

Finance, Performance & Commissioning Committee



Terms of Reference

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|---------------------------|--|
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| Committee Chair | Nigel Wood, Non-Executive Director |

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This Committee/Group reports to: Manx Care Board

Target audience: Manx Care Shadow Board and Staff

Finance, Performance & Commissioning Committee



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1. Purpose

The Finance, Performance & Commissioning Committee is a sub-committee of the Board of Manx Care and has delegated authority from the Board to oversee, co-ordinate, review and assess the financial and performance management arrangements within Manx Care.

The Finance, Performance & Commissioning Committee will assist in ensuring that Board members have a sufficiently robust understanding of key performance and financial issues to enable sound decision-making.

The Committee's overarching duty is to provide assurance to the Board that monitoring financial sustainability, performance and commissioning decisions across Manx Care health and social care services leads to better outcomes for patients and service users.

2. Constitution

The Board hereby resolves to establish a committee of the Board to be known as the Finance and Performance Committee (the Committee). The Committee has no executive powers other than those specifically delegated in these Terms of Reference.

3. Roles and duties of the Committee

The Committee will uphold the values of Manx Care in the work it does. In particular it will look for assurances that these values are being delivered in Manx Care, as part of its overall governance role on behalf of the Board. Our values are:

Commitment & Passion

Accountability & Reflection

Respect & Inclusion

Excellence & Innovation

In particular the Committee will provide assurance to the Board that there are better outcomes for patients and service users by ensuring that:

- The financial and performance management systems of the organisation are robust and meet the requirements of Manx Care; including forecasting, analysis, and risk management
- Effective financial and performance management systems, highlighting risks and areas for consideration and providing reports to the Board continues to be developed and improved.
- There is a rigorous process for annual budget-setting and monitoring of delivery against budget with remedial action implemented in respect of any variances against budget.
- Performance against the Cost Improvement Programme (CIP) is considered and monitored.
- The outcome of periodic performance reviews to assess Care Group performance against key objectives and targets has been reviewed and monitored.
- Business development proposals, progress updates and post implementation evaluations are scrutinised and challenged in accordance with the Standing Financial Instructions.
- Financial, risk and quality tolerances for authorised projects and the point at which exception reporting and renewed approval are triggered have been approved

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- Progress and concerns relating to the delivery of the targets resulting from the organisation's strategy and business plan is being scrutinised and challenged. In particular this includes the review and monitoring of :
 - contractual targets;
 - efficiency indicators; and
 - financial performance of the organisation against budgets
- Remedial action plans to improve financial and performance targets are reviewed and monitored and that any delays to remedial action are escalated to the Board as appropriate.
- Manx Care's capital programme and its implementation has been monitored and reviewed in conjunction with the Department of Infrastructure especially in relation to the Transformation Programme.
- The strategic and operational commissioning plan for all health and care services is on track and effective for the delivery of high-quality care and services.
- The procurement processes for all commissioned health and care services is robust, fit for purpose and compliant with the Standing Financial Instructions
- Compliance with Financial Regulations and Directives is robust and exceptions to compliance are addressed and escalated appropriately
- Any material control issues have been reported to the Audit Committee
- Reports from all sub-committee and working groups have been considered and concerns or issues escalated appropriately:
- All finance, performance and commissioning risks are reviewed and the implications for the Board Assurance Framework and/or Care Group risk registers have been scrutinised and challenged.

In addition to providing such assurance the Committee's duty is to escalate key issues to the Board and provide regular feedback to the Board on the activity of the Committee in the form of a monthly report.

4. Membership

The membership of the Committee will comprise:

- Three Non-Executive Directors (including Committee Chair & Deputy Committee Chair) as appointed by the Board
- Director of Finance (Executive Lead)
- Operations Director
- Director of Infrastructure
- Chief Information Officer

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- Head of Strategic Partnerships
- Head of Contracts
- Head of Performance
- Deputy Director of Operations
- A representative from the Health Services Consultative Committee may also attend as an observer

Other directors or their deputies may be asked to attend meetings or part meetings for discussions on matters relating to their portfolio, if required. The provisions of Manx Care's Standing Orders relating to acting up arrangements and joint members will apply to this Committee.

In exceptional circumstances, when an executive director cannot attend Committee meetings, they must arrange for a fully briefed deputy of sufficient seniority to attend on their behalf. Deputies must be agreed in advance with the Committee Chair.

Other attendees may attend by invitation in order to progress the work of the Committee.

All Board members will be informed of the dates of the Committee meetings and can attend meetings if they wish to.

The Board Secretary will provide support to the Committee Chair and Committee members and ensure that the Committee receives the appropriate administrative and secretarial support. A secretary/minute taker will also be in attendance at all committee meetings.

Membership will be reviewed annually.

5. Meetings and Quorum

The Committee Chair will preside at all meetings. In circumstances where the Committee Chair cannot attend, the Deputy Committee Chair will chair the meeting.

Quorum

A quorum will be 3 members and must include 2 Non-Executive Directors and 1 Executive Director including the Committee Chair or Deputy Committee Chair and the Director of Finance or Operations Director.

If the Committee is not quorate the meeting may be postponed at the discretion of the Committee Chair. If the meeting does take place and is not quorate, no decision shall be made at that meeting and such matters must be deferred until the next quorate meeting.

Frequency

The Committee will meet at least ten times a year, and ideally monthly prior to the Board meeting held in public. Additional meetings of the Committee can be arranged for specific purposes as necessary, with agreement by the Committee Chair or Deputy Committee Chair.

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Where a decision needs to be taken by the Committee outside the normal cycle of meetings, and where the matter is not deemed by the Committee Chair to require an additional meeting to be called, the decision may be made via e-mail. The preference is for decisions to be taken at committee meetings. The decisions via e-mail process will be used on an 'exceptions' basis. The process for decision via e-mail will be as follows.

- a) An e-mail setting out the matter for decision will be sent to all committee members. This shall include a statement setting out how the committee members should signify what their view on the matter is and the deadline for doing so.
- b) Committee members will be given no less than five working days in which to respond.
- c) For a decision to be passed, all of the committee members must express the same view on the matter.
- d) Where committee members have comments on the proposed decision or recommendation/s these will be circulated to other committee members by the Board Secretary within one working day of receipt.
- e) If any individual committee member wishes to debate an item proposed for decision via e-mail at a committee meeting instead, they may ask the Committee Chair to arrange an additional meeting or defer the item for decision until the next committee meeting (such agreement by the Committee Chair not to be unreasonably withheld).
- f) Decisions via e-mail will be reported to the next committee meeting and the wording of the decision minuted. Any decision made in this manner will be effective from the date of agreement of all of the committee members and confirmed by email by the Board Secretary.

Attendance

All members will be required to attend a minimum of 75% of all meetings held annually. Members should not be absent for more than two consecutive meetings without the agreement of the Committee Chair. Apologies must be received by the Board Secretary in advance of the meetings.

Committee members are committed to working both remotely and in person. Committee members may participate by way of telephone, computer or any other electronic means of communication provided that each person is able to hear and speak. A person participating in this way is deemed to be present in person although their actual location shall be noted in the minutes and is counted in a quorum and entitled to vote. The meeting is deemed to take place 'via Teams' (or relevant software) or where the largest group of those participating is assembled.

Where a specific matter is deemed to be of a confidential or commercially sensitive nature the Committee Chair has the authority to restrict attendance at the Committee meeting to members only and to ask all other attendees to leave the meeting.

If any Committee member or attendee has an interest, pecuniary or otherwise, in any matter and is present at the meeting at which the matter is under discussion, he / she will declare that interest as early as possible and shall not participate in the discussions. Such interests must be recorded in the Minutes accordingly. The Committee Chair will have the power to

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decide whether a declared interest represents a material conflict and to request that member or attendee to withdraw until the Committee's consideration has been completed.

Notice of meetings

Meetings of the Committee shall be called by the secretary who administers the committee at the request of the Committee Chair or any of its members.

Unless otherwise agreed, notice of each meeting and agenda of items to be discussed, shall be forwarded to each Committee member, any other person required to attend no later than four working days before the date of the meeting. Supporting papers shall be sent to committee members and to other attendees as appropriate, at the same time.

Notices, agendas and supporting papers can be sent in electronic form where the recipient has agreed to receive documents in such a way.

The Committee will agree a meeting calendar on an annual basis, setting out the main work items to be carried out by the Committee at each meeting to ensure that adequate time is given to the main duties of the Committee.

6. Authority

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

The Committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary. The budget for such advice should be within agreed financial constraints.

The Committee is authorised to establish working groups to support its assurance work and its scrutiny and monitoring obligations. Such working groups will be chaired by the Executive Lead and report back to the Committee on a regular basis. Appropriate terms of reference outlining the scope of the working group and its membership must be agreed in advance by the Committee.

7. Monitoring Effectiveness

The Committee shall at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

The Committee shall be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

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A record of the frequency of attendance by members, quoracy and the frequency of meetings will be maintained. Any areas of concern will be highlighted to the Chair of the Board by the Committee Chair.

8. Administrative Arrangements

The Committee will be supported by a nominated secretary who will administer the Committee by:

- producing a schedule of meetings and maintain the annual work plan for the Committee
- preparing the agenda and papers with the Committee Chair and Executive Lead for the Committee and circulating these 4 working days prior to the meeting;
- maintaining accurate records of attendance, key discussion points and decisions taken and issue necessary action logs within five full working days of the meeting;
- the recording of draft minutes where the Committee has gained assurance through relevant reports and subsequent discussion, debate and challenge, and where further assurance is required for circulation to members within five full working days of the meeting;
- maintaining a database of any documents discussed and/or approved and recall them to the Committee when due;
- organising future meetings; and
- filing and maintaining records of the work of the Committee.

9. Relationships and Reporting

The Committee will obtain assurance from the working groups shown in the structure chart below

The Committee will report to the Board on how it discharges its responsibilities.

The Audit Committee will receive the meeting minutes of the Committee and will ensure that the Committee's role within the overall governance of Manx Care is discharged. The Audit Committee will report back to the Committee if it has any concerns about its adherence to the Terms of Reference. The Audit Committee will prepare a report to the Board on governance of Manx Care, which will include the Committee's role and performance in relation to the systems of internal control.

The minutes of the Committee shall be formally recorded, and a summary of decisions taken submitted to Manx Care Board by the Committee Chair.. The Committee Chair shall draw to the attention of Board any issues that require disclosure to the full Manx Care Board or require executive action.

The Committee will receive standing monthly reports and additional reports as part of the scheduled programme of annual reports.

Manx Care's integrated performance report will be provided monthly.

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In addition, the Committee will receive thematic ‘deep dive’ reports or reviews accordingly to provide more quality-orientated discussions about specific issues and to facilitate in depth discussions between the Committee members and staff providing services.

Internal Auditors will carry out an audit of the governance systems within Manx Care, including the role of the Committee, and will use this audit to prepare the annual Head of Internal Audit Opinion.

The Board has responsibility for the effectiveness of sub-committees. The Board will use the above reports to ensure that the Committee is meeting its duties according to these Terms of Reference.

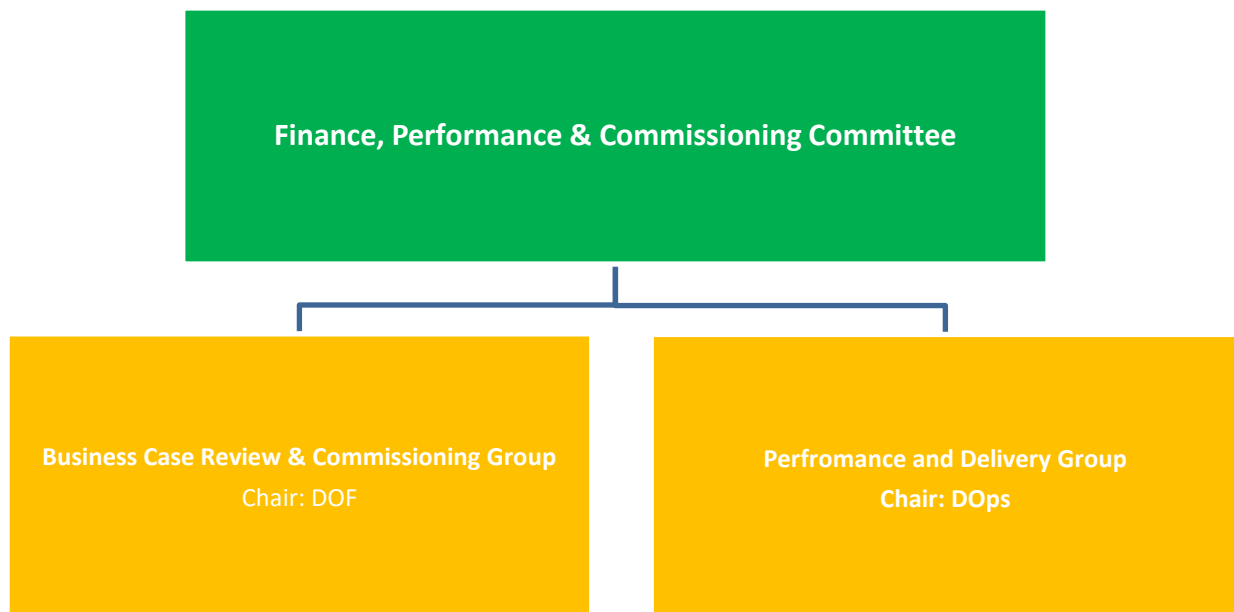
10. Review

The terms of reference, purpose, function, responsibilities and duties of this Committee will be reviewed on an annual basis or sooner if agreed by the Committee or Board.

Any amended Terms of Reference will be agreed by the Committee for recommendation to a subsequent meeting of Manx Care Board for its approval.

11. Committee Structure

The committee structure* is reflected in the chart below, however reporting groups may change to reflect operational requirements.



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*This structure to be updated as the Sub-Groups are operationalised