GOVERNING BODY REPORT

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<tr>
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<tr>
<th>Title</th>
<th>Approval of Constitution Amendments</th>
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<tr>
<td>Lead Chief Officer</td>
<td>Amanda Lyes – Director of Corporate Services and System Infrastructure</td>
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<td>Author(s)</td>
<td>Colin Boakes – Independent Governance Advisor</td>
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<td>Purpose</td>
<td>To approve necessary amendments to the CCG Constitution to reflect the closer working relationship with North East Essex CCG and the appointment of a joint executive management team</td>
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**Applicable CCG Clinical Priorities: N/A**

1. To promote self care
2. To ensure high quality local services where possible
3. To improve the health of those most in need
4. To improve health & educational attainment for children and young people
5. To improve access to mental health services
6. To improve outcomes for patients with diabetes to above national averages
7. To improve care for frail elderly individuals
8. To allow patients to die with dignity and compassion and to choose their place of death where appropriate
9. To ensure that the CCG operates within agreed budgets

**Action required by Governing Body:**

Approval
1. **Background**

1.1 In view of the closer working relationship between the Suffolk CCGs and the North East Essex CCGs, it is necessary to amend the existing CCG Constitutions to reflect this and the new combined senior management arrangements.

2. **Key Issues**

2.1 As the individual CCGs remain separate statutory bodies, the amendments are purely administrative and do not alter the key tenets of the CCGs existing Constitution.

2.2 The proposed amendments, highlighted in red for ease of reference, reflect the new executive management arrangements and post titles together with relevant references to combined working.

2.3 The amendments have been discussed and approved by the Clinical Executive Committee.

2.4 Following Governing Body approval, the amended Constitution will be presented to NHS England for final approval. As these are only administrative changes, it is anticipated that this will be a straightforward process.

2.5 The same changes are also being applied to the West Suffolk and North East Essex CCG Constitutions.

2.6 Work on a new Constitution based on the recently published NHS England template will commence in due course.

3. **Patient and Public Engagement**

N/A

4. **Recommendation**

4.1 The Governing Body is requested to approve the Constitution amendments, communication with member practices, and authorise submission to NHS England.
NHS IPSWICH AND EAST SUFFOLK
CLINICAL COMMISSIONING GROUP

CONSTITUTION

NHS England Effective Date: 1 April 2013
Formal review date: March 2014
Reviewed: 17 May 2017
Updated: November 2018
Further Update: August 2019
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This Constitution sets out the arrangements made by NHS Ipswich and East Suffolk Clinical Commissioning Group to meet its responsibilities for commissioning care for the people for whom it is responsible. It describes the governing principles, rules and procedures that the Group will establish to ensure probity and accountability in the day to day running of the Group; to ensure that decisions are taken in an open and transparent way and that the interests of patients and the public remain central to the goals of the Group.

The Constitution includes:
- The name of the Group
- The membership of the Group
- The area of the Group
- The arrangements for the discharge of the Group’s functions and those of its Governing Body
- The procedure to be followed by the Group and its Governing Body in making decisions and securing transparency in its decision making
- Arrangements for discharging the Group’s duties in relation to registers of interests and managing conflicts of interests
- Arrangements for securing the involvement of persons who are, or may be, provided with services commissioned by the Group in certain aspects of those commissioning arrangements and the principles that underpin these

The Constitution applies to the following, all of whom are required to adhere to it as a condition of their appointment:
- The Group’s Member practices
- The Group’s employees
- Individuals working on behalf of the Group and
- Anyone who is a member of the Group’s Governing Body (including the Governing Body’s Clinical Executive, audit and remuneration committees)
- Anyone who is a member of any other committee(s) or sub-committees established by the Group (including the Council of Members) or its Governing Body.

The Governing Body will commit to:
- Transparency and openness in its dealings with Members with regard to decisions made;
- Providing a voice for Members on commissioning decisions, paying attention to the needs of individual localities through the governance structures set out in this Constitution;
- Ensuring that local clinical opinion is the key driver in the further development of local secondary and acute services;
- Communicate decisions and developments to all Members (regardless of contractual status) in timely fashion;
- Engaging with the Suffolk Local Medical Committee;
- Assuring the stability of general practice to provide a basis for sound commissioning decisions within the health economy.
Members commit to work together with a strong clinical and multi-professional focus to develop and deliver the objectives of the Ipswich & East Suffolk Clinical Commissioning Group.

This Constitution sets out the framework for the way in which the Group will operate. In developing the Constitution, our Members have worked together to ensure that the Group will be able to serve local patients and the population effectively. Decisions about local health services will be led by clinicians, with strong representation from patients and the population, and will be made in an open, transparent and responsive way. We will continue to keep the Constitution under review to meet these goals.

Please note that descriptions of the defined terms in this Constitution are set out in Appendix A.

Dr Mark Shenton Chair
1. **INTRODUCTION AND COMMENCEMENT**

1.1 **Name**

1.1.1 The name of this clinical commissioning group is NHS Ipswich and East Suffolk Clinical Commissioning Group (the Group).

1.2 **Statutory Framework**

1.2.1 The Group is established under the 2006 Act (as amended by the 2012 Act).¹ It is a statutory body which has the function of commissioning services for the purposes of the health service in England and is an NHS body for the purpose of the 2006 Act.² The duties of the Group to commission certain health services are set out in section 3 of the 2006 Act, as amended by section 13 of the 2012 Act, and the regulations made under that provision.³

1.2.2 NHS England will undertake an annual assessment of the Group.⁴ It has powers to intervene in the Group where it is satisfied that it is failing or has failed to discharge any of its functions or that there is a significant risk that it will fail to do so.⁵

1.2.3 The Group is a clinically led membership organisation made up of general practices. Members of the Group are responsible for determining the governing arrangements for their organisations, which they are required to set out in a Constitution.⁶

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¹ See section 11 of the 2006 Act, inserted by section 10 of the 2012 Act
² See section 275 of the 2006 Act, as amended by paragraph 140(2)(c) of Schedule 4 of the 2012 Act
³ Duties of Groups to commission certain health services are set out in section 3 of the 2006 Act, as amended by section 13 of the 2012 Act
⁴ See section 14Z16 of the 2006 Act, inserted by section 26 of the 2012 Act
⁵ See sections 14Z21 and 14Z22 of the 2006 Act, inserted by section 26 of the 2012 Act
⁶ See in particular sections 14L, 14M, 14N and 14O of the 2006 Act, inserted by section 25 of the 2012 Act and Part 1 of Schedule 1A to the 2006 Act, inserted by Schedule 2 to the 2012 Act and any regulations issued
1.3  **Status of this Constitution**

1.3.1  This Constitution is made between the Members of NHS Ipswich and East Suffolk Clinical Commissioning Group and has effect from 1st day of April 2013, when NHS England established the Group. The Constitution is published in print on the Group’s website. An audio copy of the summary is also available via the website. The full Constitution and a summary are also available to read at all libraries in the area, on request from GP surgeries and at the Group’s principal address: Endeavour House, 8 Russell Road, Ipswich. IP1 2BX. The summary will be made available in Braille, EasyRead, large print or translated into Polish, Mandarin, Bengali, Portuguese, Kurdish and Farsi, on request.

1.4  **Amendment and Variation of this Constitution**

1.4.1  This Constitution can only be varied in two circumstances.\(^8\)

a) where the Group, following approval by the Council of Members, applies to NHS England and that application is granted;

b) where in the circumstances set out in legislation NHS England varies the Group’s Constitution other than on application by the Group.

1.4.2  In the event of either occurrence, the Suffolk LMC will be notified and reasons for the variation explained. The Group will engage member practices at the LMC for their approval.

1.4.3  The Group will review the Constitution on an annual basis.

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\(^7\) See section 14D of the 2006 Act, inserted by section 25 of the 2012 Act

\(^8\) See sections 14E and 14F of the 2006 Act, inserted by section 25 of the 2012 Act and any regulations issued
2. AREA COVERED

2.1 The geographical area (the Area) covered by the Group sits within Suffolk County Council and covers the following LSOAs.

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2.2. The CCG has eight integrated neighbourhood team area localities and four organisational groupings, which most practices belong to.
3. **MEMBERSHIP**

3.1 **Membership of the Clinical Commissioning Group**

3.1.1 Each Member is part of a Locality as shown in Appendix B.

3.1.2 Each Member Practice has signed a letter of agreement, copies of which are retained at the CCG headquarters.

3.2. **Eligibility**

3.2.1 Providers of primary medical services to a registered list of patients under a General Medical Services, Personal Medical Services or Alternative Provider Medical Services contract, will be eligible to apply for membership of this Group.

3.3 **Accountability and rules of engagement with Member practices**

3.3.1 Each Member will be required to nominate a Practice Representative of that Member who is either a GP partner or a salaried partner. Each Member shall notify the Governing Body of the name of its Practice Representative in writing. Each Member may remove and replace its Practice Representative at any time and from time to time, by notice in writing to the Governing Body. Each Practice Representative shall be a member of the Council of Members and shall have nominated voting rights for decisions made by the Council of Members as specified in this Constitution, the terms of reference of the Council of Members or otherwise as the Council of Members may determine.

3.3.2 A Member may request a meeting with their Clinical Executive Committee link GP who has been allocated to them to discuss practice level commissioning issues and priorities. All Members shall be invited to Locality meetings in addition to the Annual Members’ Meeting.

3.3.3 The CCG will work closely with the Suffolk Local Medical Committee through formal meetings and other communication.

3.3.4 A dispute resolution procedure for Members with the Group is outlined in Appendix D.

4. **MISSION, VALUES AND AIMS**

4.1 **Mission, Values and Aims**

4.1.1 The Group shall publish a statement setting out its mission, values and aims ("Statement of Mission, Values and Aims") in its annual commissioning plan.

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9See section 14A(4) of the 2006 Act, inserted by section 25 of the 2012. Regulations to be made
4.1.2 The Governing Body shall review the Statement of Mission, Values and Aims each year, as part of the process of producing the commissioning plan for the following year, and shall decide whether any changes are appropriate.

4.2 Principles of Good Governance

4.2.1 In accordance with section 14L(2)(b) of the 2006 Act, the Group will at all times observe “such generally accepted principles of good governance” in the way it conducts its business. These include:

a) the highest standards of propriety involving impartiality, integrity and objectivity in relation to the stewardship of public funds, the management of the organisation and the conduct of its business;

b) The Good Governance Standard for Public Services;

c) the standards of behaviour published by the Committee on Standards in Public Life (1995) known as the ‘Nolan Principles’

d) the seven key principles of the NHS Constitution;

e) the Equality Act 2010;

(f) the NHS England Statutory Guidance on managing conflicts of interest.

4.2.2 Good governance flows from a shared ethos or culture, as well as systems and structures. It is fundamental for all organisations but its failure, particularly within the NHS, puts patients at risk of poor quality care. Good governance leads to good management, good performance, good stewardship of public money, good public engagement and, ultimately, good outcomes. It builds public and stakeholder confidence that health and healthcare is in good hands. It is important to:

a) patients because they depend on the quality of judgments that the group makes;

b) the public because it will give them confidence that the best decisions are taken for the right reasons; that the quality of healthcare services is protected; and that public money is being spent wisely; and

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10Inserted by section 25 of the 2012 Act
11The Good Governance Standard for Public Services, The Independent Commission on Good Governance in Public Services, Office of Public Management (OPM) and The Chartered Institute of Public Finance & Accountability (CIPFA), 2004
12See Appendix H
13See Appendix I
c) clinicians, because it supports them to make the best possible decisions; reduces the likelihood of things going wrong; and protects them in the event that things do go wrong.

4.2.3 Good governance means:

a) focusing on the organisation’s purpose and on outcomes for citizens and service users;
b) performing effectively in clearly defined functions and roles;
c) promoting values for the whole organisation and demonstrating the values of good governance through behaviour;
d) taking informed, transparent decisions and managing risk;
e) developing the capacity and capability of the Governing Body to be effective;
f) engaging stakeholders and making accountability real.

4.2.4 Good corporate governance, encompassing corporate, financial, clinical, information and research governance – collectively recognised as ‘integrated’ governance – will be delivered through understanding and action in four key areas:

a) how the Governing Body is constituted as a statutory organisation;
b) how the Governing Body is structured: its leadership, its membership and its relationship to its constituent practices;
c) how the Governing Body operates: how it makes decisions, including managing conflicts of interest, and engages with stakeholders; and'
d) what the Governing Body does: in particular, setting strategy, vision and values; and exercising control over performance, quality, finance and other resources and the management of risk.

4.3 Accountability

4.3.1 The Group will demonstrate its accountability to its members, local people, stakeholders and NHS England in a number of ways, including by:

a) publishing its Constitution;
b) appointing independent lay members and non GP clinicians to its Governing Body;
c) holding meetings of its Governing Body in public (except where the Group considers that it would not be in the public interest in relation to all or part of a meeting);

d) publishing annually a commissioning plan;

e) complying with local authority health overview and scrutiny requirements;

f) meeting annually in public to publish and present its annual report;

g) producing annual accounts in respect of each financial year which must be externally audited;

h) having a published and clear complaints process;

i) complying with the Freedom of Information Act 2000;

j) providing information to NHS England as required.

4.3.2 In addition to these statutory requirements, the Group will demonstrate its accountability by:

a) holding public and patient engagement events as set out in its communication and engagement strategy

b) being available to meet with members of the public half an hour before each meeting of the Governing Body in public.

4.3.3 The Governing Body of the Group will throughout each year have an ongoing role in reviewing the Group’s governance arrangements to ensure that the Group continues to reflect the principles of good governance.
5. FUNCTIONS AND GENERAL DUTIES

5.1 Functions

5.1.1 The Group’s functions include:

a) commissioning certain health services (where NHS England is not under a duty to do so) that meet the reasonable needs of:

(i) all people registered with member GP practices, and
(ii) people who are usually resident within the area and are not registered with a member of any Group;

b) commissioning emergency care for anyone present in the Group’s area;

c) paying its employees’ remuneration, fees and allowances in accordance with the determinations made by its Governing Body and determining any other terms and conditions of service of the Group’s employees;

d) determining the remuneration and travelling or other allowances of members of its Governing Body.

5.1.2 In discharging its functions the Group will:

a) act upon, when exercising its functions to commission health services, consistently with the discharge by the Secretary of State and NHS England of their duty to promote a comprehensive health service and with the objectives and requirements placed on NHS England through the mandate published by the Secretary of State before the start of each financial year

b) meet the public sector equality duty

c) work in partnership with its local authorities to develop joint strategic needs assessments and joint health and wellbeing strategies.

5.2 General Duties - in discharging its functions the Group will comply with its general duties to:

15 See section 3(1F) of the 2006 Act, inserted by section 13 of the 2012 Act
16 See section 1 of the 2006 Act, as amended by section 1 of the 2012 Act
17 See section 13A of the 2006 Act, inserted by section 23 of the 2012 Act
18 See section 149 of the Equality Act 2010, as amended by paragraphs 184 and 186 of Schedule 5 of the 2012 Act
19 See section 116 of the Local Government and Public Involvement in Health Act 2007, as amended by section 192 of the 2012 Act
20 See section 116A of the Local Government and Public Involvement in Health Act 2007, as inserted by section 191 of the 2012 Act
5.2.1 Promote awareness of, and act with a view to securing that health services are provided in a way that promotes awareness of, and have regard to the NHS Constitution.21

5.2.2 Act effectively, efficiently and economically21

5.2.3 Act with a view to securing continuous improvement to the quality of services22

5.2.4 Assist and support NHS England in relation to the Governing Body’s duty to improve the quality of primary medical services23

5.2.5 Have regard to the need to reduce inequalities24

5.2.6 Promote the involvement of patients, their carers and representatives in decisions about their healthcare25

5.2.7 Act with a view to enabling patients to make choices26

5.2.8 Obtain appropriate advice27 from persons who, taken together, have a broad range of professional expertise in healthcare and public health

5.2.9 Promote innovation28

5.2.10 Promote research and the use of research29

5.2.11 Have regard to the need to promote education and training30 for persons who are employed, or who are considering becoming employed, in an activity which involves or is connected with the provision of services as part of the health service in England so as to assist the Secretary of State for Health in the discharge of his related duty31

5.2.12 Act with a view to promoting integration of both health services with other health services and health services with health-related and social care services where the Group considers that this would improve the quality of services or reduce inequalities.32

21 See section 14Q of the 2006 Act, inserted by section 26 of the 2012 Act
22 See section 14R of the 2006 Act, inserted by section 26 of the 2012 Act
23 See section 14S of the 2006 Act, inserted by section 26 of the 2012 Act
24 See section 14T of the 2006 Act, inserted by section 26 of the 2012 Act
25 See section 14U of the 2006 Act, inserted by section 26 of the 2012 Act
26 See section 14V of the 2006 Act, inserted by section 26 of the 2012 Act
27 See section 14W of the 2006 Act, inserted by section 26 of the 2012 Act
28 See section 14X of the 2006 Act, inserted by section 26 of the 2012 Act
29 See section 14Y of the 2006 Act, inserted by section 26 of the 2012 Act
30 See section 14Z of the 2006 Act, inserted by section 26 of the 2012 Act
31 See section 1F(1) of the 2006 Act, inserted by section 7 of the 2012 Act
32 See section 14Z1 of the 2006 Act, inserted by section 26 of the 2012 Act
5.3 **Public involvement** – in discharging its functions the Group will:

5.3.1 comply with its general duties to secure public involvement in the planning, development and consideration of proposals for changes and decisions affecting the operation of commissioning arrangements.

5.3.2 follow the principles set out below in implementing its arrangements to comply with its duty to secure public involvement:

a) working in partnership with patients and the local community to secure the best care for them as set out in the Group’s communication and engagement strategy;

b) adapting engagement activities to meet the specific needs of the different patient groups and communities as also set out in the Group’s communication and engagement strategy and equality and diversity scheme;

c) publishing information about health services on the Group’s website and through other media;

d) encouraging and acting on feedback;

e) monitoring and reporting compliance through annual and other board published reports.

5.4 **General Financial Duties** – the Group will perform its functions so as to:

5.4.1 Ensure its expenditure does not exceed the aggregate of its allotments for the financial year.

5.4.2 Ensure its use of resources (both its capital resource use and revenue resource use) does not exceed the amount specified by NHS England for the financial year.

5.4.3 Take account of any directions issued by NHS England, in respect of specified types of resource use in a financial year, to ensure the Group does not exceed an amount specified by NHS England.

5.4.4 Publish an explanation of how the Group spent any payment in respect of quality made to it by NHS England.

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33See section 14Z2 of the 2006 Act, inserted by section 26 of the 2012 Act
34See section 223H(1) of the 2006 Act, inserted by section 27 of the 2012 Act
35See sections 223I(2) and 223I(3) of the 2006 Act, inserted by section 27 of the 2012 Act
36See section 223J of the 2006 Act, inserted by section 27 of the 2012 Act
37See section 223K(7) of the 2006 Act, inserted by section 27 of the 2012 Act
5.5 Other Relevant Regulations, Directions and Documents

5.5.1 The Group will:

a) comply with all relevant regulations including the CCG regulations;

b) comply with directions issued by the Secretary of State for Health or NHS England; and

c) take account, as appropriate, of documents issued by NHS England.

5.5.2 The Group will develop and implement the necessary systems and processes to comply with these regulations and directions, documenting them as necessary in this Constitution, its scheme of reservation and delegation and other relevant Group policies and procedures.

5.6 Arrangements by the Group to comply with its functions. The Group will comply with its functions set out in Part 5 of this Constitution by:

5.6.1 delegating responsibility for them to the:

- Governing Body
- Members’ Council
- Clinical Executive
- Audit Committee
- Remuneration and HR Committee
- Financial Performance Committee
- Primary Care Commissioning Group
- Clinical Scrutiny Committee
- Commissioning Governance Committee
- Community Engagement Partnership
- CCG Collaborative Group
- Chief Executive, Director of Finance and other designated Directors of the Group

such delegation being in accordance with Group’s Standing Orders and Scheme of Reservation and Delegation at Appendices E and F respectively.

5.6.2 acting in accordance with the Group’s Statement of Policy for Compliance with General, Financial, Partnership Working and Public Sector Equality Duties that the Governing Body will adopt, keep under review and update for the Group.

5.6.3 monitoring delivery of the duties through the Group’s reporting mechanisms.
6. DECISION MAKING: THE GOVERNING STRUCTURE

6.1 Authority to act

6.1.1 The Group is accountable for exercising the statutory functions of the Group. It may grant authority to act on its behalf to:

a) any of its Members;

b) its Governing Body;

c) employees;

d) a committee or sub-committee of the Group.

6.1.2 The extent of the authority to act of the respective bodies and individuals depends on the powers delegated to them by the Group as expressed through:

a) this Constitution

b) the Group’s scheme of reservation and delegation; and

c) for committees, their terms of reference.

6.2 Scheme of Reservation and Delegation

6.2.1 The Group’s scheme of reservation and delegation sets out:

a) those decisions that are reserved for the membership as a whole;

b) those decisions that are the responsibilities of its Governing Body (and its committees), the Group’s committees and sub-committees, individual members and employees.

6.2.2 The Group remains accountable for all of its functions, including those that it has delegated.

6.3 General

6.3.1 In discharging functions of the Group that have been delegated to them, its committees (including sub committees), its Governing Body (and its committees and sub committees) and individuals must:

a) comply with the Group’s Constitution including but not limited to its principles of good governance.

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38See Appendix D
39See section 4.4 on Principles of Good Governance above
b) operate in accordance with the Group’s scheme of reservation and delegation,\textsuperscript{40}

c) comply with the Group’s Standing Orders,\textsuperscript{41}

d) comply with the Group’s arrangements for discharging its statutory duties,\textsuperscript{42}

e) where appropriate, ensure that member practices have had the opportunity to contribute to the Group’s decision making process.

6.3.2 When discharging their delegated functions, committees, and sub-committees must also operate in accordance with their approved terms of reference.

6.3.3 Where delegated responsibilities are being discharged collaboratively, the joint (collaborative) arrangements must:

a) identify the roles and responsibilities of those groups who are working together;

b) identify any pooled budgets and how these will be managed and reported in annual accounts;

c) specify under which group’s scheme of reservation and delegation and supporting policies the collaborative working arrangements will operate;

d) specify how the risks associated with the collaborative working arrangement will be managed between the respective parties;

e) identify how disputes will be resolved and the steps required to terminate the working arrangements;

f) specify how decisions are communicated to the collaborative partners.

6.4 Committees of the Group

6.4.1 The Group:

a) shall have a committee called the Council of Members; and

b) may, on or after its establishment, appoint such other committees as it considers appropriate.

\textsuperscript{40}See appendix F
\textsuperscript{41}See appendix E
\textsuperscript{42}See chapter 5 above
6.5 The Council of Members

6.5.1 The Council of Members shall comprise all of the Practice Representatives at any one time. The Chair of the Governing Body and the Chief Executive shall be non-voting members in attendance at meetings of the Council of Members.

6.5.2 The Chair and Deputy Chair of the Members’ Council shall be elected by the Practice Representatives at the first meeting of the Members’ Council.

6.5.3 Subject to the 2006 Act, the Council of Members shall perform all those functions of the Group which have been delegated to them in accordance with paragraph 1.2 of the Standing Orders.

6.5.4 The Council of Members shall regulate their proceedings in accordance with the Standing Orders.

6.5.5 All decisions taken in good faith at a meeting of the Council of Members shall be valid even if there is any vacancy in its membership or it is discovered subsequently that there was a defect in the calling of the meeting, or the appointment of a member attending the meeting.

6.6 Joint Arrangements

6.6.1 The Group may enter into joint arrangements with one or more clinical commissioning Groups as it considers to be appropriate including joint arrangements with NHS West Suffolk Clinical Commissioning Group and North East Essex Group to be known as the NHS Ipswich and East Suffolk CCG, West Suffolk and North East Essex CCG Group to provide a forum for sharing expertise and good practice in clinical commissioning, including major changes to pathways and service re-design and a forum to make decisions in the exceptional circumstances where a single decision is required across Suffolk and North East Essex. The NHS Ipswich and East Suffolk CCG Group will oversee the performance of the CCG commissioning support arrangements. The NHS Ipswich and East Suffolk CCG, NHS West Suffolk CCG and North East Essex CCG Group shall be accountable to the Governing Body which will approve and keep under review its terms of reference.

6.6.2 The Group may establish joint committees with one or more local authorities as it considers may be appropriate including with Suffolk County Council for the following Section 75 Agreements:

   a. Universal children’s services including school nursing and health visiting.

6.7 The Governing Body

6.7.1 Functions - the Governing Body has the following functions conferred on it by sections 14L(2) and (3) of the 2006 Act, inserted by section 25 the 2012 Act, together with any other functions connected with its main functions as may be
specified in regulations or in this Constitution. The Governing Body has responsibility for:

a) ensuring that the Group has appropriate arrangements in place to exercise its functions effectively, efficiently and economically and in accordance with the Groups principles of good governance (its main function);

b) determining the remuneration, fees and other allowances payable to employees or other persons providing services to the Group 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;

c) approving any functions of the Group that are specified in regulations;

6.7.2 Composition of the Governing Body - the Governing Body shall not have less than 14 members and three non-voting participants.

a) seven GP members who are partners or salaried GPs of Member practices – three from the Ipswich Locality and four from the East Suffolk Localities – one of whom shall be the Chair of the Governing Body and the Group’s Clinical Leader;

b) three lay members:
   i one to lead on governance;
   ii one to lead on patient and public engagement – also leading on primary care and chair of the Primary Care Commissioning Committee;
   iii one to lead on financial matters and act as general lay member.

c) one registered nurse;

d) one secondary care specialist doctor;

e) the Chief Executive;

f) the Director of Finance;

g) four non-voting participants:
   i Chief Operating Officer

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43See section 14L(3)(c) of the 2006 Act, as inserted by section 25 of the 2012 Act
44See section 4.4 on Principles of Good Governance above
45See section 14L(5) of the 2006 Act, inserted by section 25 of the 2012 Act
ii Director of Performance and Contracts
iii Director of Strategy and Transformation
iv Director of Corporate Services and System Infrastructure

6.7.3 **Committees of the Governing Body** - The following committees and sub-committees have been established by the Governing Body:

- Audit Committee
- Remuneration and Human Resources (HR) Committee
- Clinical Executive Committee
- Primary Care Commissioning Committee
- Clinical Scrutiny Committee
- Financial Performance Committee
- Community Engagement Partnership
- Commissioning Governance Committee
- CCG Collaborative Group – formerly Joint Suffolk CCG Group - (Joint Working Group of West Suffolk CCG and Ipswich and East Suffolk CCG)

a) **Audit Committee** – the audit committee, which is accountable to the Group’s Governing Body, provides the Governing Body with an independent and objective view of the Group’s financial systems, financial information and compliance with laws, regulations and directions governing the Group in so far as they relate to finance. The Governing Body has approved and keeps under review the terms of reference for the audit committee, which includes information on the membership of the audit committee.

b) **Remuneration & HR Committee** – the remuneration committee, which is accountable to the Group’s Governing Body makes recommendations to the Governing Body on determinations about the remuneration, fees and other allowances for employees and for people who provide services to the Group and on determinations about allowances under any pension scheme that the Group may establish as an alternative to the NHS pension scheme. The Governing Body has approved and keeps under review the terms of reference for the remuneration committee, which includes information on the membership of the remuneration committee.

c) **Clinical Executive Committee**, which is accountable to the Group’s Governing Body, is the Group’s engine of innovation, driving forward the development of new clinical pathways and delivering robust review and performance challenge. Each GP member of the Clinical Executive Committee will be allocated as a link to one or more of the Members. The Clinical Executive Committee will ensure that the Group’s strategic plan is executed in full with the resultant continuous improvement in services to patients and carers across Ipswich and East Suffolk. The Governing Body has approved and keeps under review the terms of reference for the Clinical Executive Committee which includes information on the membership of the Clinical Executive Committee.
d) **Primary Care Commissioning Committee** has been established in accordance with the statutory provisions to enable the members to make collective decisions on the review, planning and procurement of primary care services in Ipswich and East Suffolk, under delegated authority from NHS England. In performing its role the Committee will exercise its management of the functions in accordance with the agreement entered into between NHS England and the CCG, which will sit alongside the delegation and terms of reference.

e) **Clinical Scrutiny Committee** has been established to ensure there is a systematic approach to maintaining and improving the quality of patient care within the local health system and is accountable for continually improving the quality of their services and safeguarding high standards of care by creating an environment in which excellence in clinical care will flourish.

The Committee is accountable to the CCG Governing Body and operates within agreed delegated powers to:

a) Support the highest standards of clinical quality and patient safety;

b) Develop and monitor clinical quality standards and scrutinise integrated performance reports;

c) Oversee and scrutinise clinical work streams and pathways for planned and integrated care in order to ensure appropriateness and effectiveness;

d) Provide the Governing Body and Audit Committee with demonstrable evidence of scrutiny, challenge and escalation where necessary;

e) Receive, review and approve clinical policies and procedures;

f) Monitor providers’ compliance with CQC Essential Standards, National Service Framework requirements, NICE recommendations/guidance and local performance standards;

g) Review Serious Untoward Incident and Child/Adult Safeguarding Reports monitoring the relevant action plans to identify areas of learning and change;

h) Monitor clinical risks, by reference to the Governing Body Assurance Framework (GBAF), satisfying itself and assuring the Audit Committee that the mitigating actions for each clinical risk identified are reasonable and that action plans are being progressed;

i) Ensure commissioned services sustain high quality and patient focused care;
j) Ensure that the relevant recommendations arising from external and internal reviews and guidance pertaining to clinical governance, are implemented in an appropriate and effective manner.

f) **Financial Performance Committee** has been established to embed a financial performance framework which enables the CCG to proactively manage its financial, performance and quality, innovation, productivity and prevention (QIPP) agenda. The Committee will ensure that the CCG operates within agreed budgets and initiate plans and necessary actions to maintain financial balance. The Committee will provide assurance about financial performance to the Governing Body by reviewing and scrutinising performance reports and remedial action plans in detail prior to submission to Governing Body meetings.

In summary, the Committee will demonstrate the achievement of value for money and provide confidence to the Governing Body and wider public that the CCGs resources are being used effectively and efficiently, as well as facilitating a culture of openness and probity around the delivery of effective financial performance management.

The Financial Performance Committee is accountable to the CCG Governing Body and operates within agreed delegated powers to:

a) retain oversight and scrutiny of financial performance in relation to:

   (i) The current and forecast in year financial position, receiving detailed reports including progress towards meeting targets agreed within the CCGs financial plans;

   (ii) Implementation of QIPP schemes and receiving updates on both the financial and performance activity for each;

   (iii) Achievement of any CCG incentive schemes and receiving reports of the actual and forecast performance for each;

   (iv) Reviewing the CCG’s medium term financial plan;

   (v) Implementation of any investments &/or transformation schemes receiving reports of the actual and forecast performance for each;

   (vi) Receiving and reviewing departmental delivery plans;

   (vii) Challenging where necessary the actual performance of agreed plans in order to achieve targets;

   (viii) Ensuring the resolution of key performance issues.

Note: The above points appear to be part of a larger list, but they are not all detailed.


g) **Community Engagement Partnership** is a committee of the Governing Body. Its role is to establish, operate and review methods employed by the CCG to provide a route for Ipswich and East Suffolk’s diverse communities to participate in commissioning processes, decision-making, planning and prioritising.
It particularly advises and leads work on involvement of patients, the public and carers.

The Community Engagement Partnership will operate as a committee of the Governing Body and therefore the CEP’s considerations, conclusions and recommendations will be noted at each of the Governing Body meetings. The Partnership will support the operation of the organisation by providing advice on involvement with the population of Ipswich and East Suffolk. The CEP sits within the CCG governance arrangements, supporting the Clinical Executive and Governing Body. The CEP is not a scrutiny group.

h) **Commissioning Governance Committee** provides an additional safeguard for the CCG when commissioning services for which GP practices are the recommended providers. Where the Governing Body would not be quorate for approving commissioning intentions, due to the withdrawal of GP members because of conflict of interest, the Commissioning Governance Committee assumes delegated responsibility, reporting its decisions to the Governing Body in public.

The Committee provides assurance to the Governing Body, Audit Committee, NHS England and general public that the CCG has the necessary governance arrangements in place to manage conflict of interest in regard to the procurement of services provided by GP practices.

The Committee is accountable to the CCG Governing Body and operates within agreed delegated powers to scrutinise and approve proposals ensuring that where the recommended provider of services is to be a GP practice, there is evidence that they:

- a) Clearly meet local health needs and have been planned appropriately;
- b) Go beyond the scope of the GP contract;
- c) Have been procured using the appropriate methodology;
- d) Promote improvements in the quality of primary medical care;
- e) Demonstrate the achievement of improved outcomes and value for money;
- f) Cannot be delivered by another provider to the same level of quality, specification and/or price;
- g) Include details for monitoring the quality of service provision;
- h) Include the details of any actual or potential conflict of interest having been appropriately declared and entered in the register which is publicly available;
- i) Maintain confidence and trust between patients and GP’s;
i) **CCG Collaborative Group** – formerly Joint Suffolk CCG Group is accountable to the group’s Governing Body as well as the Governing Body of NHS Ipswich and East Suffolk Clinical Commissioning Group. It is a joint working group that exists to oversee and manage the CCGs shared management arrangements; oversee and manage written agreements detailing the scope of collaboration between the CCGs, with clear lines of accountability and decision-making processes; provide necessary mechanisms for the CCGs to collaborate with each other where circumstances necessitate this.

6.7.4 Terms of reference for the CCGs three statutory committees; audit, remuneration & HR and primary care commissioning are appended to this constitution. Terms of reference for other CCG committees can be viewed via the CCG’s website [http://www.ipswichandeastsuffolkccg.nhs.uk/Library.aspx](http://www.ipswichandeastsuffolkccg.nhs.uk/Library.aspx).

6.7.5 Committees will only be able to establish their own sub-committees, to assist them in discharging their respective responsibilities, if this responsibility has been delegated to them by the group or the committee they are accountable to.

6.7.6 All decisions taken in good faith at a meeting of the Governing Body or any committee or sub-committee of it shall be valid even if there is any vacancy in its membership or it is discovered subsequently that there was a defect in the calling of the meeting, or the appointment of a member attending the meeting.
7. ROLES AND RESPONSIBILITIES

7.1 Practice Representatives

7.1.1 Practice Representatives represent their Member practice’s views and act on behalf of the Member practice in matters relating to the Group. The role of each Practice Representative is to ensure that their practice works together with the Group in a multi-professional way to develop and deliver agreed shared objectives including participation in 75% of Locality meetings either personally or by a nominated deputy. The Group shall provide funding support to Members to enable them to participate in locality groups. The Practice Representative will also be a member of the Council of Members.

7.2 All Members of the Group’s Governing Body

7.2.1 Guidance on the roles of members of the Group’s Governing Body is set out in a separate document. In summary, each member of the Governing Body should share responsibility as part of a team to ensure that the Group 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.

7.3 The Chair of the Governing Body

7.3.1 The Chair of the Governing Body shall be the Group’s Clinical Leader and shall be 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 Group’s Governing Body and its individual members;

c) ensuring that the Group 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 Chief Executive in discharging the responsibilities of the organisation;

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

46 Draft Group Governing Body Members – Roles Attributes and Skills, NHS Commissioning Board Authority, March 2012
g) leading and influencing to achieve clinical and organisational change to enable the Group to deliver its commissioning responsibilities;

h) overseeing governance and particularly ensuring that the Governing Body and the wider Group 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 NHS England;

k) ensuring that the Group builds and maintains effective relationships, particularly with the individuals involved in overview and scrutiny from the relevant local authority(ies).

7.3.2 Where the Chair of the Governing Body is also the senior clinical voice of the Group they will take the lead in interactions with stakeholders, including NHS England.

7.4 The Deputy Chair of the Governing Body

7.4.1 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.

7.5 Role of the Chief Executive as Accountable Officer

7.5.1 The Chief Executive is responsible for:

a) being responsible for ensuring that the Group 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 Chief Executive 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 ongoing capability and capacity to meet its duties and responsibilities. This will include arrangements for the ongoing developments of its Members and staff.
7.6  Role of the Director of Finance

7.6.1  The Director of Finance is a member of the Governing Body. The Director of Finance is responsible for:

a) providing financial advice to the Group and for supervising financial control and accounting systems;

b) 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;

c) making appropriate arrangements to support, monitor on the Group’s finances;

d) overseeing robust audit and governance arrangements leading to propriety in the use of the Group’s resources;

e) being able to advise the Governing Body on the effective, efficient and economic use of the Group’s allocation to remain within that allocation and deliver required financial targets and duties; and

f) producing the financial statements for audit and publication in accordance with the statutory requirements to demonstrate effective stewardship of public money and accountability to NHS England.

7.7  Role of the Registered Nurse

7.7.1  The registered nurse is a Governing Body Member.

7.7.2  The role of the registered nurse is to bring a broader view, from their perspective as a health care professional on health and social care issues to underpin the work of the CCG, especially the contribution of nursing to patient care.

7.8  Role of the Secondary Care Doctor

7.8.1  The secondary care doctor is a Governing Body Member.

7.8.2  The role of the secondary care doctor is to bring a broader view, from their perspective as a healthcare professional to underpin the work of the CCG and in particular, an understanding of patient care in the secondary care setting.

7.9  Role of the Lay Members

7.9.1  The Lay Member for Governance is a Governing Body Member and chairs the CCGs Audit and Remuneration & HR Committees, leads on conflicts of interest
management as the Conflicts of Interest Guardian and uses their experience and expertise to bring a strategic and impartial view of the CCGs work.

7.9.2 The Lay Member for Patient and Public Involvement is a Governing Body Member and chairs the CCGs Primary Care Commissioning and Community Engagement Partnership Committees and uses their experience and expertise to bring a strategic and impartial view of the CCGs work.

7.9.3 The third Lay Member is a Governing Body Member and chairs the CCGs Financial Performance Committee, leading also on financial matters and uses their experience and expertise to bring a strategic and impartial view of the CCGs work. This Lay Member is also shared with the West Suffolk CCG.

7.10 **Joint Appointments with NHS West Suffolk Clinical Commissioning Group and NHS North East Essex CCG**

7.10.1 The Group has agreed joint appointments with NHS West Suffolk Clinical Commissioning Group and NHS North East Essex CCG including:

   a) Chief Executive
   b) Director of Finance
   c) Director of Nursing
   d) Director of Performance and Contracts
   e) Director of Strategy and Transformation
   f) Director of Corporate Services and System Infrastructure

7.10.2 All joint appointments shall be supported by a memorandum of understanding between the organisations who are party to these joint appointments.
8. STANDARDS OF BUSINESS CONDUCT AND MANAGING CONFLICTS OF INTEREST

8.1 Standards of Business Conduct

8.1.1 Employees, members, committee and sub-committee members of the Group and members of the Governing Body (and its committees) will at all times comply with this Constitution and be aware of their responsibilities as outlined in it. They should act in good faith and in the interests of the Group and should follow the Seven Principles of Public Life, set out by the Committee on Standards in Public Life (the Nolan Principles) The Nolan Principles are incorporated into this Constitution at Appendix F.

8.1.2 They must comply with the Group’s policy on business conduct, including the requirements set out in the policy for managing conflicts of interest. This policy is appended to the Constitution.

8.1.3 Individuals contracted to work on behalf of the Group or otherwise providing services or facilities to the Group will be made aware of their obligation with regard to declaring conflicts or potential conflicts of interest. This requirement will be written into their contract for services.

8.2 Conflicts of Interest

8.2.1 The Ipswich and East Suffolk Clinical Commissioning Group manages conflicts of interest as part of its day-to-day activities. Effective handling of conflicts of interest is crucial to give confidence to patients, tax payers, healthcare providers and Parliament that CCG commissioning decisions are robust, fair and transparent and offer value for money. It is also essential in order to protect healthcare professionals and maintain public trust in the NHS. Failure to manage conflicts of interest adequately can lead to legal challenge and even criminal action in the event of fraud, bribery and corruption.

8.2.2 Conflicts of interest are inevitable in commissioning but it is how they are managed that matters. Section 14O of the National Health Service Act 2006 (as amended by the Health and Social Care Act 2012) (“the Act”) sets out the minimum requirements of what both NHS England and CCGs must do in terms of managing conflicts of interest.

8.2.3 To further support CCGs in managing the risks of conflicts of interest, NHS England issues statutory guidance under sections 14O and 14Z8 of the Act and the Ipswich and East Suffolk CCG Standards of Business Conduct and Managing Conflicts of Interest Policy complies with the statutory guidance in full.

8.2.4 Where an individual, i.e. an employee, group member, member of the Governing Body, or a member of a committee or a sub-committee of the group or its Governing Body has an interest, or becomes aware of an interest which could lead to a conflict of interests in the event of the group considering an
action or decision in relation to that interest, that must be considered as a potential conflict, and is subject to the provisions of this constitution.

8.2.5 A conflict of interest will include:

a) a direct pecuniary interest: where an individual may financially benefit from the consequences of a commissioning decision (for example, as a provider of services).

b) an indirect pecuniary interest: for example, where an individual is a partner, member or shareholder in an organisation that will benefit financially from the consequences of a commissioning decision.

c) a non-pecuniary interest: where an individual holds a non-remunerative or not-for-profit interest in an organisation, that will benefit from the consequences of a commissioning decision (for example, where an individual is a trustee of a voluntary provider that is bidding for a contract).

d) a non-pecuniary personal benefit: where an individual may enjoy a qualitative benefit from the consequence of a commissioning decision which cannot be given a monetary value (for example, a reconfiguration of hospital services which might result in the closure of a busy clinic next door to an individual’s house).

e) where an individual is closely related to, or in a relationship, including friendship, with an individual in the above categories.

8.2.6 If in doubt, the individual concerned should assume that a potential conflict of interest exists.

8.3 Declaring and Registering Interests

8.3.1 The Group will maintain one or more registers of the interests of:

a) the members of the Group;

b) the members of its Governing Body;

c) the members of the Group’s committees or sub-committees and the committees or sub-committees of its Governing Body; and

d) its employees.

8.3.2 The registers will be published on the Group’s website and are available to view at:
http://www.ipswichandeastsuffolkccg.nhs.uk/Portals/1/Content/About%20us/Meet%20the%20Governing%20Body/Register%20of%20Interests/IESCCG%20October%202018%20Register%2020121218.pdf
8.3.3 Individuals will declare any interest that they have, in relation to a decision to be made in the exercise of the commissioning functions of the Group, in writing to the Governing Body, as soon as they are aware of it and in any event no later than 28 days after becoming aware.

8.3.4 Where an individual is unable to provide a declaration in writing, for example, if a conflict becomes apparent in the course of a meeting, they will make an oral declaration before witnesses, and provide a written declaration as soon as possible thereafter.

8.3.5 The Chief Executive will ensure that the register(s) of interest is reviewed regularly and updated as necessary.

8.4 Managing Conflicts of Interest: general

8.4.1 Individual members of the Group, the Governing Body, committees or subcommittees, the committees or sub-committees of its Governing Body and employees will comply with the arrangements determined by the Group for managing conflicts or potential conflicts of interest and with relevant guidance issued by NHS England.

8.4.2 The Chief Executive will ensure that for every interest declared, either in writing or by oral declaration, arrangements are in place to manage the conflict of interests or potential conflict of interests, to ensure the integrity of the Group’s decision making processes.

8.4.3 Arrangements for the management of conflicts of interest are to be determined by the Chief Executive and will include the requirement to put in writing to the relevant individual arrangements for managing the conflict of interests or potential conflicts of interests, within a week of declaration. The arrangements will confirm the following:

a) when an individual should withdraw from a specified activity, on a temporary or permanent basis;

b) monitoring of the specified activity undertaken by the individual, either by a line manager, colleague or other designated individual.

8.4.4 Where an interest has been declared, either in writing or by oral declaration, the declarer will ensure that before participating in any activity connected with the Group’s exercise of its commissioning functions, they have received confirmation of the arrangements to manage the conflict of interest or potential conflict of interest from the Chief Executive.

8.4.5 Where an individual member, employee or person providing services to the Group is aware of an interest which:
a) has not been declared, either in the register or orally, they will declare this at the start of the meeting;

b) has previously been declared, in relation to the scheduled or likely business of the meeting, the individual concerned will bring this to the attention of the Chair of the meeting.

Where members of a decision making body (be it the Governing Body, its committees or sub-committees, or a committee or sub-committee of the Group) have an interest, at the discretion of the Chair of the relevant meeting they shall either be excluded from relevant parts of meetings, or may join in the discussion but not participate in the decision-making itself.

8.4.6 Where the Chair of any meeting of the Group, including committees, subcommittees, or the Governing Body and the Governing Body’s committees and subcommittees, has a personal interest, previously declared or otherwise, in relation to the scheduled or likely business of the meeting, they must make a declaration and the Deputy Chair will act as Chair for the relevant part of the meeting. Where arrangements have been confirmed for the management of the conflict of interests or potential conflicts of interests in relation to the Chair, the meeting must ensure these are followed. Where no arrangements have been confirmed, the Deputy Chair may require the Chair to withdraw from the meeting or part of it. Where there is no Deputy Chair, the members of the meeting will select one.

8.4.7 Any declarations of interests, and arrangements agreed in any meeting of the Group, committees or sub-committees, or the Governing Body, the Governing Body’s committees or sub-committees, will be recorded in the minutes.

8.4.8 Where more than 50% of the members of a meeting are required to withdraw from a meeting or part of it, owing to the arrangements agreed for the management of conflicts of interests or potential conflicts of interests, the Chair (or Deputy Chair) of the meeting will determine whether or not the discussion can proceed.

8.4.9 In making this decision the Chair (or Deputy Chair) of the meeting will consider whether the meeting is quorate, in accordance with the number and balance of membership set out in the Group’s Standing Orders. Where the meeting is not quorate, owing to the absence of certain members, the discussion will be deferred until such time as a quorum can be convened. Where a quorum cannot be convened from the membership of the meeting, owing to the arrangements for managing conflicts of interest or potential conflicts of interests, the Chair of the meeting shall consult with the Chief Executive on the action to be taken.

8.4.10 This may include:

a) requiring another of the Group’s committees or sub-committees, the Group’s Governing Body or the Governing Body’s committees or sub-
committees (as appropriate) which can be quorate to progress the item of business, or if this is not possible,

b) inviting on a temporary basis one or more of the following to make up the quorum (where these are permitted members of the Governing Body or committee / sub-committee in question with authority to act on behalf of the Group in accordance with this Constitution) so that the Group can progress the item of business:

(i) a member of the Group who is an individual;

(ii) a Practice Representative appointed by a Member to act on its behalf in the dealings between it and the Group;

(iii) a member of a relevant Health and Wellbeing Board;

(iv) a GP member of a governing body of another clinical commissioning group;

(v) a member of the NHS Ipswich and East Suffolk, NHS West Suffolk and NHS North East Essex CCG Group.

Provided that a quorum shall only be deemed to be convened if the quorum contains a majority of clinician members on the relevant decision-making body. These arrangements must be recorded in the minutes.

8.4.11 Where the Group is proposing to commission services on a single tender basis from all Member practices in the area, or where it is likely that all or most Member practices would wish to be qualified providers for a service under Any Qualified Provider (AQP), then all GPs and Practice Representatives on any decision-making body of the Group which is considering such matters shall be deemed to have a conflict of interest for the purpose of paragraph 8.2.3 and the procedure set out in paragraphs 8.4.8 to 8.4.10 shall apply. In such circumstances and depending on the nature of the conflict, at the discretion of the Chair of the meeting in question the GPs or other Practice Representatives may be permitted to join the decision-making body’s discussion about the proposed decision but shall not take part in the voting and decision making.

8.4.12 In any transaction undertaken in support of the Group’s exercise of its commissioning functions (including conversations between two or more individuals, e-mails, correspondence and other communications), individuals must ensure, where they are aware of an interest, that they conform to the arrangements confirmed for the management of that interest. Where an individual has not had confirmation of arrangements for managing the interest, they must declare their interest at the earliest possible opportunity in the course of that transaction, and declare that interest as soon as possible thereafter. The individual must also inform either their line manager (in the case of employees), or the Chief Executive of the transaction.
8.4.13 The Chief Executive will take such steps as deemed appropriate, and request information deemed appropriate from individuals, to ensure that all conflicts of interest and potential conflicts of interest are declared.

8.5 Managing Conflicts of Interest: contractors and people who provide services to the Group

8.5.1 Anyone seeking information in relation to procurement, or participating in procurement, or otherwise engaging with the Group in relation to the potential provision of services or facilities to the Group, will be required to make a declaration of any relevant conflict / potential conflict of interest.

8.5.2 Anyone contracted to provide services or facilities directly to the Group will be subject to the same provisions of this Constitution in relation to managing conflicts of interests. This requirement will be set out in the contract for their services.

8.6 Transparency in Procuring Services

8.6.1 The Group recognises the importance in making decisions about the services it procures in a way that does not call into question the motives behind the procurement decision that has been made. The Group will procure services in a manner that is open, transparent, non-discriminatory and fair to all potential providers.

8.6.2 The Group will publish a Procurement Strategy approved by its Governing Body which will ensure that:

a) all relevant clinicians (not just Members of the Group) and potential providers, together with local members of the public, are engaged in the decision-making processes used to procure services;

b) service redesign and procurement processes are conducted in an open, transparent, non-discriminatory and fair way

8.6.3 Copies of this Procurement Strategy will be available on the Group’s website.

8.7 Preserving integrity of the decision making process when all or most GPs have an interest in a decision

8.7.1 Where certain members of a decision making body (be it the Governing Body, its committees or sub-committees, or a committee or sub-committee of the group) have a material interest, they shall either be excluded from relevant parts of meetings, or join in the discussion but not participate in the decision-making itself. Where a limited number of GPs have an interest, the relevant individuals shall be excluded from the decision making.

8.7.2 Where all of the GPs or other practice representatives on a decision making body have a material interest in a decision, particularly where the group is
proposing to commission services on a single tender basis from all GP practices in the area, or where it is likely that all or most practices would wish to be qualified providers for a service under Any Qualified Provider (AQP), they shall all be excluded from decision making and individuals shall be co-opted, by agreement, from either the Joint Suffolk and North East Essex CCG Group or from another group, onto the Governing Body.

8.7.3 In such circumstances and depending on the nature of the conflict, GPs or other practice representatives can be permitted to join the Governing Body’s discussion about the proposed decision but shall not take part in the decision making.

8.7.4 See also Appendix C, Section 3 regarding quorum, where the arrangements to enable decisions to be made should the forgoing situation occur, are set out.

8.8 Conflicts of Interest Guardian

8.8.1 To further strengthen scrutiny and transparency of CCGs’ decision-making processes, the CCGs Audit Chair will undertake the role of Conflicts of Interest Guardian, provided they have no provider interests.
9. THE GROUP AS EMPLOYER

9.1 The Group recognises that its most valuable asset is its people. It will seek to enhance their skills and experience and is committed to their development in all ways relevant to the work of the Group.

9.2 The Group will seek to set an example of best practice as an employer and is committed to offering all staff equality of opportunity. It will ensure that its employment practices are designed to promote diversity and to treat all individuals equally.

9.3 The Group will ensure that it employs suitably qualified and experienced staff who will discharge their responsibilities in accordance with the high standards expected of staff employed by the Group. All staff will be made aware of this Constitution, the commissioning strategy and the relevant internal management and control systems which relate to their field of work.

9.4 The Group will maintain and publish policies and procedures (as appropriate) on the recruitment and remuneration of staff to ensure it can recruit, retain and develop staff of an appropriate calibre. The Group will also maintain and publish policies on all aspects of human resources management, including grievance and disciplinary matters.

9.5 The Group will ensure that its rules for recruitment and management of staff provide for the appointment and advancement on merit on the basis of equal opportunity for all applicants and staff.

9.6 The Group will ensure that employees' behaviour reflects the values, aims and principles set out above.

9.7 The Group will ensure that it complies with all aspects of employment law.

9.8 The Group will ensure that its employees have access to such expert advice and training opportunities as they may require in order to exercise their responsibilities effectively.

9.9 The Group will adopt a Code of Conduct for staff and will maintain and promote effective 'whistleblowing' procedures to ensure that concerned staff have means through which their concerns can be voiced.

9.10 Copies of this Code of Conduct, together with the other policies and procedures outlined in this chapter, will be available on the Group’s website.
10. TRANSPARENCY, WAYS OF WORKING AND STANDING ORDERS

10.1 General

10.1.1 The Group will publish annually a commissioning plan and an annual report, presenting the Group’s annual report to a public meeting.

10.1.2 Key communications issued by the Group, including the notices of procurements, public consultations, Governing Body meeting dates, times, venues, and certain papers will be published on the Group’s website.

10.1.3 The Group may use other means of communication, including circulating information by post, or making information available in venues or services accessible to the public.

10.2 Standing Orders

10.2.1 This Constitution is also informed by a number of documents which provide further details on how the Group will operate. They are the Group’s:

   a) **Standing orders (Appendix C)** – which sets out the arrangements for meetings and the appointment processes to elect the Group’s representatives and appoint to the Group’s committees, including the Governing Body;

   b) **Scheme of reservation and delegation (Appendix D)** – which sets out those decisions that are reserved for the membership as a whole and those decisions that are the responsibilities of the Group’s Governing Body, the Governing Body’s committees and sub-committees, the Group’s committees and sub-committees, individual members and employees;

   c) **Detailed Financial Policies (Appendix E)** – which sets out the arrangements for managing the Group’s financial affairs.
11. **Joint Commissioning Arrangements with Other Clinical Commissioning Groups**

11.1 The clinical commissioning group (CCG) may wish to work together with other CCGs in the exercise of its commissioning functions.

11.2 The CCG may make arrangements with one or more CCG in respect of:

- 12.2.1 Any of the CCG’s commissioning functions to another CCG
- 12.2.2 Exercising any of the commissioning functions of another CCG
- 12.2.3 Exercising jointly the commissioning functions of the CCG and another CCG

11.3 For the purposes of the arrangements described at paragraph 12.2 the CCG may:

- 12.3.1 Make payments to another CCG
- 12.3.2 Receive payments from another CCG
- 12.3.3 Make the services of its employees or any other resources available to another CCG
- 12.3.4 Receive the services of the employees or the resources available to another CCG

11.4 Where the CCG makes arrangements which involve all the CCGs exercising any of their commissioning functions jointly, a joint committee may be established to exercise those functions.

11.5 For the purposes of the arrangements described at paragraph 12.2 above, the CCG may establish and maintain a pooled fund made up of contributions by any of the CCGs working together pursuant to paragraph 12.2.3 above. Any such pooled fund may be used to make payments towards expenditure incurred in the discharge of any of the commissioning functions in respect of which the arrangements are made.

11.6 Where the CCG makes arrangements with another CCG as described at paragraph 12.2 above, the CCG shall develop and agree with that CCG an agreement setting out the arrangements for joint working, including details of:

- How the parties will work together to carry out their commissioning functions
- The duties and responsibilities of the parties
- How risk will be managed and apportioned between the parties
- Financial arrangements, including, if applicable, payments towards a pooled fund and management of that fund
- Contributions from the parties, including details around assets, employees and equipment to be used under the joint working arrangements.

11.7 The liability of the CCG to carry out its functions will not be affected where the CCG enters into arrangements pursuant to paragraph 12.2 above.
11.8 The CCG will act in accordance with any further guidance issued by NHS England on co-commissioning.

11.9 Only arrangements that are safe and in the interests of patients registered with member practices will be approved by the Governing Body.

11.10 The Governing Body of the CCG shall require, in all joint commissioning arrangements that the lead clinician and lead manager of the lead CCG make a quarterly written report to the Governing Body and hold at least annual engagement events to review aims, objectives, strategy and progress and publish an annual report on progress made against objectives.

11.11 Should a joint commissioning arrangement prove to be unsatisfactory the Governing Body of the CCG can decide to withdraw from the arrangement, but has to give six months’ notice to partners, with new arrangements starting from the beginning of the next new financial year.
12. **Joint Commissioning Arrangements with NHS England for the Exercise of CCG Functions**

12.1 The CCG may wish to work together with NHS England in the exercise of its commissioning functions.

12.2 The CCG and NHS England may make arrangements to exercise any of the CCG’s commissioning functions jointly.

12.3 The arrangements referred to in paragraph 12.2 above may include other CCGs.

12.4 Where joint commissioning arrangements pursuant to 12.2 above are entered into, the parties may establish a joint committee to exercise the commissioning functions in question.

12.5 Arrangements made pursuant to 12.2 above may be on such terms and conditions (including terms as to payment) as may be agreed between NHS England and the CCG.

12.6 Where the CCG makes arrangements with NHS England (and another CCG if relevant) as described at paragraph 12.2 above, the CCG shall develop and agree with NHS England a framework setting out the arrangements for joint working, including details of:

- How the parties will work together to carry out their commissioning functions
- The duties and responsibilities of the parties
- How risk will be managed and apportioned between the parties
- Financial arrangements, including, if applicable, payments towards a pooled fund and management of that fund
- Contributions from the parties, including details around assets, employees and equipment to be used under the joint working arrangements

12.7 The liability of the CCG to carry out its functions will not be affected where the CCG enters into arrangements pursuant to paragraph 12.2 above.

12.8 The CCG will act in accordance with any further guidance issued by NHS England on co-commissioning.

12.9 Only arrangements that are safe and in the interests of patients registered with member practices will be approved by the Governing Body.

12.10 The Governing Body of the CCG shall require, in all joint commissioning arrangements that the Chief Operating Officer of the CCG make a quarterly
written report to the Governing Body and hold at least annual engagement
events to review aims, objectives, strategy and progress and publish an
annual report on progress made against objectives.

12.11 Should a joint commissioning arrangement prove to be unsatisfactory the
Governing Body of the CCG can decide to withdraw from the arrangement, but
has to give six months’ notice to partners, with new arrangements starting from
the beginning of the next new financial year after the expiration of the six
months’ notice period.
13 Joint Commissioning Arrangements with NHS England for the Exercise of NHS England’s Functions

13.1 The CCG may wish to work with NHS England and, where applicable, other CCGs, to exercise specified NHS England functions.

13.2 The CCG may enter into arrangements with NHS England and, where applicable, other CCGs to:

- Exercise such functions as specified by NHS England under delegated arrangements;
- Jointly exercise such functions as specified with NHS England.

13.3 Where arrangements are made for the CCG and, where applicable, other CCGs to exercise functions jointly with NHS England a joint committee may be established to exercise the functions in question.

13.4 Arrangements made between NHS England and the CCG may be on such terms and conditions (including terms as to payment) as may be agreed between the parties.

13.5 For the purposes of the arrangements described at paragraph [14.2] above, NHS England and the CCG may establish and maintain a pooled fund made up of contributions by the parties working together. Any such pooled fund may be used to make payments towards expenditure incurred in the discharge of any of the commissioning functions in respect of which the arrangements are made.

13.6 Where the CCG enters into arrangements with NHS England as described at paragraph [14.2] above, the parties will develop and agree a framework setting out the arrangements for joint working, including details of:

- Model wording for amendments to CCGs’ constitutions
- How the parties will work together to carry out their commissioning functions;
- The duties and responsibilities of the parties;
- How risk will be managed and apportioned between the parties;
- Financial arrangements, including payments towards a pooled fund and management of that fund;
- Contributions from the parties, including details around assets, employees and equipment to be used under the joint working arrangements.

13.7 The liability of NHS England to carry out its functions will not be affected where it and the CCG enter into arrangements pursuant to paragraph [14.2] above.

13.8 The CCG will act in accordance with any further guidance issued by NHS England on co-commissioning.

13.9 Only arrangements that are safe and in the interests of patients registered with member practices will be approved by the Governing Body.
13.10 The Governing Body of the CCG shall require, in all joint commissioning arrangements that the Chief Operating Officer of the CCG make a quarterly written report to the Governing Body and hold at least annual engagement events to review aims, objectives, strategy and progress and publish an annual report on progress made against objectives.

13.11 Should a joint commissioning arrangement prove to be unsatisfactory the Governing Body of the CCG can decide to withdraw from the arrangement, but has to give six months’ notice to partners, with new arrangements starting from the beginning of the next new financial year after the expiration of the six months’ notice period.
## APPENDIX A
### DEFINITIONS OF KEY DESCRIPTIONS USED IN THIS CONSTITUTION

| **2006 Act** | National Health Service Act 2006 |
| **2012 Act** | Health and Social Care Act 2012 (this Act amends the 2006 Act) |
| **Chief Executive as Accountable Officer** | an individual, as defined under paragraph 12 of Schedule 1A of the 2006 Act (as inserted by Schedule 2 of the 2012 Act), appointed by NHS England, with responsibility for ensuring the Group:  
  • complies with its obligations under:  
    o sections 14Q and 14R of the 2006 Act (as inserted by section 26 of the 2012 Act),  
    o sections 223H to 223J of the 2006 Act (as inserted by section 27 of the 2012 Act),  
    o paragraphs 17 to 19 of Schedule 1A of the NHS Act 2006 (as inserted by Schedule 2 of the 2012 Act), and  
    o any other provision of the 2006 Act (as amended by the 2012 Act) specified in a document published by the Board for that purpose;  
  • exercises its functions in a way which provides good value for money. |
| **Annual General Meeting** | the annual Members’ Meeting in accordance with this Constitution |
| **Area** | the geographical area that the Group has responsibility for, as defined in Chapter 2 of this Constitution |
| **CCG Regulations** | the NHS (Clinical Commissioning Groups) Regulations 2012 |
| **Chair of the Governing Body** | the individual appointed by the Group to act as Chair of the Governing Body |
| **Director of Finance** | the qualified accountant employed by the Group with responsibility for financial strategy, financial management and financial governance |
| **Clinical commissioning Group** | a body corporate established by NHS England in accordance with Chapter A2 of Part 2 of the 2006 Act (as inserted by section 10 of the 2012 Act) |
| **Committee** | a committee or sub-committee created and appointed by:  
  • the membership of the Group  
  • a committee / sub-committee created by a committee created / appointed by the membership of the Group  
  • a committee / sub-committee created / appointed by the Governing Body |
**Council of Members**
or **Members’ Council**
the committee of the Group established pursuant to and for the purposes set out in this Constitution

**East Suffolk GP Members**
Members in the East Suffolk Localities

**East Suffolk Localities**
Suffolk Brett Stour Locality, Commissioning Ideals Alliance Locality and Deben Health Group Locality

**Deputy Chair of the Governing Body**
the individual appointed by the Group to act as Deputy Chair of the Governing Body

**Financial year**
this usually runs from 1 April to 31 March, but under paragraph 17 of Schedule 1A of the 2006 Act (inserted by Schedule 2 of the 2012 Act), it can for the purposes of audit and accounts run from when a Group is established until the following 31 March

**Group**
NHS Ipswich and East Suffolk Clinical Commissioning Group, whose Constitution this is

**Governing body**
the body appointed under section 14L of the NHS Act 2006 (as inserted by section 25 of the 2012 Act), with the main function of ensuring that a Group has made appropriate arrangements for ensuring that it complies with:
- its obligations under section 14Q under the NHS Act 2006 (as inserted by section 26 of the 2012 Act), and
- such generally accepted principles of good governance as are relevant to it.

**Governing body member**
any member appointed to the Governing Body of the Group

**Ipswich GP Members**
Members in the Ipswich Locality

**Lay member**
a lay member of the Governing Body, appointed by the Group. A lay member is an individual who is not a member of the Group or a healthcare professional (i.e. an individual who is a member of a profession regulated by a body mentioned in section 25(3) of the National Health Service Reform and Health Care Professions Act 2002) or as otherwise defined in regulations

**Locality**
has the meaning given in Clause 2.2

**Member**
a provider of primary medical services to a registered patient list, who is a members of this Group (see tables in Chapter 3 and Appendix B)

**Members’ Meeting**
a meeting of the Members’ Council which is held in accordance with the procedure set out in this Constitution
<table>
<thead>
<tr>
<th><strong>NHS England</strong></th>
<th>The body corporate as identified in the Health and Social Care Act 2012 as the NHS Commissioning Board</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Practice Representatives</strong></td>
<td>an individual appointed by a practice (who is a member of the Group) to act on its behalf in the dealings between it and the Group, under regulations made under section 89 or 94 of the 2006 Act (as amended by section 28 of the 2012 Act) or directions under section 98A of the 2006 Act (as inserted by section 49 of the 2012 Act)</td>
</tr>
</tbody>
</table>
| **Registers of interests** | registers a Group is required to maintain and make publicly available under section 14O of the 2006 Act (as inserted by section 25 of the 2012 Act), of the interests of:  
  • the members of the Group;  
  • the members of its Governing Body;  
  • the members of its committees or sub-committees and committees or sub-committees of its Governing Body; and  
  • its employees. |
| **Standing Orders** | the standing orders of the Company set out in Appendix E |
APPENDIX B:
GP MEMBER PRACTICES - SIGNED LETTERS OF AGREEMENT ARE RETAINED AT THE CCG HEADQUARTERS

All members specified below will be providers of primary medical services on the date the CCG is established.

<table>
<thead>
<tr>
<th>Practice Name</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Coast and Country</strong></td>
<td></td>
</tr>
<tr>
<td>Bildeston Health Centre</td>
<td>High Street, Bildeston, Ipswich, IP7 7EX</td>
</tr>
<tr>
<td>Constable Country Rural Medical Practice</td>
<td>Heath Road, East Bergholt, Colchester, CO7 6RT</td>
</tr>
<tr>
<td>Eye Health Centre</td>
<td>The Health Centre, Castleton Way, Eye, IP23 7DD</td>
</tr>
<tr>
<td>Fressingfield Medical Centre</td>
<td>New Street, Fressingfield, IP21 5PJ</td>
</tr>
<tr>
<td>Hadleigh Health Centre</td>
<td>Market Place, Hadleigh, IP7 5DN</td>
</tr>
<tr>
<td>Martlesham Surgery</td>
<td>23 The Square, Martlesham Heath, IP5 3SL</td>
</tr>
<tr>
<td>Mendlesham Health Centre</td>
<td>Chapel Road, Mendlesham, Stowmarket, IP14 5SQ</td>
</tr>
<tr>
<td>Needham Market Country Practice</td>
<td>Barking Road, Needham Market, Ipswich, IP6 8EZ</td>
</tr>
<tr>
<td>The Barham and Claydon Surgery</td>
<td>Norwich Road, Barham, Ipswich, IP6 0DT</td>
</tr>
<tr>
<td>The Grove Medical Centre</td>
<td>Grove Road, Felixstowe, IP11 9GA</td>
</tr>
<tr>
<td>The Holbrook and Shotley Practice</td>
<td>The Surgery, The Street, Holbrook, Ipswich, IP9 2QS</td>
</tr>
<tr>
<td>The Birches Medical Centre</td>
<td>Twelve Acre Approach, Kesgrave, Ipswich, IP5 1JF</td>
</tr>
<tr>
<td><strong>Deben Health Group</strong></td>
<td></td>
</tr>
<tr>
<td>Church Farm Surgery</td>
<td>Victoria Road, Aldeburgh, IP15 5EB</td>
</tr>
<tr>
<td>Framfield House</td>
<td>Framfield Medical Centre, Ipswich Road, Woodbridge, IP12 4FD</td>
</tr>
<tr>
<td>Framlingham Surgery</td>
<td>Pembroke Road, Framlingham, IP13 9HA</td>
</tr>
<tr>
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<td>The Dr Solway &amp; Dr Whale Practice</td>
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<td>Walton Surgery</td>
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<td>Leiston Surgery</td>
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APPENDIX C: STANDING ORDERS

1. STATUTORY FRAMEWORK AND STATUS

1.1. Introduction

1.1.1. These standing orders have been drawn up to regulate the proceedings of the NHS Ipswich and East Suffolk Clinical Commissioning Group so that Group can fulfil its obligations, as set out largely in the 2006 Act, as amended by the 2012 Act and related regulations. They are effective from the date the Group is established.

1.1.2. The standing orders, together with the Group’s scheme of reservation and delegation\(^4\) and the Group’s Detailed Financial Policies\(^5\), provide a procedural framework within which the Group discharges its business. They set out:

a) the arrangements for conducting the business of the Group;

b) the appointment of member Practice Representatives;

c) the procedure to be followed at meetings of the Group, the Governing Body and any committees or sub-committees of the Group or the Governing Body;

d) the process to delegate powers,

e) the declaration of interests and standards of conduct.

These arrangements must comply, and be consistent where applicable, with requirements set out in the 2006 Act (as amended by the 2012 Act) and related regulations and take account as appropriate\(^6\) of any relevant guidance.

1.1.3. The standing orders, scheme of reservation and delegation and Detailed Financial Policies have effect as if incorporated into the Group’s Constitution.

Group Members, employees, members of the Governing Body, members of the Governing Body’s committees and sub-committees, members of the Group’s committees and sub-committees and persons working on behalf of the Group should be aware of the existence of these documents and, where necessary, be familiar with their detailed provisions. Failure to comply with the standing orders, scheme of reservation and delegation and Detailed

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\(^4\)See Appendix D

\(^5\)See Appendix E

\(^6\)Under some legislative provisions the Group is obliged to have regard to particular guidance but under other circumstances guidance is issued as best practice guidance.
Financial Policies may be regarded as a disciplinary matter that could result in dismissal.

1.2. **Schedule of matters reserved to the Group and the scheme of reservation and delegation**

1.2.1. The 2006 Act (as amended by the 2012 Act) provides the Group with powers to delegate the Group’s functions and those of the Governing Body to certain bodies (such as committees) and certain persons. The Group has decided that certain decisions may only be exercised by the Members’ Council in formal session.

1.2.2. Any of the following matters require the agreement of the Members’ Council by a majority vote (unless otherwise stated) and no action can be taken by the Governing Body (except the calling of a general meeting at which such a resolution might be discussed) without its agreement:

   a) Making recommendations to the National Commissioning Board for changes to the Constitution of the Group;

   b) Using any other name than that specified in Clause 1.1 of the Constitution in relation to the activities of the Group;

   c) Merging, amalgamating or federating the Group with any other clinical commissioning group;

   d) Reorganisation of the boundaries of the Group;


1.2.3. These decisions and also those delegated are contained in the Group’s scheme of reservation and delegation (see Appendix F).

2. **THE CLINICAL COMMISSIONING GROUP: COMPOSITION OF MEMBERSHIP, KEY ROLES AND APPOINTMENT PROCESS**

2.1. **Composition of membership**

2.1.1. Chapter 3 of the Group’s Constitution provides details of the membership of the Group (also see Appendix B).

2.1.2. Chapter 6 of the Group’s Constitution provides details of the governing structure used in the Group’s decision-making processes, whilst Chapter 7 of the Constitution outlines certain key roles and responsibilities within the Group and its Governing Body, including the role of Practice Representatives (section 7.1 of the Constitution).
2.2. **Key Roles**

2.2.1. Paragraph 6.7.2 of the Group’s Constitution sets out the composition of the Group’s Governing Body whilst Chapter 7 of the Group’s Constitution identifies certain key roles and responsibilities within the Group and its Governing Body. These standing orders set out how the Group appoints individuals to these key roles.

2.3. **Practice Representatives**

2.3.1. Members shall appoint Practice Representatives in accordance with Clause 3.3 of the Constitution.

2.3.2. Each Member appoints their Practice Representative to the Members’ Council.

2.3.3. Each Member authorises their Practice Representative to:

- receive notice of, attend and vote at any meetings of the Members’ Council, or sign any written resolution on behalf of that Member;

- appoint a proxy, complete and return proxy cards, consent to short notice and consent to any other documents required to be signed by the Member;

- be an active link between the Member practice and the Group in discharging the Group’s functions. The Practice Representative should ensure the Member has a sound understanding of commissioning issues.

- to attend locality meetings when these are held.

2.3.4. The Group (including the Governing Body) shall be entitled to treat any Practice Representative as having the continuing authority given to him under paragraph 2.3.1 of the Standing Orders until it is notified of the removal of that Practice Representative in writing by the Member to the Governing Body (or an individual nominated by Governing Body) and any provision of this Constitution that requires delivery or notification to a Member shall be deemed to have been satisfied if delivery or notification is made to or served on the Practice Representative.

2.4. **Appointment of members of the Governing Body**

Members of the Governing Body shall be appointed in accordance with these Standing Orders
2.4.1. **Chair of the Governing Body**

The Chair is subject to the following appointment process:

a) **Nominations** – any eligible member of the Governing Body may nominate him- or herself.

b) **Eligibility** – the Chair shall be a GP member of the Governing Body.

c) **Appointment process** – a GP member of the Governing Body wishing to stand for election to the role of CCG chair should nominate himself by sending an email directly to the Office of the Chief Operating Officer in accordance with the timetable agreed by the governing body. The nomination must be seconded by another voting board member and should be accompanied by a supporting statement of no more than 200 words. The list of GP nominations will be circulated with the governing body papers of the meeting at which the Chair will be elected. All governing board members will be invited to cast a vote anonymously at the meeting.

d) **Term of office** – up to 3 years;

e) **Eligibility for reappointment** – remains a member of the Governing Body.

f) **Ineligibility and grounds for removal from office** – the Chair is no longer a GP member of the Governing Body.

g) **Notice period** – 6 months but immediately if the Chair is removed from office in accordance with paragraph f) above.

2.4.2. **Deputy Chair**

The Deputy Chair is subject to the following appointment process:

a) **Eligibility and appointment** – The Deputy Chair shall be the lay member responsible for governance.

b) **Ineligibility and grounds for removal from office** – the Deputy Chair ceases to be the lay member responsible for governance.

c) **Notice period** – immediately if the Deputy Chair is no longer the lay member responsible for governance.

2.4.3. **Chief Executive as Accountable Officer**

The **Chief Executive** is subject to the following appointment process:

a) **Eligibility** – the **Chief Executive** must meet the requirements of the role outline approved by the Governing Body

b) **Appointment process** – the Governing Body will nominate a **Chief Executive** who will be appointed by NHS England
c) **Term of office** – the Chief Executive’s term of office shall be stated in his or her contract of employment or (if not an employee) terms of appointment.

d) **Eligibility for reappointment** – still meets the requirements set out at 2.4.4 a)

e) **Ineligibility and grounds for removal from office** – the Chief Executive is an individual who is disqualified from membership of a CCG governing body under the CCG regulations and / or in accordance with his or her contract of employment (if any).

f) **Notice period** – immediately if the Chief Executive is disqualified from membership of a CCG governing body under the CCG regulations but otherwise the Chief Executive’s notice period shall be in accordance with his or her contract of employment (if any) and / or statutory employment rights (if any) or (if not an employee) terms of appointment.

2.4.4. **GP members of the Governing Body**

GP members of the Governing Body are subject to the following appointment process:

a) **Eligibility** –

   All partner and salaried GPs working in a GP practice within the Ipswich and East Suffolk CCG area and included on the Medical Performer List are entitled to stand for election to the group’s Governing Body. GPs working predominantly in the out-of-hours service are not eligible to stand.

   i) Four GP members of the Governing Body shall each be a Partner or salaried GP of a Member in the East Suffolk Localities (the East Suffolk GP Members of the Governing Body)

   ii) Three GP members of the Governing Body shall each be a partner or salaried GP of a Member in the Ipswich Locality (the Ipswich GP Members of the Governing Body)

b) **Nominations** – GPs must be nominated by two GPs who are Partners or salaried GPs of a Member. GPs wishing to stand for election should write an election address of up to 200 words.

c) **Appointment process** –

   i) The Members’ Council shall appoint one candidate for each vacant position of the East Suffolk GP Members of the Governing Body in accordance with the outcome of a vote of all Partners and Salaried GPs of Members in the East Suffolk Localities who shall each have one vote for each vacant position.

   ii) The Members’ Council shall appoint one candidate for each vacant position of the Ipswich GP Members of the Governing Body in
accordance with the outcome of a vote of all Partners and Salaried GPs of Members in the Ipswich Locality who shall each have one vote for each vacant position.

iii) The Local Medical Committee will oversee the election process for GP members of the Governing Body and send electronic ballot papers to partners and salaried GPs of Members who are eligible to vote.

d) **Term of office** - Members of the Governing Body are appointed for three years, subject to continued successful authorisation and any changes in national policy.

e) **Eligibility for reappointment** – There is no limit to the number of terms which a GP may stand for election;

f) **Grounds for removal from office** – GP members of the Governing Body will be removed from office:

i) If a receiving order is made against him / her or he / she makes any arrangement with his creditors.

ii) If in the opinion of the Governing Body (having taken appropriate professional advice in cases where it is deemed necessary) he / she become or are deemed to be of unsound mind.

iii) If he / she ceases to be a provider of primary medical services, or engaged in or employed to deliver primary medical services

iv) If he/she is removed from either the GMC register or the Suffolk Medical Performer List. If he/she is suspended from either, then he/she will be suspended from the Governing Body also.

v) If he/she is in breach of their contract with the Group.

vi) If he / she, in the opinion of the majority of other voting Governing Body members including at least four GP members shall have behaved in a manner or exhibited conduct which has or is likely to be detrimental to the interest of the Governing Body or the Group and is likely to bring the Governing Body and/or Group into disrepute. This includes but is not limited to dishonesty, misrepresentation (either knowingly or fraudulently), defamation of any Member of the Governing Body (being slander or libel), abuse of position, non-declaration of a known conflict of interest, seeking to lead or manipulate a decision of the Governing Body in a manner that would ultimately be in favour of that Member whether financially or otherwise.

vii) Where he / she has become ineligible to stand for a position as a result of the declaration of any Conflict of Interest
viii) If he / she is an individual who is disqualified from membership of a CCG governing body under the CCG regulations.

ix) If he / she shall for a period of 5 consecutive meetings of the Governing Body has been absent and shall at the discretion of the Governing Body be vacated from his / her office.

x) If he / she shall be convicted of a criminal offence whereby the sentence imposed shall be for a minimum of 6 months imprisonment (whether such sentence is held to be suspended or conditional). Each case would be assessed on its individual merits by the Governing Body.

xi) If at least 51% of all Practice Representatives request a vote of no confidence in him or her and subsequently a vote of no confidence is passed by a majority of at least 66% of all Practice Representatives.

g) **Notice period** – three months or immediately if 2.4.5 f)(viii) applies.

2.4.5. **Lay Members**

Lay Members are subject to the following appointment process:

a) **Eligibility** – the post holder must meet the requirements of the role outline. One lay member shall be responsible for governance and be the Chair of the Audit Committee. The other lay member shall be responsible for public and patient involvement and must live within the area of the CCG. The third lay member shall be responsible for financial matters.

b) **Appointment process** – the posts are advertised widely via local stakeholder channels to ensure local interest. Interviews are conducted by members of the Governing Body.

c) **Term of office** – the office holders will be appointed to the office for a period of up to 3 years

d) **Eligibility for reappointment** – the criteria referred to at paragraph a) above are still applicable

e) **Ineligibility and grounds for removal from office** – as for GP members of the Governing Body with the exception if (iii) and (iv)

f) **Notice period** – 3 months but immediately if the lay member is an individual who is excluded from being a lay member or is otherwise disqualified from membership of a CCG governing body under the CCG regulations.

2.4.6. **Secondary Care Specialist**

The secondary care specialist is subject to the following appointment process:
a) **Eligibility** – The secondary care specialist

   i) is a secondary care specialist within the meaning of the CCG regulations and does not fall within regulation 12(1) of the CCG regulations and

   ii) shall meet the requirements of the role function and specification that the Governing Body shall approve.

b) **Appointment process** – the posts are advertised widely via NHS channels. Interviews are conducted by members of the Governing Body.

c) **Term of office** – the secondary care specialist will be appointed to the office for a period of up to 3 years

d) **Eligibility for reappointment** – the criteria referred to at paragraph a) above are still applicable, e) Ineligibility and grounds for removal from office –

   i) the secondary care specialist is an individual who is excluded from being a secondary care specialist under the CCG regulations

   ii) as for GP members of the Governing Body with the exception of (iii) and (iv).

e) **Notice period** – 3 months but immediately if the secondary care consultant is removed from office in accordance with paragraph e) above.

2.4.7. **Independent Nurse**

The independent nurse is subject to the following appointment process

a) **Eligibility** – The independent nurse

   i) is a registered nurse who does not fall within regulation 12(1) of the CCG regulations, and

   ii) shall meet the requirements of the role function and specification that the Governing Body shall approve.

b) **Appointment process** – the posts are advertised widely via NHS channels. Interviews are conducted by members of the Governing Body.

c) **Term of office** – the independent nurse will be appointed to the office for a period of up to 3 years

d) **Eligibility for reappointment** – the criteria referred to at paragraph a) above are still applicable) Ineligibility and grounds for removal from office

   i) the independent nurse is an individual who is excluded from being an independent nurse under the CCG regulations
ii) as for GP members of the Governing Body with the exception of (iii) and (iv).

f) **Notice period** – 6 months but immediately if the independent nurse is removed from office in accordance with paragraph e) above.

2.4.8. The **Director of Finance** and **other Directors** of the Governing Body are subject to the following recruitment process:

a) **Appointment process** – the posts are advertised widely via NHS channels in the first instance. Interviews and appointment are conducted by members of the CCG Governing Body.

b) **Eligibility** – the post holder must meet the requirements of the role outline. The **Director of Nursing** must be a registered nurse.

c) **Grounds for removal from office** – the post holder is an individual who is disqualified from membership of a CCG governing body under the CCG regulations and / or in accordance with his or her contract of employment.

d) **Notice period** – immediately if the **Chief Executive** is disqualified from membership of a CCG governing body under the CCG regulations but otherwise the **Chief Executive’s** notice period shall be in accordance with his or her contract of employment and / or statutory employment rights.

2.5. **Joint appointments.** Where more than one person is appointed jointly to a post on the Governing Body, those persons shall count for the purpose of the Constitution and these Standing Orders as one person.

2.5.1. Where the office of a member of the Governing Body is shared jointly by more than one person:

a) Either or both of those persons may attend or take part in meetings of the Governing Body;

b) If both are present at a meeting they should cast one vote if they agree;

c) In the case of disagreements no vote should be cast;

d) The presence of either or both of those persons should count as the presence of one person for the purposes of Standing Order 4.6 (Quorum).

3. **MEETINGS OF THE MEMBERS’ COUNCIL**

3.1. **Calling Members’ Meetings**

3.1.1. The Practice Representatives together holding not less than 51% of the voting rights allocated to the Practice Representatives may call a Members’ Meeting at any time.
3.1.2. Every notice calling a Members’ Meeting must specify the location, date and time of the meeting and the general nature of the business to be transacted. Any resolution to be passed must be set out in full. The location must be publicly accessible premises within the Group’s Area.

3.1.3. The Practice Representatives who call a Members’ Meeting must give at least 21 clear days’ written notice before the date of it to all Practice Representatives.

3.1.4. On the calling of a Members’ Meeting the Chair of the Members’ Council shall forthwith arrange to give notice of it at the offices of the Group and on the Group’s website.

3.1.5. Any papers for a Members’ Meeting must be circulated at least 5 clear days prior to the Members’ Meeting to each Practice Representative.

3.1.6. A Members’ Meeting shall be held in public except where the Members’ Council decides that it would not be in the public interest to permit members of the public to attend all or part of it. The Chair of the Members’ Council may also exclude any member of the public from a Members’ Meeting if they are interfering with or preventing its proper conduct.

3.2. Attendance and Speaking at Members’ Meetings

3.2.1. The Group may make whatever arrangements it considers appropriate to enable those attending a Members’ Meeting to listen and contribute including to exercise their rights to speak or vote.

3.2.2. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate proceedings at that meeting.

3.2.3. Any partner or salaried GP of a Member and any member of the Governing Body may speak at a general meeting.

3.2.4. Other attendees may ask questions by invitation of the Chair.

3.3. Quorum and Chairing for Members’ Meetings

3.3.1. No business other than the appointment of the Chair of the meeting is to be transacted at a Members’ Meeting if the persons attending do not constitute a quorum.

3.3.2. For a Members’ Meeting to be quorate, the voting rights of the Practice Representatives (or their proxies) in attendance at a Members’ Meeting shall equal or exceed 51% of the nominated voting rights allocated to Practice Representatives in any year. If any Members of the Council of Members declare conflicts of interest in accordance with Part 8 of the Constitution, then the terms of Part 8 will apply in respect of ensuring that a meeting is quorate.
3.3.3. The Chair of the Members’ Council will be elected by the Practice Representatives at the first meeting of the Members’ Council.

3.3.4. If the Chair is not present or are not present within 10 minutes of the time at which a Members’ Meeting was due to start the Practice Representatives present at the meeting shall on a majority vote appoint one of themselves to Chair the meeting.

3.3.5. If the persons attending a Members’ Meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chair of the meeting must adjourn it.

3.3.6. The Chair of a quorate Members’ Meeting may adjourn it if:

a) the meeting consents to an adjournment, or

b) it appears to the Chair of the meeting that an adjournment is necessary to ensure that the business of the meeting is conducted in an orderly manner.

3.3.7. The Chair of a Members’ Meeting must adjourn it if directed to do so by Practice Representatives holding a simple majority of the nominated voting rights allocated to the Practice Representatives present at the meeting.

3.3.8. When adjourning a Members’ Meeting, the Chair of the meeting must:

a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Governing Body; and

b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

3.3.9. If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Chair must give at least 14 clear days’ notice of it:

a) to the same persons to whom notice of a Members’ Meeting is required to be given, and

b) containing the same information which such notice is required to contain.

3.3.10. At an adjourned Members’ Meeting only that business that formed the business to be transacted at the original meeting can be transacted.

3.4. Decision Making at Members’ Meetings

3.4.1. Only the Practice Representatives (or their proxies) shall be eligible to vote at a Members’ Meeting. Each of them shall be entitled to cast one vote. Decisions shall require a majority, of over 50% of voting members, except where stated otherwise in this Constitution.

3.4.2. In the case of an equality of votes, the Chair of the meeting shall be entitled to a casting vote.
3.4.3. The decision of the Chair of the meeting on questions of order, relevancy and regularity and their interpretation of the constitution, standing orders, scheme of reservation and delegation and Detailed Financial Policies at the meeting, shall be final.

3.5. **Errors and disputes**

3.5.1. No objection may be raised to the qualification of any person voting at a Members’ Meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

3.5.2. Any such objection must be referred to the Chair of the meeting whose decision is final.

3.6. **Content of proxy notices**

3.6.1. Proxies may only validly be appointed by a notice in writing (a “proxy notice”) which:

a) states the name and address of the Practice Representative appointing the proxy;

b) identifies the person appointed to be that Practice Representative’s proxy and the Members’ Meeting in relation to which that person is appointed;

c) is signed by or on behalf of the Practice Representative appointing the proxy, or is authenticated by the relevant Member; and

d) is delivered to the Governing Body in accordance with the Constitution and any instructions contained in the notice of the Members’ Meeting to which they relate.

3.6.2. The Council of Members may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

3.6.3. Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

3.6.4. Unless a proxy notice indicates otherwise, it must be treated as

a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and

b) appointing that person as a proxy in relation to any adjournment of the Members’ Meeting to which it relates as well as the meeting itself.

3.6.5. An appointment under a proxy notice may be revoked by delivering to the Council of Members a notice in writing given by or on behalf of the Practice Representative by whom or on whose behalf the proxy notice was given.

3.6.6. A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
3.6.7. If a proxy notice is not executed by the Practice Representative appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the relevant Member’s behalf.

3.7. **Annual Members’ Meeting**

3.7.1. The Members’ Council shall hold an Annual Members’ Meeting of the Group:

a) once in each year provided that not more than 15 months shall elapse between the date of one Annual Members’ Meeting and that of the next;

b) on a Business Day; and

c) at such a time and place as the Governing Body shall determine no later than September 30th of any year and in publicly accessible premises within the Group’s Area.

3.7.2. Minutes of the Annual Members’ Meeting will be a matter of public record.

3.7.3. The matters to be discussed at the Annual Members’ Meeting shall be set out in the notice, and shall include the consideration and, if thought fit, approval of:

a) the Group’s accounts as approved by the Governing Body;

b) the Group Annual Report;

c) the Group Report on Public Involvement;

d) the Group Annual Plan;

e) the appointment of an external auditor;

f) the transaction of any other business included in the notice convening the meeting;

g) any matters reserved to the Members’ Council;

h) the appointment of the Chair of the Members’ Council.

3.7.4. The Annual Members’ Meeting shall be open to the public.

3.7.5. Notice of the Annual Members’ Meeting will be published at least 28 clear days prior to the meeting.

3.8. **Minutes**

3.8.1. The minutes of the proceedings of a Members’ Meeting or Annual Members’ meeting shall be drawn up and submitted for agreement at the next meeting where they shall be signed by the person presiding at it as a true record.

3.8.2. No discussion shall take place upon the minutes except upon their accuracy or where the person presiding at the meeting considers discussion appropriate.
4. MEETINGS OF THE GOVERNING BODY

4.1. Calling meetings

4.1.1. Ordinary meetings of the Governing Body shall be held at regular intervals at such times and places as the Governing Body may determine.

4.2. Agenda, supporting papers and business to be transacted

4.2.1. Items of business to be transacted for inclusion on the agenda of a meeting need to be notified to the Chair of the Governing Body at least 15 working days (i.e. excluding weekends and bank holidays) before the meeting takes place. Supporting papers for such items need to be submitted at least 10 working days before the meeting takes place. The agenda and supporting papers will be circulated to all members of a meeting at least 5 working days before the date the meeting will take place.

4.2.2. Agendas and certain papers for the Group’s Governing Body – including details about meeting dates, times and venues - will be published on the Group’s website.

4.3. Petitions

4.3.1. Where a petition has been received by the Governing Body, the Chair of the Governing Body shall include the petition as an item for the agenda of the next meeting of the Governing Body.

4.4. Chair of a meeting

4.4.1. At any meeting of the Governing Body, the Chair of the Governing Body shall preside. If the Chair is absent from the meeting, the Deputy Chair, if present, shall preside.

4.4.2. If both the Chair and Deputy Chair are absent, or are disqualified from participating, or there is neither a Chair or Deputy Chair then a member of the Governing Body shall be chosen by the members present, or by a majority of them, and shall preside.

4.5. Chair’s ruling

4.5.1. The decision of the Chair of the Governing Body on questions of order, relevancy and regularity and their interpretation of the Constitution, standing orders, scheme of reservation and delegation and Detailed Financial Policies at the meeting, shall be final.

4.6. Quorum

4.6.1. Quorum shall be:
• At least four GPs (one of whom must be from an Ipswich GP Member practice and one of whom must be from an East Suffolk GP Member practice);
• At least one lay member;
• Either the Chief Executive or the Director of Finance;
• Either the secondary care member or the Director of Nursing.

If any Members of the Governing Body declare conflicts of interest in accordance with Part 8 of the Constitution, then the terms of Part 8 will apply in respect of ensuring that a meeting is quorate.

Members of the Governing Body may not send representatives unless they have formal ‘acting up’ status.

4.6.2. For all of the Governing Body’s committees and sub-committees, the details of the quorum for these meetings and status of representatives are set out in the appropriate terms of reference.

4.7. Decision making

Chapter 6 of the Group’s Constitution, together with the scheme of reservation and delegation, sets out the governing structure for the exercise of the Group’s statutory functions. Generally it is expected that at the Groups / Governing Body’s meetings decisions will be reached by consensus. Should this not be possible then a vote of members will be required, the process for which is set out below:

a) Eligibility – is as follows:

• Seven GP members including the Chair
• Director of Nursing – voting
• Secondary care doctor – voting
• Two Lay Members for Governance and Patient & Public Engagement – voting
• Third Lay Member
• Chief Executive – voting
• Director of Finance – voting
• Director of Performance and Contracts – non-voting participant
• Chief Operating Officer – non-voting participant
• Director of Strategy and Transformation – non-voting participant
• Director of Corporate Services and System Infrastructure – non-voting participant

b) Majority necessary to confirm a decision – over 50% of voting members

c) Casting vote – The Chair shall have the casting vote

d) Dissenting views can be recorded in the minutes
4.7.2. Should a vote be taken the outcome of the vote, and any dissenting views, must be recorded in the minutes of the meeting.

4.7.3. For all of the Governing Body’s committees and sub-committees, the details of the process for holding a vote are set out in the appropriate terms of reference, which may be found in Appendix J.

4.8. Emergency powers and urgent decisions

4.8.1 The powers which the Governing Body has reserved to itself within these Standing Orders may in emergency or for an urgent decision be exercised by the Chief Executive and the Chair after having consulted at least one Lay Member and two GP members. The exercise of such powers by the Chief Executive and Chair shall be reported to the next formal meeting of the Governing Body in public session for formal ratification.

4.8.2 Subject to the agreement of the Chair, and subject also to the provision of Standing Order 4.9 ‘Motions: procedure at and during a meeting’, a Member of the Governing Body may give written notice of an emergency motion after the issue of the notice of meeting and agenda, up to one hour before the time fixed for the meeting. The notice shall state the grounds of urgency. If in order, it shall be declared to the Governing Body at the commencement of the business of the meeting as an additional item included in the agenda. The Chair’s decision to include the item shall be final.

4.9. Motions: Procedure at and during a meeting

(i) Who may propose

The Chair of the meeting or any member present may propose a motion. Another member must also second it.

(ii) Contents of Motions

The Chair may exclude from the debate at his/her discretion any such motion of which notice was not given on the notice summoning the meeting other than a motion relating to:

- the reception of a report;
- consideration of any item of business before the Governing Body;
- the accuracy of minutes;
- that the Governing Body proceed to next business;
- that the Governing Body adjourn;
- that the question be now put.
(iii) **Amendments to motions**

A motion for amendment shall not be discussed unless it has been proposed and seconded.

Amendments to motions shall be moved relevant to the motion, and shall not have the effect of negating the motion before the Governing Body.

If there are a number of amendments, they shall be considered one at a time. When a motion has been amended, the amended motion shall become the substantive motion before the meeting, upon which any further amendment may be moved.

(iv) **Rights to reply to motions**

**Amendments**: The mover of an amendment may reply to the debate on their amendment immediately prior to the mover of the original motion, who shall have the right of reply at the close of debate on the amendment, but may not otherwise speak on it.

**Substantive/original motion**: The member who proposed the substantive motion shall have a right of reply at the close of any debate on the motion.

(v) **Withdrawing a motion**

A motion, or an amendment to a motion, may be withdrawn.

(vi) **Motions once under debate**

When a motion is under debate, no motion may be moved other than:

- an amendment to the motion;
- the adjournment of the discussion, or the meeting;
- that the meeting proceed to the next business;
- that the question should be now put;
- the appointment of an 'ad hoc' committee to deal with a specific item of business;
- that a member be not further heard; and
- a motion under section I (2) or section I (8) of the Public Bodies (Admissions to Meetings) Act 1960 resolving to exclude the public, including the press (see Standing Order No. 4.14.1).

In those cases where the motion is either that the meeting proceeds to the ‘next business’ or ‘that the question be now put’ in the interests of objectivity these should only be put forward by a member of the Governing Body who has not taken part in the debate and who is eligible to vote.

If a motion to proceed to the next business or that the question be now put, is carried, the Chair should give the mover of the substantive motion under debate
a right of reply, if not already exercised. The matter should then be put to the vote.

4.10. **Motion to rescind a Resolution**

   i) Notice of motion to rescind any resolution (or the general substance of any resolution) which has been passed within the preceding six calendar months shall bear the signature of the member who gives it and also the signature of three other members, and before considering any such motion of which notice shall have been given, the Governing Body may refer the matter to any appropriate committee or the Chief Executive for recommendation.

   ii) When any such motion has been dealt with by the Governing Body it shall not be competent for any member other than the Chair to propose a motion to the same effect within six months. This Standing Order shall not apply to motions moved in pursuance of a report or recommendations of a Committee or the Chief Executive.

4.11. **Suspension of Standing Orders**

4.11.1 Except where it would contravene any statutory provision or any direction made by the Secretary of State for Health or NHS England, any part of these standing orders may be suspended at any meeting, provided seven Group members are in agreement.

4.11.2. A decision to suspend standing orders together with the reasons for doing so shall be recorded in the minutes of the meeting.

4.11.3. A separate record of matters discussed during the suspension shall be kept. These records shall be made available to the Governing Body’s audit committee for review of the reasonableness of the decision to suspend standing orders.

4.12. **Record of Attendance**

4.12.1. The names of all members of the meeting present at the meeting shall be recorded in the minutes of the Group’s meetings. The names of all members of the Governing Body present shall be recorded in the minutes of the Governing Body meetings. The names of all members of the Governing Body’s committees / sub-committees present shall be recorded in the minutes of the respective Governing Body committee / sub-committee meetings.

4.13. **Minutes**

4.13.1. The Group will record the names of individuals in attendance.

4.13.2. The minutes will be taken by the clerk of the Governing Body.
4.13.3. The minutes will be formally signed off by the Chair of the meeting.

4.13.4. The minutes will be made available via the website: www.ipswichandeastsuffolkccg.nhs.uk on request.

4.14. Admission of public and the press

4.14.1. Admission and exclusion on grounds of confidentiality of business to be transacted

The public and representatives of the press may attend all meetings of the governing Body, but shall be required to withdraw upon the Governing Body resolving as follows:

‘that representatives of the press, and other members of the public, be excluded from the remainder of this meeting having regard to the confidential nature of the business to be transacted, publicity on which would be prejudicial to the public interest’, Section 1 (2), Public Bodies (Admission to Meetings) Act 1960

Guidance should be sought from the Group’s Freedom of Information Lead to ensure correct procedure is followed on matters to be included in the exclusion.

4.15. General disturbances

The Chair (or Vice-Chair if one has been appointed) or the person presiding over the meeting shall give such directions as he/she thinks fit with regard to the arrangements for meetings and accommodation of the public and representatives of the press such as to ensure that the Governing Body’s business shall be conducted without interruption and disruption and, without prejudice to the power to exclude on grounds of the confidential nature of the business to be transacted, the public will be required to withdraw upon the Governing Body resolving as follows:

‘That in the interests of public order the meeting adjourns for (the period to be specified) to enable the CCG Governing Body to complete its business without the presence of the public’. Section 1(8) Public Bodies (Admissions to Meetings) Act 1960.

4.16. Business proposed to be transacted when the press and public have been excluded from a meeting

Matters to be dealt with by the Governing Body following the exclusion of representatives of the press, and other members of the public, as provided above, shall be confidential to the members of the Governing Body.

Members and Officers or any employee of the Group in attendance shall not
reveal or disclose the contents of papers marked 'In Confidence' or minutes headed 'Private Session' outside of the Group without the express permission of the Governing Body. This prohibition shall apply equally to the content of any discussion during the Governing Body meeting which may take place on such reports or papers.

4.17. Use of Mechanical or Electrical Equipment for Recording or Transmission of Meetings

Nothing in these Standing Orders shall be construed as permitting the introduction by the public, or press representatives, of recording, transmitting, video or similar apparatus into meetings of the Governing Body or committee thereof. Such permission shall be granted only upon resolution of the Governing Body.

4.18. Observers at Governing Body meetings

The Governing Body will decide what arrangements and terms and conditions it feels are appropriate to offer in extending an invitation to observers to attend and address any of the Governing Body's meetings and may change, alter or vary these terms and conditions as it deems fit.

5. APPOINTMENT OF COMMITTEES AND SUB-COMMITTEES

5.1. Appointment of committees and sub-committees

5.1.1. The Group may appoint committees and sub-committees of the Group, subject to any regulations made by the Secretary of State50, and make provision for the appointment of committees and sub-committees of its Governing Body. Where such committees and sub-committees of the Group, or committees and subcommittees of its Governing Body, are appointed they are included in Part 6 of the Group’s Constitution.

5.1.2. Other than where there are statutory requirements, such as in relation to the Governing Body’s audit committee or remuneration committee, the Group shall determine the membership and terms of reference of committees and subcommittees and shall, if it requires, receive and consider reports of such committees at the next appropriate meeting of the Group.

5.1.3. The provisions of these standing orders shall apply where relevant to the operation of the Governing Body, the Governing Body’s committees and subcommittee and all committees and sub-committees of the Group (including the Members' Council) unless stated otherwise in the committee or sub-committee’s terms of reference.

50See section 14N of the 2006 Act, inserted by section 25 of the 2012 Act
5.2. Terms of Reference

5.2.1. Terms of reference shall have effect as if incorporated into the Constitution but shall not be part of it.

5.2.2. Copies of the relevant terms of reference are attached to the Constitution at Appendix I

5.3. Delegation of Powers by Committees to Sub-committees

5.3.1. Where committees are authorised to establish sub-committees they may not delegate executive powers to the sub-committee unless expressly authorised by the Group or Governing Body, as appropriate.

5.4. Approval of Appointments to Committees and Sub-committees

5.4.1. The Group shall approve the appointments to each of the committees and subcommittees which it has formally constituted including those the Governing Body. The Group shall agree such travelling or other allowances as it considers appropriate.

6. DUTY TO REPORT NON-COMPLIANCE WITH STANDING ORDERS AND DETAILED FINANCIAL POLICIES

6.1. If for any reason these standing orders 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 Governing Body for action or ratification. All members of the Group and staff have a duty to disclose any non-compliance with these standing orders to the Chief Executive as soon as possible.

7. USE OF SEAL AND AUTHORISATION OF DOCUMENTS

7.1. Clinical Commissioning Group’s seal

7.1.1. The Group may have a seal for executing documents where necessary. The following individuals or officers are authorised to authenticate its use by their signature:

a) The Chief Executive;

b) the Chair of the Governing Body;

c) the Director of Finance;

The Chief Executive shall keep a register in which he/she, or another manager of the Group authorised by him/her, shall enter a record of the sealing of every document.
Use of Seal – General Guide

a) Any contract or agreement with organisations other than NHS or other government bodies including local authorities where the annual costs exceed or are expected to exceed £100,000.

7.2. Execution of a document by signature

7.2.1. The following individuals are authorised to execute a document on behalf of the Group by their signature.

a) the Chief Executive

b) the Chair of the Governing Body

c) the Director of Finance

8. OVERLAP WITH OTHER CLINICAL COMMISSIONING GROUP POLICY STATEMENTS / PROCEDURES AND REGULATIONS

8.1. Policy statements: general principles

The Group will from time to time agree and approve policy statements / procedures which will apply to all or specific Groups of staff employed by NHS Ipswich and East Suffolk Clinical Commissioning Group. The decisions to approve such policies and procedures will be recorded in an appropriate Group minute and will be deemed where appropriate to be an integral part of the Group’s standing orders.
APPENDIX D – SCHEME OF RESERVATION & DELEGATION

1. SCHEDULE OF MATTERS RESERVED TO THE CLINICAL COMMISSIONING GROUP AND SCHEME OF DELEGATION

1.1. The arrangements made by the Group as set out in this scheme of reservation and delegation of decisions shall have effect as if incorporated in the Group’s Constitution.

1.2. The Group remains accountable for all of its functions, including those that it has delegated.
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<tr>
<th>Policy Area</th>
<th>Decision</th>
<th>Reserved to the Membership</th>
<th>Chair</th>
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<tr>
<td>1 REGULATION AND CONTROL</td>
<td>Determine the arrangements by which the Members of the Group approve those decisions that are reserved for the membership.</td>
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<td>1 REGULATION AND CONTROL</td>
<td>Consideration and approval of applications to NHS England on any matter concerning changes to the Group’s Constitution, including terms of reference for the Group’s Governing Body, its committees, membership of committees, the overarching scheme of reservation and delegated powers, arrangements for taking urgent decisions, standing orders and Detailed Financial Policies.</td>
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<td>1 REGULATION AND CONTROL</td>
<td>Approve recommendations to the NHS Commissioning Board to change the Constitution, name of the Group, to merge, federate or amalgamate, or to re-organise boundaries or organisational structures of the Group.</td>
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<td>1 REGULATION AND CONTROL</td>
<td>Exercise or delegation of those functions of the Group which have not been retained as reserved by the Group, delegated to the Governing Body, delegated to a committee or sub-committee of the Group or to one of its Members or employees.</td>
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<td>REGULATION AND CONTROL</td>
<td>Prepare the Group’s overarching scheme of reservation and delegation, which sets out those decisions of the Group reserved to the membership and those delegated to the: • Group’s Governing Body • Committees and sub-committees of the Group, or • It’s Members and employees And sets out those decisions of the Governing Body reserved to the Governing Body and those delegated to the • Governing body’s committees and sub-committees, • Members of the Governing Body • An individual who is a member of the Group but not the Governing Body or a specified person For inclusion in the Group’s Constitution</td>
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<td>REGULATION AND CONTROL</td>
<td>Approval of the Group’s overarching scheme or reservation and delegation</td>
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<td>REGULATION AND CONTROL</td>
<td>Prepare the Group’s operational scheme of delegation, which sets out those key operational decisions delegated to the individual employees of the Group, not for inclusion in the Group’s Constitution.</td>
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<td>REGULATION AND CONTROL</td>
<td>Approval of the Group’s operational scheme of delegation that underpins the Group’s ‘overarching scheme of reservation and delegation’ as set out in its Constitution.</td>
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<td>REGULATION AND CONTROL</td>
<td>Prepare detailed financial policies that underpin the Group’s prime financial priorities</td>
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<td>1 REGULATION AND CONTROL</td>
<td>Approve arrangements for managing exceptional funding requests.</td>
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<td>1 REGULATION AND CONTROL</td>
<td>Set out who can execute a document by signature / use of the seal</td>
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<td>1 REGULATION AND CONTROL</td>
<td>Approve proposals for primary care development, proposed GMS Local Development Scheme, proposed practice incentive schemes, and proposed new changes in existing GMS infrastructure, reimbursement of payments to GP practices</td>
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<td>2 PRACTICE MEMBER REPRESENTATIVES AND MEMBERS OF THE GOVERNING BODY</td>
<td>Approve the arrangements for • Identifying Practice Representatives to represent practices in matters concerning the work of the Group; and • Appointing and removing GPs to/from the Governing Body • Appointing clinical leaders to represent the Group’s Governing Body, for example through election (if desired).</td>
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<td>2 PRACTICE MEMBER REPRESENTATIVES AND MEMBERS OF THE GOVERNING BODY</td>
<td>Approve the appointment of Governing Body members, the process for recruiting and removing non-elected members to the Governing Body (subject to any regulatory requirements) and succession planning.</td>
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<td>2 PRACTICE MEMBER REPRESENTATIVES AND MEMBERS OF THE GOVERNING BODY</td>
<td>Approve arrangements for identifying the Group’s proposed Chief Executive.</td>
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<td>3 STRATEGY AND PLANNING</td>
<td>Agree the vision, values and overall strategic direction of the Group.</td>
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<td>3 STRATEGY AND PLANNING</td>
<td>Approval of the Group's operational structure.</td>
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<td>3 STRATEGY AND PLANNING</td>
<td>Approval of the Group's commissioning plan.</td>
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<td>3 STRATEGY AND PLANNING</td>
<td>Approval of the Group's corporate budgets that meet the financial duties as set out in section 5.3 of the main body of the Constitution.</td>
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<td>3 STRATEGY AND PLANNING</td>
<td>Approval of variations to the approved budget where variation would have significant impact on the overall approved levels of income and expenditure or the Group’s ability to achieve its agreed strategic aims.</td>
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<td>3 STRATEGY AND PLANNING</td>
<td>Oversight and scrutiny of financial performance in relation to: The current and forecast in year financial position receiving detailed reports including progress towards meeting targets agreed within the CCG’s financial plan; Implementation of QIPP schemes and receiving updates on both the financial and performance activity for each;</td>
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<td>Achievement of any CCG incentive schemes and receiving reports of the actual and forecast performance for each;</td>
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<td>Reviewing the CCG’s medium term financial plans;</td>
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<td>Implementation of any investments and/or transformation schemes, receiving reports of the actual and forecast performance for each;</td>
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<td>Receiving and reviewing departmental financial delivery plans</td>
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<td>Approval of the arrangements for discharging the Group’s statutory financial duties.</td>
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<td>Approve the terms and conditions, remuneration and travelling or other allowances for Governing Body members, including pensions and gratuities.</td>
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<tr>
<td>5 HUMAN RESOURCES</td>
<td>Approve terms and conditions of employment for all employees of the Group including pensions, remuneration, fees and travelling or other allowances payable to the employees and to other persons providing services to the Group.</td>
<td>Reserved to the Membership</td>
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<td>5 HUMAN RESOURCES</td>
<td>Approve any other terms and conditions of services for the Group’s employees.</td>
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<td>5 HUMAN RESOURCES</td>
<td>Determine the terms and conditions of employment for all employees of the Group.</td>
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<td>5 HUMAN RESOURCES</td>
<td>Determine pensions, remuneration, fees and allowances payable to employees and to other persons providing services to the Group.</td>
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<td>5 HUMAN RESOURCES</td>
<td>Recommend pensions, remuneration, fees and allowance payable to employees and to other persons providing services to the Group.</td>
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<td>5 HUMAN RESOURCES</td>
<td>Approve disciplinary arrangements for employees, including the Chief Executive (where he/she is an employee or member of the Group) and for other persons working on behalf of the Group.</td>
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<td>5 HUMAN RESOURCES</td>
<td>Review disciplinary arrangements where the Chief Executive is an employee or member of another Group.</td>
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<td>Approve human resources policies for employees and for other persons working on behalf of the Group</td>
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<td>QUALITY AND SAFETY</td>
<td>Approve arrangements, including supporting policies, to minimise clinical risk, maximise patient safety and to secure continuous improvement in quality and patient outcomes.</td>
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<td>QUALITY AND SAFETY</td>
<td>Approve arrangements for supporting NHS England in discharging its responsibilities in relation to securing continuous improvement in the quality of general medical services.</td>
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<td>QUALITY AND SAFETY</td>
<td>Ensure continuous improvement in the quality of services as described in the group’s “Patient Safety and Clinical Quality Framework”.</td>
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<tr>
<td>QUALITY AND SAFETY</td>
<td>Provide assurance regarding the provision of high quality, safe services for the CCG’s population and the implementation of all statutory duties in relation to the safeguarding of adults and children.</td>
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<td>QUALITY AND SAFETY</td>
<td>Monitoring and management of Safeguarding arrangements.</td>
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<td>QUALITY AND SAFETY</td>
<td>Responsibility for monitoring the continuous improvement in the quality of primary care services.</td>
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<tr>
<td>7 OPERATIONAL AND RISK MANAGEMENT</td>
<td>Prepare and recommend an operational scheme of delegation that sets out who has responsibility for operational decisions within the Group.</td>
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<td>7 OPERATIONAL AND RISK MANAGEMENT</td>
<td>Approve the Group’s counter fraud and security management arrangements.</td>
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<tr>
<td>7 OPERATIONAL AND RISK MANAGEMENT</td>
<td>Approval of the Group’s risk management arrangements.</td>
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<td>7 OPERATIONAL AND RISK MANAGEMENT</td>
<td>Approve arrangements for risk sharing and or risk pooling with other organisations (for example arrangements for pooled funds with other Groups or pooled budget arrangements under section 75 of the NHS Act 2006).</td>
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<tr>
<td>7 OPERATIONAL AND RISK MANAGEMENT</td>
<td>Approval of a comprehensive system of internal control, including budgetary control that underpins the effective, efficient and economic operation of the Group.</td>
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<td>7 OPERATIONAL AND RISK MANAGEMENT</td>
<td>Approve proposals for action on litigation against or on behalf of the Group.</td>
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<td>7 OPERATIONAL AND RISK MANAGEMENT</td>
<td>Approve the Group’s arrangements for business continuity and emergency planning.</td>
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<td>INFORMATION GOVERNANCE</td>
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<td>INFORMATION GOVERNANCE</td>
<td>Approval of the arrangements for ensuring appropriate and safekeeping and confidentiality of records and for the storage, management and transfer of information and data.</td>
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<td>TENDERING AND CONTRACTING</td>
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<td>TENDERING AND CONTRACTING</td>
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<td>PARTNERSHIP WORKING</td>
<td>Approve decisions that individual members or employees of the Group participating in joint arrangements on behalf of the Group can make. Such delegated decisions must be disclosed in this scheme of reservation and delegation.</td>
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<td>PARTNERSHIP WORKING</td>
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<td>11 COMMISSIONING AND CONTRACTING FOR CLINICAL SERVICES</td>
<td>Approval of the arrangements for discharging the Group’s statutory duties associated with its commissioning functions, including but not limited to promoting the involvement of each patient, patient choice, reducing inequalities, improvement in the quality of services, obtaining appropriate advice and public engagement and consultation.</td>
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<td>11 COMMISSIONING AND CONTRACTING FOR CLINICAL SERVICES</td>
<td>Approve arrangements for co-ordinating the commissioning of services with other Groups and or with the local authority(ies), where appropriate.</td>
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<td>12 COMMUNICATIONS</td>
<td>Approving arrangements for handling Freedom of Information requests.</td>
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<td>12 COMMUNICATIONS</td>
<td>Determining arrangements for handling Freedom of Information requests.</td>
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<td>13 PRIMARY CARE COMMISSIONING</td>
<td>Make collective decisions on the review, planning and procurement of primary care services under delegated authority from NHS England</td>
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<td>13 PRIMARY CARE COMMISSIONING</td>
<td>Exercise such functions as specified by NHS England under delegated arrangements</td>
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<td>13</td>
<td>PRIMARY CARE COMMISSIONING</td>
<td>Jointly exercise such functions as specified with NHS England.</td>
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### Detailed Financial Policies - Contents

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DETAILED FINANCIAL POLICIES 1. INTRODUCTION

1.1 General

1.1.1 Clinical Commissioning Groups are established under the Health and Social Care Act 2012 (“the 2012 Act”). They are statutory bodies which have the function of commissioning services for the purposes of the health service in England and are treated as NHS bodies for the purposes of the National Health Service Act 2006 (“the 2006 Act”). The duties of clinical commissioning groups to commission certain health services are set out in section 3 of the 2006 Act, as amended by section 13 of the 2012 Act, and the regulations made under that provision.

1.1.2 The CCG refers to the prime and detailed financial policy together as the Clinical Commissioning Group’s Financial Policies.

1.1.3 These Detailed Financial Policies detail the financial responsibilities, policies and procedures adopted by the CCG. They are designed to ensure that the CCGs 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.

1.1.4 These Detailed Financial Policies identify the financial responsibilities which apply to everyone working for the CCG and its constituent organisations. They do not provide detailed procedural advice and should be read in conjunction with any detailed departmental and financial procedure notes. All financial procedures must be approved by the Director of Finance.

1.1.5 Should any difficulties arise regarding the interpretation or application of any of the Detailed Financial Policies then the advice of the Director of Finance must be sought before acting. The user of these Detailed Financial Policies should also be familiar with and comply with the provisions of the CCGs Constitution, including its Standing Orders and Scheme of Delegation.

1.1.6 The failure to comply with Detailed Financial Policies and standing orders can in certain circumstances be regarded as a disciplinary matter that can result in dismissal.
1.1.7 Non Compliance

If for any reason these Detailed Financial Policies are not complied with, full details of the non-compliance and any justification for noncompliance 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 Governing Body and staff have a duty to disclose any non-compliance with these Detailed Financial Policies to the Director of Finance as soon as possible.

1.2 Responsibilities and delegation

1.2.1 The CCG Governing Body

The CCG 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 CCG Governing Body and employees as indicated in the Scheme of Delegation.

1.2.2 The CCG Governing Body has resolved that certain powers and decisions may only be exercised by the CCG Governing Body in formal session. These are set out in the Scheme of Delegation.

1.2.3 The Chief Executive and Director of Finance
The Chief Executive and Director of Finance will, as far as possible, delegate their detailed responsibilities, but they remain accountable for financial control.

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

1.2.4 It is a duty of the Chief Executive to ensure that Members of the CCG Governing Body and employees and all new appointees are notified of, and put in a position to understand their responsibilities within these Detailed Financial Policies.

1.2.5 The Director of Finance

The Director of Finance is responsible for:

(a) implementing the CCGs 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 Director of Finance include:

(d) the provision of financial advice to other Members of the CCG Governing Body 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 and Employees

All Members of the CCG Governing Body 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, Detailed Financial Policies, 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 Chief Executive to ensure that such persons are made aware of this.

1.2.8 For all Members of the CCG Governing Body 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 CCG Governing Body and employees discharge their duties must be to the satisfaction of the Director of Finance.

2. AUDIT

2.1 Audit Committee
2.1.1 In accordance with the Constitution and constituent Standing Orders the CCG Governing Body shall formally establish an Audit Committee, with clearly defined terms of reference and following guidance from the latest version of the NHS Audit Committee Handbook 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, Chief Executive and CCG Governing Body;

b) Reviewing the work and findings of the appointed external auditor 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 CCG Governing Body, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the CCG 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), which supports the achievement of the organisation’s objectives;

g) Monitoring compliance with Standing Orders and Detailed Financial Policies;

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

i) Overseeing review of schedules of debtors/creditors balances over £5,000 and six months old and explanations/action plans;

j) Review the annual report and financial statements prior to submission to the CCG Governing Body focusing particularly on;
(i) the wording in the Statement on Internal Control 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 CCG 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, Detailed Financial Policies, 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 CCG Governing Body and advising the CCG Governing Body accordingly.

2.1.2 The minutes of the Audit Committee meetings shall be formally recorded by the Governing Body Secretary 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 to the full CCG Governing Body, or require executive action. The Committee will report to the CCG 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 and the integration of governance arrangements.

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 Chair of the Audit Committee should raise the matter at a full meeting of the CCG Governing Body. Exceptionally, the matter may need to be referred to the National Commissioning Board.

2.1.4 It is the responsibility of the Director of Finance to ensure an adequate Internal Audit service is provided and the Audit Committee shall be involved in the selection process when/if an Internal Audit service provider is changed.

2.2 **Director of Finance**

2.2.1 The **Director of Finance** 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 is adequate and meets the NHS mandatory audit standards;

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 CCG Governing Body. The report must cover:

   (i) a clear opinion on the effectiveness of internal control in accordance with current assurance framework guidance 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) strategic audit plan covering the coming three years;

   (vi) a detailed plan for the coming year.

2.2.2 The Director of Finance or designated auditors 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 CCG Governing Body or employee of the CCG;

   c) the production of any cash, stores or other property of the CCG under a Member of the CCG Governing Body 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 commissioned by the CCG which provides:

a) an independent and objective opinion to the Chief Executive, the CCG Governing Body and the Audit Committee on the degree to which risk management, control and governance, support the achievement of the CCG’s agreed objectives;

b) an independent and objective consultancy service specifically to help line management improve the CCG’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 CCG’s objectives;

b) identify, assess and manage the risks to achieving the CCG’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 Services brought in from other organisations will, if required, be subject to Internal Audit review on behalf of the client as a user of its services. Any issues arising from that review will be reported to the client for their attention.
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 CCG Governing Body to inform the Annual Governance Statement and by the NCB as part of its performance management role; and

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 Director of Finance 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 Chief Executive of the CCG.

2.3.6 The Head of Internal Audit shall be accountable to the Director of Finance. The reporting system for Internal Audit shall be agreed between the Director of Finance, 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 Internal Audit shall undertake such additional works the Audit Committee may direct.
2.4  External Audit

2.4.1  The External Auditor is paid for by the CCG. The Audit Committee must ensure an efficient and effective service. If there are any problems relating to the service provided by the External Auditor, then this should be raised with the External Auditor and referred on to the National Commissioning Board if the issue cannot be resolved.

2.5  Fraud and Corruption

2.5.1  In line with their responsibilities, the CCG Chief Executive and the Director of Finance 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 as specified by the DH Fraud and Corruption Manual and guidance.

2.5.3  The Local Counter Fraud Specialist shall report to the CCG Director of Finance shall work with staff in NHS Protect in accordance with the DH Fraud and Corruption Manual.

2.5.4  The Local Counter Fraud Specialist will provide a written report, at least annually, on counter fraud work within the CCG.

2.5.5  Clinical Commissioning Groups will cooperate with NHS Protect and its nominated officers in the discharge of its functions, such as allowing NHS Protect access to clinical commissioning group premises, members, employees, documents and information etc. in respect of the promotion of counter fraud measures and the appointment of local counter fraud specialists.

2.6  Security Management

2.6.1  In line with their responsibilities, the CCG Chief Executive 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 Chief Executive has overall responsibility for controlling and coordinating security. However, key tasks are delegated to the Security Management lead Officer and the appointed Local Security Management Specialist (LSMS).

3. RESOURCE LIMIT CONTROL

3.1.1 The CCG is required by statutory provisions not to exceed its Resource Limit. The Chief Executive 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 Director of Finance will:

   a) provide monthly reports in the form required by the Secretary of State;
   
   b) ensure money drawn from NHS England 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’; and
   
   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, COMMISSIONING DELIVERY PLAN, BUDGETS, BUDGETARY CONTROL AND MONITORING

4.1 Allocations

4.1.1 The Director of Finance 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 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 on significant changes to the initial allocation and the uses of such funds.

### 4.2 Preparation and Approval of Commissioning Plan and Budgets

#### 4.2.1 The Chief Executive will compile and submit to the CCG Governing Body a local delivery 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; and
- 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 Director of Finance will, on behalf of the Chief Executive, prepare and submit Budgets for approval by the CCG 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 Director of Finance shall monitor financial performance against Budget and plan, periodically review them, and report to the CCG Governing Body.
4.2.4 All Budget holders must provide information as required by the Director of Finance to enable Budgets to be compiled.

4.2.5 The Director of Finance has a responsibility to ensure that adequate training is delivered on an ongoing basis to Budget holders to help them manage successfully.

4.3 Budgetary Delegation

4.3.1 The Chief Executive 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; and
f) the provision of regular reports.

4.3.2 The Chief Executive and delegated Budget holders must not exceed the budgetary total or virement limits set by the CCG Governing Body.

4.3.3 Any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Chief Executive, 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 Chief Executive, as advised by the Director of Finance.

4.4 Budgetary Control and Reporting
4.4.1 The Director of Finance will devise and maintain systems of budgetary control. These will include:

a) monthly financial reports to the CCG Governing Body in a form approved by the CCG 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 Chief Executive’s and/or Director of Finance 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 CCG Governing Body; and

b) the amount provided in the approved Budget is not used in whole or in part for any purpose other than that specifically authorized, subject to the rules of virement;
c) no permanent employees are appointed other than in accordance with Detailed Financial Policies

4.4.3 The Chief Executive is responsible for identifying and implementing cost improvements and income generation initiatives in accordance with the requirements of the Commissioning Plan and a balanced Budget.

4.5 Capital Expenditure

4.5.1 The general rules applying to delegation and reporting shall also apply to capital expenditure. (The particular applications relating to capital are contained in Detailed Financial Policy No. 14).

4.6 Monitoring Returns

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

5. ANNUAL ACCOUNTS AND REPORTS

5.1 The Director of Finance, on behalf of the CCG, will:

a) prepare financial returns in accordance with the accounting policies and guidance given by the DH and the Treasury, the CCGs accounting policies, and generally accepted accounting practice;

b) prepare and submit annual financial reports to the DH certified in accordance with current guidelines;

c) submit financial returns to the DH for each financial year in accordance with the timetable prescribed by the DH.

5.2 The CCG’s annual accounts must be audited by an auditor appointed by the Audit Commission. 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 DH’s Manual for Accounts.
6. BANK AND GBS ACCOUNTS

6.1 General

6.1.1 The Director of Finance has lead responsibility for managing the CCG’s banking arrangements and for advising the CCG 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 DH. In line with ‘Cash Management in the NHS’ CCGs should minimize the use of commercial bank accounts and consider using Government Banking Service (GBS) accounts for all banking services.

6.1.2 The CCG Governing Body shall approve the banking arrangements.

6.2 Bank and GBS Accounts

6.2.1 The Director of Finance is responsible for:

a) bank accounts and Government Banking Service (GBS) accounts;

b) establishing separate bank accounts for the CCG’s nonexchequer 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 CCG 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 Director of Finance 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 In respect of any commercial bank accounts, the Director of Finance 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 Director of Finance 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 Office of Paymaster General accounts. The results of the tendering exercise should be reported to the CCG Governing Body.

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

7.1 Income Systems

7.1.1 The Director of Finance 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 Director of Finance is also responsible for the prompt banking of all monies received.

7.2 Fees and Charges

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

7.2.2 The Director of Finance is responsible for approving and regularly reviewing the level of all fees and charges other than those determined by the DH or by Statute. Independent professional advice on matters of valuation shall be taken as necessary. Where sponsorship income (including items in kind such as subsidised goods or loans of equipment) is considered, the guidance in the DH’s ‘Commercial Sponsorship – Ethical Standards in the NHS’, shall be followed.
7.2.3 All employees must inform the Director of Finance 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 Director of Finance 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 Director of Finance 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 securing 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 Director of Finance.

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.

7.4.5 **Money Laundering** – under no circumstances will the CCG accept cash payments in excess of €15,000 (approximately £10,000), in respect of any single transaction. Any attempts by an individual to effect payment above this amount should be notified immediately to the Director of Finance.

8. **TENDERING AND CONTRACTING PROCEDURE**

8.1 **Duty to comply with Standing Orders and Detailed Financial Policies**

The procedure for making all contracts by or on behalf of the CCG shall comply with these Detailed Financial Policies. In the case of commissioning and purchased healthcare, the Commissioning Procurement Policy must be read in conjunction with Detailed Financial Policy No. 8.

8.2 **EU Directives Governing Public Procurement**

Directives by the Council of the European Union promulgated by the DH prescribing procedures for awarding all forms of contracts shall have effect as if incorporated in these Standing Orders and Detailed Financial Policies. Therefore, Public Procurement Legislation will apply. The Chief Commissioning Officer will direct on the implementation of legislation, and advise on thresholds and process. In addition the CCG will consider obtaining support as necessary, to ensure compliance.

8.3 **Reverse eAuctions** [this is an online auction for services/products]

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 DH "Capital Investment Manual" and “Estate code” in respect of capital investment and estate and property transactions. In the case of management consultancy contracts the CCG shall comply as far as is practicable with DH guidance "The Procurement and Management of Consultants within the NHS".
8.5 **Formal Competitive Tendering**

8.5.1 **General Applicability**

Formal competitive tendering shall apply to all arrangements (which may include the extension of an existing contract) where expenditure is incurred except as stated below within 8.5.2. The CCG shall ensure that competitive tenders are invited for:

a) the supply of goods, materials and manufactured articles;

b) the rendering of services including all forms of management consultancy services (other than specialised services sought from or provided by the DH);

c) for the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens); for disposals;

d) the provision of healthcare services by any non-NHS organisation.

8.5.2 **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 £50,000; 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; or

c) regarding disposals as set out in Detailed Financial Policy No. 16

d) regarding the provision of healthcare services by any NHS organisation.

Formal tendering procedures **may be waived** in the following circumstances:
a) in very exceptional circumstances where the Chief Executive 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;

b) where the requirement is covered by an existing contract;

c) where Buying Solutions\textsuperscript{51} agreements are in place;

d) 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;

e) 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;

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

g) 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;

h) 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;

i) 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 Director of Finance will ensure that any fees paid are reasonable and within commonly accepted rates for the costing of such work;

j) where allowed and provided for in the Capital Investment Manual.

\textsuperscript{51} Previously known as Purchasing & Supplies Agency
k) 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.

l) The Limits of Financial Authority set out in the Scheme of Delegation shall apply to:

(i) the authorisation of waiver of formal competitive tendering procedures; and

(ii) the extension or renewal of an existing contract.

Where Officers decide 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.

Where it is decided to extend an existing contract, the fact of the extension and the reasons should be documented and recorded in an appropriate CCG record and reported to the Audit Committee.

8.5.3 Fair and Adequate Competition

Where the exceptions set out in Detailed Financial Policy Nos. 8.3 and 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.

8.5.4 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 available). Where in the opinion of the Director of Finance it is desirable to seek tenders from firms not on the approved lists, the reason shall be recorded in writing to the Chief Executive (see Detailed Financial Policy No. 17.6.8 List of Approved Firms).
8.5.5 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.

8.5.5 Items which subsequently breach thresholds after original approval

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

8.6 Contracting/Tendering Procedure

8.6.1 Invitation to tender

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

b) 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 Executive or Nominated Senior Officer;
   • 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.

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

d) 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 DH guidance and, in minor respects, to cover special features of individual projects.

e) Every tenderer 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 Chief Executive or his/her Nominated Senior Officer 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

a) 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 Executive and not from the originating department.

b) 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 £75,000. The rules relating to the opening of tenders will need to be read in conjunction with any delegated authority set out in the CCGs Scheme of Delegation.

c) The ‘originating’ Office will be taken to mean the office sponsoring or commissioning the tender.

d) The involvement of Finance Office staff in the preparation of a tender proposal will not preclude the Director of Finance or any approved senior manager from the Finance Office from serving as one of the two senior managers to open tenders.

e) All Senior Officers will be authorised to open tenders regardless of whether they are from the originating office provided that the other authorised person opening the tenders with them is not from the originating office.

The Governing Body Secretary will count as a Chief Officer for the purposes of opening tenders.
Every tender received shall be marked with the date of opening and initialled by those present at the opening.

A register shall be maintained by the Chief Executive, or a person authorised by the Chief Executive (or the Chief Operating Officer in the case of SCH), to show for each set of competitive tender invitations despatched:

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

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.

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.

8.6.4 Admissibility

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 Chief Executive.

Where only one tender is sought and/or received, the Chief Executive and Director of Finance 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
a) Tenders received after the due time and date, but prior to the opening of the other tenders, may be considered only if the Chief Executive or his/her Nominated Senior Officer decides that there are exceptional circumstances i.e. despatched in good time but delayed through no fault of the tenderer.

b) 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 Chief Executive or his/her Nominated Senior Officer or if the process of evaluation and adjudication has not started.

c) 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 Chief Executive or his/her Nominated Senior Officer.

8.6.6 Acceptance of formal tenders

a) 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.

b) The Chief Executive or his/her Nominated Directors shall evaluate the tenders and shall:

   (i) in the case of commissioning and purchased healthcare (in accordance with DH guidance (as amended from time to time)) accept the tender which gives the best value for money. If this is not the lowest tender, in the case of a payment to be made by the CCG, then the choice made and the reasons why shall be set out in either the contract file, or other appropriate record. If payment is to be received by the CCG, the highest tender 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;

   (ii) in all other cases, accept 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.

c) 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:
(i) experience and qualifications of team members;

(ii) understanding of client’s needs;

(iii) feasibility and credibility of proposed approach;

(iv) 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.

d) 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 Chief Executive.

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

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

   (ii) that best value for money was achieved.

f) 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

a)  Responsibility for maintaining list.  A manager nominated by the Chief Executive shall on behalf of the CCG maintain lists of approved firms (where available) from whom 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 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 Director of Finance may make or institute any enquiries he/she deems appropriate concerning the financial standing and financial suitability of approved contractors. The Chief Executive 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 Chief Executive and the Director of Finance 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 Chief Executive 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 £10,000 but not exceed £50,000.

8.7.2 **Competitive Quotations**

a) 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.

b) Quotations should be in writing unless the Chief Executive or his/her Nominated Senior 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.

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

d) The Chief Executive or his/her Nominated Director 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:

a) 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 Nominated Officer, possible or desirable to obtain competitive quotations;

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

c) miscellaneous services, supplies and disposals;

d) where the goods or services are for building and engineering maintenance, the responsible works manager must certify that the first two conditions of this Detailed Financial Policy [i.e.: a) and b)] 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 Detailed Financial Policies except with the authorisation of either the Chief Executive or Director of Finance.

8.8 Authorisation of Tenders and Competitive Quotations

Providing all the conditions and circumstances set out in these Detailed Financial Policies have been fully complied with, formal authorisation and awarding of a contract may be decided by staff in accordance with the Limits of Financial Authority set out in the 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 because expenditure is below £50,000 and £10,000 respectively, the CCG shall procure goods and services in accordance with DH guidance, the Commissioning Procurement Policy, procurement procedures approved by the Director of Finance, with support if required unless the Chief Executive or Nominated Directors deem it inappropriate.
8.10 Private Finance for capital procurement

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

a) The Chief Executive 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 DH for approval or treated as per current guidelines.

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

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 CCG 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 Constitution, Standing Orders and Detailed Financial Policies;

b) EU Directives and other statutory provisions;

c) any relevant directions including the Capital Investment Manual, Estate code and guidance on the Procurement and Management of Consultants;

d) such of the NHS Standard Contract Conditions as are applicable;

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 CCG Governing Body shall endeavour to obtain best value for money by use of all systems in place. The Chief Executive 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

a) Subject to fulfilling the conditions set out in Detailed Financial Policy 8.12(b), Officers (with delegated authority from the Accountable Officer) may enter into contracts of employment, regarding staff, agency staff or temporary staff service contracts.

b) Such appointments must be:

(i) in accordance with establishment control charts (such establishment control charts being approved by the Chief Executive from time to time);

(ii) approved in writing by a senior manager of the Human Resources team;

(iii) approved in writing by a senior manager of the Finance team;

(iv) within available budgetary limits;

(v) in the case of temporary staff, through PASA approved agencies;

(vi) in the case of independent contractors, on the basis of an independent contract agreement; and

(vii) in accordance with policy guidance approved by the Remuneration & HR Committee from time to time.

8.13 Healthcare Services Agreements (see overlap with DFP 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 Public Body Corporate, is a legal document and is enforceable in law.

The Chief Executive shall nominate Officers to commission service agreements with providers of healthcare in line with a commissioning plan approved by the CCG Governing Body.

8.14 Disposals (See overlap with DFP 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 predetermined in a reserve) by the Chief Executive or his/her Nominated Director;

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 £250, 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 (Where Applicable)

8.15.1 The Chief Executive 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 Governing Body determines that in-house services should be subject to competitive tendering the following groups shall be set up:
a) Specification group, comprising the Chief Executive or Nominated Director/s and specialist;

b) In-house tender group, comprising a nominee of the Chief Executive and technical support;

c) Evaluation team, comprising normally a specialist Officer, a supplies Officer and a Director of Finance representative. For services having a likely annual expenditure exceeding £150,000, a Lay Member should be a member of the evaluation team.

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 CCG Governing Body.

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

8.16 Applicability of Detailed Financial Policies on Tendering and Contracting to funds held in trust (see overlap with DFP No. 18)

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

9. NHS SERVICE AGREEMENTS FOR PROVISION OF SERVICES

9.1 Service Level Agreements (SLAs)

The Chief Executive, as 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 Commissioning 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:
a) the standards of service quality expected;

b) the relevant national service framework (if any);

c) the provision of reliable information on cost and volume of services;

d) the NHS National Performance Assessment Framework;

e) that SLAs build where appropriate on existing Joint Investment Plans;

f) 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 Chief Executive 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 the CCG Governing Body on SLAs

The Chief Executive, as the Accountable Officer, will ensure that regular reports are provided to the CCG Governing Body detailing actual and forecast expenditure against the SLA/contract. 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 NHS England, local NHS Trusts, other CCGs, Foundation Trusts, local authority, users, carers and the voluntary sector to develop a Commissioning Strategy and Plan.

10.2 Role of the Chief Executive (to be read in conjunction with Detailed Financial Policy No.11)

10.2.1 The Chief Executive has responsibility for ensuring secondary services are commissioned in accordance with the priorities agreed in the Commissioning Strategy and Plan. This will involve ensuring Service Level Agreements (SLAs) are put in place with the relevant providers.

10.2.2 SLAs and contracts will be the key means of delivering the objectives of the Commissioning Strategy and Plan and therefore they need to have a wider scope. The CCG Chief Executive will need to ensure that all SLAs/contracts:

a) Meet the standards of service quality expected;

b) Fit the requirements of QIPP

c) Fit the relevant national service framework (if any);

d) Enable the provision of reliable information on cost and volume of services;

e) Fit the NHS National Performance Assessment Framework;

f) that SLAs build where appropriate on existing Joint Investment Plans;

g) that SLAs are based upon cost-effective services;

h) that SLAs are based on integrated care pathways where applicable.

10.2.3 The Chief Executive will ensure that regular reports are provided to the CCG Governing Body detailing actual and forecast expenditure and activity for each SLA/contract.
10.2.4 Where the CCG makes arrangements for the provision of services by non-NHS providers it is the Chief Executive 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 Director of Finance (to be read in conjunction with Detailed Financial Policy No.11)

10.3.1 A system of financial monitoring must be maintained by the Director of Finance to ensure the effective accounting of expenditure under the SLA or foundation trust contract. This should provide a suitable audit trail for all payments made under the agreements/contracts, but maintains patient confidentiality.

10.3.2 The Director of Finance must account for Out of Area Treatments financial adjustments in accordance with national guidelines.

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

11.1 Remuneration and HR Committee

11.1.1 In accordance with Standing Orders, the CCG Governing Body shall establish a Remuneration and HR Committee, with clearly defined terms of reference, specifying which posts fall within its area of responsibility, its composition, and the arrangements for reporting.

11.1.2 The Remuneration and HR Committee will:

a) Conduct annual review process of the Chief Executive’s performance.

   (i) The CCG Chair sets the Chief Executive’s objectives, informed by recommendations from the Remuneration and HR Committee and other relevant parties.

   (ii) The CCG Chair undertakes an initial assessment of the Chief Executive’s performance and presents it to the Remuneration and HR Committee for comment.

   (iii) The CCG Chair makes a final assessment with any amendments considered appropriate arising from above.
b) Determine on behalf of the CCG Governing Body the terms of service (pay and non-pay benefits) of Chief Officers and Senior Managers.

c) Establish arrangements for monitoring and evaluating the performance of individual Chief Officers and Senior Managers, as approved by the CCG Governing Body.

d) Determine and approve the application of Clinical Excellence Awards.

e) Advise on and oversee contractual arrangements for staff by developing policies for recommendation to the CCG Governing Body, to ensure an equitable and consistent approach.

f) With delegated powers from the CCG Governing Body, receive and approve HR, Organisational Development and Learning and Development policies and procedures or those that may come directly to the Remuneration and HR Committee.

g) With delegated powers from the CCG Governing Body, receive and approve reports and have oversight the work of the Health and Safety Committee.

h) Determine and oversee contractual arrangements with staff and any termination payments.

i) Receive the minutes of any sub groups that may be formed.

j) Receive and approve reports on Organisational Development.

k) Receive and approve reports on Learning and Development.

11.1.3 The Remuneration & HR Committee shall report to the CCG Governing Body the basis for its recommendations. The CCG 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. Minutes of the CCG’s Governing Body meetings should record such decisions.

11.1.4 The CCG Governing Body will consider and need to approve proposals presented by the Chief Executive for the setting of remuneration and conditions of service for those employees not covered by the Remuneration & HR Committee.
11.1.5 The CCG will pay allowances to the Members of the CCG Governing Body in accordance with instructions issued by the Secretary of State for Health.

11.2 Funded Establishment

11.2.1 The workforce 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 Chief Executive as per the vacancy control procedure.

11.3 Staff Appointments

11.3.1

a) Chief Officers may engage, re-engage, or re-grade employees, either on a permanent or temporary basis, or hire agency staff.

b) Such engagement, re-engagement or re-grade must be:

(i) in accordance with establishment control charts (such establishment control charts being approved by the Chief Executive from time to time);

(ii) approved in writing by a senior manager of the Human Resources team;

(iii) approved in writing by a senior manager of the Finance team;

(iv) within available budgetary limits;

(v) in the case of temporary staff, through PASA approved agencies;

(vi) in the case of independent contractors, on the basis of an independent contract agreement; and

(vii) in accordance with policy guidance approved by the Remuneration & HR Committee from time to time.
11.3.2 The CCG Governing Body will approve procedures presented by the Chief Executive for the determination of commencing pay rates, condition of service, etc, for employees.

11.4 Processing Payroll

11.4.1 The Director of Finance is responsible for:

a) specifying timetables for submission of properly authorised time records and other notifications;

b) the final determination of pay and allowances;

c) making payment on agreed dates;

d) agreeing method of payment.

11.4.2 Director of Finance will issue instructions regarding:

a) verification and documentation of data;

b) the timetable for receipt and preparation of payroll data and the payment of employees and allowances;

c) maintenance of subsidiary records for superannuation, income tax, social security and other authorised deductions from pay;

d) security and confidentiality of payroll information;

e) checks to be applied to completed payroll before and after payment;

f) authority to release payroll data under the provisions of the Data Protection Act;

g) methods of payment available to various categories of employee and Officers;
h) procedures for payment by cheque, bank credit, or cash to employees and Officers;

i) procedures for the recall of cheques and bank credits;

j) pay advances and their recovery;

k) maintenance of regular and independent reconciliation of pay control accounts;

l) separation of duties of preparing records and handling cash;

m) 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 have delegated responsibility for:

a) submitting time records, and other notifications in accordance with agreed timetables;

b) completing time records and other notifications in accordance with the Director of Finance instructions and in the form prescribed by the Director of Finance;

c) 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 obligations in circumstances that suggest they have left without notice, the Director of Finance must be informed immediately.

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

11.5 Contracts of Employment

11.5.1 The CCG Governing Body shall delegate responsibility to a Chief Executive for:
a) ensuring that all employees are issued with a Contract of Employment in a form approved by the CCG 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 CCG Governing Body will approve the level of non-pay expenditure on an annual basis and the Chief Executive will determine the level of delegation to Budget holders.

12.1.2 The Chief Executive will set out:

a) the list of managers who are authorised to place requisitions/enter into contracts for the supply of goods and services;

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

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

12.1.4 The delegated financial limits set out in the Limits of Financial Authority, shall apply to this Detailed Financial Policy No. 12.

12.2 Choice, Requisitioning, Ordering, Receipt and Payment for Goods and Services

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 Director of Finance (and/or the Chief Executive) shall be consulted.

12.2.2 System of Payment and Payment Verification
The **Director of Finance** 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 Director of Finance will:**

a) advise the CCG 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 Detailed Financial Policies 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 CCG Governing Body 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 Director of Finance 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 Detailed Financial Policy 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 Senior Officer 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 Director of Finance 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 Chief Executive if problems are encountered.
12.2.5 **Official orders**

Official Orders must:

a) be consecutively numbered;

b) be in a form approved by the **Director of Finance**;

c) state the CCG’s terms and conditions of trade;

d) only be issued to, and used by, those duly authorised by the **Chief Executive**.

12.2.6 **Duties of Senior Officers and Managers**

Senior Officers and Managers must ensure that they comply fully with the guidance and limits specified by the **Director of Finance**

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 **Director of Finance** 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 **DH**;

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 the CCG’s Anti-Bribery Policy and other associated policies)

e) no requisition/order is placed for any item or items for which there is no Budget provision unless authorised by the Director of Finance on behalf of the Chief Executive;

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 Chief Executive 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) the authorised signatories database is kept up to date by ensuring all changes and amendments are made;

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

l) petty cash records are maintained in a form as determined by the Director of Finance.

12.2.7 The Chief Executive and Director of Finance 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 ESTATECODE. 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 sections 256 and 267 of the NHS Act 2006 and Section 64 (1) of the Health Service and Public Health Act 1968 shall comply with procedures laid down by the Director of Finance which shall be in accordance with these Acts.

13. FINANCIAL FRAMEWORK

The Director of Finance should ensure that Members of the CCG Governing Body are aware of the Financial Framework. This document contains directions which the CCG must follow. It also contains directions regarding resource and capital allocation and funding to CCGs. The Director of Finance 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;
appropriate project management and control arrangements;

b) that the Director of Finance has certified professionally to the costs and revenue consequences detailed in the business case.

See also Scheme of Delegation decisions reserved to the CCG Governing Body.

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 Director of Finance 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

c) approval to accept a successful tender

The Accountable Officer will issue a scheme of delegation for capital investment management in accordance with "Estatecode" guidance and the CCG’s Constitution and Standing Orders.

14.1.5 The Director of Finance 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.
14.1.6 The delegated financial limits set out in the Limits of Financial Authority shall apply to this Detailed Financial Policy No. 14.

14.2 Private Finance

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 Director of Finance 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 DH or in line with any current guidelines.

   c) The proposal must be specifically agreed by the CCG 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 Director of Finance 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 and reported to the Audit Committee.

14.3.2 The 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 DH.

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 Director of Finance 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 DH.

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 DH.

14.3.8 The Director of Finance of the CCG shall calculate and pay capital charges as specified in the Capital Accounting Manual issued by the DH.

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 Director of Finance. 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 Director of Finance.

14.4.4 Whilst each employee has a responsibility for the security of property of the CCG, it is the responsibility of the CCG Governing Body and senior employees in all disciplines to apply such appropriate routine security practices in relation to NHS property as may be determined by the CCG 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 CCG Governing Body 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

14.5.1 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 Director of Finance 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 subject to such delegation being entered in a record available to the Director of Finance. 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 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 Director of Finance 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 Director of Finance 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 Director of Finance.

15.2.6 The designated Manager/Pharmaceutical Officer shall be responsible for a system approved by the Director of Finance 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 Director of Finance any evidence of significant overstocking and of any negligence or malpractice (see also overlap with Detailed Financial Policy 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.

15.3  **Goods supplied by NHS Supply Chain**

15.3.1 For goods supplied via the NHS Supply Chain 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 Director of Finance 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 Director of Finance 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 Director of Finance 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 Director of Finance;

   b) recorded by the Condemning Officer in a form approved by the Director of Finance 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 Director of Finance who will take the appropriate action.

16.2 Losses and Special Payments

16.2.1 Procedures

The Director of Finance 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 Director, who must immediately inform the Accountable Officer and the Director of Finance or inform an Officer charged with responsibility for
responding to concerns involving loss. This Officer will then appropriately inform the Director of Finance and/or Accountable Officer. Where a criminal offence is suspected, the Director of Finance 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 Director of Finance must inform the relevant LCFS and CFSMS regional team in accordance with Secretary of State for Health’s Directions.

16.2.3 Suspected fraud

The Director of Finance must notify Internal Audit, the Counter Fraud and Security Management Services (CFSMS) 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 Director of Finance must immediately notify:

a) the CCG Governing Body;

b) External Auditor;

c) Internal Audit

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

16.2.6 The Director of Finance shall be authorised to take any necessary steps to safeguard the CCGs interests in bankruptcies and company liquidations.

16.2.7 For any loss, the Governing Body Secretary should consider whether any insurance claim can be made.

16.2.8 The Governing Body Secretary 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 DH.

16.2.10 All losses and special payments must be reported to the Audit Committee annually.
17. INFORMATION TECHNOLOGY

17.1 Responsibilities and duties of the Director of Finance

17.1.1 Director of Finance, is responsible for the accuracy and security of the computerised financial data of the CCG, and 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 of Finance 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 of Finance may consider necessary are being carried out.

17.1.2 The Director of Finance 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.

17.2 Responsibilities and duties of other Directors 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 CCG’s in the Region wish to sponsor jointly) all responsible directors and employees will send to the Director of Finance:

   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.

17.2.2 The Governing Body Secretary shall publish and maintain a Freedom of Information Scheme.

17.3 Contracts for Computer Services with other health bodies or outside agencies

The Director of Finance 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 Director of Finance 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 Director of Finance 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) Director of Finance staff have access to such data;

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

e) ensure that risks to the CCG from use of IT are identified and considered and that disaster recovery plans are in place.
18.  ACCEPTANCE OF GIFTS BY STAFF AND LINK TO STANDARDS OF BUSINESS CONDUCT

18.1 The Governing Body Secretary shall ensure that all Senior Officers, other members of the Governing Body and staff are made aware of the CCG policy on acceptance of gifts and other benefits in kind by staff. This policy follows the guidance contained in the DH circular HSG (93) 5 ‘Standards of Business Conduct for NHS Staff’; the Code of Conduct and Accountability, the Code of Conduct for NHS Managers 2002; the seven Nolan Principles of Standards in Public Life, the ABPI Code of Professional Conduct relating to hospitality/gifts from pharmaceutical/external industry and the Audit Code of Practice and is also deemed to be an integral part of these Standing Orders and Detailed Financial Policies.

19.  PAYMENTS TO INDEPENDENT CONTRACTORS

19.1 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.

19.2 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.

19.3 Duties of the Director of Finance

The Director of Finance shall:

a) ensure that only contractors who are included on the CCG's approved lists receive 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 Authority regarding claims from contractors submitted directly to them.

20. RETENTION OF RECORDS

20.1 The Accountable Officer shall be responsible for maintaining archives for all records required to be retained in accordance with DH guidelines.

20.2 The records held in archives shall be capable of retrieval by authorised persons.

20.3 Records held in accordance with DH guidance shall only be destroyed at the express instigation of the Accountable Officer. Detail shall be maintained of records so destroyed.

21. RISK MANAGEMENT AND INSURANCE

21.1 Programme of Risk Management
The Accountable Officer shall ensure that the CCG has a programme of risk management, in accordance with current DH assurance framework requirements, which must be approved and monitored by the CCG 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 (Annual Governance Statement) within the Annual Report and Accounts as required by current DH guidance.

21.2 Insurance: Risk Pooling Schemes administered by NHSLA

The CCG 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 CCG 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.

21.3 Insurance arrangements with commercial insurers
21.3.1 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:

(i) **for insuring motor vehicles** owned by the CCG including insuring third party liability arising from their use;

(ii) 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;

(iii) 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 a NHS purpose the activity may be covered in the risk pool. Confirmation of coverage in the risk pool must be obtained from the Litigation Authority. In any case of doubt concerning a CCGs powers to enter into commercial insurance arrangements the **Director of Finance** should consult the DH.

21.4 **Arrangements to be followed by the CCG Governing Body in agreeing Insurance cover**

a) Where the CCG Governing Body decides to use the risk pooling schemes administered by the NHS Litigation Authority the **Director of Finance** shall ensure that the arrangements entered into are appropriate and complementary to the risk management programme. The **Director of Finance** shall ensure that documented procedures cover these arrangements.

b) Where the CCG 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 **Director of Finance** shall ensure that the CCG Governing Body is informed of the nature and extent of the risks that are self insured as a result of this decision. The **Director of Finance** 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.

c) All the risk pooling schemes require Scheme members to make some contribution to the settlement of claims (the ‘deductible’). The **Director of Finance** should ensure documented procedures also cover the management of claims and payments below the deductible in each case.

22. **LIMITS OF FINANCIAL AUTHORITY**
22.1 Providing that all the conditions and circumstances set out in the Detailed Financial Policies have been fully complied with:

- formal authorisation of waiver of formal tendering procedures
- formal authorisation and awarding of a contract (or a renewal or extension of a contract in the case of an existing contract)
- formal authorisation of non-pay expenditure
- formal authorisation of capital expenditure

may be authorised by staff in accordance with the value of the contract or level of expenditure as set out below. Such authorisation must be recorded in writing.

22.2 In determining the value of the contract or level of expenditure for the purposes of the Limits of Financial Authority, the following must be taken into account (as applicable):

- the value of the contract over the term of the contract;
- whether the individual contract is part of a series of contracts, amounting to a value which would exceed a delegated financial authority limit; and
- in the case of capital projects, the full anticipated total project cost (as set out in the business case).
<table>
<thead>
<tr>
<th>Relevant DFP Section</th>
<th>Delegated to</th>
<th>Financial Limit</th>
<th>Operational Responsibility</th>
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<tbody>
<tr>
<td>Authorisation of waiver of formal tendering procedures</td>
<td>Budget holders</td>
<td>Financial limit as delegated to each Budget holder as agreed and set by the Accountable Officer and Director of Finance and reviewed from time to time (for the avoidance of doubt such financial limit shall not exceed £37,999).</td>
<td>Budget holder</td>
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<tr>
<td>Authorisation of Tenders and Competitive Quotations</td>
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<td>Commissioning</td>
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<td>Non-Pay Expenditure</td>
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<tr>
<td>Capital Investment</td>
<td>Directors *</td>
<td>Up to £38,000</td>
<td>Chief Executive</td>
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<td>* Directors include:</td>
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<td>Accountable Officer</td>
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<td>Director of Finance</td>
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<td>Director of Performance &amp; Contracts</td>
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<td>Director of Nursing</td>
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<td>Chief Operating Officer</td>
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<tr>
<td>Chief Executive</td>
<td>Chief Executive following consultation with Director of Finance and with the Chair on all significant proposals</td>
<td>Up to £250,000</td>
<td>Chief Executive and Director of Finance following consultation with the Chair on all significant proposals</td>
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<tr>
<td>CCG Governing Body</td>
<td></td>
<td>Over £250,000</td>
<td>Senior Officer</td>
</tr>
<tr>
<td>Authorisation of waiver of formal tendering procedures</td>
<td>Designated Budget Holders:</td>
<td>Up to £250</td>
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<tr>
<td>Authorisation of waive of formal tendering procedures</td>
<td>Level D</td>
<td></td>
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<tr>
<td>Authorisation of waive of formal tendering procedures</td>
<td>Level C</td>
<td>Up to £500</td>
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</tr>
<tr>
<td>Tenders and Competitive Quotations</td>
<td>Level B</td>
<td>Up to £2,500</td>
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<tr>
<td>Commissioning</td>
<td>Level A</td>
<td>Up to £5,000</td>
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<tr>
<td>Non-Pay Expenditure</td>
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<tr>
<td>Capital Investment</td>
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APPENDIX F - NOLAN PRINCIPLES

1. The ‘Nolan Principles’ set out the ways in which holders of public office should behave in discharging their duties. The seven principles are:

   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.
APPENDIX G – NHS CONSTITUTION

The NHS Constitution sets out seven key principles that guide the NHS in all it does:

1. **the NHS provides a comprehensive service, available to all** - irrespective of gender, race, disability, age, sexual orientation, religion or belief. It has a duty to each and every individual that it serves and must respect their human rights. At the same time, it has a wider social duty to promote equality through the services it provides and to pay particular attention to Groups or sections of society where improvements in health and life expectancy are not keeping pace with the rest of the population.

2. **access to NHS services is based on clinical need, not an individual’s ability to pay** - NHS services are free of charge, except in limited circumstances sanctioned by Parliament.

3. **the NHS aspires to the highest standards of excellence and professionalism** - in the provision of high-quality care that is safe, effective and focused on patient experience; in the planning and delivery of the clinical and other services it provides; in the people it employs and the education, training and development they receive; in the leadership and management of its organisations; and through its commitment to innovation and to the promotion and conduct of research to improve the current and future health and care of the population.

4. **NHS services must reflect the needs and preferences of patients, their families and their carers** - patients, with their families and carers, where appropriate, will be involved in and consulted on all decisions about their care and treatment.

5. **the NHS works across organisational boundaries and in partnership with other organisations in the interest of patients, local communities and the wider population** - the NHS is an integrated system of organisations and services bound together by the principles and values now reflected in the Constitution. The NHS is committed to working jointly with local authorities and a wide range of other private, public and third sector organisations at national and local level to provide and deliver improvements in health and well-being.

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52 Available at http://www.public-standards.gov.uk/
6. **the NHS is committed to providing best value for taxpayers’ money and the most cost-effective, fair and sustainable use of finite resources** - public funds for healthcare will be devoted solely to the benefit of the people that the NHS serves

7. **the NHS is accountable to the public, communities and patients that it serves** - the NHS is a national service funded through national taxation, and it is the Government which sets the framework for the NHS and which is accountable to Parliament for its operation. However, most decisions in the NHS, especially those about the treatment of individuals and the detailed organisation of services, are rightly taken by the local NHS and by patients with their clinicians. The system of responsibility and accountability for taking decisions in the NHS should be transparent and clear to the public, patients and staff. The Government will ensure that there is always a clear and up-to-date statement of NHS accountability for this purpose

Source: *The NHS Constitution: The NHS belongs to us all* (March 2012)\(^{53}\)

APPENDIX H – DISPUTE RESOLUTION PROCEDURES

1.0 Background

1.1 It is almost inevitable that on occasions practices will disagree with decisions made by their Group or, in some cases, actions taken by other Members that impact on them. It is important that all Members have the ability to appeal against any such decisions and have the right to request that any dispute is resolved by means of an agreed Dispute Resolution Procedure that forms part of the Group’s Constitution.

1.2 The arrangements to deal with disputes arising from the new commissioning responsibilities will follow closely existing procedures already in place in Suffolk.

2.0 Stage 1: The Informal Process

2.1 Informal resolution helps develop and sustain a partnership approach between Members and the Group. A Member may raise a dispute with the Group in writing to the Chair of the Governing Body. A response will be provided in writing within 10 working days following discussion with the Chief Executive and at least two other Governing Body members including the lay member for governance. With the consent of the Group and Member, a meeting may be held between the Member and the Group prior to the response being provided. With the consent of the both parties a conciliator may also be engaged.

2.2 Each party may also involve the LMC at this stage.

2.3 It is a requirement that the Informal Process must have been exhausted before either party is able to escalate the dispute to Stage 2: The Local Dispute Resolution Panel.

3.0 Stage 2: The Formal Local Dispute Resolution Process

3.1 In cases where either party remains dissatisfied with the outcome of Stage 1, then they have the right to request Formal Local Dispute Resolution in writing, including grounds for the request to the Chief Executive.

3.2 Other than in cases, which in the opinion of the Chief Executive and following consultation with the LMC, are considered to be frivolous or vexatious, a Local Dispute Resolution Panel (the Panel) will be convened to hear the dispute and make a determination.
3.3 The Panel will consist of:-
   o A Governing Body member from outside the locality
   o Appropriate LMC member from outside the locality
   o Suitable lay person (with legal experience)

The Panel may appoint one or more professional advisers as appropriate. Any advice to the Panel must be shared with both parties to the dispute who shall have the opportunity to make representations to the Panel on the advice.

3.4 A dispute should be referred within 10 working days of the agreement between the Group and the Member that further determination of the dispute is necessary to try to resolve it.

3.5 The Panel will be asked to review the dispute considering the evidence and any additional written submissions from both parties, consulting each other initially by telephone and email. They may make one of the following decisions giving the relevant reasons, that:

a. The Group decision should be accepted;
b. The Member’s view should be accepted;
c. A meeting of the Panel should be convened to discuss the dispute with representation from each of the parties involved in the dispute.

3.6 In 3.5 a) and b) above, the other party must accept the decision of the Panel.

3.7 Each party should be advised of the Panel’s outcome in writing by the Chief Executive within five working day’s of the Panel decision.

3.8 Both the Group and the Member must agree to a Panel meeting pursuant to paragraph 3.5 c) above. A meeting should be arranged by the Chief Executive, or their nominated deputy within 20 working days of the agreement to hold a meeting.

3.9 Each party to the dispute may be accompanied by a maximum of two persons, but a person who is a barrister or solicitor may not address the Panel or put questions to the witnesses. A representative could be a member of the LMC.

3.10 The lay member of the panel will act as Chairman.

3.11 The Panel will consider the evidence and make one of the following decisions, that:

a. The Group decision should be accepted;
b. The Member’s view should be accepted;
c. Recommend a likely satisfactory compromise.

3.12 Each party will be notified in writing by the Chief Executive (or their nominated deputy) setting out the findings of fact and consideration within 5 working days of the Panel’s decision.

3.13 There is no further right of appeal for either party through the local dispute resolution process.
## APPENDIX I – CHECKLIST FOR A CLINICAL COMMISSIONING GROUP’S CONSTITUTION

### Guidance

Irrespective of whether a Group uses this document as a base for its Constitution, the following provides a checklist for all Groups to use to ensure they include the appropriate information in their Constitution. Appendix H should be deleted from the final version of your Constitution. *When completing your Constitution remove this guidance box*

<table>
<thead>
<tr>
<th>Essential/Optional</th>
<th>Content</th>
<th>Included</th>
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</table>
| Essential          | The Constitution must specify:  
• the *name of the Group*;  
• the *members of the Group*; and  
• the *area of the Group*  

The name of the Group must comply with such requirements as may be prescribed. | | |
| Essential          | The Constitution must specify the *arrangements made by the Group for the discharge of its functions* (including its functions in determining the terms and conditions of its employees) | | |
| Optional           | The arrangements may include provision:  
• for the appointment of committees or sub-committees of the Group; and  
• for any such committees to consist of or include persons other than members or employees of the Group | | |
| Optional           | The arrangements may include provision for any functions of the Group to be exercised on its behalf by:  
• any of its members or employees;  
• its Governing Body; or  
• a committee or sub-committee of the Group | | |
<table>
<thead>
<tr>
<th>Essential</th>
<th>The Constitution must specify the procedure to be followed by the Group in making decisions</th>
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<tbody>
<tr>
<td>Essential</td>
<td>The Constitution must specify the arrangements made by the Group for discharging its duties in respect of registers of interest and management of conflicts of interest as specified under section 14O(1) to (4) of the 2006 Act, as inserted by section 25 of the 2012 Act</td>
</tr>
<tr>
<td>Essential</td>
<td>The Constitution must also specify the arrangements made by the Group for securing that there is transparency about the decisions of the Group and the manner in which they are made</td>
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<td>The provisions made above must secure that there is effective participation by each member of the Group in the exercise of the Group’s functions</td>
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<tr>
<td>Essential</td>
<td>The Constitution must specify the arrangements made by the Group for the discharge of the functions of its Governing Body</td>
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<tr>
<td>Essential</td>
<td>The arrangements must include:</td>
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<thead>
<tr>
<th>Essential/ Optional</th>
<th>Content</th>
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<tbody>
<tr>
<td></td>
<td>provision for the appointment of the audit committee and remuneration committee of the Governing Body</td>
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</table>
| Optional | The arrangements may include:  
• provision for the audit committee (but not the remuneration committee) to include individuals who are not members of the Governing Body  
• provision for the appointment of other committees or subcommittees of the Governing Body. These may include provision for a committee or sub-committee to include individuals who are not members of the Governing Body but are:  
  o members of the Group, or  
  o individuals of a description specified in the Constitution |
|---|---|
| Optional | The arrangements may include provision for any functions of the Governing Body to be exercised on its behalf by:  
• any committee or sub-committee of the Governing Body,  
• a member of the Governing Body;  
• a member of the Group who is an individual (but is not a member of the Governing Body); or  
• an individual of a description specified in the Constitution |
| Essential | The Constitution must specify the **procedure to be followed by the Governing Body in making decisions** |
| Essential | The Constitution must also specify the **arrangements made by the Group for securing that there is transparency about the decisions of the Governing Body and the manner in which they are made**  

This provision must include provision for meetings of governing bodies to be open to the public, except where the Group considers that it would not be in the public interest to permit members of the public to attend a meeting or part of a meeting |
In its Constitution, the Group must describe the **arrangements** which it has made and include a statement of the principles which it will follow in implementing those arrangements, to **secure that individuals to whom health services are being or may be provided pursuant to its commissioning arrangements are involved** (whether by being consulted or provided with information or in other ways):

- in the planning of the commissioning arrangements by the Group;
- in the development and consideration of proposals by the Group for changes in the commissioning arrangements where the implementation of the proposals would have an impact on the manner in which the services are delivered to the individuals or the range of health services available to them; and
- in decisions of the Group affecting the operation of the commissioning arrangements where the implementation of the decisions would (if made) have such an impact.
NHS IPSWICH AND EAST SUFFOLK CLINICAL COMMISSIONING GROUP
AUDIT COMMITTEE

TERMS OF REFERENCE

1 INTRODUCTION
The Committee is established in accordance with the NHS Ipswich and East Suffolk Clinical Commissioning Group's constitution and shall provide the Governing body with an independent and objective review of the adequacy and effective operation of the organisations' overall internal control system including its financial systems, financial information and compliance with laws, guidance, and regulations governing the NHS. The Terms of Reference are based on the specimen terms of reference set out in the NHS Audit Committee Handbook amended as necessary, NHS England template and are approved by the NHS Ipswich and East Suffolk Clinical Commissioning Group Governing body. They are reviewed each year.

2 REMIT AND RESPONSIBILITIES OF THE COMMITTEE
2.1 The duties of the Committee will be driven by the priorities identified by the NHS Ipswich and Suffolk Clinical Commissioning Group and the associated risks. It will operate to a programme of business, agreed by the Clinical Commissioning Group's governing body that will be flexible to new and emerging priorities and risks. The key duties of an audit committee will be as follows:

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

2.2 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 NHS Ipswich and East Suffolk Clinical Commissioning Group's activities that support the achievement of its objectives.
2.3 In particular, the committee will review the Governing Body Assurance Framework (GBAF) at each meeting to ensure the adequacy and effectiveness of:

(i) The completeness and relevance of the controls described within the GBAF and that they relate to the organisations strategic objectives.

(ii) The reliability of the assurances within the GBAF and that they are of good quality taking into account their source, the skills of those providing them and the extent of the work that lies behind them.

In addition:

(iii) All risk and control related disclosure statements (in particular the Annual Governance Statement), together with any appropriate independent assurances, prior to endorsement by the Clinical Commissioning Group.

(iv) The underlying assurance processes that indicate the degree of achievement of the organisations objectives, the effectiveness of the management of principal risks and the appropriateness of disclosure statements.

(v) The policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements and related reporting and self-certification.

(vi) The policies and procedures for all work related to fraud and corruption as set out in Secretary of State Directions and as required by the NHS Counter Fraud and Security Management Service; NHS Protect.

2.4 In carrying out this work the Committee will utilise the work of internal audit, external audit and other assurance functions, but will not be limited to these sources. It will also seek reports and assurances from senior officers 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.

Internal Audit

2.5 The Committee shall ensure that there is an effective internal audit function that meets mandatory NHS Internal Audit Standards and provides appropriate independent assurance to
the Committee, Chief Executive and Clinical Commissioning Group. This will be achieved by:

(i) Consideration of the provision of the internal audit service, the cost of the audit and any questions of resignation and dismissal

(ii) 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 organisation, as identified in the assurance framework.

(iii) Considering the major findings of internal audit work (and management’s response) and ensuring co-ordination between the internal and external auditors to optimise audit resources.

(iv) Ensuring that the internal audit function is adequately resourced and has appropriate standing within the Clinical Commissioning Group.

(v) An annual review of the effectiveness of internal audit

**External Audit**

2.6 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:

(i) Consideration of the performance of the external auditors, as far as the rules governing the appointment permit.

(ii) Discussion and agreement with the external auditors, before the audit commences, on the nature and scope of the audit as set out in the annual plan, and ensuring co-ordination, as appropriate, with other external auditors in the local health economy.

(iii) Discussion with the external auditors of their local evaluation of audit risks and assessment of the Clinical Commissioning Group and associated impact on the audit fee.

(iv) Review of all external audit reports, including the report to those charged with governance, agreement of the annual audit letter before submission to the Clinical Commissioning Group and any work undertaken outside the annual audit plan, together with the appropriateness of management responses.
Other Assurance Functions

2.7 The Committee shall review the findings of other significant assurance functions, both internal and external and consider the implications for the governance of the Clinical Commissioning Group.

These will include, but will not be limited to, any reviews by Department of Health arm’s length bodies or regulators/inspectors (for example, the Care Quality Commission and NHS Litigation Authority) and professional bodies with responsibility for the performance of staff or functions (for example, Royal Colleges and accreditation bodies).

Counter Fraud

2.8 The Committee shall satisfy itself that the Clinical Commissioning Group 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.

Whistle Blowing

2.9 The Committee shall review the adequacy and security of the organisation's arrangements for its employees and contractors to raise concerns, in confidence, about possible wrong doing in financial reporting and other matters. The committee shall ensure such whistle blowing arrangements allow proportionate investigation of such matters and appropriate follow-up action in accordance with the Whistle Blowing Policy.

Management

2.10 The Committee shall request and review reports and positive assurances from Senior Officers and managers on the overall arrangements for governance, risk management and internal control.

2.11 The committee may also request specific reports from individual functions within the Clinical Commissioning Group as they may be appropriate to the overall arrangements.

Financial Reporting

2.12 The Committee shall monitor the integrity of the Clinical Commissioning Group’s financial statements and any formal announcements relating to its financial performance.
2.13 The Committee shall ensure that the systems for financial reporting to the Clinical Commissioning Group, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided.

2.14 The Committee shall review the annual report and financial statements before submission to the Governing body and the Clinical Commissioning Group, focusing particularly on:

(i) The wording in the governance statement and other disclosures relevant to the terms of reference of the committee.
(ii) Changes in, and compliance with, accounting policies, practices and estimation techniques.
(iii) Unadjusted misstatements in the financial statements.
(iv) Significant judgements in preparing of the financial statements.
(v) Significant adjustments resulting from the audit.
(vi) Letter of representation.
(vii) Qualitative aspects of financial reporting.

3 RELATIONSHIP WITH THE GOVERNING BODY
3.1 The Committee shall have delegated authority from the Governing body to undertake its function.

3.2 Formal minutes shall be kept of the proceedings and approved by members of the Audit Committee prior to submission to the next meeting of the NHS Ipswich and East Suffolk Clinical Commissioning Group Governing body.

3.3 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.

3.4 The Committee will report to the Governing body annually on its work in support of the Annual Governance Statement.

4 MEMBERSHIP OF AUDIT COMMITTEE
4.1 The Committee shall consist of not less than three members appointed by the NHS Ipswich and East Suffolk Clinical Commissioning Group Governing body as set out in the Constitution and may include individuals who are not on the Governing body.

4.2 The lay member on the Governing body, with a lead role for overseeing key elements of governance, will chair the Audit Committee. In the event of the Chair being unable to attend all or
part of a Committee meeting, he or she will nominate a replacement from within the membership to deputise for that meeting.

4.3 The Chair of NHS Ipswich and East Suffolk Clinical Commissioning Group Governing body shall not be a member of the Committee.

4.4 Full time employees or individuals who claim a significant proportion of their income from the Clinical Commissioning Group will not be Members of the Committee and the Member Practices should not be in the majority.

5 ATTENDANCE
5.1 The Director of Finance and appropriate Internal and External Audit representatives shall normally attend meetings. However, at least once a year the Committee should meet privately with the External and Internal Auditors.

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

5.3 The Chief Executive will be invited to attend the committee each year to discuss the Annual Report and Accounts.

5.4 Any other Senior Officers or managers may be invited to attend, particularly when the Committee is discussing areas of risk or operation that are the responsibility of that Senior Officer and/or manager.

6 SECRETARY
The Governance Advisor shall be secretary to the Committee and he/she, or their nominee, shall attend to take minutes. The Governance Advisor shall provide appropriate support to the Chair and committee members by drawing their attention to best practice, national guidance and other relevant issues as appropriate.

7 QUORUM
A quorum shall be two members.

8 FREQUENCY OF MEETINGS
8.1 Meetings shall be held at least quarterly or as required. The External Auditor or Head of Internal Audit may request a meeting if either considers one to be necessary.
8.2 The agenda and supporting papers will be sent out at least 5 days in advance of the meetings to allow time for due consideration of issues.

8.3 Meetings will be timetabled and agreed in advance.

9 CONDUCT OF THE COMMITTEE
The Committee will review on an annual basis its own performance and effectiveness including running costs and membership and terms of reference. The Governing body will approve any resulting changes to the terms of reference or membership.

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<td>Last Review Date:</td>
<td>April 2018</td>
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<td>Next Review Date:</td>
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1 INTRODUCTION

The Committee is established in accordance with the NHS Ipswich and East Suffolk Clinical Commissioning Group’s constitution and shall advise the Governing Body about the appropriate remuneration and terms of service for the senior officers, managers and staff of the Clinical Commissioning Group. The Terms of Reference are based on the former NHS Commissioning Board template and are approved by the NHS Ipswich and East Suffolk Clinical Commissioning Group Governing Body. They are reviewed on an annual basis.

2 REMIT AND RESPONSIBILITIES OF THE COMMITTEE

2.1 Further to its decisions, the Committee shall make recommendations to the Governing Body about pay and remuneration for employees of the Clinical Commissioning Group and people who provide services to it and allowances under any pension scheme it might establish as an alternative to the NHS pension scheme.

2.2 The Committee shall determine the allowances payable to GPs and other members of the Governing Body not employed by the Clinical Commissioning Group.
2.3 The Committee shall review as required, the Chief Executive’s performance.

2.4 The Committee shall review and approve, as required the Chief Executive and other Directors remuneration and terms and conditions of employment.

2.5 The Committee shall determine on behalf of the Governing Body the terms of service (pay and non-pay benefits) of senior officers and managers.

2.6 The Committee shall establish arrangements for monitoring and evaluating the performance of individual senior officers and managers, as approved by the Governing Body.

2.7 The Committee shall advise on and oversee contractual arrangements for staff by developing policies for recommendation to the Governing Body, to ensure an equitable and consistent approach.

2.8 The Committee shall receive and approve HR, Organisational Development and Learning and Development policies and procedures.

2.9 The Committee shall receive and approve reports and have oversight of the work of the Health and Safety Committee.

2.10 The Committee shall determine and oversee contractual arrangements with staff and any termination payments.

2.11 The Committee shall receive the minutes of any sub groups that may be formed and receive and approve reports on Organisational Development and Learning and Development.

2.12 By reference to the Governing Body Assurance Framework, the Committee shall monitor allocated risks and satisfy itself and assure the Audit Committee that the mitigating actions proposed for each allocated risk are reasonable and that each mitigating action is being undertaken.

2.13 In making its recommendations the Committee will take into account:
(i) Provisions of any national guidance and arrangements

(ii) Relevant legislation (in particular anti-discrimination and equal pay legislation)

(iii) Best practice and affordability

(iv) Employee relations and relevant staffing matters within the Clinical Commissioning Group

(v) Remuneration levels elsewhere within the NHS and other relevant labour markets

(vi) Trends and development in non-pay benefits and terms and conditions

(vii) Organisational performance

(viii) Auditor requirements

(ix) Existing terms and conditions of service

(x) Statutory health and safety legislation and best practice

2.14 The Committee will retain the right to place specific reports, on an exception basis and with the agreement of the Chair, in a closed agenda whereby the content of the report and subsequent discussion, will not be accessed under the Freedom of Information Act 2000. Reports placed in a closed agenda will be returned to the Governing Body Secretary or nominated deputy at the meeting for shredding. Committee members will be responsible for deleting the relevant electronic records from their own computer systems.

3 RELATIONSHIP WITH THE GOVERNING BODY

3.1 The Committee has authority from the NHS Ipswich and East Suffolk Clinical Commissioning Group Governing Body to determine matters in respect of the remuneration and terms of
service of senior officers and staff, where issues of confidentiality and possible conflicts of interest are concerned. The Committee is accountable to the NHS Ipswich and East Suffolk Clinical Commissioning Group Governing Body which as the statutory body shall endorse the Committees decisions as appropriate through sight of the meeting minutes as set out at 3.5 below.

3.2 The Chair of the Committee in consultation with colleagues on the Committee and senior officers of the Clinical Commissioning Group will make decisions that are required urgently.

3.3 The Committee has delegated powers from the Governing Body for all Human Resources policies and procedures and issues that may impact on the terms and conditions of employment for all staff, for instance lease cars and travel policies.

3.4 The Committee has delegated powers from the Governing Body for all matters of health and safety.

3.5 Formal minutes shall be kept of the proceedings which will be submitted to the next meeting of the NHS Ipswich and East Suffolk Clinical Commissioning Group Governing Body.

3.6 The Chair of the Committee shall draw to the attention of the Governing Body any issues that require disclosure in a specific report to the full Governing Body, or require executive action.

4  MEMBERSHIP OF COMMITTEE

4.1 The Committee shall consist of a minimum of two members appointed by the Clinical Commissioning Group Governing Body as set out in the Constitution, one of whom will be the Lay Member for Governance. Membership may include individuals who are not on the Governing Body.

4.2 The Lay Member for Governance will chair the Committee.

In the event of the Chair being unable to attend all or part of a Committee meeting, he or she will nominate a replacement from within the membership to deputise for that meeting.
4.3 Senior Officers of the Clinical Commissioning Group are not eligible for membership of the Committee. A senior representative for HR and the Chief Executive are invited to attend in an advisory capacity. It is acknowledged that HR advice should be sought to assist the Committee in reaching decisions and it would be expected for the HR representative to be present throughout the meeting, unless the majority of the Committee and the Chair considered otherwise. Other Senior Officers will be invited to attend as appropriate.

5 SECRETARY

The Corporate Services Office will provide the secretariat to the committee. The Governance Advisor shall provide appropriate support to the Chair and committee members when necessary by drawing their attention to best practice, national guidance and other relevant issues as appropriate.

6 QUORUM

A quorum shall be two members.

7 FREQUENCY OF MEETINGS

7.1 Meetings shall be held a minimum of four times each year.

7.2 The agenda and supporting papers will be sent out at least 5 days in advance of the meetings to allow time for due consideration of issues.

7.3 Meetings will be timetabled and agreed in advance.

8 CONDUCT OF THE COMMITTEE

The Committee will review on an annual basis its own performance and effectiveness including membership and terms of reference. The Governing Body will approve any resulting changes to the terms of reference or membership.

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<tr>
<th>Date Approved:</th>
<th>July 2012</th>
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<td>Last Review:</td>
<td>January 2019</td>
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Terms of reference – Primary Care Commissioning Committee

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 1 to the Ipswich and East Suffolk CCG as set out in these Terms of Reference.

3. The CCG has established the Ipswich and East Suffolk 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 Ipswich and East Suffolk CCG

Statutory Framework

5. NHS England has delegated to the CCG authority to exercise the primary care commissioning functions in accordance with section 13Z of the NHS Act.

6. 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.
7. 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).

8. 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

• Duty to have regard to impact on services in certain areas (section 13O);

• Duty as respects variation in provision of health services (section 13P).

9. The Committee is established as a committee of the Ipswich and East Suffolk CCG Governing Body in accordance with Schedule 1A of the “NHS Act".
10. 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

11. 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 Ipswich and East Suffolk, under delegated authority from NHS England.

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

13. 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.

14. 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.

15. 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).

16. The CCG will also carry out the following activities:

For a glossary of terms refer to appendix A

a) To plan, including needs assessment, primary medical care services in Ipswich and East Suffolk;

b) To undertake reviews of primary medical care services in Ipswich and East Suffolk;

c) To co-ordinate a common approach to the commissioning of primary care services generally; including supporting developments in respect of integration with providers and local authority services including co-location of services;

d) To manage the budget for commissioning of primary medical care services in Ipswich and East Suffolk.

Geographical Coverage

17. The Committee will comprise the Ipswich and East Suffolk CCG.

18. The Committee may meet ‘in common’ with West Suffolk and North East Essex CCGs to co-ordinate a common approach to primary care services across the Sustainability and Transformation Plan (STP) ‘footprint’ as appropriate.

Membership

19. The Committee shall consist of:

• CCG Lay member for Patient and Public Involvement
• CCG Lay member
• CCG Chief Executive (or their nominated deputy)
• CCG Director of Finance (or their nominated deputy)
• CCG Chief Operating Officer (or their nominated deputy)
• CCG Director of Performance and Contracts (or their nominated deputy)
• Secondary Care Clinician
• Optional: CCG Director of Nursing (or their nominated deputy)

Non-voting attendees considered to hold significant influence are listed as follows:

• NHS England representative
• Local General Practitioner
• Healthwatch representative
• Health and Wellbeing Board representative
• Representative of the LMC.

20. Others can be invited to attend for some or all of the meeting according to the needs of the committee.

21. The Chair of the Committee shall be the CCG Lay member for Patient and Public Involvement

22. The Vice Chair of the Committee shall be the CCG Lay Member.

23. When the Committee meets ‘in common’, chairmanship of meetings shall rotate or alternate across the participant CCGs.

Meetings and Voting

24. 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 5 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.

25. The Governance Advisor shall be secretary to the Committee and he/she, or their nominee, shall attend to take minutes. The Governance Advisor shall provide appropriate support to the Chair and committee members by drawing their attention to best practice, national guidance and other relevant issues as appropriate.
26. 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.

27. When the Committee meets ‘in common’, the Chair overseeing the meeting will hand over to other Chairs to confirm other respective CCG’s decisions on each paper or to chair the discussion on any item/decision specific to the other CCGs.

28. When the Committee meets ‘in common’, each CCG Committee will make its own decision, in line with its own Terms of Reference, and these will be recorded in separate meeting minutes.

Quorum

29. A quorum shall comprise at least four members, two of whom shall be CCG Lay Members and at least 2 CCG Chief Officers.

Frequency of meetings

30. The committee will initially meet bi-monthly. Arrangements for making virtual decisions or formal voting on low risk recommendations will be agreed at meetings to ensure timely decision making. The frequency of meetings will be reviewed on an on-going basis as dictated by business requirements.

31. 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.

c) Where the Committee considers it appropriate for confidential clinical, commercial and contractually sensitive discussions to take place, the attendees will be restricted to voting members only.

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

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

36. The Committee will present its minutes to NHS England East local team and the Governing Body of NHS Ipswich and East Suffolk CCG bi-monthly for information, including the minutes of any sub-committees to which responsibilities are delegated under paragraph 33 above.

37. The CCG will also comply with any reporting requirements set out in its constitution.

38. It is envisaged that these Terms of Reference will be reviewed annually, 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

39. Budget and resource accountability arrangements will follow the standard practices established for directorate budgets as governed by the regulations in the Scheme of Reservation and Delegation and Prime Financial Policies (previously known as the Standing Financial Instructions.) Decisions on allocation of funds to support commissioning of practice configuration decisions are made by the committee membership within the limits and Executive Director authorities noted within the Scheme of Reservation and Delegation.

40. The Committee will have a delegated limit of £250,000 for contracting and procurement. Decisions above this level will need to be approved by the Governing Body, with the quoracy and voting arrangements of the Governing Body in respect of primary care commissioning adjusted in accordance with the CCG’s Constitution.

41. 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.

42. Decisions may from time to time be made following consultation with the full CCG membership via the CCG Members’ meetings and/or the public following best practice for the conduct of public consultations.

Procurement of Agreed Services

43. The detailed arrangements regarding procurement will be set out in the delegation agreement.

Decisions

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

45. The decisions of the Committee shall be binding on NHS England and Ipswich and East Suffolk CCG.
46. The Committee will provide an executive summary report which will be presented to NHS England Midlands and East as part of the CCG Assurance process.

Review

47. The Committee will review its own performance and effectiveness on an annual basis, including membership and Terms of Reference.

**Date Approved:** 23 January 2018

**Review Date:** January 2019
If you would like any part of this document in another format – such as EasyRead, large print, Braille, Audio – and/or translated into another language, please contact us on 01473 770014.

Caso pretenda receber alguma parte deste documento noutro formato – como EasyRead, letra de imprensa, braille, áudio – e/ou traduzido noutro idioma, contacte-nos para o 01473 770014.
01473 770014
Standards of Business Conduct and Conflicts of Interest Policy
Version History:

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<th>Date</th>
<th>Author</th>
<th>Reason for change</th>
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<tr>
<td>V.1.00</td>
<td>March 2013</td>
<td>Trust Secretary</td>
<td>Required as part of document set for CCG authorisation</td>
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<tr>
<td>V.1.01</td>
<td>19/12/2013</td>
<td>Information Governance Manager</td>
<td>Merged West Suffolk and Ipswich and East Suffolk policies and reformatted to organisational agreed style.</td>
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<tr>
<td>V.1.02</td>
<td>03/09/2014</td>
<td>Governance Advisor</td>
<td>Minor changes to reconciliation terms as recommended by audit.</td>
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<tr>
<td>V.1.03</td>
<td>19/08/2015</td>
<td>LCFS</td>
<td>Reviewed by LCFS</td>
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<td>V.1.04</td>
<td>12/01/2016</td>
<td>Information Governance and Risk Manager</td>
<td>Scheduled review – CCG Governance Advisor</td>
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<tr>
<td>V.1.05</td>
<td>27/01/2016</td>
<td>Information Governance and Risk Manager</td>
<td>Incorporating minor changes from Policy review Group and LCFS</td>
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<tr>
<td>V.1.06</td>
<td>25/08/2016</td>
<td>Governance Advisor</td>
<td>Amendments to reflect requirements of the revised statutory guidance on managing conflicts of interest published by NHS England in June 2016</td>
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<tr>
<td>V.1.07</td>
<td>May 2018</td>
<td>Risk Manager</td>
<td>Policy aligned with NEECCG.</td>
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Review and Approval:

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<th>Date</th>
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<td>April 2013</td>
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<tr>
<td>Reviewed by CCG Governance advisor</td>
<td>January 2016</td>
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<tr>
<td>Review by LCFS</td>
<td>January 2016</td>
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<tr>
<td>Approved by Audit Committee</td>
<td>5 April 2016</td>
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<td>Re-Approval by Audit Committee to recognise current changes</td>
<td>4 October 2016</td>
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<td>Policy Review Group / LCFS</td>
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Next review date:
April 2021
STATEMENT OF OVERARCHING PRINCIPLES

All Policies, Procedures, Guidelines and Protocols of the NHS West Suffolk and Ipswich and East Suffolk clinical commissioning groups (the CCGs) are formulated to comply with the overarching requirements of legislation, policies or other standards relating to equality and diversity.

In addition, policies are formulated to take account of the principles of good governance for those serving as members of the CCGs Governing Bodies, committees or who take decisions where they are acting on behalf of the public or spending public money. These include:

- The seven Nolan Principles Including Selflessness, Integrity and Objectivity
- The seven key principles of the NHS Constitution
- The Equality Act 2010
- The UK Corporate Governance Code
- Standards for Members of NHS Boards and CCG Governing Bodies in England

CCGs Constitutions, Detailed Financial Policies and relevant national legislation. The policy applies to all employees, members, committee and sub-committee members of the CCGs and members of the Governing Body (and its committees), hereinafter collectively referred to as 'staff'.

2. Purpose of this Policy

The purpose of this policy is to ensure that all staff understand their responsibilities in relation to business conduct and the management of conflicts of interest within the CCGs.

3. Cross Reference to Other Related Policies and Key Documents

This policy should be read in conjunction with:

- The CCGs Constitution and Detailed Financial Policies (DFP’s)
- CCG Procurement Policy
- Whistleblowing Policy
- Counter Fraud and Anti-Corruption Policy
- Anti-Bribery Policy
- Intellectual Property Policy
- Code of Conduct for NHS Managers
- Professional Codes of Conduct
- Standards of Business Conduct for NHS Staff
- Commercial Sponsorship – Ethical Standards for the NHS
- Association of British Pharmaceutical Industries Code of Practice
- Chartered Institute of Purchasing and Supply Ethical Code
4. Definition of an Interest

4.1 A conflict of interest occurs where an individual's ability to exercise judgement, or act in a role is, could be, or is seen to be impaired or otherwise influenced by his or her involvement in another role or relationship. In some circumstances, it could be reasonably considered that a conflict exists even when there is no actual conflict. In these cases it is important to still manage these perceived conflicts in order to maintain public trust.

4.2 Conflicts of interest can arise in many situations, environments and forms of commissioning, with an increased risk in primary care commissioning, out-of-hours commissioning and involvement with integrated care organisations, as clinical commissioners may here find themselves in a position of being at once commissioner and provider of services. Conflicts of interest can arise throughout the whole commissioning cycle from needs assessment, to procurement exercises, to contract monitoring.

4.3 Interests can be described within four different categories:

Financial interests: This is where an individual may get direct financial benefits from the consequences of a commissioning decision. This could, for example, include being:

- A director, including a non-executive director, or senior employee in a private company or public limited company or other organisation which is doing, or which is likely, or possibly seeking to do, business with health or social care organisations
- A shareholder (or similar ownership interests), a partner or owner of a private or not-for-profit company, business, partnership or consultancy which is doing, or which is likely, or possibly seeking to do, business with health or social care organisations
- A management consultant for a provider

This could also include an individual being:

- In secondary employment
- In receipt of secondary income from a provider
- In receipt of a grant from a provider
- In receipt of any payments (for example honoraria, one-off payments, day allowances or travel or subsistence) from a provider
- In receipt of research funding, including grants that may be received by the individual or any organisation in which they have an interest or role
- Having a pension that is funded by a provider (where the value of this might be affected by the success or failure of the provider).

Non-financial professional interests: This is where an individual may obtain a non-financial professional benefit from the consequences of a commissioning decision, such as increasing their professional reputation or status or promoting their professional career. This may, for example, include situations where the individual is:

- An advocate for a particular group of patients
- A GP with special interests e.g., in dermatology, acupuncture etc.
- A member of a particular specialist professional body (although routine GP membership of the RCGP, British Medical Association (BMA) or a medical defence organisation would not usually by itself amount to an interest which...
needed to be declared)

- An advisor for the Care Quality Commission (CQC) or the National Institute for Health and Care Excellence (NICE)
- A medical researcher

GPs and Practice Managers, who are members of the Governing Body or committees of the CCG, should declare details of their roles and responsibilities held within their GP practices.

**Non-financial personal interests:** This is where an individual may benefit personally in ways which are not directly linked to their professional career and do not give rise to a direct financial benefit. This could include, for example, where the individual is:

- A voluntary sector champion for a provider
- A volunteer for a provider
- A member of a voluntary sector board or has any other position of authority in or connection with a voluntary sector organization
- Suffering from a particular condition requiring individually funded treatment
- A member of a lobby or pressure group with an interest in health

**Indirect interests:** This is where an individual has a close association with an individual who has a financial interest, a non-financial professional interest or a non-financial personal interest in a commissioning decision (as those categories are described above) for example a:

- Spouse / partner
- Close relative e.g., parent, grandparent, child, grandchild or sibling
- Close friend
- Business partner

A declaration of interest for a “business partner” in a GP partnership should include all relevant collective interests of the partnership, and all interests of their fellow GP partners.

Whether an interest held by another person gives rise to a conflict of interests will depend upon the nature of the relationship between that person and the individual, and the role of the individual within the CCG.

5. **Policy Statements**

5.1. **Hospitality**

5.1.1 When accepting hospitality during the course of business, it should be justified and appropriate and in line with what CCG staff, Governing Body and committee members and individuals within GP member practices might reasonably provide to employees. Individuals should also be able to demonstrate that the acceptance or provision of hospitality would benefit the CCG or NHS more widely.

5.1.2 Modest hospitality provided in normal and reasonable circumstances may be acceptable, although it should be on a similar scale to that which the CCG might offer in similar circumstances (e.g., tea, coffee, light refreshments at meetings). A common sense approach should be adopted as to whether hospitality offered is modest or not. Hospitality of this nature does not need to be declared for inclusion in the register of gifts and hospitality, nor recorded on the register, unless it is offered by suppliers or contractors linked (currently or prospectively) to the CCG’s business in which case all such offers (whether or not accepted) should be declared and recorded.
5.1.3 There is a presumption that offers of hospitality which go beyond modest or of a type that the CCG might offer, should be politely refused. A non-exhaustive list of examples includes:

- Hospitality of a value above £25
- Offers of foreign travel and accommodation.

There may be some limited and exceptional circumstances where accepting the types of hospitality referred to in this paragraph may be contemplated. Express prior approval should be sought from the line manager before accepting such offers, and the reasons for acceptance should be recorded in the CCGs register of gifts and hospitality. Hospitality of this nature should be declared to the Chief Corporate Services Officer, and recorded on the register, whether accepted or not. In addition, particular caution should be exercised where hospitality is offered by suppliers or contractors linked (currently or prospectively) to the CCG’s business. Offers of this nature can be accepted if they are modest and reasonable but advice should always be sought from the line manager or Governance Advisor. All offers of hospitality from actual or prospective suppliers or contractors (whether or not accepted) should be declared and recorded.

5.1.4 In cases where such hospitality is accepted and exceeds the value of £25, staff should record the hospitality in the Hospitality, Gifts and Sponsorship Register held by the Chief Corporate Services Officer. Hospitality between £25 and £75 can be accepted, but must be declared and hospitality over £75 should be refused unless senior approval is given.

5.1.5 Expenditure on or the acceptance of hospitality or entertainment should be considered in the light of the Bribery Act 2010 and the CCG Anti-Bribery Policy that provides further guidance. If there is any doubt about the acceptable level of hospitality, staff should seek advice from their line manager or the Chief Corporate Services Officer.

5.2. Commercial Sponsorship

5.2.1 CCG staff, Governing Body and committee members, and GP member practices may be offered commercial sponsorship for courses, conferences, post/project funding, meetings and publications in connection with the activities which they carry out for or on behalf of the CCG. All such offers (whether accepted or declined) must be declared so that they can be included on the CCGs register of interests, and the Chief Corporate Services Officer will provide advice on whether or not it would be appropriate to accept any such offers. If offers are reasonably justifiable and otherwise in accordance with the NHS England statutory guidance then they may be accepted.

5.2.2 Notwithstanding the above, acceptance of commercial sponsorship should not in any way compromise commissioning decisions of the CCGs or be dependent on the purchase or supply of goods or services. Sponsors should not have any influence over the content of an event, meeting, seminar, publication or training event. The CCG should not endorse individual companies or their products. It should be made clear that the fact of sponsorship does not mean that the CCG endorses a company’s products or services. During dealings with sponsors there must be no breach of patient or individual confidentiality or data protection legislation. Furthermore, no information should be supplied to a company for their commercial gain unless there is a clear benefit to the NHS. As a general rule, information which is not in the public domain should not normally be supplied.
5.2.3 Where commercial sponsorship or collaborative partnerships involve a pharmaceutical company then the proposed arrangements must comply fully with the Medicines (Advertising) Regulations 1994 (Regulation 21 “Inducements and Hospitality”) attached as Appendix A.

5.3. Gifts

5.3.1 Under the Bribery Act 2010, it is an offence for staff to corruptly accept any gifts or consideration as an inducement or reward for:

- Doing, or refraining from doing, anything in their official capacity; or
- Showing favour or disfavour to any person in their official capacity.

5.3.2 A ‘gift’ is defined as any item of cash or goods, or any service, which is provided for personal benefit, free of charge or at less than its commercial value.

5.3.3 All gifts of any nature offered to CCG staff, Governing Body and committee members and individuals within GP member practices by suppliers or contractors linked (currently or prospectively) to the CCG’s business should be declined, whatever their value. The person to whom the gifts were offered should also declare the offer to the Chief Corporate Services Officer who has designated responsibility for maintaining the register of gifts and hospitality so the offer which has been declined can be recorded on the register.

5.3.4 Gifts offered from other sources should also be declared if accepting them might give rise to perceptions of bias or favouritism, and a common sense approach should be adopted as to whether or not this is the case. The only exceptions to the presumption to decline gifts relates to items of little financial value (i.e., less than £540) such as diaries, calendars, stationery and other gifts acquired from meetings, events or conferences and items such as flowers and small tokens of appreciation from members of the public to staff for work well done. Gifts of this nature do not need to be declared, nor recorded on the register.

5.3.5 Any personal gift of cash or cash equivalents (e.g. vouchers, tokens, offers of remuneration to attend meetings whilst in a capacity working for or representing the CCG) must always be declined, whatever their value and whatever their source and the offer which has been declined must be and recorded on the register.

5.4. Register of Gifts and Hospitality

5.4.1 The CCGs have a form to be completed when declaring gifts and hospitality available from the Corporate Services Office. All hospitality or gifts declared will be transferred to the CCGs register of gifts and hospitality. This includes any gifts and hospitality declared in meetings.

5.4.2 The CCGs will publish the register of gifts and hospitality in a prominent place on their respective web sites.

5.5. Declaration and Recording of Conflicts of Interest

5.5.1 Whilst the off duty hours of staff are their own concern, they should ensure that they do not put themselves in a position where their private interests conflict with their job.

5.5.2 The Chief Corporate Services Officer will maintain one or more registers of the interests of:
• The CCG Member Practice Representatives and GP Partners in those practices
• Practice Managers and any other senior practice staff with budgetary decision making responsibilities
  The Members of its Governing Body
• The Members of its committees or sub-committees and the committees or sub-committees of its Governing Body
• Its employees

5.5.3 The Chief Corporate Services Officer, on behalf of the Accountable Officer will ensure that the registers of interests are reviewed regularly, and updated as necessary. Relevant staff will be required to make a statutory declaration upon appointment and twice each year, in April and October and on the prescribed declaration form provided by the Chief Corporate Services Officer.

5.5.4 The registers will be published on the CCGs’ websites at:

NHS Ipswich and East Suffolk CCGs
NHS West Suffolk CCG

5.5.5 All attendees are required to declare their interests as a standing agenda item for every Governing Body, committee, sub-committee or working group meeting, before the item is discussed. Even if an interest has been recorded in the register of interests, it should still be declared in meetings where matters relating to that interest are discussed. Declarations of interest will be recorded in minutes of meetings.

5.5.6 Outside of the prescribed declaration rounds in April and October each year, individuals will declare any interest that they have, in relation to a decision to be made in the exercise of the commissioning functions of the CCGs, as soon as they are aware of it and in any event no later than 28 days after becoming aware.

5.5.7 Where an individual is unable to provide a declaration in writing, for example, if a conflict becomes apparent in the course of a meeting, they will make an oral declaration immediately and provide a written declaration, on the prescribed form, as soon as possible thereafter.

5.5.8 Whenever an individual’s role, responsibility or circumstances change in a way that affects their interests (e.g., where an individual takes on a new role outside the CCG or enters into a new business or relationship), a further declaration should be made to reflect the change in circumstances as soon as possible, and in any event within 28 days. This could involve a conflict of interest ceasing to exist or a new one materialising. It is the individual’s responsibility to make a further declaration as soon as possible rather than waiting to be asked.

5.5.9 Staff must declare any interest that they, their immediate family, partner or close associate may have in a contract, or other similar matter under consideration by the CCGs. A declaration should be made to the Chief Corporate Services Officer as soon as the interest is known and at any meeting where this association may compromise the outcome.

5.5.10 Similarly, staff must also declare to the Chief Corporate Services Officer any shareholding that they, or their immediate family, partner or close associate may have in a company that may provide products or services to the CCGs as soon as it is known and at any meeting where this association may compromise the outcome.
5.5.11 Staff must declare an interest if there is an item on an agenda where there is potential for either a pecuniary or non-pecuniary advantage to that staff member. At the discretion of the Chairman, the member of staff may need to leave the room for that agenda item and have no input into the decision making process around that issue.

5.5.12 It is essential that all employees notify their line manager if they work elsewhere or take up further work whilst on the staff of the CCGs who will then be responsible for judging whether there may be a potential conflict of interest or whether it may be detrimental to their NHS work.

5.6. Managing Breaches

5.6.1 It is the duty of every CCG employee, Governing Body member, committee or sub-committee member and GP practice member to speak up about genuine concerns in relation to the administration of this policy and to report these concerns. These individuals should not ignore their suspicions or investigate themselves, but rather speak to the Chief Corporate Services Officer at the earliest opportunity.

5.6.2 Any non-compliance with this policy should be reported immediately to the Chief Corporate Services Officer (who will report the matter to the Conflicts of Interest Guardian) or in accordance with the terms of the CCG’s whistleblowing policy (where the breach is being reported by an employee or worker of the CCG) or with the whistleblowing policy of the relevant employer organisation (where the breach is being reported by an employee or worker of another organisation).

5.6.3 Investigations into reported or suspected breaches of this policy will be undertaken by the Chief Corporate Services Officer or a person designated to undertake the investigation on her/his behalf.

5.6.4 The Conflicts of Interest Guardian will be fully briefed whenever a breach of the policy is reported or suspected and will oversee the investigatory process, providing advice as necessary.

5.6.4 Where a breach is found to be material and substantiated, the matter will then be managed in accordance with the CCGs disciplinary policy with appropriate action taken thereafter. This may also include criminal or professional regulatory implications.

5.6.5 Where a breach is found to be material and substantiated, NHS England will be notified and anonymised details of the breach will be published on the CCGs web site for the purpose of openness, transparency, learning and development.

5.7. Decision Making When a Member is Conflicted

5.7.1 When a member of the meeting (including the chair or vice chair) has a conflict of interest in relation to one or more items of business to be transacted at the meeting, the chair (or vice chair or remaining non-conflicted members where relevant as described above) must decide how to manage the conflict. The appropriate course of action will depend on the particular circumstances, but could include one or more of the following:

- Where the chair has a conflict of interest, deciding that the vice chair (or another non-conflicted member of the meeting if the vice chair is also conflicted) should chair all or part of the meeting
- Requiring the individual who has a conflict of interest (including the chair or vice chair if necessary) not to attend the meeting
Ensuring that the individual concerned does not receive the supporting papers or minutes of the meeting which relate to the matter(s) which give rise to the conflict

Requiring the individual to leave the discussion when the relevant matter(s) are being discussed and when any decisions are being taken in relation to those matter(s). In private meetings, this could include requiring the individual to leave the room and in public meetings to either leave the room or join the audience in the public gallery

Allowing the individual to participate in some or all of the discussion when the relevant matter(s) are being discussed but requiring them to leave the meeting when any decisions are being taken in relation to those matter(s). This may be appropriate where, for example, the conflicted individual has important relevant knowledge and experience of the matter(s) under discussion, which it would be of benefit for the meeting to hear, but this will depend on the nature and extent of the interest which has been declared

Noting the interest and ensuring that all attendees are aware of the nature and extent of the interest, but allowing the individual to remain and participate in both the discussion and in any decisions. This is only likely to be the appropriate course of action where it is decided that the interest which has been declared, is either immaterial or not relevant to the matter(s) under discussion.

5.7.2 For commissioning decisions the CCGs have Commissioning Governance Committees which provide an additional safeguard for when commissioning primary care services for which GP practices are the recommended providers. Where the Governing Body would not be quorate for approving commissioning intentions, due to the withdrawal of GP members because of conflict of interest, the Commissioning Governance Committee assumes delegated responsibility, reporting its decisions to the Governing Body in public.

5.8. **Conflicts of Interest Guardian and Management Support**

5.8.1 To further strengthen scrutiny and transparency in the decision-making processes, the CCGs each has a Conflicts of Interest Guardian, a role undertaken by the CCG Audit Committee Chairs.

5.8.2 The Conflicts of Interest Guardians are supported by the Chief Corporate Services Officer and Governance Advisor who have responsibility for the day-to-day management of conflicts of interest matters and queries and for keeping the Guardians well briefed on conflicts of interest matters and issues arising.

5.8.3 The Conflicts of Interest Guardian in collaboration with the CCG’s governance leads:

- Act as a conduit for GP practice staff, members of the public and healthcare professionals who have any concerns with regards to conflicts of interest
- Provides a safe point of contact for employees or workers of the CCG to raise any concerns in relation to this policy
- Support the rigorous application of conflict of interest principles and policies
- Provide independent advice and judgment where there is any doubt about how to apply conflicts of interest policies and principles in an individual situation
- Provide advice on minimising the risks of conflicts of interest
5.8.4 Whilst the Conflicts of Interest Guardian has an important role within the management of conflicts of interest, executive members of the CCG’s Governing Body have an on-going responsibility for ensuring the robust management of conflicts of interest, and all CCG employees, Governing Body and committee members and member practices have individual responsibility in playing their part on an ongoing and daily basis.

5.9. **Mandatory Training**

5.9.1 It is a requirement for all CCG employees, Governing Body and committee members and practice staff with involvement in CCG business to complete mandatory on-line conflicts of interest training provided by NHS England. The Human Resources Department will maintain a record of staff training.

5.10. **Register of Procurement Decisions**

5.10.1 To further enhance transparency and openness, the CCGs maintain a Register of Procurement Decisions taken, either for the procurement of a new service or any extension or material variation of current contracts. The register includes:

- The details of the decision
- Who was involved in making the decision (including the name of the CCG clinical lead, the CCG contract manager, the name of the decision making committee and the name of any other individuals with decision-making responsibility)
- A summary of any conflicts of interest in relation to the decision and how this was managed by the CCG (see paragraph 117 of the statutory guidance for CCGs issued by NHS England in relation to retaining the anonymity of bidders)
- The award decision taken

5.10.2 The register of procurement decisions is updated whenever a procurement decision is taken and is made publicly available and easily accessible to patients and the public by:

- Publishing the register in a prominent place on the CCG’s website
- Making the register available upon request for inspection at the CCGs headquarters

5.11. **Intellectual Property**

5.11.1 From time to time during the normal course of employment a member of staff may generate intellectual property that could have value in delivering better patient services. Intellectual property (patents, copyright, design rules, trade-marks, know how) which arise in, or could reasonably be expected to arise from, the course of duties of a member of staff, belongs to the CCGs unless an existing contract with an external sponsor overrules this.

5.11.2 The CCGs’ policy is to encourage and enable a member of staff to participate in the generation of intellectual property as part of its commitment to delivering the best possible patient care. However, a balance needs to be achieved between the legitimate needs of the CCGs to protect its interests and the provision of a creative environment for staff.

5.11.3 The following paragraph will be included in all new contracts with staff:

“You must disclose any matter developed as part of your normal duties and capable of being patented. While the patent will belong to the CCGs you will be able to benefit from it as defined in the Patents Act 1977. You are under a contractual
obligation to do all in your power to claim and defend patent rights and the CCGs will pay all costs involved. Where the CCGs do not wish to apply for a patent, you may request permission to do so at your own cost. Should the CCGs refuse on grounds of confidentiality you may seek compensation under the provisions of the Patents Act.

5.11.4 In spite of statutory provision whereby the copyright in any work produced by an employee in the course of employment belongs to the employer, the CCGs normally reassign ownership of copyright in any work to be published to the author and will waive any claim they may have to benefits arising from publication, with the exception of the following which will always belong to the CCGs:

- Copyright of training materials produced in the course of employment for the CCGs that are produced, used or disseminated within the organisation.

- Copyright in any software programme generated during the normal course of employment.

- Copyright in any designs, specification or other works that may be necessary to protect rights in commercially exploitable intellectual property.

5.11.5 No steps should be taken, including the establishment of companies, to exploit any CCGs intellectual property without the specific approval of the CCGs’ Governing Bodies. Staff are required to co-operate with the CCGs with regard to identifying and developing intellectual property that may be exploitable.

5.11.6 The use of images downloaded from the internet on a website or in a presentation or publication could mean breaking copyright law. Many organisations, including CCGs, are now inadvertently falling foul of the law in the use of copyright images and are being fined. The pursuit of organisations for unauthorised use of images is becoming more prevalent and the CCGs guidelines document provides background to copyright law and details of how to use images legally and find free images that are available for public use.

6. **Summary of Roles and Responsibilities**

6.1 It is the responsibility of the CCGs to ensure that this policy is brought to the attention of all staff and those who might attend committees and other groups of the CCGs.

6.2 It is also the responsibility of the CCGs to ensure that the mechanisms are in place for effective policy implementation.

6.3 It is the responsibility of all staff to ensure that they are familiar with this policy and their responsibilities within it. In summary staff will:

- Ensure that the interest of patients’ remains paramount at all times.

- Be impartial and honest in the conduct of official business.

- Use public funds entrusted to them to the best advantage of the service, always ensuring best value for money.

- Not abuse their position for personal gain or to benefit family or friends.

- Not seek to advantage or further private business or other interests in the course of their official duties.

6.4 Failure by staff to comply with this policy may lead to disciplinary action that in certain circumstances could include dismissal. It may also be reported to the CCGs’ Local Counter Fraud Specialist for investigation and may lead to a criminal prosecution being commenced.
7. **Review Period for this Policy**
   The policy will be reviewed every three years, unless there are changes in legislation or guidance or specific circumstances.

8. **Communication**
   The policy will be communicated to all staff via the CCG website and intranet. It will also be communicated via departmental briefings.

9. **Procedures and Guidelines Referenced in this Policy**
   Extract from The Medicines (Advertising) Regulations 1994 as shown at Appendix A.

10. **Compliance Monitoring**
    The Chief corporate services officer will monitor compliance through internal and external audits.

11. **Process for Waivers**
    No waivers are appropriate or acceptable in regard to compliance with this policy.
Appendix A

*Extract from the Medicines (advertising) Regulations 1994*

Inducements and Hospitality

Staff and independent contractors working in the NHS should follow existing codes of conduct. Staff who are not covered by such a code are expected to:

- Act impartially in all their work.
- Refuse gifts, benefits, hospitality or sponsorship of any kind which might reasonably be seen to compromise their personal judgement or integrity, and to avoid seeking exert influence to obtain preferential consideration. All such gifts should be returned and hospitality refused.
- Declare and record financial or personal interest (e.g. company shares, research grant) in any organisation with which they have to deal, and be prepared to withdraw from those dealings if required, thereby ensuring that their professional judgement is not influenced by such considerations.
- Not misuse their official position or information acquired in the course of their official duties, to further their private interests or those of others.
- Ensure professional registration (if applicable) and/or status are not used in the promotion of commercial products or services.
- Beware of bias generated through sponsorship, where this might impinge on professional judgement and impartiality.

Any person who contravenes regulation 21(1) is guilty of an offence, and liable, on summary conviction to a fine not exceeding £5,000, and on conviction on indictment to a fine, or to imprisonment for a term not exceeding two years, or both. Anyone contravening regulation 21(5) is also guilty of an offence and liable, on summary conviction to a fine not exceeding £5000. The MCA Guidelines on Promotion and Advertising set out the standards to be followed.