

Blue changes denote the proposed changes following the Chair/legal review

Red changes denote the proposed changes by NHS England

## AUDIT COMMITTEE

### TERMS OF REFERENCE

#### 1. CONSTITUTION

1.1 The Audit Committee (the Committee) is constituted as a standing committee of the Governing Body, the terms of reference of which are set out below. The Committee is a ~~non-executive~~ committee of the Governing Body and has ~~no executive powers, other than those specifically delegated~~ the functions set out in these Terms of Reference.

1.2 The terms of reference shall be reviewed by the Governing Body, and any resulting changes to the terms of reference of membership of the Committee shall be approved by the Governing Body and NHS England.

#### 2. MEMBERSHIP

2.1 Members of the Committee shall be appointed by the Governing Body and may include individuals who are not members of the Governing Body.

2.2 The lay member for governance on the Governing Body with a lead role in overseeing key elements of governance shall chair the Committee. In addition to the Chair, the Committee will comprise of one other Governing Body Lay Member, a GP from the Governing Body, and the Governing Body Registered Nurse Member ~~Governing Body nurse~~. In addition, two CCG independent non-Governing Body lay members will be members of the Committee. ~~The Committee may appoint a vice Chair. The Deputy Chair shall be the Governing Body lay member for public and patient involvement.~~

2.3 The CCG Chair and the CFO shall not be a member of the Committee but may be invited to attend meetings as relevant.

2.4 Members shall be appointed for a period of up to three years. Members shall be eligible for reappointment but may not serve more than three consecutive terms or nine years, whichever is the lesser.

#### 3. MEETINGS AND VOTING

3.1 The Committee will operate in accordance with the CCG's Standing Orders. The Corporate Office 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 7 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.

3.2 The Committee shall adopt the Standing Orders of the Group insofar as they relate to the:

- a) Notice of meetings;
- b) Handling of meetings;
- c) Agendas;
- d) Circulation of papers; and
- e) Conflicts of interest.

3.3 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.

3.4 Meetings shall not be held in public.

#### **4. ATTENDANCE**

4.1 The Committee can require the attendance of any officer of the CCG as required.

4.2 The ~~Secretary and General Counsel~~ Corporate Office shall service the Committee.

4.3 A quorum shall be ~~one third of the total number of members~~ two of the six members including and the Chair and shall include at least one Lay Member or person who is not a member of the Governing Body.

#### **5. FREQUENCY**

5.1 The Committee shall meet as necessary, normally every quarter and not less than four times per year. Members are expected to attend every meeting but must attend at least two meetings each year.

5.2 The External Auditor or Head of Internal Audit may request a meeting at any time.

#### **6. AUTHORITY**

6.1 The Committee is authorised by the 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 cooperate with any request made by the Committee. The Committee is authorised by the Governing Body to obtain legal or other independent professional advice and to secure the attendance of anyone with relevant experience and expertise if it considers this necessary.

6.2 ~~Meetings shall not be held in public.~~

#### **7. REMIT AND FUNCTION OF THE COMMITTEE**

7.1 The role of the Committee is to provide the Governing Body with an independent and objective view of the CCG's compliance with its statutory responsibilities. It is also responsible for arranging appropriate internal and external audit. In order to discharge this role, the Committee will:

7.1.1 Review the establishment and maintenance of, and adherence to, an effective system of integrated governance, risk management and internal control;

7.1.2 Reviewing the adequacy and effectiveness of the policies and procedures for all work related to fraud and corruption;

7.1.3 Review and advise the Governing Body on proposed changes to Standing Orders and Standing Financial Instructions;

7.1.4 Monitor compliance with the Standing Orders;

7.1.5 Monitor and Review financial statements and performance information;

7.1.6 Review the Internal Audit Strategy and Plans, ensuring co-ordination between the

Internal and External Auditors, and ensuring that the Internal Audit function is adequately resourced.

- 7.1.7 Review the findings from the Internal Audit Programme and ensure appropriate management action has been taken.
- 7.1.8 Review any schedules of Losses and Compensation payments.
- 7.1.9 Review External Audit reports and ensure that appropriate management action has been taken.
- 7.1.10 Monitor the implementation of policy on standards of business conduct for members and staff.
- 7.1.11 Consider issues related to value for money and specifically to examine efficiency, and effectiveness of support services provided to the CCG.
- 7.1.12 Provide assurance to the Governing Body that appropriate Governance and Risk Management arrangements are in place to enable the annual Governance Statement to be signed.
- 7.1.13 Keep the Governing Body fully informed of all significant risks which may impact on the CCG's strategic direction and business planning process and to report to the Governing Body on the management of significant risks.
- 7.1.14 Review annually and ensure the development of the CCG's Assurance Frameworks.
- 7.1.15 Review the systems for financial reporting to the Governing Body, including those of budgetary control to ensure that they are subject to review as to the completeness and accuracy of the information provided to the Governing Body.
- 7.1.16 Monitor compliance with Whistle-blowing and related Speaking-Out procedures and disclosures.
- 7.1.17 Monitor compliance with Anti-Money Laundering procedures.
- 7.1.18 Review Declarations of Interest made by staff, GPs and Member Practices with particular reference to the resolution of conflicts within the Primary Care Commissioning Committee.
- 7.1.19 Consider other matters as referred by the Governing Body from time to time.

## **8. REPORTING**

- 8.1 Minutes of each meeting will be recorded and there shall be a presumption that they shall be submitted to the public session of the Governing Body at its next meeting after those minutes have been formally approved by the Chair of the meeting unless otherwise decided by the Committee, in which case they shall go to the confidential session.
- 8.2 The Committee will report to the Governing Body annually on its work in support of the Governance Statement, specifically commenting on the fitness for purpose of the assurance framework, the completeness and extent to which risk management is embedded in the organisations, the integration of governance arrangements, and the Committee's own report on compliance with its Terms of Reference.

**9. SUB-COMMITTEES**

- 9.1 The Audit Committee may establish sub-committees for specific areas of work.
- 9.2 Where it does so it will keep sub-committee arrangements under regular review to ensure relevance and effectiveness.
- 9.3 Minutes of any sub-committees will be presented to the Committee as soon as they have been approved by the relevant sub-committee.

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## PRIMARY CARE COMMISSIONING COMMITTEE

### TERMS OF REFERENCE

#### Introduction

1. Simon Stevens, the Chief Executive of NHS England, announced on 1 May 2014 that NHS England was inviting 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.
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 of the Delegation Agreement to NHS Dorset CCG ("the CCG"). ~~to those Terms of Reference to NHS Dorset CCG (the CCG).~~ The delegation is set out in Schedule 1 below.
3. The CCG has established the NHS Dorset 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.
4. ~~It is a committee comprising representatives of the following organisations set out in paragraphs 18 and 23 below:-~~
  - ~~NHS Dorset CCG~~

#### Statutory Framework

4. 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.
5. 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.
6. 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).
7. The CCG will also need to specifically, in respect of the delegated functions from NHS England, exercise those in accordance with the relevant provisions of section 13 of the NHS Act.
  8. The Committee is established as a committee of the Governing Body of NHS Dorset CCG in accordance with Schedule 1A of the "NHS Act".
  9. The members acknowledge that the Committee is subject to any directions made by NHS England or by the Secretary of State.

## **Role of the Committee**

10. 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 in Dorset, under delegated authority from NHS England.
11. 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 Dorset CCG, which will sit alongside the delegation and terms of reference.
12. 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.
13. 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.
14. This includes the following:
  - 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);
  - Newly designed enhanced services ("Local Enhanced Services" and "Directed Enhanced Services");
  - Design of local incentive schemes as an alternative to the Quality Outcomes Framework (QOF);
  - Decision making on whether to establish new GP practices in an area;
  - Approving practice mergers; and
  - Making decisions on 'discretionary' payment (e.g., returner/retainer schemes).
15. The CCG will also carry out the following activities:
  - (a) To plan, including needs assessment, primary medical care services in Dorset
  - (b) To develop and oversee the implementation of a primary care strategy;
  - (c) To secure the provision of comprehensive and high quality primary medical services in Dorset
  - (d) To co-ordinate a common approach to the commissioning of primary care services generally;
  - (e) To make decisions on investment on the infrastructure of primary medical services, to ensure adequate and high-quality provision as well as value for money for the public.
  - (f) To undertake reviews of primary medical care services in Dorset;
  - (g) To manage the budget for commissioning of primary medical care services in Dorset.

## **Geographical Coverage**

16. The Committee will cover the NHS Dorset CCG area.

## Membership

17. The Committee shall consist of:
  - (a) ~~2 Primary Care lead GPs and one further~~ Two GP Members of the Governing Body;
  - (b) Two Lay Members;
  - (c) The Accountable Officer;
  - (d) The Chief Finance Officer;
  - (e) Director of Primary and Community Care (or such other name as the substantive post may be given);
  - (f) the Director of Nursing and Quality;
  - (g) the Director of Public Health (or Deputy)
18. The Committee shall at all times have a lay and executive majority.
19. The membership will meet the requirements of the Group's Constitution.
20. The Chair and ~~Vice Deputy~~ Chair of the Committee shall be Lay Members of the Group. In the absence of the Chair and ~~Vice Deputy~~ Chair any executive member may be appointed by members to chair a meeting.
21. The appointment process for future Chair and ~~Vice- Deputy~~ Chair will be determined by the Governing Body at the time of any future appointment or reappointment.
22. The Committee shall extend to the following individuals a standing invitation to join the Committee as non-voting attendees:
  - a) A Local HealthWatch representative; and
  - b) A representative from the relevant Health and Wellbeing Board
  - c) A representative from NHS England.
  - d) An LMC representative
  - e) A representative of the Public Health function of any relevant Local Authority
23. The Committee can require the attendance at any of its meetings of any officer of the Group as required.
24. The Committee may request the attendance at any of its meetings of one or more of its Members' practice managers and practice nurses or any other ~~Locality Lead-Governing~~ Body GP Member who is not a member of the Committee.

## Meetings and Voting

25. The Committee will operate in accordance with the CCG's Standing Orders. The ~~Secretary to the Committee~~ Corporate Office 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 7 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.
26. The Committee shall adopt the Standing Orders of the Group insofar as they relate to the:
  - f) Notice of meetings;
  - g) Handling of meetings;
  - h) Agendas;
  - i) Circulation of papers; and
  - j) Conflicts of interest.

27. 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.

### Quorum

28. The quorum shall be ~~four of the ten members. one third of the total number of members.~~  
four out of the nine members.

### Frequency of meetings

29. The Committee shall meet no less than four times per year. Meetings of the Committee:
30. Shall, subject to the application of paragraph 33 be held in public.
31. 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.
32. 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.
33. 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.
34. Members of the Committee shall respect confidentiality requirements as set out in the Standing Orders referred to above unless separate confidentiality requirements are set out for the Committee in which event these shall be observed.
35. The ~~Corporate Office Secretary and the General Counsel~~ ("Secretariat") of the Group shall service the Committee.
36. The ~~Secretariat to the Committee~~ Corporate Office will:
- 36.1 Circulate the action notes of the Committee with 3 working days of approval of draft minutes by the Chair to all members.
- 36.2 ~~Present~~ Send the agreed minutes and action notes to ~~the Wessex Area Team of~~ NHS England and the Governing Body of the Group.
37. 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.

38. The Committee may call additional experts to attend meetings on an ad hoc basis to inform discussions.
39. Members of the Committee shall respect confidentiality requirements as set out in the CCG's Constitution.
40. The Committee will present its minutes to NHS England and the Governing Body of NHS Dorset CCG following each meeting for information, including the minutes of any sub-committees to which responsibilities are delegated. ~~under paragraph 27 above.~~
41. The CCG will also comply with any reporting requirements set out in its constitution.
42. It is envisaged that these Terms of Reference will be reviewed from time to time, reflecting experience of the Committee in fulfilling its functions. NHS England may also issue revised model terms of reference from time to time.

## **Accountability of the Committee**

The Committee is authorised to determine matters within its remit where those matters involve expenditure up to the limit delegated to the Accountable Officer under the Scheme of Delegation, relating to expenditure within the NHS. Where the expenditure involved exceeds these sums the Committee is authorised to make representations to the Governing Body in respect of those matters.

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

## **Procurement of Agreed Services**

The detailed arrangements regarding procurement will be set out in the delegation agreement and any relevant NHS England guidance.

## **Decisions**

43. The Committee will make decisions within the bounds of its remit.
44. The decisions of the Committee shall be binding on NHS Dorset CCG.
45. The Committee will produce an executive summary report which will be presented to NHS England and the Governing Body of NHS Dorset the CCG periodically for information.

## **Schedule 1 – Delegation**

[Delegation Agreement \(NHS England\)](#).

Blue changes denote the proposed changes following the Chair/legal review

Red changes denote the proposed changes by NHS England

## REMUNERATION COMMITTEE

### TERMS OF REFERENCE

#### 1. CONSTITUTION

- 1.1 The Remuneration Committee (the Committee) is constituted as a standing committee of the Governing Body, the terms of reference of which are set out below. The Committee is a ~~non-executive~~ committee of the Governing Body and has ~~the functions set out in~~ ~~no~~ ~~executive powers other than those specifically delegated~~ in these Terms of Reference.
- 1.2 The terms of reference shall be reviewed by the Governing Body, and any resulting changes to the terms of reference or membership of the Committee shall be approved by the Governing Body ~~and NHS England~~.

#### 2. MEMBERSHIP

- 2.1 The Committee shall be appointed by the Governing Body and may only include individuals who are members of the Governing Body. The Remuneration Committee shall comprise of the CCG Chair, the Governing Body Lay Member (who is the Primary Care Commissioning Committee Chair and Deputy CCG Chair), the Governing Body lay member (for Patient and Public Involvement), the Governing Body lay member (for Governance), ~~a Locality Lead (who has been appointed Assistant Clinical Chair),~~ ~~the~~ ~~Assistant Clinical Chair,~~ the Secondary Care Specialist and the Registered Nurse Specialist. The ~~Chair of the Remuneration Committee shall be the Governing Body Lay Member for Patient and Public Involvement and the Deputy Chair of the Remuneration Committee shall be the Governing Body lay member (who is the Primary Care Commissioning Committee Chair and Deputy CCG Chair).~~ ~~Governing Body shall appoint the Chair of the Remuneration Committee.~~ The Chair of the CCG shall not Chair the Remuneration Committee and members of the Governing Body other than Lay Members are disqualified from being Chair of the Remuneration Committee.
- 2.2 The Director of Engagement and Development will advise the Committee on HR issues.
- 2.3 The ~~Secretary and General Counsel~~ ~~Corporate Office~~ ~~will~~ ~~service~~ the Committee.
- 2.4 The quorum shall be four of the seven members. ~~including the Chair.~~
- 2.5 ~~No member of the Committee should be present for discussion about their own remuneration and/or terms of service.~~

#### 3. MEETINGS AND VOTING

- 3.1 The Committee will operate in accordance with the CCG's Standing Orders. The Corporate Office 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 7 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.

3.2 The Committee shall adopt the Standing Orders of the Group insofar as they relate to the:

- (a) Notice of meetings;
- (b) Handling of meetings;
- (c) Agendas;
- (d) Circulation of papers; and
- (e) Conflicts of interest.

3.3 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 of the Committee having a second and deciding vote, if necessary. However, the aim of the Committee will be to achieve consensus decision-making wherever possible.

#### 4. ATTENDANCE

4.1 The Committee can require the attendance and assistance of any employee of the CCG. However, no member of staff should be present for discussion about their own remuneration and/or terms of service.

#### 5. FREQUENCY

5.1 The Committee will normally meet four times a year but can meet on other occasions as necessary.

#### 6. AUTHORITY

6.1 The Committee is authorised to act within its terms of reference in recommending to the Governing Body the remuneration and other terms of service for the Accountable Officer and Directors ~~and other members of the senior team.~~

#### 7. REMIT AND FUNCTION

7.1 The Committee shall:

7.1.1 Review the appraisal of the performance of the Accountable Officer and Directors ~~and other appropriate members of the senior team.~~

7.1.2 Recommend to the Governing Body the remuneration and terms of service and annual salary awards of the Accountable Officer and Directors. ~~and other appropriate members of the senior team and annual salary awards.~~

7.1.3 Recommend to the Governing Body special severance payments of the Accountable Officer, Directors and all other staff, subject to receiving HM Treasury (if necessary) approval in accordance with any current guidance.

7.1.4 Consider and make recommendations to the Governing Body regarding any significant structural changes, Director and Directorate structures, and the wider system implications of any internal changes.

~~7.1.5 Determine a matter where the Governing Body is unable to determine the matter because of an inability to form a quorum and has specifically delegated to the Committee a matter or matters to be determined by the Committee on behalf of the Governing Body.~~

7.1.5 Determine any matter delegated to it by the Governing Body.

7.2 Additionally the Chief Officer may refer other matters to the Remuneration Committee for advice or decision where that is appropriate.

## **8. REPORTING**

~~8.1 Minutes of each meeting will be recorded and submitted to the non-officer members of the Governing Body at the next meeting after those minutes have been approved by the Committee.~~

8.1 The Committee will report to the Governing Body as appropriate, setting out its recommendations for Governing Body approval and determination on those matters where this is required.

8.2 On matters where the Committee has delegated decision-making, it shall report to the Governing Body on its decision-making and note any matters arising for consideration by the Governing Body.

8.3 The approved minutes of each Committee meeting will be provided to the Governing Body.

~~8.2 The Chair may report recommendations and determinations to the Governing Body at any time.~~

## **9. SUB-COMMITTEE**

9.1 The Committee may establish sub-committees for specific areas of work.

9.2 Where it does so it will keep the sub-committee arrangements under regular review to ensure relevance and effectiveness.

9.3 Minutes for any sub-committees will be presented to the Committee as soon as they have been approved by the relevant sub-committee.

9.4 The Committee shall conduct its business in accordance with the Nolan principles of public life.

9.5 The Committee will, annually, review its own performance, membership and terms of reference.