the implications and management’s responses to their work. This will be achieved by:

- consideration of the appointment and performance of the External Auditor, as far as the rules governing the appointment permit
- 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 coordination, as appropriate, with other External Auditors in the local health economy
- discussion with the External Auditors of their local evaluation of audit risks and assessment of the CCG and associated impact on the audit fee
- review all External Audit reports, including the report to those charged with governance, agreement of the annual audit letter before submission to the CCG Governing Body and any work carried outside the annual audit plan, together with the appropriateness of management responses

8.4 Other Assurance Functions

The Committee 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 Arm’s Length Bodies or Regulators/Inspectors (e.g. the Care Quality Commission, NHS Resolution etc.), and professional bodies with responsibility for the performance of staff or functions (e.g. Royal Colleges, accreditation bodies, etc.).

In addition, the Committee will review the work of other Committees within the organisation, whose work can provide relevant assurance to the Audit Committee’s own scope of work. This will in particular include the Integrated Performance and Assurance Committee.

In reviewing the work of the Integrated Performance and Assurance Committee and issues around clinical risk management, the Committee will wish to satisfy themselves on the assurance that can be gained from the clinical audit function of our provider services, via the Quality and Nursing Directorate.

8.5 Counter Fraud

The Committee shall satisfy itself that the organisation has adequate arrangements in place for countering fraud and shall review the outcomes of the counter fraud work set out in the Counter Fraud Annual Plan.

9. Management

The Committee shall request and review reports and positive assurances from directors and Managers on the overall arrangements for governance, risk management and internal control.

The Committee may also request specific reports from individual functions within the organisation as they may be appropriate to the overall arrangements.
10. **Financial Reporting**

The Committee shall monitor the integrity of the financial statements of the CCG and any formal announcements relating to the CCG’s financial performance.

The Committee shall also ensure that the systems for financial reporting to the CCG, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the CCG.

The Committee shall review the Annual Report before submission to the CCG Governing Body, focusing particularly on:

- the wording in the Annual Governance Statement and other disclosures relevant to the Terms of Reference of the Committee
- changes in, and compliance with, accounting policies, practices and estimation techniques.
- unadjusted misstatements in the financial statements.
- major judgmental areas.
- significant adjustments resulting from the audit.
- letters of representation.
- qualitative aspects of financial reporting.

11. **Standing Items**

CCG Improvement and Delivery Plan  
CCG Assurance Framework  
Internal and External Audit Reports  
Counter Fraud Reports  
Annual Audit Letter  
Annual Report and Annual Accounts including the Annual Governance Statement  
Overview reports of Sub Committees: Including, but not restricted to the Integrated Performance and Assurance Committee; Patient Reference Group; Primary Care Commissioning Committee; and Remuneration and Terms of Services Committee  
Legal Updates (when appropriate)  
Annual Self-Assessment Check List  
Hospitality and other Registers as and when appropriate

12. **Reporting**

The minutes of Audit Committee meetings shall be formally recorded by the CCG Secretary or their representative and submitted to the CCG Governing Body. The Chair of the Committee shall draw to the attention of the CCG Governing Body any issues that require disclosure or require executive action. This will be through an Overview Report which will also include the outcomes of issues raised by internal and external audit and progress of actions plans towards risk reduction.

The Committee will report to the CCG Governing Body annually on its work in support of the Statement on Internal Control, specifically commenting on the fitness for purpose of the Assurance Framework, the completeness and embeddedness of risk management in the organisation and the integration of governance arrangements. This will be via the Annual Governance Statement.

13. **Other Matters**

The Committee shall be supported administratively by the CCG Secretary, whose duties in this respect will include:
• Agreement of Agenda with Chairman and attendees and collation of papers
• Taking the minutes and preparing quarterly Reports to the CCG Governing Body
• Keeping a record of matters arising and issues to be carried forward
• Advising the Committee on pertinent areas
• Enabling the development and training of Committee members

14. Conflicts of Interests

The Committee will comply with the CCG Conflicts of Interest Policy.

15. Review

The Terms of Reference for the Committee will be reviewed on an annual basis.

Author: Sharon Fox
CCG Secretary

Approved by Audit Committee: August 2019 (Virtual)
Endorsed by CCG Governing Body August 2019 (Virtual)
Review Date: August 2020
REMUNERATION AND TERMS OF SERVICE COMMITTEE
TERMS OF REFERENCE

1. Scope

The Remuneration & Terms of Service Committee (the committee) is established in accordance with the Cambridgeshire and Peterborough Clinical Commissioning Group’s (CCG) Constitution, standing orders and scheme of delegation. Its role is to ensure fairness, equity and consistency is applied on behalf of the CCG in relation to remuneration, terms of service for all members of the CCG and VSM grades and various incentive schemes which will impact on GP practice income.

The Committee via its three Sub-Groups will consider the appropriate remuneration and terms of service for the Accountable Officer, Executive Directors and staff on Very Senior Managers terms and conditions, for GP Members, Lay Members and the Secondary Care Doctor. The Sub-Group Chairs will make formal recommendations to the Governing Body following due consideration. In the same way that the Committee avoids any conflicts of interest, only non-conflicted members of the Governing Body will be involved in the decision-making process.

The Committee will also oversee the Human Resources (HR) and Organisational Development function of the CCG.

2. Membership

The Core Committee shall be appointed by the CCG from amongst its Governing Body members as follows:

<table>
<thead>
<tr>
<th>Business</th>
<th>Membership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Committee</td>
<td>Lay Member - Assurance (Chair of Committee &amp; Sub-Group 1 and 3)</td>
</tr>
<tr>
<td></td>
<td>One Lay Member (Deputy Chair of the Committee)</td>
</tr>
<tr>
<td></td>
<td>Governing Body Clinical Chair (Chair of Sub Group 3)</td>
</tr>
<tr>
<td></td>
<td>Chief Officer (Accountable Officer)</td>
</tr>
<tr>
<td></td>
<td>Two GP Member Governing Body Members</td>
</tr>
<tr>
<td></td>
<td>Secondary Care Doctor</td>
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</tbody>
</table>

For each element of the Committee’s business, the following membership shall apply:

Core Committee Business
- Lay Member – Assurance (Chair)
- Lay Member (Deputy Chair of the Committee)
- Governing Body Clinical Chair
- Chief Officer (Accountable Officer)
- Secondary Care Doctor
- Two GP Governing Body Members

Sub Group 1 (Very Senior Managers Remuneration)
- Lay Member – Assurance (Chair)
- Lay Member (Deputy Chair)
- Governing Body Clinical Chair
Two GP Governing Body Members
Secondary Care Doctor

Sub Group 2 (GP Remuneration)
Lay Member – Assurance (Chair)
Lay Member (Deputy Chair)
Chief Officer (Accountable Officer)

Sub Group 3 (Lay Members)
Governing Body Clinical Chair (Chair of Sub-Group 3)
Chief Officer (Accountable Officer)
Secondary Care Doctor
Two GP Governing Body Member

3. In Attendance

3.1 The Chief Operating Officer (Executive Lead for Organisational Development and Human Resources), or a deputy will be present at meetings to give advice and information on any issues arising from the following:

- job evaluation information
- trends in pay and conditions of service
- levels of remuneration offered by similar organisations
- information on the local labour market
- retention of key skills
- any other contractual issues including severance payment and legal advice as required
- HR Policy
- progress and delivery of OD & HR elements of the CCG Improvement and Delivery Plan.

3.2 The CCG Secretary will be the Secretary to the Committee.

3.3 The Chair of the Committee may make other arrangements for secretarial support in such a case where the confidentiality of information and discussion is required.

4. Quorum

A Quorum for the Core Committee will be the Chair or Deputy Chair of the Committee, one GP and one Lay Member

A Quorum for the Sub-Groups will be two members of each Committee.

In the event that a Virtual Committee meeting is held, the same principles will apply to the decision-making process in terms of Quorum and Decision-making.

5. Frequency of Meetings

The Committee will convene quarterly. An urgent meeting can be called by the Committee Chairman following consultation with the Chief Officer (Accountable Officer) and GP Governing Body Chair.

Additional meetings can be called by the Chair of the Committee. In the event of a virtual Committee meeting being required, the principles of decision-making and reporting will apply.
6. Authority

The Committee is authorised by the CCG to make decisions within its terms of reference, including matters specifically referred to it by the CCG. It is authorised to seek information it requires from any employee of the CCG. It is authorised to obtain legal or other independent professional advice and to secure the attendance of such outsiders with relevant experience and expertise that it considers necessary.

7. Main Duties of the Committee

7.1 Main Duties

The main duties of the Core Committee are set out below:

- To oversee delivery of relevant elements of the CCG Improvement and Delivery Plan which are pertinent to the Committee’s business and to provide assurance to the Governing Body that actions are delivered, embedded and the outcomes are closely monitored.

- To agree all HR and associated Policies and procedures on behalf of the CCG Governing Body linked to Terms and Conditions of Employment for CCG and associated staff/clinicians as appropriate.

- To be informed of CCG’s implementation of national pay arrangements for all Medical and Dental staff employed by the CCG and will advise the CCG Governing Body as appropriate on any relevant matters.

- To advise the CCG on any arrangements for termination of employment and any other contractual matter in respect of other posts where appropriate. To make recommendation to the Governing Body all termination payments over £100k in line with the CCG’s Standing Financial Instructions.

- To receive relevant workforce reports that focus specifically on Staff Turnover, Staff Vacancies, Staff Sickness Absence and Staff appraisal and to refer specific matters to the Finance & Performance Committee as appropriate.

- To receive ad-hoc reports on negotiations with Trade Unions which may have an impact on terms and conditions of staff, (or are a risk to the CCG)

- To monitor the Organisational Development Plan.

- To agree any formal staff consultation processes prior to commencement of the process.

The Committee’s work will be split into various Sub-Groups with different membership to ensure appropriate conflicts of interest are dealt with. These Sub-Groups are set out below:-

7.2 Sub-Group 1 – Remuneration and Terms of Service for Very Senior Managers

To consider the appropriate remuneration and terms of service for the Accountable Officer, Executive Directors and staff on Very Senior Managers terms and conditions; including:

- All aspects of salary, including any performance related / bonus elements;
• Provision for other benefits, including pensions and cars;
• Advise and propose arrangements for termination of employment and other contractual terms in respect of the posts within the remit of Committee 1;
• To note CCG Directors’ individual and team objectives;
• Consideration of the performance of VSMs.

The Chair of Sub-Group 1 will make formal recommendations to the CCG Governing Body. When determining these recommendations, the Committee will take account of:

• Department of Health ‘Very Senior Managers’ Pay Framework;
• Any specific terms of the Contract of Employment;
• Any other relevant guidance on NHS pay systems;
• NHS Code of Conduct, Accountability and Openness.

7.3 Sub-Group 2 – Remuneration and Terms of Service for Clinical Commissioning Work undertaken for the CCG and any incentive schemes that will affect GP Practice income

To consider the appropriate remuneration and terms of service for all clinicians undertaking clinical commissioning work on behalf of the CCG including:

• Remuneration for the Chief Clinical Officer & Clinical Chair of the Governing Body;
• All aspects of remuneration agreed via the Clinical Commissioning Remuneration Framework;
• Provision for other benefits such as backfill, travel and other expenses;
• Arrangements for termination of employment and other contractual terms;
• Consideration of their performance in relation to their clinical commissioning work through a Clinical Performance Framework;

The Chair of Sub-Group 2 will make formal recommendations to the CCG Governing Body. When determining these recommendations, the Committee will take account of:

• National Guidance on Remuneration for Clinical Commissioning;
• Any relevant terms of the Contract of Employment;
• Any other relevant guidance on NHS pay systems;
• NHS Code of Conduct, Accountability and Openness.

7.4 Sub-Group 3 – Remuneration and Terms of Service for Lay Members

To consider appropriate remuneration and terms of service for Lay Members of the CCG including:

• All aspects of remuneration agreed via the Clinical Commissioning Remuneration Framework;
• Arrangements for termination of employment and other contractual terms;
• Consideration of their performance in relation to their roles as lay members of the CCG.

The Chair of Sub-Group 3 will make formal recommendations to the CCG Governing Body. When determining these recommendations, the Committee will take account of:

• National Guidance on Remuneration for lay members of CCGs
• Any relevant terms of the Contract of Employment;
• Any other relevant guidance on NHS pay systems;
• NHS Code of Conduct, Accountability and Openness.

7.5 To avoid time delays, it is anticipated that the Governing Body will adopt a virtual decision-making process to consider recommendations from each Sub-Group Chair. Report outcomes to the next available Governing Body, in public in line with guidelines for reporting pay.

8. Policy and Best Practice

The Committee will apply best practice in its decision making processes. For example, when considering individual remuneration, the Committee will:

- Comply with current disclosure requirements for remuneration;
- On occasion seek independent advice about remuneration for individuals; and
- Ensure that decisions are based on clear and transparent criteria.

9. Decision-making and Reporting

10.1 To avoid time delays, it is anticipated that the Governing Body will adopt a virtual decision-making process to consider recommendations from each Sub-Group Chair on remuneration and terms of service. Outcomes of the decisions will be reported to the next available Governing Body, in public in line with guidelines for reporting pay.

10.2 The CCG Secretary will prepare a report of general Remuneration Committee business which will be presented to the CCG Governing Body following each meeting. The Report will include the main items discussed and decisions made by the Committee. The Report will not include specific detail relating to individuals or the deliberations of the Committee, other than pay of VSMs and Lay Members which will be published.

10.3 Full minutes of the Remuneration Committee will be sent in confidence to members of the Committee as appropriate.

10. Management and Administration of the Committee

11.1 The Committee will be managed by a multi-disciplinary team made up of the Chief Officer, GP Lead and CCG Secretary.

11.2 The CCG Secretary will support the Committee and duties in this respect will be:

- Agreement of Agenda with Chairman and collation / distribution of papers,
- Taking minutes and preparing Committee Reports to the CCG Governing Body,
- Recording matters arising and issues to be carried forward.

11. Conflicts of Interests

The Committee will comply with the CCG Conflicts of Interest Policy through all aspects of its business. In making its formal recommendations to the Governing Body, will ensure that individual conflicts of interest are addressed as part of the decision-making process.

12. Review

The Terms of Reference will be reviewed on an annual basis and presented to the CCG Governing Body for approval.

Author: Sharon Fox
CCG Secretary
27 December 2018 (revised 25 January 2019)

Endorsed by Remuneration and Terms of Service Committee  August 2019 (Virtual)
Endorsed by CCG Governing Body  August 2019 (Virtual)
Review Date: August 2020
Primary Care Commissioning Committee
Terms of Reference

1. Introduction

1.1 Simon Stevens, the Chief Executive of NHS England, announced on 1 May 2014 that NHS England was inviting Clinical Commissioning Groups (CCGs) to expand their role in primary care commissioning and to submit expressions of interest setting out the CCG’s preference for how it would like to exercise expanded primary medical care commissioning functions. One option available was that NHS England would delegate the exercise of certain specified primary care commissioning functions to a CCG.

1.2 In accordance with its statutory powers under section 13Z of the National Health Service Act 2006 (as amended), NHS England has delegated the exercise of the functions specified in Schedule 2 to these Terms of Reference to NHS Cambridgeshire and Peterborough CCG. The delegation is set out in Schedule 1.

1.3 The CCG has established the NHS Cambridgeshire and Peterborough CCG Primary Care Commissioning Committee (“Committee”). The Committee will function as a corporate decision-making body for the management of the delegated functions and the exercise of the delegated powers.

1.4 It is a Committee of the CCG comprising representatives of the following organisations:
   - NHS Cambridgeshire and Peterborough CCG;

2. Statutory Framework

2.1 NHS England has delegated to the CCG authority to exercise the primary care commissioning functions set out in Schedule 2 in accordance with section 13Z of the NHS Act.

2.2 Arrangements made under section 13Z may be on such terms and conditions (including terms as to payment) as may be agreed between the Board and the CCG.

2.3 Arrangements made under section 13Z do not affect the liability of NHS England for the exercise of any of its functions. However, the CCG acknowledges that in exercising its functions (including those delegated to it), it must comply with the statutory duties set out in Chapter A2 of the NHS Act and including:
a) Management of conflicts of interest (section 14O);
b) Duty to promote the NHS Constitution (section 14P);
c) Duty to exercise its functions effectively, efficiently and economically (section 14Q);
d) Duty as to improvement in quality of services (section 14R);
e) Duty in relation to quality of primary medical services (section 14S);
f) Duties as to reducing inequalities (section 14T);
g) Duty to promote the involvement of each patient (section 14U);
h) Duty as to patient choice (section 14V);
i) Duty as to promoting integration (section 14Z1);
j) Public involvement and consultation (section 14Z2).

2.4 The CCG will also need to specifically, in respect of the delegated functions from NHS England, exercise those set out below:

a) Duty to have regard to impact on services in certain areas (section 13O);
b) Duty as respects variation in provision of health services (section 13P).

2.5 The Committee is established as a Committee of the CCG’s Governing Body in accordance with Schedule 1A of the “NHS Act”.

2.6 The members acknowledge that the Committee is subject to any directions made by NHS England or by the Secretary of State.

3. **Role of the Committee**

3.1 The Committee has been established in accordance with the above statutory provisions to enable the members to make collective decisions on the review, planning and procurement of primary care services within the Cambridgeshire and Peterborough CCG area as defined in their Constitution, under delegated authority from NHS England.

3.2 In performing its role the Committee will exercise its management of the functions in accordance with the agreement entered into between NHS England and NHS Cambridgeshire and Peterborough CCG, which will sit alongside the delegation and terms of reference.

3.3 The functions of the Committee are undertaken in the context of a desire to promote increased co-commissioning to increase quality, efficiency, productivity and value for money and to remove administrative barriers.

3.4 The role of the Committee shall be to carry out the functions relating to the commissioning of primary medical services under section 83 of the NHS Act.

3.5 This includes the following:
a) GMS, PMS and APMS contracts (including the design of PMS and APMS contracts, monitoring of contracts, taking contractual action such as issuing branch/remedial notices, and removing a contract);

b) Newly designed enhanced services (“Local Enhanced Services” and “Directed Enhanced Services”);

c) Design of local incentive schemes as an alternative to the Quality Outcomes Framework (QOF);

d) Decision making on whether to establish new GP practices in an area;

e) Approving practice mergers; and

f) Making decisions on ‘discretionary’ payment (e.g., returner/retainer schemes).

3.6 The CCG will also carry out the following activities:

a) To plan, including needs assessment, primary medical care services in Cambridgeshire and Peterborough CCG’s area.

b) To undertake reviews of primary medical care services in Cambridgeshire and Peterborough CCG’s area.

c) To co-ordinate a common approach to the commissioning of primary care services generally;

d) To manage the budget for commissioning of primary [medical] care services in Cambridgeshire and Peterborough CCG’s area.

f) To take decisions in relation to the commissioning, procurement and management of Primary Medical Services Contracts, including but not limited to the following activities:

i) decisions in relation to Enhanced Services;

ii) decisions in relation to Local Incentive Schemes (including the design of such schemes);

iii) decisions in relation to the establishment of new GP practices (including branch surgeries) and closure of GP practices;

iv) decisions about ‘discretionary’ payments;

v) decisions about commissioning urgent care (including home visits as required) for out of area registered patients;
g) To approve of practice mergers;

h) To plan primary medical care services in the Area, including carrying out needs assessments;

i) To undertake reviews of primary medical care services in the Area;

j) To undertake decisions in relation to the management of poorly performing GP practices and including, without limitation, decisions and liaison with the CQC where the CQC has reported non-compliance with standards (but excluding any decisions in relation to the performers list);

k) To oversee the management of the Delegated Funds in the Area;

l) To oversee Premises Costs Directions functions;

m) To co-ordinate a common approach to the commissioning of primary care services with other commissioners in the Area where appropriate;

n) To plan the primary care workforce;

o) To develop primary care commissioning intentions to support the overall delivery of the system plan;

p) To undertake such other ancillary activities as are necessary in order to exercise the Delegated Functions.

3.7 In line with the revised NHSE Statutory Guidance: Managing Conflicts of Interest in CCGs, the Committee will be responsible for the commissioning and contracting of new models of care.

3.8 Where appropriate, the Committee will also oversee delivery of elements of the CCG Improvement and Delivery Plan that are relevant to its remit.

3.9 A Primary Care Operational Group is established to provide operational management level co-ordination, assurance and support to the proceedings of the Committee, in support of full delegation and delivery of the Primary Care Strategy. The Terms of Reference for this Group are attached at Appendix A.

3.10 The Committee, on behalf of the Cambridgeshire and Peterborough Sustainability and Transformation Partnership (STP), will also:

a) Oversee the delivery of the expected deliverables regarding the General Practice Forward View (GPFV) spend, as outlined in the
GPFV Funding Methodology Memorandum of Understanding. This is set out at Annex B. Specifically, the following programmes:

- Practice Resilience;
- GP Retention;
- Reception and clerical staff training;
- Online consultation; and
- Practice Nursing.

b) Provide assurance to NHS England as requested, that the GPFV funding for 2019/20 and 2020/21 is being spent according to the requirements.

c) Receive and endorse recommendations from the Primary Care Operational Group on the proposed spending plan 2019/20 and 2020/21.

4. Geographical Coverage

4.1 The Committee will comprise the area of Cambridgeshire and Peterborough CCG as defined by its Constitution (Cambridgeshire, Peterborough and parts of Hertfordshire and Northamptonshire.)

5. Membership

5.1 The voting members of the Committee shall consist of:
- CCG Lay Member (Patient and Public Participation) - (Chair)
- CCG Lay Member (Assurance) - (Vice-Chair)
- CCG Chief Officer
- CCG Chief Finance Officer
- CCG Chief Nurse
- CCG Medical Director

5.2 The Chair of the Committee shall be a Lay Member (Patient and Public Participation) of NHS Cambridgeshire and Peterborough CCG.

5.3 The Vice-Chair of the Committee shall be a Lay Member Assurance of NHS Cambridgeshire and Peterborough CCG.

5.4 Non-Voting Attendees to the Committee shall consist of:
- CCG Director of External Affairs and Policy
- CCG Associate Director of Primary Care
- CCG Associate Director of Corporate Affairs (Secretary to the Committee)
- Local Medical Committee Representative
- NHS England Representative
- STP Integrated Neighbourhood GP Lead
- Cambridgeshire Health and Wellbeing Board
- Peterborough Health and Wellbeing Board
- Cambridgeshire and Peterborough Healthwatch
- Retired Cambridgeshire and Peterborough GP or Out of Area GP
6. Meetings and Voting

6.1 The Committee will operate in accordance with the CCG’s Standing Orders. The Secretary to the Committee 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 3 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.

6.2 Each member of the Committee shall have one 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.

7. Quorum

7.1 The Quorum shall be four members and must always have one Lay Member (the Chair and/or Vice Chair of the Committee) and CCG Executive Director present.

8. Committee Business

8.1 The Committee will be managed by a multi-disciplinary team comprised of the Chief Operating Officer, Medical Director and CCG Secretary.

The Committee will meet at least on a bi-monthly basis.

8.2 Meetings of the Committee shall:
   a) be held in public, subject to the application of 23(b);

   b) the Committee may resolve to exclude the public from a meeting that is open to the public (whether during the whole or part of the proceedings) whenever publicity would be prejudicial to the public interest by reason of the confidential nature of the business to be transacted or for other special reasons stated in the resolution and arising from the nature of that business or of the proceedings or for any other reason permitted by the Public Bodies (Admission to Meetings) Act 1960 as amended or succeeded from time to time.

8.3 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.

8.4 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.
8.5 The Committee may call additional experts to attend meetings on an ad hoc basis to inform discussions.

8.6 Members of the Committee shall respect confidentiality requirements as set out in the CCG’s Constitution.

8.7 The Committee will present its minutes to East Local Team of NHS England and the governing body of NHS Cambridgeshire and Peterborough CCG for information, including the minutes of any sub-committees to which responsibilities are delegated under paragraph 7.4 above.

8.8 The CCG will also comply with any reporting requirements set out in its Constitution.

8.9 It is envisaged that these Terms of Reference will be reviewed from time to time and at least annually, reflecting experience of the Committee in fulfilling its functions. NHS England may also issue revised model terms of reference from time to time.

9. Accountability of the Committee

9.1 The Committee is a Committee of the CCG and is accountable for making decisions on review, planning and procurement of primary care services in Cambridgeshire and Peterborough, under delegated authority to the CCG from NHS England.

9.2 For the avoidance of doubt, in the event of any conflict between the terms of this Scheme of Delegation and Terms of Reference and the Standing Orders of Standing Financial Instructions of any of the members, the Delegation will prevail.

10. Procurement of Agreed Services

10.1 The CCG will make procurement decisions as relevant to the exercise of its delegated authority and in accordance with the detailed arrangements regarding procurement set out in the Delegation Agreement set out at Annex A.

10.2 All decisions will be recorded in the CCG’s Register of Procurement Decisions, Primary Care Commissioning Committee section.

11 Decisions

11.1 The Committee will make decisions within the bounds of its remit.

11.2 Urgent Decisions may be taken by the Chair of the Committee, and CCG Chief Officer, after seeking advice from two other Members of the Committee in line with Quorum requirements set out in Section 7.1. Urgent Decisions will be presented to the next Committee meeting in public for formal ratification.
11.3 The decisions of the Committee shall be binding on NHS England and NHS Cambridgeshire and Peterborough CCG.

11.4 The Committee will produce an executive summary report which will be presented to East Local Team of NHS England and the governing body of NHS Cambridgeshire and Peterborough CCG for information.

Approved By: Primary Care Commissioning Committee  
Date: 13 August July 2019

Ratified By: NHS Cambridgeshire & Peterborough CCG Governing Body  
Date: 3 September 2019

Review Date: At least annually [See section 8.9 above]

Author: Sharon Fox  
CCG Secretary

Appendix A – Primary Care Operational Group Terms of Reference

PCOG Terms of Reference v2 July 20

Annex A - Delegation Agreement Documentation - Final

Delegation Agreement.pdf

Annex B - GPFV Funding Methodology Memorandum of Understanding

Cambridgeshire and Peterborough MOU.p
INTEGRATED PERFORMANCE & ASSURANCE COMMITTEE

TERMS OF REFERENCE

1. **Overview**

   The Integrated Performance & Assurance Committee (the Committee) is established as a sub Committee of the CCG’s Governing Body, in accordance with the CCG’s Constitution, standing orders and scheme of delegation.

   The Committee provides scrutiny of delivery of quality, finance, performance, and contract management including activity. Oversees delivery of the CCG Improvement and Assessment Framework. The Committee is also responsible for Operational Risk Management.

   This is an advisory Committee of the Governing Body.

2. **Membership (Proposed)**

   Lay Member – Finance (Chair)
   GP Governing Body Member (Deputy Chair)
   Lay Member - Assurance
   Chief Operating Officer
   Chief Finance Officer
   Chief Nurse
   Medical Director
   3 GP Governing Body Members
   Secondary Care Doctor
   The Clinical Chair and Chief Officer will be an ex-officio members of the Committee.

3. **In Attendance**

   CCG Secretary (Secretary to the Committee)
   Healthwatch
   Nominated Deputies to cover absence or as required by the Committee
   Relevant Senior Managers as required by the Committee

4. **Quorum**

   A Quorum will be 5 members which must include either the Chair or Deputy Chair, Chief Operating Officer or Chief Finance Officer, two GP Members and one Executive member.

5. **Frequency of meetings**

   The Committee will meet monthly.

   Additional meetings can be called by the Chair of the Committee. In the event of a virtual Committee meeting being required, the principles of decision-making and reporting will apply.

6. **Authority**

   The Committee is authorised by the CCG Governing Body to address any activity within its Terms of Reference. It is authorised to seek any information it requires and all employees are directed to
co-operate with any request made by the Committee. The Committee is authorised by the CCG to obtain outside legal or independent advice, and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

7. **Roles and Responsibilities of the Committee**

7.1 To provide oversight and assurance to the Governing Body on operational, financial, performance and quality issues, ensuring the effective management significant issues to be anticipated, discussed and actions agreed. In particular, to ensure that there is continuity of patient care.

7.2 To oversee the delivery of the Executive function in:

- delivering the CCG’s strategic direction
- developing operational plans
- executing the delivery of agreed plans
- maintaining our statutory functions and statutory financial duties by acting as the Executive decision-making forum for the following:
  - CCG Improvement and Assessment Framework
  - Information and Communications Technology, and oversight of the delivery of the Local Digital Roadmap
  - Emergency Planning Resilience and Response
  - Organisational Development and Workforce
  - Risk Management including ownership of the CCG Assurance Framework and Risk Register
  - Contract Management
  - Estates and Accommodation Management, including delivery of the CCG’s Strategic Estates Plan and Sustainability Strategy
  - Information Governance and Compliance with the Information Governance Toolkit
  - Equality and Diversity and compliance with the Equalities Act 2010
  - Research Governance

7.3 To receive and formally approve key Clinical Policies and Clinical Thresholds developed by the Clinical Policies Forum and Joint Prescribing Group recommendations on behalf of the Governing Body. Note: where Policies are new, or require public consultation, these will be subject to formal ratification by the Governing Body.

7.4 To provide oversight and assurance to the Governing Body on key operational risks set out on the CCG’s Assurance Framework and Risk Register.

7.5 Throughout all its business, the Committee will ensure compliance with:-

- Section 14T of the 2012 Health and Social Care Act carrying out our commissioning responsibilities having due regard to reduction in health inequalities

8. **Key Documents**

9. **Sub Groups / Working Groups**

The Committee will be supported by a number of enabling Groups that are set out in the Governance Structure as follows:

The following Groups will report to the Committee on a regular basis:-

- Clinical Policies Forum
- Joint Prescribing Group
- Information Governance and IM&T Steering Group
- Accommodation & Sustainability Steering Group
- Equality and Diversity Steering Group
- Emergency Planning Resilience and Response Sub-Group
- Health Safety and Wellbeing Forum
- Joint Consultative Committee
- Financial Recovery Plan Programme Board
- Risk Coordinators Group
- Policy Group

Other Groups / Task and Finish Groups will be established as required.

10. **Reporting**

The Committee will generally report and make recommendations to the Governing Body through an Overview Report at each meeting in public.

11. **Confidential / Sensitive Items**

Minutes of meetings will be presented to the CCG Governing Body meeting in public. However, where there is a need to hold a confidential meeting to discuss issues which would be prejudicial to the public interest, a private meeting will be held. A confidential minute of the meeting will be taken and presented to the CCG Governing Body meeting in Private.

12. **Management and Administration**

The Committee will be managed by a multi-disciplinary team made up of the Chief Officer Team, GP Lead and Corporate Governance Support Manager.

The Committee will be supported by the CCG Secretary and the Corporate Governance Team, whose duties will include:

- Agreement of the Chair and attendees, and collation of papers
- Taking minutes
- Recording actions and issues to be carried forward
- Production of the Committee Overview Reports to the Governing Body

13. **Conflicts of Interests**

The Committee will comply with the CCG Conflicts of Interest Policy.

14. **Review**

The Terms of Reference will be reviewed by the CCG Governing Body on a regular basis in the first year of operation and at least annually thereafter.
STRATEGY & PLANNING COMMITTEE
TERMS OF REFERENCE

1. Overview

The Strategy & Planning Committee (the Committee) is established as a sub Committee of the CCG’s Governing Body, in accordance with the CCG’s Constitution, standing orders and scheme of delegation.

The Committee is an advisory Committee and supports the Governing Body in setting and delivering the organisation’s strategic direction and priorities.

2. Membership

Lay Member – Governance (Chair)
GP Governing Body Member (Deputy Chair)
Lay Member – Assurance
Chief Officer
Chief Operating Officer
Chief Finance Officer
Chief Nurse
Medical Director
Director of External Affairs and Policy
Associate Director – Improving Outcomes
3 GP Governing Body Members
Clinical Leads (to be advised)

The Clinical Chair will be an ex-officio member of the Committee.

3. In Attendance

CCG Secretary (Secretary to the Committee)
Nominated Deputies to cover absence or as required by the Committee
Relevant Senior Managers as required by the Committee

4. Quorum

A Quorum will be 5 members which must include either the Chair or Deputy Chair, Chief Officer (Accountable Officer) or Chief Finance Officer, two GP Members and one Executive member.

5. Frequency of meetings

The Committee will meet monthly.

Additional meetings can be called by the Chair of the Committee. In the event of a virtual Committee meeting being required, the principles of decision-making and reporting will apply.

6. Authority

The Committee is authorised by the CCG Governing Body to address any activity within its Terms of Reference. It is authorised to seek any information it requires and all employees are directed to
co-operate with any request made by the Committee. The Committee is authorised by the CCG to obtain outside legal or independent advice, and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

7. Roles and Responsibilities of the Committee

7.1 To support the Governing Body in setting the CCG’s strategic direction, developing plans including the Sustainability and Transformation Plan.

7.2 To provide advice and guidance to the Governing Body on the development of a sustainable strategic commissioning function that is fit for purpose and future proofed for development into an Integrated Care System;

7.3 To develop clinical strategies and plans through:

- the presentation of Public Health issues, including the Joint Strategic Needs Assessment for the CCG and its regular refreshing;
- the presentation and discussion by clinical leads of issues relating to their respective portfolio;
- the presentation of capacity and demand management issues.

7.4 To horizon scan and provide advice and guidance to the Governing Body on key policy documents including the NHS 10 Year Plan (to be published).

7.5 To provide oversight and assurance to the Governing Body on key strategic risks set out on the CCG’s Assurance Framework and Risk Register.

7.6 To promote and lead effective collaborative working with key partners and stakeholders.

7.7 Throughout all its business, the Committee will ensure compliance with:

- Section 14T of the 2012 Health and Social Care Act carrying out our commissioning responsibilities having due regard to reduction in health inequalities

8. Key Documents

CCG Assurance and Risk Register Framework, Joint Strategic Health Needs Assessment, Relevant Consultation Documents, Strategic Estates Plan, Accommodation Strategy, STP Fit for the Future

9. Sub Groups / Enabling Groups and Committees

The Committee will be supported by a number of enabling Groups that are set out in the Governance Structure. Other Groups / Task and Finish Groups will be established as required.

10. Reporting

The Committee will generally report and make recommendations to the Governing Body through an Overview Report at each meeting in public.
11. Management and Administration

The Committee will be managed by a multi-disciplinary team made up of the Accountable Officer, GP Lead and Associate Director, Improving Outcomes and the CCG Secretary.

The Committee will be supported by the CCG Secretary and the Corporate Governance Team, whose duties will include:

- Agreement of the Chair and attendees, and collation of papers
- Taking minutes
- Recording actions and issues to be carried forward
- Production of the Committee Overview Reports to the Governing Body

12. Conflicts of Interests

The Committee will comply with the CCG Conflicts of Interest Policy.

13. Review

These Terms of Reference will be reviewed by the CCG Governing Body on a regular basis in the first year of operation and at least annually thereafter.

Author: Sharon Fox  
CCG Secretary  
27 December 2018

Reviewed: First meeting 18 February 2019
Approved: Approved as a working draft
Next Review February 2020
1. **Rationale**

NHS Cambridgeshire and Peterborough Clinical Commissioning Group (CCG) has identified as a priority and has a duty to take account of representation made by persons who represent the interests of the communities it serves.

The focus will be on providing an independent view of the work of the CCG that is external to the day-to-day running of the organisation. It will also help to ensure that, in all aspects of the CCG’s business the public voice of the local population is heard and that opportunities are created and protected for patient and public empowerment in the work of the CCG.

2. **Constitution**

The Governing Body of the CCG hereby resolves to establish a committee of the Governing Body to be known as the Patient Reference Group (hereafter, PRG). This is an Advisory Committee in line with the CCG’s interim Governance Framework.

3. **Membership of the Group**

Core membership of the PRG shall be made up of the following:-

- One mandated patient representative from each local area.
- A local Healthwatch representative for each area.

Invited membership of the PRG may include representatives from the following organisations.

- A representative from Huntingdon Patient Forum
- A representative from Greater Peterborough Patient Forum

Other organisations representing specific groups of patients and voluntary sector organisations may be invited to take part in relevant discussions and topics on an ad-hoc basis

The PRG will be chaired by the Governing Body Lay Member with responsibility for championing patient and public involvement.

4. **Quorum**
A Quorum shall be representation from at least half of the patient representatives, the Lay Member for Patient and Public Involvement (or another Lay Member from the Governing Body) and a CCG representative.

5. **Attendance**

Representatives must strive to attend all meetings or send an appropriate deputy.

6. **Frequency**

Meetings will be scheduled initially to take place on a monthly basis. Frequency will be reviewed as part of the continued evaluation and review of the PRG’s Terms of Reference as set out in Section 15.

7. **Location of Meetings**

Where possible, meetings will take place at a venue in the Huntingdonshire area.

8. **Authority**

The PRG is authorised by CCG Governing Body to investigate any activity within its Terms of Reference.

9. **Purpose, Principles and Objectives**

9.1 **Purpose**

The purpose of the PRG is to support the CCG to meet its statutory requirements in line with Section sections 13Q and 14Z2 of the Health and Social Care Act 2012, which place a duty on CCGs to promote the involvement of patients and the public. This is set out in Section 5.2 and Section of the CCG’s Constitution.

The PRG will represent the local population and will help advise the CCG on how it reaches those not engaged through forums or PPGs.

The PRG will therefore support the CCG to promote patients and the public in the:
- ongoing planning of services.
- developing proposals for change.
- making decisions that may affect the operations of services.

The PRG will seek the views of the wider population for consultation/patient voice purposes where necessary.

The PRG is an advisory Committee and has no delegated powers.

9.2 **Principles**

The principles of the PRG and its members are:-
• To be representative of local patient forums and the PPG network at CCG level
• To advise on how the CCG can best engage with our diverse population, in a way that is inclusive and respectful of particular needs.
• To inform, influence and challenge commissioning decisions.
• To promote innovation and improvement in the CCG.
• To disseminate information as meets confidentiality.
• To bring any issues to the attention of the group at scheduled meetings.

9.3 Objectives

The objectives of the PRG are set out below:

• To ensure that stakeholder engagement is thoroughly embedded at all levels within the decision-making process and is representative of the population of Cambridgeshire and Peterborough.
• To work with the CCG to develop proposals that affect change to NHS services and Social Care where appropriate, taking into account the views of patients and the wider public from their local areas.
• To ensure that the agreed views of the PRG are clearly articulated and heard by the CCG’s Governing Body.

10. Activities of the Group

The activities of the PRG are to provide advice on any aspects of the CCG business including:

• early engagement and involvement in the determination of the CCG overall strategic direction, including advising the CCG Governing Body on specific proposals prior to formal and informal consultation, and continued engagement in the CCG’s planning processes.
• providing feedback to the CCG Governing Body on the impact of its decisions and the impact on the communities it serves in order to continually improve and extend services.
• providing feedback to the CCG Governing Body on existing services, including the quality of those services and their impact on communities, in order to continually improve and extend services.
• reviewing communication networks regularly to ensure that patient issues are raised in the correct forum.
• ensuring that the decisions and proposals made by the CCG Governing Body in relation to service design and improvement are communicated to all respective local Patient Participation Groups (PPGs) via the local representatives, and the wider public via the voluntary sector, Healthwatch and NHS Engagement representatives.
• acting as a critical friend to the CCG Governing Body, providing informed oversight on the development of health services.

11. Reporting

The minutes of the PRG will be formally recorded by the CCG Secretary (or their representative) and submitted to the CCG Governing Body. The Chair of the PRG shall draw to the attention of the CCG Governing Body any issues that require disclosure to the full Governing Body or require executive action. This will usually be through an Overview Report but where necessary, immediate escalation to the Governing Body Clinical Chair by the Chair of the PRG is appropriate.

The PRG will provide an Annual Report to the Governing Body describing the activities of the Group.

12. Confidential / Sensitive Items

As set out above, minutes of the PRG meetings will be presented to the CCG Governing Body meeting in public. However, where there is a need to hold a confidential meeting to discuss issues which would be prejudicial to the public interest, a private meeting will be held. A confidential minute of the meeting will be taken and presented to the CCG Governing Body in Private.

13. Administration and Other issues

The PRG will be supported administratively by the CCG Secretary or their nominated deputy, in partnership with the Chair of the PRG.

Agendas and papers for meetings will be circulated up to ten days in advance of the meeting. All agenda items must be submitted to the meeting administrator one week in advance of the meeting.

Travel expenses/child care expenses/carer expenses will be paid in line with the CCG Remuneration Framework.

Suitable arrangements will be made by the Cambridgeshire and Peterborough CCG to accommodate the communication and access requirements of the members.

14. Conflicts of Interests

The PRG will comply with the CCG Conflicts of Interest Policy.

15. Evaluation and Review

The outcomes of the PRG will be evaluated regularly and will inform an annual review of the Terms of Reference.

Approved by: Patient Reference Group - May 2019
Endorsed by: CCG Governing Body – May 2019
Review Date: April 2020
Appendix 2

STANDING FINANCIAL INSTRUCTIONS

1. INTRODUCTION

1.1 General

1.1.1 These Standing Financial Instructions detail the financial responsibilities, policies and procedures adopted by the CCG. They are designed to ensure that the CCG’s financial transactions are carried out in accordance with the law and with Government policy in order to achieve probity, accuracy, economy, efficiency and effectiveness. They should be used in conjunction with the Schedule of Decisions Reserved to the CCG Governing Body and the Scheme of Delegation adopted by the CCG.

1.1.2 These Standing Financial Instructions identify the financial responsibilities which apply to everyone working for the CCG and its constituent organisations including Trading Units. They do not provide detailed procedural advice and should be read in conjunction with the detailed departmental and financial procedure notes. All financial procedures must be approved by the Chief Financial Officer.

1.1.3 Should any difficulties arise regarding the interpretation or application of any of the Standing Financial Instructions then the advice of the Chief Financial Officer must be sought before acting. The user of these Standing Financial Instructions should also be familiar with and comply with the provisions of the CCG’s Standing Orders.

1.1.4 The failure to comply with Standing Financial Instructions and standing orders can in certain circumstances be regarded as a disciplinary matter that could result in dismissal.

1.1.5 Overriding Standing Financial Instructions – If for any reason these Standing Financial Instructions are not complied with, full details of the non-compliance and any justification for non-compliance and the circumstances around the non-compliance shall be reported to the next formal meeting of the Audit Committee for referring action or ratification. All members of the CCG and staff have a duty to disclose any non-compliance with these Standing Financial Instructions to the Chief Financial Officer as soon as possible.

1.2 Responsibilities and delegation

1.2.1 The CCG Governing Body

The Governing Body exercises financial supervision and control by:

(a) Formulating the financial strategy;

(b) Requiring the submission and approval of budgets within approved allocations/overall income;

(c) Defining and approving essential features in respect of important procedures and financial systems (including the need to obtain value for money); and
(d) Defining specific responsibilities placed on members of the Governing Body and Clinical Executive and employees as indicated in the Scheme of Delegation document.

1.2.2 The Governing Body will delegate responsibility for the performance of its functions in accordance with the Scheme of Delegation document adopted.

1.2.3 **The Accountable Officer and Chief Finance Officer**

The Accountable Officer and Chief Finance Officer will, as far as possible, delegate their detailed responsibilities, but they remain accountable for financial control.

Within the Standing Financial Instructions, it is acknowledged that the Accountable Officer is ultimately accountable to the Governing Body, and as Accountable Officer, to the Secretary of State, for ensuring that the Governing Body meets its obligation to perform its functions within the available financial resources. The Accountable Officer has overall executive responsibility for the CCG’s activities; is responsible to the Chair and the Governing Body for ensuring that its financial obligations and targets are met and has overall responsibility for the CCG’s system of internal control.

1.2.4 It is a duty of the Accountable Officer to ensure that Members of the Governing Body and committees, employees and all new appointees are notified of, and put in a position to understand their responsibilities within these Instructions.

1.2.5 **The Chief Finance Officer**

The Chief Finance Officer is responsible for:

(a) implementing the CCG’s financial policies and for co-coordinating any corrective action necessary to further these policies;

(b) maintaining an effective system of internal financial control including ensuring that detailed financial procedures and systems incorporating the principles of separation of duties and internal checks are prepared, documented and maintained to supplement these instructions;

(c) ensuring that sufficient records are maintained to show and explain the CCG’s transactions, in order to disclose, with reasonable accuracy, the financial position of the CCG at any time;

and, without prejudice to any other functions of the CCG, and employees of the CCG, the duties of the Chief Finance Officer include:

(d) the provision of financial advice to other members of the Governing Body and Committees and employees;

(e) the design, implementation and supervision of systems of internal financial control; and

(f) the preparation and maintenance of such accounts, certificates, estimates, records and reports as the CCG may require for the purpose of carrying out its statutory duties.

1.2.6 **CCG Governing Body Members, Committee Members and Employees**

All members of the Governing Body and Committees and employees, severally and collectively, are responsible for:

(a) The security of the property of the CCG;

(b) Avoiding loss;

(c) Exercising economy and efficiency in the use of resources; and
(d) Conforming with the requirements of Standing Orders, Standing Financial Instructions, Financial Procedures and the Scheme of Delegation.

1.2.7 Contractors and their employees

Any contractor or employee of a contractor who is empowered by the CCG to commit the CCG to expenditure or who is authorised to obtain income shall be covered by these instructions. It is the responsibility of the Accountable Officer to ensure that such persons are made aware of this.

1.2.8 For all members of the Governing Body and committees and any employees who carry out a financial function, the form in which financial records are kept and the manner in which members of the Governing Body and committee and employees discharge their duties must be to the satisfaction of the Chief Finance Officer.

2. AUDIT

2.1 Audit Committee

2.1.1 An independent Audit Committee is a central means by which a Governing Body ensures effective internal control arrangements are in place. In addition, the Audit Committee provides a form of independent check upon the executive arm of the Governing Body. In accordance with Standing Orders the Governing Body shall formally establish an Audit Committee, with clearly defined terms of reference and following guidance from the NHS Audit Committee Handbook (2005) to perform the following tasks:

(a) Ensuring there is an effective internal audit function established by management, that meets mandatory NHS Internal Audit Standards and provides appropriate independent assurance to the Audit Committee, Accountable Officer and Governing Body;

(b) Reviewing the work and findings of the external auditor appointed by the Audit Commission and considering the implications of and management’s responses to their work;

(c) Reviewing the findings of other significant assurance functions, both internal and external to the organisation, and considering the implications for the governance of the organisation;

(d) ensuring that the systems for financial reporting to the Governing Body, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the Governing Body;

(e) Reviewing financial and information systems and monitoring the integrity of the financial statements and reviewing significant financial reporting judgments;

(f) Reviewing the establishment and maintenance of an effective system of integrated governance, 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;

(g) Monitoring compliance with Standing Orders and Standing Financial Instructions;

(h) Reviewing schedules of losses and compensations and making recommendations to the Governing Body;

(i) Reviewing schedules of debtors/creditors balances over 6 months old and £50,000 and explanations/action plans at the Chief Finance Officer’s discretion.

(j) Review the annual report and financial statements prior to submission to the Governing Body focusing particularly on;

   (i) the wording in the Annual Governance Statement and other disclosures relevant to the Terms of Reference of the Committee
   (ii) changes in, and compliance with, accounting policies and practices;
   (iii) unadjusted mis-statements in the financial statements;
(iv) major judgmental areas;
(v) significant adjustments resulting from audit.

(k) Reviewing the annual financial statements and recommend their approval to the Governing Body;

(l) Reviewing the external auditors report on the financial statements and the annual management letter;

(m) Conducting a review of the CCG’s major accounting policies;

(n) 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 CCG’s published financial accounts or reputation;

(o) Reviewing any objectives and effectiveness of the internal audit services including its working relationship with external auditors;

(p) Reviewing major findings from internal and external audit reports and ensure appropriate action is taken;

(q) Reviewing ‘value for money’ audits reporting on the effectiveness and efficiency of the selected departments or activities;

(r) Reviewing the mechanisms and levels of authority (e.g. Standing Orders, Standing Financial Instructions, Delegated limits) and make recommendations to the CCG Governing Body;

(s) Reviewing the scope of both internal and external audit including the agreement on the number of audits per year for approval by the CCG Governing Body;

(t) Investigating any matter within its terms of reference, having the right of access to any information relating to the particular matter under investigation;

(u) Reviewing waivers to Standing Orders;

(v) Reviewing hospitality and sponsorship registers;

(w) Reviewing the information prepared to support the controls assurance statements prepared on behalf of the Governing Body and advising the Governing Body accordingly.

2.1.2 The minutes of the Audit Committee meetings shall be formally recorded by the CCG Secretary, or their representative and submitted to the Governing Body. The Chair of the Committee shall draw to the attention of the Governing Body any issues that require disclosure to the full Governing Body or require executive action. The Committee will report to the Governing Body annually on its work in support of the Annual Governance Statement, specifically commenting on the fitness for purpose of the Assurance Framework, the completeness and embeddedness of risk management in the organisation, the integration of governance arrangements. Formal monitoring of the duties of the Committee will be recorded in the annual report, including members’ attendance at meetings, outcomes of issues raised by internal and external audit and progress of action plans towards risk reduction.

2.1.3 Where the Audit Committee considers there is evidence of ultra vires transactions, evidence of improper acts, or if there are other important matters that the Committee wishes to raise, the Chairman of the Audit Committee should raise the matter at a full meeting of the Governing Body. Exceptionally, the matter may need to be referred to the Department of Health.

2.2 Chief Finance Officer

2.2.1 The Chief Financial Officer is responsible for:
(a) ensuring there are arrangements to review, evaluate and report on the effectiveness of internal financial control including the establishment of an effective Internal Audit function;

(b) ensuring that the Internal Audit function meets the NHS mandatory audit standards and provides sufficient independent and objective assurance to the Audit Committee and the Accountable Officer;

(c) deciding at what stage to involve the police in cases of misappropriation and other irregularities not involving fraud or corruption.

(d) ensuring that an annual Internal Audit report is prepared for the consideration of the Audit Committee [and the Governing Body]. The report must cover:

   (i) a clear opinion on the effectiveness of internal control in accordance with current assurance framework guidance issued by the Department of Health including for example compliance with control criteria and standards;

   (ii) major internal financial control weaknesses discovered;

   (iii) progress on the implementation of Internal Audit recommendations;

   (iv) progress against plan over the previous year;

   (v) a strategic audit plan covering the coming three years;

   (vi) a detailed plan for the coming year.

2.2.2 The Chief Finance Officer or designated internal or external auditor is entitled without necessarily giving prior notice to require and receive:

   (a) access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature;

   (b) access at all reasonable times to any land, premises or members of the Governing Body and CCG Sub-Committee or employee of the CCG;

   (c) the production of any cash, stores or other property of the CCG under a member of the Governing Body and Sub-Committee’s or an employee's control; and

   (d) explanations concerning any matter under investigation.

2.3 Role of Internal Audit

2.3.1 Internal Audit is an independent and objective appraisal service within an organisation which provides:

   (1) an independent and objective opinion to the Accountable Officer, the Governing Body, and the Audit Committee on the degree to which risk management, control and governance, support the achievement of the organisation’s agreed objectives;

   (2) an independent and objective consultancy service specifically to help line management improve the organisation’s risk management, control and governance arrangements.

2.3.2 Internal Audit will review, appraise and report upon policies, procedures and operations in place to:

   (a) establish and monitor the achievement of the organisation's objectives;
(b) identify, assess and manage the risks to achieving the organisation’s objectives;
(c) ensure the economical, effective and efficient use of resources;
(d) ensure compliance with established policies (including behavioural and ethical expectations), procedures, laws and regulations;
(e) safeguard the organisation’s assets and interests from losses of all kinds, including those arising from fraud, irregularity or corruption;
(f) ensure the integrity and reliability of information, accounts and data, including internal and external reporting and accountability processes.

2.3.3 The Head of Internal Audit will provide to the Audit Committee:

(a) A risk-based plan of internal audit work, agreed with management and approved by the Audit Committee, based upon the management’s Assurance Framework that will enable the auditors to collect sufficient evidence to give an opinion on the adequacy and effective operation of the organisation;
(b) Regular updates on the progress against plan;
(c) Reports of management’s progress on the implementation of action agreed as a result of internal audit findings;
(d) An annual opinion, based upon and limited to the work performed, on the overall adequacy and effectiveness of the organisation’s risk management, control and governance processes (i.e. the organisation’s system of internal control). This opinion is used by the Governing Body to inform the Annual Governance Statement and by NHS England as part of its performance management role;
(e) Additional reports as requested by the Audit Committee.

2.3.4 Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores, or other property or any suspected irregularity in the exercise of any function of a pecuniary nature, the Chief Finance Officer must be notified immediately.

2.3.5 The Head of Internal Audit will normally attend Audit Committee meetings and has a right of access to all Audit Committee members, the Chair and Accountable Officer of the CCG.

2.3.6 The Head of Internal Audit reports to the Audit Committee and is accountable to the Chief Finance Officer. The reporting system for Internal Audit shall be agreed between the Chief Finance Officer, the Audit Committee and the Head of Internal Audit. The agreement shall be in writing and shall comply with the guidance on reporting contained in the NHS Internal Audit Standards. The reporting system shall be reviewed at least every three years.

2.3.7 The appointment and termination of the Head of Internal Audit and/or the Internal Audit Service must be approved by the Audit Committee.

2.4 External Audit

2.4.1 The External Auditor is appointed by the Governing Body following recommendation from the Audit Panel and Audit Committee.

2.4.2 The Audit code for CCG’s (the “Audit Code”) contains the statutory responsibilities of the CCG and auditors in relation to accounting and audit.

2.4.3 The CCG shall comply with the Audit Code.

2.4.4 The Auditor shall comply with the Audit Code.
2.4.5 The Head of External Audit will normally attend Audit Committee meetings and has a right of access to all Audit Committee members, the Chair and Accountable Officer of the CCG.

2.4.6 The Head of External Audit reports to the Audit Committee and is accountable to the Chief Finance Officer.

2.4.7 The appointment and termination of the Head of External Audit and/or the External Audit Service must be approved by the Audit Committee and Governing Body.

2.5 Fraud and Corruption

2.5.1 In line with their responsibilities, the CCG Accountable Officer and Chief Finance Officer shall monitor and ensure compliance with Directions issued by the Secretary of State for Health on fraud and corruption.

2.5.2 The CCG shall nominate a suitable person to carry out the duties of the Local Counter Fraud Specialist (LCFS) as specified by the NHS Counter Fraud and Corruption Manual, and guidance.

2.5.3 The LCFS shall report to the CCG Chief Finance Officer and shall work with staff in the NHS Protect and the Operational Fraud Team (OFT) in accordance with the NHS Counter Fraud and Corruption Manual.

2.5.4 The LCFS will provide a written report, at least annually, on counter fraud work within the CCG.

2.6 Security Management

2.6.1 In line with their responsibilities, the CCG Accountable Officer will monitor and ensure compliance with Directions issued by the Secretary of State for Health on NHS security management.

2.6.2 The CCG shall nominate a suitable person to carry out the duties of the Local Security Management Specialist (LSMS) as specified by the Secretary of State for Health guidance on NHS Security Management.

2.6.3 The CCG shall nominate a Lay Member to oversee the NHS Security Management service who will report to the Governing Body.

2.6.4 The Accountable Officer has overall responsibility for controlling and coordinating security. However, key tasks are delegated to the Security Management Director and the appointed Local Security Management Specialist.

3. RESOURCE LIMIT CONTROL

3.1.1 The CCG is required by statutory provisions not to exceed its Resource Limit. The Accountable Officer has overall executive responsibility for the CCG’s activities and is responsible to the CCG for ensuring that it stays within its Resource Limit.

3.1.2 The definition of use of resources is set out in RAB Directions on use of resources (available on the Departmental Finance Manual web-site).

3.1.3 Any sums received on behalf of the Secretary of State excluding charges arising under Part II of the 1977 NHS Act is treated as sums received by the CCG.

3.1.4 The Chief Finance Officer will:

(a) provide monthly reports in the form required by the Secretary of State;

(b) ensure money drawn from the Department of Health against the financing requirement arising from the Resource Limit is required for approved expenditure only, and is drawn down only at the time of need, follows best practice as set out in ‘Cash Management in the NHS’;
(c) be responsible for ensuring that an adequate system of monitoring financial performance is in place to enable the CCG to fulfil its statutory responsibility not to exceed its Annual Revenue and Capital Resource Limits.

4. **ALLOCATIONS, INTEGRATED PLAN, BUDGETS, BUDGETARY CONTROL AND MONITORING**

4.1 **Allocations**

4.1.1 The Chief Finance Officer of the CCG will:

(a) periodically review the basis and assumptions used for distributing allocations and ensure that these are reasonable and realistic and secure the CCG’s entitlement to funds;

(b) prior to the start of each financial year submit to the CCG Governing Body for approval a report showing the total allocations received and their proposed distribution including any sums to be held in reserve; and

(c) regularly update the CCG Governing Body on significant changes to the initial allocation and the uses of such funds.

4.2 **Preparation and Approval of Integrated Plan and Budgets**

4.2.1 The Accountable Officer will compile and submit to the Governing Body an Integrated plan which takes into account financial targets and forecast limits of available resources. The plan will contain:

(a) a statement of the significant assumptions on which the plan is based;

(b) details of major changes in workload, delivery of services or resources required to achieve the plan.

4.2.2 Prior to the start of the financial year the Chief Finance Officer will, on behalf of the Accountable Officer, prepare and submit budgets for approval by the Governing Body. Such budgets will:

(a) be in accordance with the aims and objectives set out in the plan;

(b) accord with workload and manpower plans;

(c) be produced following discussion with appropriate budget holders;

(d) be prepared within the limits of available funds;

(e) identify potential risks.

4.2.3 The Chief Finance Officer shall monitor financial performance against budget and plan, periodically review them, and report to the Governing Body.

4.2.4 All budget holders must provide information as required by the Chief Finance Officer to enable budgets to be compiled.

4.2.5 The Chief Finance Officer has a responsibility to ensure that adequate training is delivered on an on-going basis to budget holders to help them manage successfully.

4.3 **Budgetary Delegation**

4.3.1 The Accountable Officer may delegate the management of a budget to permit the performance of a defined range of activities. This delegation must be in writing and be accompanied by a clear definition of:

(a) the amount of the budget;

(b) the purpose(s) of each budget heading;
(c) individual and group responsibilities;
(d) authority to exercise virement;
(e) achievement of planned levels of service;
(f) the provision of regular reports.

4.3.2 The Accountable Officer and delegated budget holders must not exceed the budgetary total or virement limits set by the Governing Body.

4.3.3 Any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Accountable Officer, subject to any authorised use of virement.

4.3.4 Non-recurring budgets should not be used to finance recurring expenditure without the authority in writing of the Accountable Officer, as advised by the Chief Finance Officer.

4.4 Budgetary Control and Reporting

4.4.1 The Chief Finance Officer will devise and maintain systems of budgetary control. These will include:

(a) monthly financial reports to the Finance Integrated Performance & Assurance Committee and Governing Body in a form approved by the Governing Body containing:
   
   (i) income and expenditure to date showing trends and forecast year-end position;
   
   (ii) movements in working capital;
   
   (iii) movements in cash and capital;
   
   (iv) capital project spend and projected outturn against plan;
   
   (v) explanations of any material variances from plan;
   
   (vi) details of any corrective action where necessary and the Accountable Officer’s and/or Chief view of whether such actions are sufficient to correct the situation;

(b) the issue of timely, accurate and comprehensible advice and financial reports to each budget holder, covering the areas for which they are responsible;

(c) investigation and reporting of variances from financial, workload and manpower budgets;

(d) monitoring of management action to correct variances;

(e) arrangements for the authorisation of budget transfers.

4.4.2 Each Budget Holder is responsible for ensuring that:

(a) any likely overspending or reduction of income which cannot be met by virement is not incurred without the prior consent of the Governing Body;

(b) the amount provided in the approved budget is not used in whole or in part for any purpose other than that specifically authorised, subject to the rules of virement;

(c) no permanent employees are appointed without the approval of the Accountable Officer other than those provided for within the available resources and manpower establishment as approved by the Governing Body.
4.4.3 The Accountable Officer is responsible for identifying and implementing cost improvements and income generation initiatives in accordance with the requirements of the QIPP Plan and a balanced budget.

4.5 Capital Expenditure

i. The general rules applying to delegation and reporting shall also apply to capital expenditure.

4.6 Monitoring Returns

4.6.1 The Accountable Officer is responsible for ensuring that the appropriate monitoring forms are submitted to the requisite monitoring organisation.

5. ANNUAL ACCOUNTS AND REPORTS

5.1 The Chief Finance Officer, on behalf of the CCG, will:

(a) prepare financial returns in accordance with the accounting policies and guidance given by the Department of Health and the Treasury, the CCG’s accounting policies, and generally accepted accounting practice;

(b) prepare and submit annual financial reports to the Department of Health certified in accordance with current guidelines;

(c) submit financial returns to the Department of Health for each financial year in accordance with the timetable prescribed by the Department of Health.

5.2 The CCG’s annual accounts must be audited by an auditor appointed by the CCG. The CCG’s audited annual accounts must be presented to a public meeting and made available to the public.

5.3 The CCG will publish an annual report, in accordance with guidelines on local accountability, and present it at a public meeting. The document will comply with the Department of Health’s Manual for Accounts.

6. BANK AND GOVERNMENT BANKING SERVICE (GBS) ACCOUNTS

6.1 General

6.1.1 The Chief Finance Officer is responsible for managing the CCGs banking arrangements and for advising the CCG Governing Body on the provision of banking services and operation of accounts. This advice will take into account guidance/Directions issued from time to time by the Department of Health. In line with ‘Cash Management in the NHS’ CCG’s should minimize the use of commercial bank accounts and consider using Office of the Government Banking Service (GBS) accounts for all banking services.

6.1.2 The Governing Body shall approve the banking arrangements.

6.2 Bank and GBS Accounts

6.2.1 The Chief Finance Officer is responsible for:

(a) bank accounts and Office of the Government Banking Service (GBS) accounts;

(b) establishing separate bank accounts for the CCG’s non-exchequer funds;

(c) ensuring payments made from bank or GBS accounts do not exceed the amount credited to the account except where arrangements have been made;

(d) reporting to the Governing Body all arrangements made with the CCG’s bankers for accounts to be overdrawn;

(e) monitoring compliance with DH guidance on the level of cleared funds.
6.3 Banking Procedures

6.3.1 The Chief Finance Officer will prepare detailed instructions on the operation of bank and GBS accounts which must include:

(a) the conditions under which each bank and GBS account is to be operated;

(b) those authorised to sign cheques or other orders drawn on the CCG’s accounts.

6.3.2 The Chief Finance Officer must advise the CCG’s bankers in writing of the conditions under which each account will be operated.

6.4 Tendering and Review

6.4.1 The Chief Finance Officer will review the banking arrangements of the CCG at regular intervals to ensure they reflect best practice and represent best value for money by periodically seeking competitive tenders for the CCG’s banking business.

6.4.2 Competitive tenders should be sought at least every 5 years. This review is not necessary for GBS accounts. The results of the tendering exercise should be reported to the Governing Body.

7. INCOME, FEES AND CHARGES AND SECURITY OF CASH, CHEQUES AND OTHER NEGOTIABLE INSTRUMENTS

7.1 Income Systems

7.1.1 The Chief Finance Officer is responsible for designing, maintaining and ensuring compliance with systems for the proper recording, invoicing, and collection and coding of all monies due.

7.1.2 The Chief Finance Officer is also responsible for the prompt banking of all monies received.

7.2 Fees and Charges

7.2.1 The CCG shall follow the Department of Health’s advice in the "Costing" Manual in setting prices for NHS service agreements.

7.2.2 The Chief Finance Officer is responsible for approving and regularly reviewing the level of all fees and charges other than those determined by the Department of Health or by Statute. Independent professional advice on matters of valuation shall be taken as necessary.

7.2.3 All employees must inform the Chief Finance Officer promptly of money due arising from transactions which they initiate/deal with, including all contracts, leases, tenancy agreements, private patient undertakings and other transactions.

7.3 Debt Recovery

7.3.1 The Chief Finance Officer is responsible for the appropriate recovery action on all outstanding debts.

7.3.2 Income not received should be dealt with in accordance with losses procedures.

7.3.3 Overpayments should be detected (or preferably prevented) and recovery initiated.

7.4 Security of Cash, Cheques and other Negotiable Instruments

7.4.1 The Chief Finance Officer is responsible for:

(a) approving the form of all receipt books, agreement forms, or other means of officially acknowledging or recording monies received or receivable;

(b) ordering and securely controlling any such stationery;
(c) the provision of adequate facilities and systems for employees whose duties include collecting and holding cash, including the provision of safes or lockable cash boxes, the procedures for keys, and for coin operated machines;

(d) prescribing systems and procedures for handling cash and negotiable securities on behalf of the CCG.

7.4.2 Official money shall not under any circumstances be used for the encashment of private cheques or IOUs.

7.4.3 All cheques, postal orders, cash etc., shall be banked intact. Disbursements shall not be made from cash received, except under arrangements approved by the Chief Finance Officer.

7.4.4 The holders of safe keys shall not accept unofficial funds for depositing in their safes unless such deposits are in special sealed envelopes or locked containers. It shall be made clear to the depositors that the CCG is not to be held liable for any loss, and written indemnities must be obtained from the organisation or individuals absolving the CCG from responsibility for any loss.

8. TENDERING AND CONTRACTING PROCEDURE

8.1 Duty to comply with Standing Orders and Standing Financial Instructions

The procedure for making all contracts by or on behalf of the CCG shall comply with these Standing Orders and Standing Financial Instructions (except where Suspension of Standing Orders is applied).

8.2 EU Directives Governing Public Procurement

(a) Directives by the Council of the European Union promulgated by the Department of Health (DH) prescribing procedures for awarding all forms of contracts shall have effect as if incorporated in these Standing Orders and Standing Financial Instructions.

(b) CCGs’ should consider obtaining support from the NHS Purchasing and Supply Agency for procurement to ensure compliance when engaging in tendering procedures.

8.3 Reverse e Auctions

The CCG should have policies and procedures in place for the control of all tendering activity carried out through Reverse eAuctions. For further guidance on Reverse eAuctions refer to www.ogc.gov.uk

8.4 Capital Investment Manual and other Department of Health Guidance

The CCG shall comply as far as is practicable with the requirements of the Department of Health “Capital Investment Manual” and “Estate code” in respect of capital investment and estate and property transactions.

8.5 Formal Competitive Tendering

8.5.1 General Applicability

The CCG shall ensure that competitive tenders are invited for:

- the supply of goods, materials and manufactured articles;

- the rendering of services including all forms of management consultancy services (other than specialised services sought from or provided by the DH);
• for the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens); for disposals.

8.5.2 Health Care Services

Where the CCG elects to invite tenders for the supply of healthcare services these Standing Orders and Standing Financial Instructions shall apply as far as they are applicable to the tendering procedure and need to be read in conjunction with Standing Financial Instruction No. 9.

8.5.3 Exceptions and instances where formal tendering need not be applied

Formal tendering procedures need not be applied where:

(a) the estimated expenditure or income does not, or is not reasonably expected to, exceed £4,000 or

(b) where the supply is proposed under special arrangements negotiated by the DH in which event the said special arrangements must be complied with;

(c) regarding disposals as set out in Standing Financial Instructions No. 8.14;

Formal tendering procedures may be waived in the following circumstances:

(d) in very exceptional circumstances where the Accountable Officer decides that formal tendering procedures would not be practicable or the estimated expenditure or income would not warrant formal tendering procedures, and the circumstances are detailed in an appropriate CCG record;

(e) where the requirement is covered by an existing contract;

(f) where PASA agreements are in place and have been approved by the Governing Body;

(g) where a consortium arrangement is in place and a lead organisation has been appointed to carry out tendering activity on behalf of the consortium members;

(h) where the timescale genuinely precludes competitive tendering but failure to plan the work properly would not be regarded as a justification for a single tender;

(i) where specialist expertise is required and is available from only one source;

(j) when the task is essential to complete the project, and arises as a consequence of a recently completed assignment and engaging different consultants for the new task would be inappropriate;

(k) there is a clear benefit to be gained from maintaining continuity with an earlier project. However, in such cases the benefits of such continuity must outweigh any potential financial advantage to be gained by competitive tendering;

(l) for the provision of legal advice and services providing that any legal firm or partnership commissioned by the CCG is regulated by the Law Society for England and Wales for the conduct of their business (or by the Bar Council for England and Wales in relation to the obtaining of Counsel’s opinion) and are generally recognised as having sufficient expertise in the area of work for which they are commissioned.

The Chief Finance Officer will ensure that any fees paid are reasonable and within commonly accepted rates for the costing of such work.

(m) where allowed and provided for in the Capital Investment Manual.
The waiving of competitive tendering procedures should not be used to avoid competition or for administrative convenience or to award further work to a consultant originally appointed through a competitive procedure.

Where it is decided that competitive tendering is not applicable and should be waived, the fact of the waiver and the reasons should be documented and recorded in an appropriate CCG record and reported to the Audit Committee at each meeting.

8.5.4. Fair and Adequate Competition

Where the exceptions set out in SFI Nos. 8.5.3 apply, the CCG shall ensure that invitations to tender are sent to a sufficient number of firms/individuals to provide fair and adequate competition as appropriate, and in no case less than two firms/individuals, having regard to their capacity to supply the goods or materials or to undertake the services or works required.

8.5.5 List of Approved Firms

The CCG shall ensure that the firms/individuals invited to tender (and where appropriate, quote) are among those on approved lists. Where in the opinion of the Chief Finance Officer it is desirable to seek tenders from firms not on the approved lists, the reason shall be recorded in writing to the Accountable Officer.

8.5.6 Building and Engineering Construction Works

Competitive Tendering cannot be waived for building and engineering construction works and maintenance (other than in accordance with Concode) without Departmental of Health approval.

8.5.7 Items which subsequently breach thresholds after original approval

Items estimated to be below the limits set in this Standing Financial Instruction for which formal tendering procedures are not used which subsequently prove to have a value above such limits shall be reported to the Accountable Officer and be recorded in an appropriate CCG record.

8.6 Contracting/Tendering Procedure

8.6.1 Invitation to tender

(i) All invitations to tender shall state the date and time as being the latest time for the receipt of tenders.

(ii) All invitations to tender shall state that no tender will be accepted unless:

- submitted in a plain sealed package or envelope bearing a pre-printed label supplied by the CCG (or the word "tender" followed by the subject to which it related) and the latest date and time for the receipt of such tender addressed to the Chief Operating Officer or nominated Manager;

- that tender envelopes/packages shall not bear any names or marks indicating the sender. The use of courier/postal services must not identify the sender on the envelope or on any receipt so required by the deliverer.

(iii) Every tender for goods, materials, services or disposals shall embody such of the NHS Standard Contract Conditions as are applicable.

(iv) Every tender for building or engineering works (except for maintenance work, when Estmancode guidance shall be followed) shall embody or be in the terms of the current edition of one of the Joint Contracts Tribunal Standard Forms of Building Contract or Department of the Environment (GC/Wks) Standard forms of contract amended to comply with Concode; or, when the content of the work is primarily engineering, the General
Conditions of Contract recommended by the Institution of Mechanical and Electrical Engineers and the Association of Consulting Engineers (Form A), or (in the case of civil engineering work) the General Conditions of Contract recommended by the Institute of Civil Engineers, the Association of Consulting Engineers and the Federation of Civil Engineering Contractors. These documents shall be modified and/or amplified to accord with Department of Health guidance and, in minor respects, to cover special features of individual projects.

(v) Every tender must have given, or give a written undertaking, not to engage in collusive tendering or other restrictive practice.

8.6.2 Receipt and safe custody of tenders

The Accountable Officer or his/her nominated representative will be responsible for the receipt, endorsement and safe custody of tenders received until the time appointed for their opening.

The date and time of receipt of each tender shall be endorsed on the tender envelope/package.

8.6.3 Opening tenders and Register of tenders

(i) As soon as practicable after the date and time stated as being the latest time for the receipt of tenders, they shall be opened by two senior officers/managers designated by the Chief Operating Officer and not from the originating department.

(ii) A member of the CCG Governing Body will be required to be one of the two approved persons present for the opening of tenders estimated above £20,000. The rules relating to the opening of tenders will need to be read in conjunction with any delegated authority set out in the CCG’s Scheme of Delegation.

(iii) The ‘originating’ Department will be taken to mean the Department sponsoring or commissioning the tender.

(iv) The involvement of Finance Directorate staff in the preparation of a tender proposal will not preclude the Chief Finance Officer or any approved Senior Manager from the Finance Directorate from serving as one of the two senior managers to open tenders.

(v) All Executive Directors/members will be authorised to open tenders regardless of whether they are from the originating department provided that the other authorised person opening the tenders with them is not from the originating department.

The CCG’s Secretary will count as a Director for the purposes of opening tenders.

(vi) Every tender received shall be marked with the date of opening and initialled by those present at the opening.

(vii) A register shall be maintained by the Accountable Officer, or a person authorised by him, to show for each set of competitive tender invitations despatched:

- the name of all firm’s individuals invited;
- the names of firm’s individuals from which tenders have been received;
- the date the tenders were received and opened;
- the persons present at the opening;
- the price shown on each tender;
- a note where price alterations have been made on the tender and suitably initialled.

Each entry to this register shall be signed by those present.

A note shall be made in the register if any one tender price has had so many alterations that it cannot be readily read or understood.

(viii) Incomplete tenders, i.e. those from which information necessary for the adjudication of the tender is missing, and amended tenders i.e., those amended by the tenderer upon his/her own initiative either orally or in writing after the due time for receipt, but prior to the opening of other tenders, should be dealt with in the same way as late tenders. (Standing Order No. 8.6.5 below).

8.6.4 Admissibility

i) If for any reason the designated officers are of the opinion that the tenders received are not strictly competitive (for example, because their numbers are insufficient or any are amended, incomplete or qualified) no contract shall be awarded without the approval of the Accountable Officer.

(ii) Where only one tender is sought and/or received, the Accountable Officer and Chief Finance Officer shall, as far practicable, ensure that the price to be paid is fair and reasonable and will ensure value for money for the CCG.

8.6.5 Late tenders

(i) Tenders received after the due time and date, but prior to the opening of the other tenders, may be considered only if the Accountable Officer or his/her nominated officer decides that there are exceptional circumstances i.e. despatched in good time but delayed through no fault of the tenderer.

(ii) Only in the most exceptional circumstances will a tender be considered which is received after the opening of the other tenders and only then if the tenders that have been duly opened have not left the custody of the Accountable Officer or his/her nominated officer or if the process of evaluation and adjudication has not started.

(iii) While decisions as to the admissibility of late, incomplete or amended tenders are under consideration, the tender documents shall be kept strictly confidential, recorded, and held in safe custody by the Accountable Officer or his/her nominated officer.

(iv) Accepted late tenders will be reported to the Governing Body.

8.6.6 Acceptance of formal tenders (See overlap with SFI No. 8.7)

(i) Any discussions with a tenderer which are deemed necessary to clarify technical aspects of his/her tender before the award of a contract will not disqualify the tender.

(ii) The lowest tender, if payment is to be made by the CCG, or the highest, if payment is to be received by the CCG, shall be accepted unless there are good and sufficient reasons to the contrary. Such reasons shall be set out in either the contract file, or other appropriate record.

It is accepted that for professional services such as management consultancy, the lowest price does not always represent the best value for money. Other factors affecting the success of a project include:

(a) experience and qualifications of team members;

(b) understanding of client’s needs;

(c) feasibility and credibility of proposed approach;
(d) ability to complete the project on time.

Where other factors are taken into account in selecting a tenderer, these must be clearly recorded and documented in the contract file, and the reason(s) for not accepting the lowest tender clearly stated.

(iii) No tender shall be accepted which will commit expenditure in excess of that which has been allocated by the CCG and which is not in accordance with these Instructions except with the authorisation of the Accountable Officer.

(iv) The use of these procedures must demonstrate that the award of the contract was:

(a) not in excess of the going market rate / price current at the time the contract was awarded;

(b) that best value for money was achieved.

(v) All Tenders should be treated as confidential and should be retained for inspection.

8.6.7 Tender reports to the CCG Governing Body

Reports to the CCG Governing Body will be made on an exceptional circumstance basis only.

8.6.8 List of approved firms (see SFI No. 8.5.5)

(a) Responsibility for maintaining list

A manager nominated by the Accountable Officer shall on behalf of the CCG maintain lists of approved firms from who tenders and quotations may be invited. These shall be kept under frequent review. The lists shall include all firms who have applied for permission to tender and as to whose technical and financial competence the CCG is satisfied. All suppliers must be made aware of the CCG’s terms and conditions of contract.

(b) Building and Engineering Construction Works

(i) Invitations to tender shall be made only to firms included on the approved list of tenderers compiled in accordance with this Instruction or on the separate maintenance lists compiled in accordance with Estmancode guidance (Health Notice HN(78)147).

(ii) Firms included on the approved list of tenderers shall ensure that when engaging, training, promoting or dismissing employees or in any conditions of employment, shall not discriminate against any person because of colour, race, ethnic or national origins, religion or sex, and will comply with the provisions of the Equal Pay Act 1970, the Sex Discrimination Act 1975, the Race Relations Act 1976, and the Disabled Persons (Employment) Act 1944, Equality Act 2010 and any amending and/or related legislation.

(iii) Firms shall conform at least with the requirements of the Health and Safety at Work Act and any amending and/or other related legislation concerned with the health, safety and welfare of workers and other persons, and to any relevant British Standard Code of Practice issued by the British Standard Institution. Firms must provide to the appropriate manager a copy of its safety policy and evidence of the safety of plant and equipment, when requested.

(c) Financial Standing and Technical Competence of Contractors

The Chief Finance Officer may make or institute any enquiries he/she deems appropriate concerning the financial standing and financial suitability of approved contractors. The Director with lead responsibility for clinical governance will similarly make such enquiries as is felt appropriate to be satisfied as to their technical / medical competence.

8.6.9 Exceptions to using approved contractors
If in the opinion of the Accountable Officer and the Chief Finance Officer or the Director with lead responsibility for clinical governance it is impractical to use a potential contractor from the list of approved firms/individuals (for example where specialist services or skills are required and there are insufficient suitable potential contractors on the list), or where a list for whatever reason has not been prepared, the Accountable Officer should ensure that appropriate checks are carried out as to the technical and financial capability of those firms that are invited to tender or quote.

An appropriate record in the contract file should be made of the reasons for inviting a tender or quote other than from an approved list.

8.7 Quotations: Competitive and non-competitive

8.7.1 General Position on quotations
Quotations are required where formal tendering procedures are not adopted and where the intended expenditure or income exceeds or is reasonably expected to exceed £4,000.

8.7.2 Competitive Quotations

(i) Quotations should be obtained from at least 3 firms/individuals based on specifications or terms of reference prepared by, or on behalf of, the CCG

(ii) Quotations should be in writing unless the Accountable Officer or his nominated officer determines that it is impractical to do so in which case quotations may be obtained by telephone. Confirmation of telephone quotations should be obtained as soon as possible and the reasons why the telephone quotation was obtained should be set out in a permanent record.

(iii) All quotations should be treated as confidential and should be retained for inspection.

(iv) The Accountable Officer or his/her nominated officer should evaluate the quotation and select the quote which gives the best value for money. If this is not the lowest quotation if payment is to be made by the CCG, or the highest if payment is to be received by the CCG, then the choice made, and the reasons why should be recorded in a permanent record.

8.7.3 Non-Competitive Quotations

Non-competitive quotations in writing may be obtained in the following circumstances:

(i) the supply of proprietary or other goods of a special character and the rendering of services of a special character, for which it is not, in the opinion of the Accountable Officer, possible or desirable to obtain competitive quotations;

(ii) the supply of goods or manufactured articles of any kind which are required quickly and are not obtainable under existing contracts;

(iii) miscellaneous services, supplies and disposals;

(iv) where the goods or services are for building and engineering maintenance the responsible works manager must certify that the first two conditions of this SFI (i.e. (i) and (ii) of this SFI) apply.

8.7.4 Quotations to be within Financial Limits

No quotation shall be accepted which will commit expenditure in excess of that which has been allocated by the CCG and which is not in accordance with Standing Financial Instructions Chief Finance Officer.

8.8 Authorisation of Tenders and Competitive Quotations
Providing all the conditions and circumstances set out in these Standing Financial Instructions have been fully complied with, formal authorisation and awarding of a contract may be decided by the following staff to the value of the contract as follows:

- Chief Finance Officer up to £100,000
- Accountable Officer up to £250,000
- CCG Governing Body over £250,000

These levels of authorisation may be varied or changed and need to be read in conjunction with the CCG Governing Body's Scheme of Delegation.

Formal authorisation must be put in writing. In the case of authorisation by the CCG Governing Body this shall be recorded in their minutes.

8.9 Instances where formal competitive tendering or competitive quotation is not required

Where competitive tendering or a competitive quotation is not required, the CCG should adopt one of the following alternatives:

(a) the CCG shall use the NHS Purchasing & Supplies Agency for procurement of all goods and services unless the Accountable Officer or nominated officers deem it inappropriate. The decision to use alternative sources must be documented.

(b) if the CCG does not use the NHS Purchasing & Supplies Agency - where tenders or quotations are not required, because expenditure is below £4,000, the CCG shall procure goods and services in accordance with procurement procedures approved by the Chief Finance Officer.

8.10 Private Finance for capital procurement (see overlap with SFI No. 14)

The CCG should normally market-test for PFI (Private Finance Initiative funding) when considering a capital procurement. When the CCG proposes, or is required, to use finance provided by the private sector the following should apply:

(a) The Accountable Officer shall demonstrate that the use of private finance represents value for money and genuinely transfers risk to the private sector.

(b) Where the sum exceeds delegated limits, a business case must be referred to the appropriate Department of Health for approval or treated as per current guidelines.

(c) The proposal must be specifically agreed by the Governing Body of the CCG.

(d) The selection of a contractor/finance company must be on the basis of competitive tendering or quotations.

8.11 Compliance requirements for all contracts

The Governing Body may only enter into contracts on behalf of the CCG within the statutory powers delegated to it by the Secretary of State and shall comply with:

(a) The CCG’s Standing Orders and Standing Financial Instructions;

(b) EU Directives and other statutory provisions;

(c) Such of the NHS Standard Contract Conditions as are applicable;

(d) ‘Standards for Better Health’;

(e) Contracts with Foundation Trusts must be in a form compliant with appropriate NHS guidance;
(f) Where appropriate contracts shall be in or embody the same terms and conditions of contract as was the basis on which tenders or quotations were invited;

(g) In all contracts made by the CCG, the Governing Body shall endeavour to obtain best value for money by use of all systems in place. The Accountable Officer shall nominate an officer who shall oversee and manage each contract on behalf of the CCG.

8.12 Personnel and Agency or Temporary Staff Contracts

The Accountable Officer shall nominate officers with delegated authority to enter into contracts of employment, regarding staff, agency staff or temporary staff service contracts.

8.13 Healthcare Services Agreements (see overlap with SFI No. 9)

Service agreements with NHS providers for the supply of healthcare services shall be drawn up in accordance with the NHS and Community Care Act 1990 and administered by the CCG. Service agreements are not contracts in law and are not enforceable by the courts. However, a contract with a Foundation Trust, being a PBC, is a legal document and is enforceable in law.

The Accountable Officer shall nominate officers to commission service agreements with providers of healthcare in line with a commissioning plan approved by the Governing Body.

8.14 Disposals (See overlap with SFI No. 16)

Competitive Tendering or Quotation procedures shall not apply to the disposal of:

(a) any matter in respect of which a fair price can be obtained only by negotiation or sale by auction as determined (or pre-determined in a reserve) by the Accountable Officer or his nominated officer;

(b) obsolete or condemned articles and stores, which may be disposed of in accordance with the supplies policy of the CCG;

(c) items to be disposed of with an estimated sale value of less than £500, this figure to be reviewed on a periodic basis;

(d) items arising from works of construction, demolition or site clearance, which should be dealt with in accordance with the relevant contract;

(e) land or buildings concerning which DH guidance has been issued but subject to compliance with such guidance.

8.15 In-house Services

8.15.1 The Accountable Officer shall be responsible for ensuring that best value for money can be demonstrated for all services provided on an in-house basis. The CCG may also determine from time to time that in-house services should be market tested by competitive tendering.

8.15.2 In all cases where the CCG or its Sub-Committee’s determine that in-house services should be subject to competitive tendering the following groups shall be set up:

(a) Specification group, comprising the Accountable Officer or nominated officer/s and specialist.

(b) In-house tender group, comprising a nominee of the Accountable Officer and technical support.

(c) Evaluation team, comprising normally a specialist officer, a supplies officer and a Chief Finance Officer representative.
8.15.3 All groups should work independently of each other and individual officers may be a member of more than one group, but no member of the in-house tender group may participate in the evaluation of tenders.

8.15.4 The evaluation team shall make recommendations to the Governing Body.

8.15.5 The Accountable Officer shall nominate an officer to oversee and manage the contract on behalf of the CCG.

8.16 Applicability of SFIs on Tendering and Contracting to funds held in trust (see overlap with SFI No. 19)

These Instructions shall not only apply to expenditure from Exchequer funds but also to works, services and goods purchased from the CCG’s trust funds and private resources.

9. NHS SERVICE AGREEMENTS FOR PROVISION OF SERVICES (see overlap with SFI No. 8.13)

9.1 Service Level Agreements (SLAs)

9.1.1 The Accountable Officer, is responsible for ensuring the CCG enters into suitable Service Level Agreements (SLA) with service commissioners for the provision of NHS services. All SLAs should aim to implement the agreed priorities contained within the Integrated Plan and wherever possible, be based upon integrated care pathways to reflect expected patient experience. In discharging this responsibility, the Accountable Officer should take into account:

- the standards of service quality expected;
- the relevant national service framework (if any);
- the provision of reliable information on cost and volume of services;
- the NHS National Performance Assessment Framework;
- that SLAs build where appropriate on existing Joint Investment Plans;
- that SLAs are based on integrated care pathways.

9.2 Involving Partners and jointly managing risk

A good SLA will result from a dialogue of clinicians, users, carers, public health professionals and managers. It will reflect knowledge of local needs and inequalities. This will require the Accountable Officer to ensure that the CCG works with all partner agencies involved in both the delivery and the commissioning of the service required. The SLA will apportion responsibility for handling a particular risk to the party or parties in the best position to influence the event and financial arrangements should reflect this. In this way the CCG can jointly manage risk with all interested parties.

9.3 Reports to Governing Body on SLAs

The Accountable Officer will need to ensure that regular reports are provided to the Governing Body detailing actual and forecast expenditure against the SLA. This will include information on costing arrangements, which increasingly should be based upon Healthcare Resource Groups (HRGs). Where HRGs are unavailable for specific services, all parties should agree a common currency for across the range of SLAs.
10. COMMISSIONING

10.1 Role of the CCG in Commissioning Secondary Services

10.1.1 The CCG has responsibilities for commissioning secondary services on behalf of the resident population. This will require the CCG to work in partnership with local NHS Trusts, other CCGs, and FTs, local authority, users, carers and the voluntary sector to develop a Local Delivery Plan.

10.2 Role of the Accountable Officer

10.2.1 The Accountable Officer has responsibility for ensuring secondary services are commissioned in accordance with the priorities agreed in the Strategic Plan. This will involve ensuring SLAs are put in place with the relevant providers, based upon integrated care pathways.

10.2.2 SLAs will be the key means of delivering the objectives of the Strategic Plan and therefore they need to have a wider scope. The CCG Accountable Officer will need to ensure that all SLAs:

- Meet the standards of service quality expected;
- Fit the relevant national service framework (if any);
- Enable the provision of reliable information on cost and volume of services;
- Fit the NHS National Performance Assessment Framework;
- that SLAs build where appropriate on existing Joint Investment Plans;
- that SLAs are based upon cost-effective services;
- that SLAs are based on integrated care pathways.

10.2.3 The Accountable Officer will need to ensure that regular reports are provided to the Governing Body detailing actual and forecast expenditure and activity for each SLA.

10.2.4 Where the CCG makes arrangements for the provision of services by non-NHS providers it is the Accountable Officer who is responsible for ensuring that the agreements put in place have due regard to the quality and cost-effectiveness of services provided. Before making any agreement with non-NHS providers, the CCG should explore fully the scope to make maximum cost-effective use of NHS facilities.

10.3 Role of Chief Finance Officer

10.3.1 A system of financial monitoring must be maintained by the Chief Finance Officer to ensure the effective accounting of expenditure under the SLA. This should provide a suitable audit trail for all payments made under the agreements but maintains patient confidentiality.

10.3.2 The Chief Finance Officer must account for Out of Area Treatments/Non Contract Activity financial adjustments in accordance with national guidelines.

11. TERMS OF SERVICE, ALLOWANCES AND PAYMENT OF MEMBERS OF THE CCG GOVERNING BODY AND COMMITTEES AND EMPLOYEES

11.1 Remuneration and Terms of Service
11.1.1 In accordance with Standing Orders the CCG shall establish a Remuneration Committee, with clearly defined terms of reference, specifying which posts fall within its area of responsibility, its composition, and the arrangements for reporting. (See NHS guidance contained in the Higgs report).

11.1.2 The Committee will:

(a) make decisions on behalf of the CCG on the appropriate remuneration and terms of service for the Accountable Officer, other officer members employed by the CCG and other senior employees including:

(i) all aspects of salary (including any performance-related elements/bonuses);

(ii) provisions for other benefits, including pensions and cars;

(iii) arrangements for termination of employment and other contractual terms;

(b) make such recommendations to the Governing Body on the remuneration and terms of service of officer members of the Governing Body and Committee members (and other senior employees) to ensure they are fairly rewarded for their individual contribution to the CCG - having proper regard to the CCG’s circumstances and performance and to the provisions of any national arrangements for such members and staff where appropriate;

(c) monitor and evaluate the performance of individual officer members Sub-Committee (and other senior employees);

(d) advise on and oversee appropriate contractual arrangements for such staff including the proper calculation and scrutiny of termination payments taking account of such national guidance as is appropriate.

11.1.3 The Committee shall report in writing to the Governing Body the basis for its recommendations. The Governing Body shall use the report as the basis for their decisions but remain accountable for taking decisions on the remuneration and terms of service of Committee members. Minutes of the Governing Body’s meetings should record such decisions.

11.1.4 The Governing Body will consider and need to approve proposals presented by the Accountable Officer for the setting of remuneration and conditions of service for those employees and officers not covered by the Committee.

11.1.5 The CCG will pay allowances to the Chairman and non-officer members of the Governing Body in accordance with instructions issued by the Secretary of State for Health.

11.2 Funded Establishment

11.2.1 The manpower plans incorporated within the annual budget will form the funded establishment.

11.2.2 The funded establishment of any department may not be varied without the approval of the Accountable Officer

11.3 Staff Appointments

11.3.1 No officer or Member of the Sub-Committee, or Member of the CCG Governing Body or employee may engage, re-engage, or re-grade employees, either on a permanent or temporary nature, or hire agency staff, or agree to changes in any aspect of remuneration:

(a) unless authorised to do so by the Accountable Officer; and

(b) within the limit of their approved budget and funded establishment.

11.3.2 The Governing Body will approve procedures presented by the Accountable Officer for the determination of commencing pay rates, condition of service, etc., for employees.
11.4 Processing Payroll

11.4.1 The Chief Finance Officer is responsible for:

- specifying timetables for submission of properly authorised time records and other notifications;
- the final determination of pay and allowances;
- making payment on agreed dates;
- agreeing method of payment.

11.4.2 The Chief Finance Officer will issue instructions regarding:

- verification and documentation of data;
- the timetable for receipt and preparation of payroll data and the payment of employees and allowances;
- maintenance of subsidiary records for superannuation, income tax, social security and other authorised deductions from pay;
- security and confidentiality of payroll information;
- checks to be applied to completed payroll before and after payment;
- authority to release payroll data under the provisions of the Data Protection Act;
- methods of payment available to various categories of employee and officers;
- procedures for payment by cheque, bank credit, or cash to employees and officers;
- procedures for the recall of cheques and bank credits;
- pay advances and their recovery;
- maintenance of regular and independent reconciliation of pay control accounts;
- separation of duties of preparing records and handling cash;
- a system to ensure the recovery from those leaving the employment of the CCG of sums of money and property due by them to the CCG.

11.4.3 Appropriately nominated managers and Committee members have delegated responsibility for:

- submitting time records, and other notifications in accordance with agreed timetables;
- completing time records and other notifications in accordance with the Chief Finance Officer’s instructions and in the form prescribed by the Chief Finance Officer;
- submitting termination forms in the prescribed form immediately upon knowing the effective date of an employee’s or officer’s resignation, termination or retirement. Where an employee fails to report for duty or to fulfil sub Committee obligations in circumstances that suggest they have left without notice, the Chief Finance Officer must be informed immediately.

11.4.4 Regardless of the arrangements for providing the payroll service, the Chief Finance Officer shall ensure that the chosen method is supported by appropriate (contracted) terms and conditions, adequate internal controls and audit review procedures and that suitable arrangement are made for the collection of payroll deductions and payment of these to appropriate bodies.
11.5 Contracts of Employment

11.5.1 The Governing Body shall delegate responsibility to an officer for:

(a) ensuring that all employees are issued with a Contract of Employment in a form approved by the Governing Body and which complies with employment legislation; and

(b) dealing with variations to, or termination of, contracts of employment.

12. NON-PAY EXPENDITURE

12.1 Delegation of Authority

12.1.1 The Governing Body will approve the level of non-pay expenditure on an annual basis and the Accountable Officer will determine the level of delegation to budget managers.

12.1.2 The Accountable Officer will set out:

(a) the list of managers who are authorised to place requisitions for the supply of goods and services;

(b) the maximum level of each requisition and the system for authorisation above that level.

12.1.3 The Accountable Officer shall set out procedures on the seeking of professional advice regarding the supply of goods and services.

12.2 Choice, Requisitioning, Ordering, Receipt and Payment for Goods and Services (see overlap with Standing Financial Instruction No. 15)

12.2.1 Requisitioning

The requisitioner, in choosing the item to be supplied (or the service to be performed) shall always obtain the best value for money for the CCG. In so doing, the advice of the CCG’s adviser on supply shall be sought. Where this advice is not acceptable to the requisitioner, the Chief Finance Officer (and/or the Accountable Officer shall be consulted).

12.2.2 System of Payment and Payment Verification

The Chief Finance Officer shall be responsible for the prompt payment of accounts and claims. Payment of contract invoices shall be in accordance with contract terms, or otherwise, in accordance with national guidance.

12.2.3 The Chief Finance Officer will:

(a) advise the Governing Body 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 Standing Financial Instructions and regularly reviewed;

(b) prepare procedural instructions or guidance within the Scheme of Delegation 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. The system shall provide for:

(i) A list of Governing Body and Sub-Committee members/employees (including specimens of their signatures) authorised to certify invoices.

(ii) Certification that:
- goods have been duly received, examined and are in accordance with specification and the prices are correct;

- work done or services rendered have been satisfactorily carried out in accordance with the order, and, where applicable, the materials used are of the requisite standard and the charges are correct;

- in the case of contracts based on the measurement of time, materials or expenses, the time charged is in accordance with the time sheets, the rates of labour are in accordance with the appropriate rates, the materials have been checked as regards quantity, quality, and price and the charges for the use of vehicles, plant and machinery have been examined;

- where appropriate, the expenditure is in accordance with regulations and all necessary authorisations have been obtained;

- the account is arithmetically correct;

- the account is in order for payment.

(iii) A timetable and system for submission to the Chief Finance Officer of accounts for payment; provision shall be made for the early submission of accounts subject to cash discounts or otherwise requiring early payment.

(iv) Instructions to employees regarding the handling and payment of accounts within the Finance Department.

(e) be responsible for ensuring that payment for goods and services is only made once the goods and services are received. The only exceptions are set out in SFI No. 12.2.4 below.

12.2.4 Prepayments

Prepayments are only permitted where exceptional circumstances apply. In such instances:

(a) Prepayments are only permitted where the financial advantages outweigh the disadvantages (i.e. cash flows must be discounted to NPV using the National Loans Fund (NLF) rate plus 2%).

(b) The appropriate officer member of a Sub-Committee must provide, in the form of a written report, a case setting out all relevant circumstances of the purchase. The report must set out the effects on the CCG if the supplier is at some time during the course of the prepayment agreement unable to meet his commitments;

(c) The Chief Finance Officer will need to be satisfied with the proposed arrangements before contractual arrangements proceed (taking into account the EU public procurement rules where the contract is above a stipulated financial threshold);

(d) The budget holder is responsible for ensuring that all items due under a prepayment contract are received and they must immediately inform the appropriate Director or the Accountable Officer if problems are encountered.

12.2.5 Official orders

Official Orders must:

(a) be consecutively numbered;

(b) be in a form approved by the Chief Finance Officer;

(c) state the CCG’s terms and conditions of trade;
(d) only be issued to, and used by, those duly authorised by the Accountable Officer.

12.2.6 Duties of Managers and Officers

Managers and officers must ensure that they comply fully with the guidance and limits specified by the Chief Finance Officer and that:

(a) all contracts (except as otherwise provided for in the Scheme of Delegation), leases, tenancy agreements and other commitments which may result in a liability are notified to the Chief Finance Officer in advance of any commitment being made;

(b) contracts above specified thresholds are advertised and awarded in accordance with EU rules on public procurement;

(c) where consultancy advice is being obtained, the procurement of such advice must be in accordance with guidance issued by the Department of Health;

(d) no order shall be issued for any item or items to any firm which has made an offer of gifts, reward or benefit to directors or employees, other than:

(i) isolated gifts of a trivial character or inexpensive seasonal gifts, such as calendars;

(ii) conventional hospitality, such as lunches in the course of working visits;

(This provision needs to be read in conjunction with Standing Orders and the principles outlined in the national guidance contained in HSG 93(5) “Standards of Business Conduct for NHS Staff”; the Code of Conduct for NHS Managers 2002); and the ABPI Code of Professional Conduct relating to hospitality/gifts from pharmaceutical/external industry.

(e) no requisition/order is placed for any item or items for which there is no budget provision unless authorised by the Chief Finance Officer on behalf of the Accountable Officer;

(f) all goods, services, or works are ordered on an official order except works and services executed in accordance with a contract and purchases from petty cash;

(g) verbal orders must only be issued very exceptionally - by an employee designated by the Accountable Officer and only in cases of emergency or urgent necessity. These must be confirmed by an official order and clearly marked “Confirmation Order”;

(h) orders are not split or otherwise placed in a manner devised so as to avoid the financial thresholds;

(i) goods are not taken on trial or loan in circumstances that could commit the CCG to a future uncompetitive purchase;

(j) changes to the list of members/employees and officers authorised to certify invoices are notified to the Chief Finance Officer.;

(k) purchases from petty cash are restricted in value and by type of purchase in accordance with instructions issued by the Chief Finance Officer;

(l) petty cash records are maintained in a form as determined by the Chief Finance Officer.

12.2.7 The Accountable Officer and Chief Finance Officer shall 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 and Estate code. The technical audit of these contracts shall be the responsibility of the relevant Director.

12.3 Joint Finance Arrangements with Local Authorities and Voluntary Bodies
12.3.1 Payments to local authorities and voluntary organisations made under the powers of section 28A of the NHS Act 1977 shall comply with procedures laid down by the Chief Finance Officer which shall be in accordance with that Acts.

13. FINANCIAL FRAMEWORK

13.3.1 The Chief Finance Officer should ensure that members of the Governing Body and sub-committees are aware of the Financial Framework. This document contains directions which the CCG must follow. It also contains directions to the NHS England regarding resource and capital allocation and funding to CCGs. The Chief Finance Officer should also ensure that the direction and guidance in the framework is followed by the CCG.

14. CAPITAL INVESTMENT, PRIVATE FINANCING, FIXED ASSET REGISTERS AND SECURITY OF ASSETS

14.1 Capital Investment

14.1.1 The Accountable Officer:

(a) shall ensure that there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon plans;

(b) is responsible for the management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost;

(c) shall ensure that the capital investment is not undertaken without confirmation of purchaser(s) support and the availability of resources to finance all revenue consequences, including capital charges.

14.1.2 For every capital expenditure proposal the Accountable Officer shall ensure:

(a) that a business case (in line with the guidance contained within the (Capital Investment Manual) is produced setting out:

   (i) an option appraisal of potential benefits compared with known costs to determine the option with the highest ratio of benefits to costs;

   (ii) appropriate project management and control arrangements;

(b) that the Chief Finance Officer has certified professionally to the costs and revenue consequences detailed in the business case and involved appropriate CCG personnel and external agencies in the process.

14.1.3 For capital schemes where the contracts stipulate stage payments, the Accountable Officer will issue procedures for their management, incorporating the recommendations of Estatecode.

The Chief Finance Officer shall issue procedures for the regular reporting of expenditure and commitment against authorised expenditure.

14.1.4 The approval of a capital programme shall not constitute approval for expenditure on any scheme.

The Accountable Officer shall issue to the manager responsible for any scheme:

(a) specific authority to commit expenditure;

(b) authority to proceed to tender (see overlap with SFI No.8);

(c) approval to accept a successful tender (see overlap with SFI No 8).

The Accountable Officer will issue a scheme of delegation for capital investment management in accordance with Estatecode guidance and the CCG’s Standing Orders.
14.1.5 The Chief Finance Officer shall issue procedures governing the financial management, including variations to contract, of capital investment projects and valuation for accounting purposes. These procedures shall fully take into account the delegated limits for capital schemes included in Annex C of HSC (1999) 246.

14.2 Private Finance (see overlap with SFI No. 8.10)

14.2.1 The CCG should normally test for PFI when considering capital procurement. When the CCG proposes to use finance, which is to be provided other than through its Allocations, the following procedures shall apply:

(a) The Chief Finance Officer shall demonstrate that the use of private finance represents value for money and genuinely transfers significant risk to the private sector.

(b) Where the sum involved exceeds delegated limits, the business case must be referred to the Department of Health or in line with any current guidelines.

(c) The proposal must be specifically agreed by the Governing Body.

14.3 Asset Registers

14.3.1 The Accountable Officer is responsible for the maintenance of registers of assets, taking account of the advice of the Chief Finance Officer concerning the form of any register and the method of updating, and arranging for a physical check of assets against the asset register to be conducted once a year.

14.3.2 Each CCG shall maintain an asset register recording fixed assets. The minimum data set to be held within these registers shall be as specified in the Capital Accounting Manual as issued by the Department of Health.

14.3.3 Additions to the fixed asset register must be clearly identified to an appropriate budget holder and be validated by reference to:

(a) properly authorised and approved agreements, architect’s certificates, supplier’s invoices and other documentary evidence in respect of purchases from third parties;

(b) stores, requisitions and wages records for own materials and labour including appropriate overheads;

(c) lease agreements in respect of assets held under a finance lease and capitalised.

14.3.4 Where capital assets are sold, scrapped, lost or otherwise disposed of, their value must be removed from the accounting records and each disposal must be validated by reference to authorisation documents and invoices (where appropriate).

14.3.5 The Chief Finance Officer shall approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.

14.3.6 The value of each asset shall be indexed to current values in accordance with methods specified in the Capital Accounting Manual issued by the Department of Health.

14.3.7 The value of each asset shall be depreciated using methods and rates as specified in the Capital Accounting Manual issued by the Department of Health.

14.3.8 The Chief Finance Officer of the CCG shall calculate and pay capital charges as specified in the Capital Accounting Manual issued by the Department of Health.

14.4 Security of Assets

14.4.1 The overall control of fixed assets is the responsibility of the Accountable Officer.
14.4.2 Asset control procedures (including fixed assets, cash, cheques and negotiable instruments, and also including donated assets) must be approved by the Chief Finance Officer. This procedure shall make provision for:

(a) recording managerial responsibility for each asset;
(b) identification of additions and disposals;
(c) identification of all repairs and maintenance expenses;
(d) physical security of assets;
(e) periodic verification of the existence of, condition of, and title to, assets recorded;
(f) identification and reporting of all costs associated with the retention of an asset;
(g) reporting, recording and safekeeping of cash, cheques, and negotiable instruments.

14.4.3 All discrepancies revealed by verification of physical assets to fixed asset register shall be notified to the Chief Finance Officer.

14.4.4 Whilst each employee and officer has a responsibility for the security of property of the CCG, it is the responsibility of Governing Body and Committee members and senior employees in all disciplines to apply such appropriate routine security practices in relation to NHS property as may be determined by the Governing Body. Any breach of agreed security practices must be reported in accordance with agreed procedures.

14.4.5 Any damage to the CCG’s premises, vehicles and equipment, or any loss of equipment, stores or supplies must be reported by Governing Body and sub-committee members and employees in accordance with the procedure for reporting losses.

14.4.6 Where practical, assets should be marked as CCG property.

14.5 NHS LIFT

14.5 A CCG planning involvement with LIFT projects should access guidance from the joint DH and Partnerships UK website at www.partnershipsforhealth.co.uk.

15. STORES AND RECEIPT OF GOODS

15.1 General position

15.1.1 Stores, defined in terms of controlled stores and departmental stores (for immediate use) should be:

(a) kept to a minimum;
(b) subjected to annual stock take;
(c) valued at the lower of cost and net realisable value.

15.2 Control of Stores, Stocktaking, condemnations and disposal

15.2.1 Subject to the responsibility of the Chief Finance Officer for the systems of control, overall responsibility for the control of stores shall be delegated to an employee by the Accountable Officer. The day-to-day responsibility may be delegated by him/her to departmental employees and stores managers/keepers, subject to such delegation being entered in a record available to the Chief Finance Officer. The control of any Pharmaceutical stocks shall be the responsibility of a designated Pharmaceutical Officer; the control of any fuel oil and coal of a designated estates manager.
15.2.2 The responsibility for security arrangements and the custody of keys for any stores and locations shall be clearly defined in writing by the designated manager/Pharmaceutical Officer. Wherever practicable, stocks should be marked as health service property.

15.2.3 The Chief Finance Officer shall set out procedures and systems to regulate the stores including records for receipt of goods, issues, and returns to stores and losses.

15.2.4 Stocktaking arrangements shall be agreed with the Chief Finance Officer and there shall be a physical check covering all items in store at least once a year.

15.2.5 Where a complete system of stores control is not justified, alternative arrangements shall require the approval of the Chief Finance Officer.

15.2.6 The designated Manager shall be responsible for a system approved by the Chief Finance Officer for a review of slow moving and obsolete items and for condemnation, disposal, and replacement of all unserviceable articles. The designated Officer shall report to the Chief Finance Officer any evidence of significant overstocking and of any negligence or malpractice (see also overlap with SFI No.16 Disposals and Condemnations, Losses and Special Payments). Procedures for the disposal of obsolete stock shall follow the procedures set out for disposal of all surplus and obsolete goods.

15. Goods supplied by NHS Logistics

15.3.1 For goods supplied via the NHS Logistics central warehouses, the Accountable Officer shall identify those authorised to requisition and accept goods from the store. The authorised person shall check receipt against the delivery note before forwarding this to the Chief Finance Officer who shall satisfy himself that the goods have been received before accepting the recharge.

16. DISPOSALS AND CONDEMNATIONS, LOSSES AND SPECIAL PAYMENTS

16.1 Disposals and Condemnations

16.1.1 Procedures

The Chief Finance Officer must prepare detailed procedures for the disposal of assets including condemnations and ensure that these are notified to managers.

16.1.2 When it is decided to dispose of a CCG asset, the Head of Department or authorised deputy will determine and advise the Chief Finance Officer of the estimated market value of the item, taking account of professional advice where appropriate.

16.1.3 All unserviceable articles shall be:

(a) condemned or otherwise disposed of by an employee authorised for that purpose by the Chief Finance Officer;

(b) recorded by the Condemning Officer in a form approved by the Chief Finance Officer which will indicate whether the articles are to be converted, destroyed or otherwise disposed of. All entries shall be confirmed by the countersignature of a second employee authorised for the purpose by the Chief Finance Officer

16.1.4 The Condemning Officer shall satisfy himself as to whether or not there is evidence of negligence in use and shall report any such evidence to the Chief Finance Officer who will take the appropriate action.

16.2 Losses and Special Payments

16.2.1 Procedures

The Chief Finance Officer must prepare procedural instructions on the recording of and accounting for condemnations, losses, and special payments.
16.2.2 Any employee or officer discovering or suspecting a loss of any kind must either immediately inform their Head of Department, who must immediately inform the Accountable Officer and the Chief Finance Officer or inform an officer charged with responsibility for responding to concerns involving loss. This officer will then appropriately inform the Chief Finance Officer and/or Accountable Officer. Where a criminal offence is suspected, the Chief Finance Officer must immediately inform the police if theft or arson is involved. In cases of fraud and corruption or of anomalies which may indicate fraud or corruption, the Chief Finance Officer must inform the relevant LCFS and Operational Fraud Team (OFT) in accordance with Secretary of State for Health’s Directions.

16.2.3 Suspected fraud

The Chief Finance Officer must notify the NHS Protect and the External Auditor of all frauds.

16.2.4 For losses apparently caused by theft, arson, neglect of duty or gross carelessness, except if trivial, the Chief Finance Officer must immediately notify:

(a) the Governing Body, and
(b) the External Auditor.

16.2.5 Within limits delegated to it by the Department of Health, the Governing Body shall approve the writing-off of losses.

16.2.6 The Chief Finance Officer shall be authorised to take any necessary steps to safeguard the CCG’s interests in bankruptcies and company liquidations.

16.2.7 For any loss, the Chief Finance Officer should consider whether any insurance claim can be made.

16.2.8 The Chief Finance Officer shall maintain a Losses and Special Payments Register in which write-off action is recorded.

16.2.9 No special payments exceeding delegated limits shall be made without the prior approval of the Department of Health.

16.2.10 All losses and special payments must be reported to the Audit Committee at every meeting.

17. INFORMATION TECHNOLOGY

17.1 Responsibilities and duties of the Chief Finance Officer

17.1.1 The Chief Finance Officer, who is responsible for the accuracy and security of the computerised financial data of the CCG, shall:

(a) devise and implement any necessary procedures to ensure adequate (reasonable) protection of the CCG’s data, programs and computer hardware for which the Director is responsible from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Data Protection Act 1998;

(b) ensure that adequate (reasonable) controls exist over data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;

(c) ensure that adequate controls exist such that the computer operation is separated from development, maintenance and amendment;

(d) ensure that an adequate management (audit) trail exists through the computerised system and that such computer audit reviews as the Director may consider necessary are being carried out.

17.1.2 The Chief Finance Officer shall need to ensure 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.

17.1.3 The Head of Information Technology shall publish and maintain a Freedom of Information (FOI) Publication Scheme or adopt a model Publication Scheme approved by the Information Commissioner. A Publication Scheme is a complete guide to the information routinely published by a public authority. It describes the classes or types of information about our CCG that we make publicly available.

17.2 Responsibilities and duties of other Directors and Officers in relation to computer systems of a general application

17.2.1 In the case of computer systems which are proposed General Applications (i.e. normally those applications which the majority of CCGs in the Region wish to sponsor jointly) all responsible directors and employees will send to the Chief Finance Officer:

(a) details of the outline design of the system;

(b) in the case of packages acquired either from a commercial organisation, from the NHS, or from another public sector organisation, the operational requirement.

17.3 Contracts for computer services with other health bodies or outside agencies

The Chief Finance Officer shall ensure that contracts for computer services for financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes.

Where another health organisation or any other agency provides a computer service for financial applications, the Chief Finance Officer shall periodically seek assurances that adequate controls are in operation.

17.4 Requirements for computer systems which have an impact on corporate financial systems

Where computer systems have an impact on corporate financial systems the Chief Finance Officer shall need to be satisfied that:

(a) systems acquisition, development and maintenance are in line with corporate policies such as an Information Technology Strategy;

(b) data produced for use with financial systems is adequate, accurate, complete and timely, and that a management (audit) trail exists;

(c) Chief Finance Officer staff have access to such data;

(d) such computer audit reviews as are considered necessary are being carried out.

18. PATIENTS' PROPERTY

18.1 The CCG has a responsibility to provide safe custody for money and other personal property (hereafter referred to as "property") handed in by patients, in the possession of unconscious or confused patients, or found in the possession of patients dying in hospital or dead on arrival.

18.2 The Accountable Officer is responsible for ensuring that patients or their guardians, as appropriate, are informed before or at admission by:

- Notices and information booklets (subject to sensitivity guidance);
- Hospital admission documentation and property records;
- The oral advice of administrative and nursing staff responsible for admissions.
that the CCG will not accept responsibility or liability for patients' property brought into Health Service premises, unless it is handed in for safe custody and a copy of an official patients' property record is obtained as a receipt.

18.3 The Chief Finance Officer must provide detailed written instructions on the collection, custody, investment, recording, safekeeping, and disposal of patients’ property (including instructions on the disposal of the property of deceased patients and of patients transferred to other premises) for all staff whose duty is to administer, in any way, the property of patients. Due care should be exercised in the management of a patient's money in order to maximise the benefits to the patient.

18.4 Where Department of Health instructions require the opening of separate accounts for patients’ moneys, these shall be opened and operated under arrangements agreed by the Chief Finance Officer.

18.5 In all cases where property of a deceased patient is of a total value in excess of £5,000 (or such other amount as may be prescribed by any amendment to the Administration of Estates, Small Payments, Act 1965), the production of Probate or Letters of Administration shall be required before any of the property is released. Where the total value of property is £5,000 or less, forms of indemnity shall be obtained.

18.6 Staff should be informed, on appointment, by the appropriate departmental or senior manager of their responsibilities and duties for the administration of the property of patients.

18.7 Where patients' property or income is received for specific purposes and held for safekeeping the property or income shall be used only for that purpose, unless any variation is approved by the donor or patient in writing.

19. FUNDS HELD ON TRUST

19.1 Corporate Trustee

(1) Standing Order No. 2.9 outlines the CCG’s responsibilities as a corporate trustee for the management of funds it holds on trust, along with SO 4.9.4 that defines the need for compliance with Charities Commission latest guidance and best practice.

(2) The discharge of the CCG’s corporate trustee responsibilities is distinct from its responsibilities for exchequer funds and may not necessarily be discharged in the same manner, but there must still be adherence to the overriding general principles of financial regularity, prudence and propriety. Trustee responsibilities cover both charitable and non-charitable purposes.

The Chief Finance Officer shall ensure that each trust fund which the CCG is responsible for managing is managed appropriately with regard to its purpose and to its requirements.

19.2 Accountability to Charity Commission and Secretary of State for Health

(1) The trustee responsibilities must be discharged separately, and full recognition given to the CCG’s dual accountabilities to the Charity Commission for charitable funds held on trust and to the Secretary of State for all funds held on trust.

(2) The Schedule of Matters Reserved to the Governing Body and the Scheme of Delegation make clear where decisions regarding the exercise of discretion regarding the disposal and use of the funds are to be taken and by whom. All CCG Governing Body and subcommittee members and CCG officers must take account of that guidance before taking action.

19.3 Applicability of Standing Financial Instructions to funds held on Trust

(1) In so far as it is possible to do so, most of the sections of these Standing Financial Instructions will apply to the management of funds held on trust. (See overlap with SFI No. 17.16).
The over-riding principle is that the integrity of each CCG must be maintained, and statutory and CCG obligations met. Materiality must be assessed separately from Exchequer activities and funds.

20. ACCEPTANCE OF GIFTS BY STAFF AND LINK TO STANDARDS OF BUSINESS CONDUCT

The Chief Finance Officer shall ensure that all staff are made aware of the PCT policy on acceptance of gifts and other benefits in kind by staff. This policy follows the guidance contained in the Department of Health circular HSG (93) 5 ‘Standards of Business Conduct for NHS Staff’; the Code of Conduct for NHS Managers 2002; and the ABPI Code of Professional Conduct relating to hospitality/gifts from pharmaceutical/external industry and is also deemed to be an integral part of these Standing Orders and Standing Financial Instructions.

21. PAYMENTS TO INDEPENDENT CONTRACTORS

21.1 Role of the CCG

The CCG will approve additions to, and deletions from, approved lists of contractors, taking into account the health needs of the local population, and the access to existing services. All applications and resignations received shall be dealt with equitably, within any time limits laid down in the contractors NHS terms and conditions of service.

21.2 Duties of the Accountable Officer

The Accountable Officer shall:

(a) ensure that lists of all contractors, for which the CCG is responsible, are maintained in an up to date condition;

(b) ensure that systems are in place to deal with applications, resignations, inspection of premises, etc., within the appropriate contractor’s terms and conditions of service.

21.3 Duties of the Chief Finance Officer

The Chief Finance Officer shall:

(a) ensure that contractors who are included on a CCG’s approved lists receives payments;

(b) maintain a system of payments such that all valid contractors’ claims are paid promptly and correctly, and are supported by the appropriate documentation and signatures;

(c) ensure that regular independent verification of claims is undertaken, to confirm that:

(i) rules have been correctly and consistently applied;

(ii) overpayments are detected (or preferably prevented) and recovery initiated;

(iii) suspicions of possible fraud are identified and subsequently dealt with in line with the Secretary of State for Health’s Directions on the management of fraud and corruption.

(d) ensure that arrangements are in place to identify contractors receiving exceptionally high, low or no payments, and highlight these for further investigation; and

(e) ensure that a prompt response is made to any query raised by either the Prescription Pricing Division or the Dental Practice Division of the NHS Business Services Authority, regarding claims from contractors submitted directly to them.

22. RETENTION OF RECORDS
22.1 The Accountable Officer shall be responsible for maintaining archives for all records required to be retained in accordance with NHS Code of Practice - Records Management 2006.

22.2 The records held in archives shall be capable of retrieval by authorised persons.

22.3 Records held in accordance with NHS Code of Practice - Records Management 2006, shall only be destroyed at the express instigation of the Accountable Officer. Detail shall be maintained of records so destroyed.

23. RISK MANAGEMENT AND INSURANCE

23.1 Programme of Risk Management

The Accountable Officer shall ensure that the CCG has a programme of risk management, in accordance with current Department of Health assurance framework requirements, which must be approved and monitored by the Governing Body.

The programme of risk management shall include:

a) a process for identifying and quantifying risks and potential liabilities;

b) engendering among all levels of staff a positive attitude towards the control of risk;

c) management processes to ensure all significant risks and potential liabilities are addressed including effective systems of internal control, cost effective insurance cover, and decisions on the acceptable level of retained risk;

d) contingency plans to offset the impact of adverse events;

e) audit arrangements including; internal audit, clinical audit, health and safety review;

f) a clear indication of which risks shall be insured;

g) arrangements to review the risk management programme.

The existence, integration and evaluation of the above elements will assist in providing a basis to make a statement on the effectiveness of internal control within the Annual Report and Accounts as required by current Department of Health guidance.

23.2 Insurance: Risk Pooling Schemes administered by NHSLA

The Governing Body shall decide if the CCG will insure through the risk pooling schemes administered by the NHS Litigation Authority or self-insure for some or all of the risks covered by the risk pooling schemes. If the Governing Body decides not to use the risk pooling schemes for any of the risk areas (clinical, property and employers/third party liability) covered by the scheme this decision shall be reviewed annually.

23.3 Insurance arrangements with commercial insurers

23.3.1 There is a general prohibition on entering into insurance arrangements with commercial insurers. There are, however, three exceptions when CCGs may enter into insurance arrangements with commercial insurers. The exceptions are:

(1) for insuring motor vehicles owned or leased by the CCG including insuring third party liability arising from their use;

(2) where the CCG is involved with a consortium in a Private Finance Initiative contract and the other consortium members require that commercial insurance arrangements are entered into;
(3) where income generation activities take place. Income generation activities should normally be insured against all risks using commercial insurance. If the income generation activity is also an activity normally carried out by the CCG for an NHS purpose the activity may be covered in the risk pool. Confirmation of coverage in the risk pool must be obtained from the NHS Litigation Authority. In any case of doubt concerning a CCG’s powers to enter into commercial insurance arrangements the Chief Finance Officer should consult the Department of Health.

23.4 Arrangements to be followed by the Governing Body in agreeing Insurance cover

(1) Where the Governing Body decides to use the risk pooling schemes administered by the NHS Litigation Authority the Chief Finance Officer shall ensure that the arrangements entered into are appropriate and complementary to the risk management programme. The Chief Finance Officer shall ensure that documented procedures cover these arrangements.

(2) Where the Governing Body decides not to use the risk pooling schemes administered by the NHS Litigation Authority for one or other of the risks covered by the schemes, the Chief Finance Officer shall ensure that the Governing Body is informed of the nature and extent of the risks that are self-insured as a result of this decision. The Chief Finance Officer will draw up formal documented procedures for the management of any claims arising from third parties and payments in respect of losses which will not be reimbursed.

(3) All the risk pooling schemes require Scheme members to make some contribution to the settlement of claims (the ‘deductible’). Chief Finance Officer should ensure documented procedures also cover the management of claims and payments below the deductible in each case.
1. **INTRODUCTION**

1.1. **General**

1.1.1. These prime financial policies and supporting detailed financial policies shall have effect as if incorporated into the Cambridgeshire and Peterborough Clinical Commissioning Group (CCG’s) CCG’s Constitution.

1.1.2. The prime financial policies are part of the CCG’s control environment for managing the organisation’s financial affairs. They contribute to good corporate governance, internal control and managing risks. They enable sound administration, lessen the risk of irregularities and support commissioning and delivery of effective, efficient and economical services. They also help the Accountable Officer and Chief Finance Officer to effectively perform their responsibilities. They should be used in conjunction with the Scheme of Reservation and Delegation which is included as Appendix 4a and 4b in the CCG’s Constitution. Web link provided below.

ADD LINK

1.1.3. In support of these prime financial policies, the CCG has prepared more detailed policies, approved by the Finance Committee known as detailed financial policies. The group refers to these prime and detailed financial policies together as the CCG’s financial policies.

1.1.4. These prime financial policies identify the financial responsibilities which apply to everyone working for the group and its constituent organisations. They do not provide detailed procedural advice and should be read in conjunction Standing Financial Instructions. Integrated Performance and Assurance Committee is responsible for approving all detailed financial policies.

1.1.5. A list of the CCG’s detailed financial policies will be published and maintained on the group’s website.

1.1.6. Should any difficulties arise regarding the interpretation or application of any of the prime financial policies then the advice of the Chief Finance Officer must be sought before acting. The user of these prime financial policies should also be
familiar with and comply with the provisions of the CCG’s Constitution, Standing Orders and Scheme of Reservation and Delegation.

1.1.7. Failure to comply with prime financial policies and Standing Orders can in certain circumstances be regarded as a disciplinary matter that could result in dismissal.

1.2. Overriding Prime Financial Policies

1.2.1. If for any reason these prime financial policies are not complied with, full details of the non-compliance and any justification for non-compliance and the circumstances around the non-compliance shall be reported to the next formal meeting of the CCG’s Audit Committee for referring action or ratification. All of the CCG’s members and employees have a duty to disclose any non-compliance with these prime financial policies to the Chief Finance Officer as soon as possible.

1.3. Responsibilities and delegation

1.3.1. The roles and responsibilities of CCG’s members, employees, members of the Governing Body, members of the Governing Body’s committees and sub-committees, members of the CCG’s committee and sub-committee (if any) and persons working on behalf of the CCG are set out in chapter 5 of the CCG’s constitution and Section 4 of the Governance Handbook.

1.3.2. The financial decisions delegated by members of the CCG are included in the CCG’s Scheme of Reservation and the CCG Delegations, Authorities and Duties which are included in the CCG’s Constitution.

1.4. Contractors and their employees

1.4.1. Any contractor or employee of a contractor who is empowered by the group to commit the group to expenditure or who is authorised to obtain income shall be covered by these instructions. It is the responsibility of the Accountable Officer to ensure that such persons are made aware of this.

1.5. Amendment of Prime Financial Policies

1.5.1. To ensure that these prime financial policies remain up-to-date and relevant, the Audit Committee will review them at annually. Following consultation with the Accountable Officer and scrutiny by the governing body’s audit committee, the Chief Finance Officer will recommend amendments, as fitting, to the CCG Governing Body for approval. As these prime financial policies are an integral part of the CCG’s Constitution, any amendment will not come into force until the group applies to the NHS Commissioning Board and that application is granted.
2. INTERNAL CONTROL

**POLICY** – the group will put in place a suitable control environment and effective internal controls that provide reasonable assurance of effective and efficient operations, financial stewardship, probity and compliance with laws and policies

2.1. The Governing Body is required to establish an Audit Committee with Terms of Reference agreed by the Governing Body.

2.2. The Accountable Officer has overall responsibility for the CCG’s systems of internal control.

2.3. The Chief Finance Officer will ensure that:
   a) financial policies are considered for review and update on an annual basis;
   b) a system is in place for proper checking and reporting of all breaches of financial policies; and
   c) a proper procedure is in place for regular checking of the adequacy and effectiveness of the control environment.

2.4. The CCG Governing Body will also establish a Finance Committee to oversee the financial and performance management of the CCG.

3. AUDIT

**POLICY** – the CCG will keep an effective and independent internal audit function and fully comply with the requirements of external audit and other statutory reviews

3.1. In line with the Terms of Reference for the Audit Committee, the person appointed by the CCG to be responsible for Internal Audit and the Audit Commission appointed External Auditor will have direct and unrestricted access to Audit Committee members and the Chair of the Governing Body, Accountable Officer and Chief Finance Officer for any significant issues arising from audit work that management cannot resolve, and for all cases of fraud or serious irregularity.

3.2. The person appointed by the CCG to be responsible for Internal Audit and the External Auditor will have access to the Audit Committee and the Accountable Officer to review audit issues as appropriate. All Audit Committee members, the Chair of the Governing Body and the Accountable Officer will have direct and unrestricted access to the Head of Internal Audit and External Auditors.

3.3. The Chief Finance Officer will ensure that:
   a) the CCG has a professional and technically competent internal audit function; and
b) the Audit Committee approves any changes to the provision or delivery of assurance services to the CCG.

4. **FRAUD AND CORRUPTION**

| **POLICY** | the CCG requires all staff to always act honestly and with integrity to safeguard the public resources they are responsible for. The CCG will not tolerate any fraud perpetrated against it and will actively chase any loss suffered |

4.1. The Audit Committee will satisfy itself that the CCG has adequate arrangements in place for countering fraud and shall review the outcomes of counter fraud work. It shall also approve the counter fraud work programme.

4.2. The Audit Committee will ensure that the CCG has arrangements in place to work effectively with NHS Protect.

5. **EXPENDITURE CONTROL**

5.1. The CCG is required by statutory provisions to ensure that its expenditure does not exceed the aggregate of allotments from the NHS Commissioning Board and any other sums it has received and is legally allowed to spend.

5.2. The Accountable Officer has overall executive responsibility for ensuring that the group complies with certain of its statutory obligations, including its financial and accounting obligations, and that it exercises its functions effectively, efficiently and economically and in a way, which provides good value for money.

5.3. The Chief Finance Officer will:

   a) provide reports in the form required by the NHS Commissioning Board;

   b) ensure money drawn from the NHS Commissioning Board is required for approved expenditure only and is drawn down only at the time of need and follows best practice;

   c) be responsible for ensuring that an adequate system of monitoring financial performance is in place to enable the group to fulfil its statutory responsibility not to exceed its expenditure limits, as set by direction of the NHS Commissioning Board.

6. **ALLOTMENTS**

6.1. The CCG’s Chief Finance Officer will:

   a) periodically review the basis and assumptions used by the NHS Commissioning Board for distributing allotments and ensure that these are reasonable and realistic and secure the group’s entitlement to funds;
b) prior to the start of each financial year submit to the Governing Body for approval a report showing the total allocations received and their proposed distribution including any sums to be held in reserve; and

c) regularly update the Integrated Performance and Assurance Committee and Governing Body on significant changes to the initial allocation and the uses of such funds.

7. COMMISSIONING STRATEGY, BUDGETS, BUDGETARY CONTROL AND MONITORING

| POLICY – the CCG will produce and publish an Annual Commissioning Plan that explains how it proposes to discharge its financial duties. The CCG will support this with comprehensive medium term financial plans and annual budgets |

7.1. The Accountable Officer will compile and submit to the Governing Body a Commissioning Strategy which takes into account financial targets and forecast limits of available resources.

7.2. Prior to the start of the financial year, the Chief Finance Officer will, on behalf of the Accountable Officer, prepare and submit budgets for approval by the CCG Governing Body.

7.3. The Chief Finance Officer shall monitor financial performance against budget and plan, periodically review them, and report to the Integrated Performance and Assurance Committee and Governing Body. This Report should include explanations for variances. These variances must be based on any significant departures from agreed financial plans or budgets.

7.4. The Accountable Officer is responsible for ensuring that information relating to the CCG’s Accounts or to its income or expenditure, or its use of resources is provided to the NHS Commissioning Board as requested.

7.5. The Governing Body will approve consultation arrangements for the CCG’s Commissioning Plan.

8. ANNUAL ACCOUNTS AND REPORTS

| POLICY – the CCG will produce and submit to the NHS Commissioning Board accounts and reports in accordance with all statutory obligations, relevant accounting standards and accounting best practice in the form and content and at the time required by the NHS Commissioning Board |

8.1. The Chief Finance Officer will ensure the CCG:

   a) prepares a timetable for producing the Annual Report and Accounts and agrees it with External Auditors and the CCG’s Governing Body;
b) prepares the Accounts according to the timetable approved by the CCG Governing Body to meet the requirements of the National Commissioning Body;

c) complies with statutory requirements and relevant directions for the publication of Annual Report;

d) considers the External Auditor’s management letter and fully address all issues within agreed timescales; and

e) publishes the External Auditor’s management letter on the CCG’s website.

9. INFORMATION TECHNOLOGY

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<th>POLICY – The CCG will ensure the accuracy and security of the CCG’s computerised financial data</th>
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9.1. The Chief Finance Officer is responsible for the accuracy and security of the CCG’s computerised financial data and shall

a) devise and implement any necessary procedures to ensure adequate (reasonable) protection of the group’s data, programs and computer hardware from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the Data Protection Act 1998;

b) ensure that adequate (reasonable) controls exist over data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;

c) ensure that adequate controls exist such that the computer operation is separated from development, maintenance and amendment;

d) ensure that an adequate management (audit) trail exists through the computerised system and that such computer audit reviews as the Chief Finance Officer may consider necessary are being carried out.

9.2. In addition, the Chief Finance Officer shall ensure 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.

10. ACCOUNTING SYSTEMS

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<th>POLICY – the CCG will run an accounting system that creates management and financial accounts</th>
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10.1. The Chief Finance Officer will ensure:
a) the CCG has suitable financial and other software to enable it to comply with these policies and any consolidation requirements of the NHS Commissioning Board;

b) that contracts for computer services for financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes.

10.2. Where another health organisation or any other agency provides a computer service for financial applications, the Chief Finance Officer shall periodically seek assurances that adequate controls are in operation.

11. BANK ACCOUNTS

**POLICY** – the CCG will keep enough liquidity to meet its current commitments

11.1. The Chief Finance Officer will:

a) review the banking arrangements of the group at regular intervals to ensure they are in accordance with Secretary of State directions, best practice and represent best value for money;

b) manage the CCG's banking arrangements and advise the group on the provision of banking services and operation of accounts;

c) prepare detailed instructions on the operation of bank accounts.

11.2. The **Audit Committee** shall approve the banking arrangements.

12. INCOME, FEES AND CHARGES AND SECURITY OF CASH, CHEQUES AND OTHER NEGOTIABLE INSTRUMENTS.

**POLICY** – the CCG will

- operate a sound system for prompt recording, invoicing and collection of all monies due
- seek to maximise its potential to raise additional income only to the extent that it does not interfere with the performance of the CCG or its functions
- ensure its power to make grants and loans is used to discharge its functions effectively

12.1. The Chief Finance Officer is responsible for:

a) designing, maintaining and ensuring compliance with systems for the proper recording, invoicing, and collection and coding of all monies due;
b) establishing and maintaining systems and procedures for the secure handling of cash and other negotiable instruments;

c) approving and regularly reviewing the level of all fees and charges other than those determined by the NHS Commissioning Board or by statute. Independent professional advice on matters of valuation shall be taken as necessary;

d) developing effective arrangements for making grants or loans.

13. TENDERING AND CONTRACTING PROCEDURE

**POLICY – the CCG:**

- will ensure proper competition that is legally compliant within all purchasing to ensure we incur only budgeted, approved and necessary spending
- will seek value for money for all goods and services
- shall ensure that competitive tenders are invited for
  - the supply of goods, materials and manufactured articles;
  - the rendering of services including all forms of management consultancy services (other than specialised services sought from or provided by the Department of Health); and
  - for the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens) for disposals

13.1. The CCG shall ensure that the firms / individuals invited to tender (and where appropriate, quote) are among those on approved lists or where necessary a framework agreement. Where in the opinion of the Chief Finance Officer it is desirable to seek tenders from firms not on the approved lists, the reason shall be recorded in writing to the Audit Committee

13.2. The CCG Governing Body and Clinical Executive in line with the Scheme of Delegation may only negotiate contracts on behalf of the Group, and the CCG may only enter into contracts, within the statutory framework set up by the 2006 Act, as amended by the 2012 Act. Such contracts shall comply with:

a) the CCG’s Standing Orders;

b) the Public Contracts Regulation 2006, any successor legislation and any other applicable law; and

c) take into account as appropriate any applicable NHS Commissioning Board or the Independent Regulator of NHS Foundation Trusts (NHS Improvement) guidance that does not conflict with (b) above.

13.3. In all contracts entered into, the CCG shall endeavour to obtain best value for money. The Accountable Officer shall nominate an individual who shall oversee and manage each contract on behalf of the CCG.

14. COMMISSIONING
POLICY – working in partnership with relevant national and local stakeholders, the group will commission certain health services to meet the reasonable requirements of the persons for whom it has responsibility

14.1. The CCG will coordinate its work with the NHS Commissioning Board, other clinical commissioning groups, local providers of services, local authority(ies), including through Health & Wellbeing Boards, patients and their carers and the voluntary sector and others as appropriate to develop robust commissioning plans.

14.2. The Accountable Officer will establish arrangements to ensure that regular reports are provided to the Integrated Performance and Assurance Committee and CCG Governing Body detailing actual and forecast expenditure and activity for each contract.

14.3. The Chief Finance Officer will maintain a system of financial monitoring to ensure the effective accounting of expenditure under contracts. This should provide a suitable audit trail for all payments made under the contracts whilst maintaining patient confidentiality.

15. RISK MANAGEMENT AND INSURANCE

POLICY – the group will put arrangements in place for evaluation and management of its risks

15.1. The CCG will establish a robust Risk Management Policy to support the evaluation and management of risk. This will include an Assurance Framework which assesses the risks of the CCG achieving its Strategic Objectives and will be linked to individual Directorate Registers. The Assurance Framework will be reviewed by the Clinical Executive and other Sub-Committees of the Governing Body during a two-month cycle. The Audit Committee will oversee the process and provide assurance to the Governing Body of the overall Risk Management Policy.

16. PAYROLL

POLICY – the CCG will put arrangements in place for an effective payroll service

16.1. The Chief Finance Officer will ensure that the payroll service selected:

a) is supported by appropriate (i.e. contracted) terms and conditions;

b) has adequate internal controls and audit review processes;

c) has suitable arrangements for the collection of payroll deductions and payment of these to appropriate bodies.
16.2. In addition, the Chief Finance Officer shall set out comprehensive procedures for the effective processing of payroll.

17. **NON-PAY EXPENDITURE**

**POLICY** – the group will seek to obtain the best value for money goods and services received

17.1. The CCG will approve the level of non-pay expenditure on an annual basis and the Accountable Officer will determine the level of delegation to budget managers

17.2. The Accountable Officer shall set out procedures on the seeking of professional advice regarding the supply of goods and services.

17.3. The Chief Finance Officer will:

a) advise the CCG Governing Body on 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 the scheme of reservation and delegation;

b) be responsible for the prompt payment of all properly authorised accounts and claims;

c) be responsible for designing and maintaining a system of verification, recording and payment of all amounts payable.

18. **CAPITAL INVESTMENT, FIXED ASSET REGISTERS AND SECURITY OF ASSETS**

**POLICY** – the CCG will put arrangements in place to manage capital investment, maintain an asset register recording fixed assets and put in place polices to secure the safe storage of the group’s fixed assets

18.1. The Accountable Officer will

a) ensure that there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon plans;

b) be responsible for the management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost;

c) ensure that the capital investment is not undertaken without confirmation of purchaser(s) support and the availability of resources to finance all revenue consequences, including capital charges;

d) be responsible for the maintenance of registers of assets, taking account of the advice of the Chief Finance Officer concerning the form of any register
and the method of updating, and arranging for a physical check of assets against the asset register to be conducted once a year.

18.2. The Chief Finance Officer will prepare detailed procedures for the disposals of assets.

19. **RETENTION OF RECORDS**

**POLICY** – the CCG will put arrangements in place to retain all records in accordance with NHS Code of Practice Records Management 2006 and other relevant notified guidance

19.1. The Accountable Officer shall:

a) be responsible for maintaining all records required to be retained in accordance with NHS Code of Practice Records Management 2006 and other relevant notified guidance;

b) ensure that arrangements are in place for effective responses to Freedom of Information requests;

c) publish and maintain a Freedom of Information Publication Scheme.

20. **TRUST FUNDS AND TRUSTEES**

**POLICY** – the CCG will put arrangements in place to provide for the appointment of Trustees if the group holds property on trust

20.1. The Chief Finance Officer shall ensure that each trust fund which the group is responsible for managing is managed appropriately with regard to its purpose and to its requirements.