

NHS South Reading Clinical Commissioning Group

Constitution

Part II

APPENDIX 2

BERKSHIRE WEST FEDERATION

Explanatory note to Federation Memorandum of Understanding

Introduction

The Memorandum of Understanding (“MOU”) attached describes the intentions of the proposed CCGs for Newbury & District, South Reading, North West Reading and Wokingham (the “CCGs”) to establish a framework for co-operation between them. It sets out how they intend to work together in federation, in order to assist each of them to fulfil their statutory duties in an effective, efficient and economical way.

The MoU also explains the arrangements for the CCGs jointly appointing to certain roles, such as the Accountable Officer etc.

The MOU is not intended to be legally binding, since the CCGs have not yet been authorised by the NHS Commissioning Board. However, once the CCGs have been authorised, they will enter into a binding agreement that shall be largely in the same terms as the MOU.

The MOU/Federation Agreement can be amended at any time, provided all the CCGs agree. Consideration will need to be given to whether any amendment will affect each CCG’s constitution, in which case the NHS Commissioning Board’s authority will have to be sought before the amendment can be made, otherwise the CCGs risk acting outside of the terms of their authorisations and the consequence is likely to be de-authorisation.

Nature of the Federation

The CCGs intend to work together as a federation (the “Federation”) and to pool certain resources to staff the Federation and fund its work.

The Federation will not have a legal personality of its own.

Each CCG will remain responsible overall for fulfilling its statutory responsibilities, but to assist it in so doing, it will delegate certain functions to the Federation and will work with the other CCGs in the Federation to discharge those functions and make recommendations to its Governing Body.

Rationale for the Federation

- To assist each CCG to fulfil its statutory duties in an effective, efficient and economical way;
- To achieve value for money through reduced cost and economies of scale;
- To maximise the influence of the CCGs with large providers;
- To share risk;
- To maximise the ability of each CCG to access skills and capabilities they could not access by working alone;
- To achieve consistency and integration where a pan CCG approach is required/desired.

Federation's remit

The Federation will be a collaboration of the CCGs that is managed through the Federation Development Group and will put clinicians at the heart of its work. The Federation will fulfil the following key functions on behalf of the CCGs:

Through the Federation Development Group:

- Manage the activities of the Federation;
- Submit an annual plan for the Federation to the CCGs for their consideration and agreement (which will include proposals for the Federation Budget and the Financial Risk Management Strategy);
- Assist the CCGs to implement their operating plans, to the extent that a pan CCG approach will assist the CCGs to fulfil their statutory duties in an effective, efficient and economical way;
- Assist the CCGs to monitor, and make recommendations to the CCGs to maximise, the effectiveness of the Federation.

Through a Joint Commissioning Committee:

- Develop and recommend to the CCGs a joint commissioning strategy and procurement strategy that is informed by each CCG's commissioning strategy and the work of the relevant Health and Wellbeing Boards;
- Form programme boards to work on commissioning strategy for certain categories of care (currently Planned Care, Urgent Care, Long Term Conditions and Joint Commissioning) which will make recommendations to the joint commissioning committee;
- Support strategic commissioning by the CCGs;
- Support joint commissioning by the CCGs with unitary authorities;
- Review and make recommendations on each CCG's assurance framework;
- Secure commissioning support services on behalf of the CCGs;
- Agree negotiation strategies for provider services contracts with the CCGs;
- Manage financial and non-financial risks

Through a Joint Quality Committee:

- Manage the relationship with key providers of services to the CCGs with a view to quality (not financial performance), liaising as appropriate with the provider contracting team;
- Performance manage providers of services and provide quality assurance to the CCGs;
- Recommend to the CCGs and implement as appropriate a joint safeguarding policy;
- Recommend to the CCGs and implement as appropriate a joint equality policy.

Through a QIPP and Performance Committee

- Monitor contract performance, the QIPP plan and overall use of resources;
- Monitor financial performance in relation to key national targets and the NHS Outcomes Framework;
- To approve QIPP business cases and release of finance from allocated reserves.

Through a Joint Audit Committee:

- Critically review the CCGs' financial reporting and internal control principles;
- Maintain an appropriate relationship with the CCGs' internal and external auditors.

Through a Joint Remuneration Committee:

- Make recommendations to the CCG's Governing Bodies on determination of pay and remuneration for employees of the CCGs and people who provide services to them;
- Make recommendations to the CCG's Governing Bodies on determination of the remuneration and conditions of service of the senior team;
- Review the performance of the accountable officer and other senior team members and determining annual salary awards, if appropriate;
- Make recommendations to the CCGs' Governing Bodies on severance payments of senior staff and in appropriate cases seek HM Treasury approval.

The CCGs may agree to delegate additional functions to the Federation from time to time.

Federation's resources

People

- Federation Chair
- Representative from each CCG (who shall be the Chair of that CCG, except where the Federation Chair is also chair of a CCG, in which case he/she shall appoint a representative to act as his/her CCG's representative)
- Accountable Officer (shared by the CCGs)
- Chief Finance Officer (shared by the CCGs)
- Deputy Finance Officer (shared by CCGs)
- Director of Joint Commissioning (shared by CCGs with local authority)
- Administrative co-ordinator
- Corporate Affairs Manager

Finance

An annual budget for the running costs of the Federation will be proposed by the Federation Development Group and considered and agreed by the CCGs. Each CCG will contribute a pro rata share, calculated on the same basis as their management allowance.

Premises

[To be confirmed]

CCG Constitutions

The CCGs have developed their constitutions in alignment with one another, so as to maximise the benefits that can be realised through the Federation.

Each CCG fully understands that changes to its constitution could have a consequential effect on the Federation and so, agrees to notify the Federation of any proposed changes and to assess the impact of those on the Federation before applying to the NHS Commissioning Board to amend its constitution.

APPENDIX 2

WEST BERKSHIRE FEDERATION MEMORANDUM OF UNDERSTANDING

PARTIES:

The parties to this Memorandum of Understanding (“MOU”) are the Practices that intend to be members of the Clinical Commissioning Groups for Newbury & District, South Reading, North West Reading and Wokingham (the “CCGs”) whose names and signatures are set out in Schedule 1.

Once the CCGs have been authorised by the NHS Commissioning Board, the parties to any subsequent agreement shall be the CCGs.

BACKGROUND:

- A. The CCGs are responsible for fulfilling their own statutory responsibilities as CCGs, but in order to assist them to do so, they wish to form a federation (the “Federation”) for the purpose of performing certain functions and fulfilling certain objectives, as detailed in this MOU.
- B. The purpose of this MOU is to set out how the Federation will be established and the principles and rules according to which it shall function.

1 INTERPRETATION

- 1.1 This MOU shall be interpreted in accordance with the glossary at Schedule 2.

2 STATUS OF MOU

- 2.1 This MOU is not intended to be binding on any of the parties to it.
- 2.2 On authorisation the CCGs shall enter into a binding Federation Agreement, which shall be an NHS contract pursuant to section 9 of the NHS Act 2006 as amended by the Health and Social Care Act 2012.
- 2.3 This MOU may be amended by the CCGs in writing at any time, provided they all agree and that either the proposed amendment will not cause any CCG’s constitution to be amended (which would require the authority of the NHS Commissioning Board), or if the proposed amendment will cause any CCG’s constitution to be amended, the authority of the NHS Commissioning Board has been granted.

3 FEDERATION: PURPOSE, SCOPE AND PRINCIPLES

- 3.1 The CCGs agree to form the Federation for the purposes of collaborating in order to fulfil the functions set out in Schedule 3 and any other functions that the CCGs shall agree from time to time.
- 3.2 Each CCG agrees with each of the others that the principles underpinning the Federation are to act collaboratively so as to:
 - 3.2.1 Assist each CCG to fulfil its statutory duties in an effective, efficient and economic way;

- 3.2.2 Achieve value for money through reduced cost and economies of scale;
- 3.2.3 Maximise the influence of the CCGs with large providers of services;
- 3.2.4 Share risk;
- 3.2.5 Maximise the ability of each CCG to access skills and capabilities they could not access by working alone;
- 3.2.6 Achieve consistency and integration where a pan CCG approach is required or desired.

4. FEDERATION: RESOURCES

- 4.1 The Federation will be managed by the Federation Development Group (“FDG”) and will be funded by the Federation Budget.
- 4.2 The CCGs shall from time to time appoint staff drawn from the CCGs to the FDG and the Committees, who are sufficient in number, and appropriately skilled and for such period as it thinks fit.
- 4.3 The CCGs, acting through the FDG, shall from time to time negotiate and obtain:
 - 4.3.1 Office accommodation and equipment for the Federation Development Group, the Committees;
 - 4.3.2 Representative members for any Committees;
 - 4.3.3 Agreement to any one of the CCGs acting as Co-ordinating CCG for the purpose of any contract with any third party service provider (“Provider”).

5. RESPONSIBILITIES OF EACH CCG

- 5.1 Each CCG shall:
 - 5.1.1 Establish the FDG and the Committees and staff them;
 - 5.1.2 Delegate the functions set out in Schedule 3 to the FDG and the Committees, as indicated;
 - 5.1.3 Maintain a close working relationship with the other CCGs and operate with transparency, openness and maximum good faith in relation to the work of the Federation;
 - 5.1.4 Adhere to the Financial Risk Sharing Principles set out in Schedule 4 and abide by the Financial Risk Management Strategy that is agreed by the CCGs from time to time;
 - 5.1.5 Receive, consider and respond in a timely way to the FDG’s, proposals for:

- Acquisition of occupancies of office space and equipment to support the Federation;
 - The Federation Budget and contributions from each CCG pro rata to its allocation, adjusted to take into account employment costs of members of the FDG, and Committees;
- 5.1.6 Pay its contribution to the Federation Budget as and when it is approved by the CCGs and requested by the FDG;
- 5.1.7 Receive, consider and respond in a timely way to any Committee's requests for information or decisions in relation to the work of that Committee;
- 5.1.8 Through the FDG:
- Monitor and review the effectiveness of the Federation;
 - Establish any links and/or reporting networks with other federations, or strategic, regional or other commissioning groups, as may from time to time be appropriate;
 - Authorise anything else required in support of, or promoting the functions set out in Schedule 3;
- 5.1.9 Give the FDG prior written notice of its intention to make any material change to its CCG constitution and take into account the views (if any) of the FDG in relation to such material change. Any change that will affect the operation of the Federation shall constitute a material change for these purposes.

6 LIABILITY AND INDEMNITIES OF EACH CCG

- 6.1 Each CCG remains responsible for performing and exercising its statutory duties and functions.
- 6.2 Each CCG recognises and agrees that the CCGs shall:
- 6.2.1 Each be separately and solely liable to Providers for payment for services delivered to its population and/or on its behalf either through the Federation or otherwise, subject always to any provision to the contrary in the Financial Risk Management Strategy;
- 6.2.2 Not be responsible for payment of relevant liabilities for Services appropriated by a decision of a CCG that has failed to act in accordance with this MOU.
- 6.3 Each CCG undertakes to indemnify:
- 6.3.1 Each representative member of the FDG and each Committee and Sub-committee;
- 6.3.2 Each Co-ordinating CCG; and
- 6.3.3 Each of the Executive Officers and other members of the seconded staff of the Federation,

against any liability arising out of or in connection with any act or omission (which is not recklessly negligent, fraudulent or involving criminal liability) committed by it during the course of performing its Federation duties.

6.4 Each CCG undertakes to indemnify each other CCG against any liability that arises out of or in connection with:

6.4.1 Any breach by the indemnifying CCG of this MOU;

6.4.2 Any breach by the indemnifying CCG of any relevant Services contract entered into through the Federation;

6.4.3 Any negligent act or omission of the indemnifying CCG;

6.4.4 Its liability pursuant to clause 9.4 of this MOU

to the extent that such liability arises as a result of such breach or negligence.

7. THE FEDERATION DEVELOPMENT GROUP: FUNCTIONS, MEMBERSHIP & MEETINGS

7.1 The FDG is established as a joint working group of the CCGs to manage the activities of the Federation. For the avoidance of doubt, the FDG is not a committee of any of the CCGs' Governing Bodies.

7.2 The FDG shall comprise the members, who shall have the remit and voting rights and shall meet in accordance with the terms of reference for the FDG set out in Schedule 5.

8. THE JOINT COMMITTEES: FUNCTIONS, MEMBERSHIP AND MEETINGS

8.1 The CCGs shall form the following Committees, which shall be joint Committees of each CCG's Governing Body:

8.1.1 The Joint Commissioning Committee;

8.1.2 The Joint Quality Committee;

8.1.3 The Joint QIPP and Performance Committee;

8.1.4 The Joint Audit Committee;

8.1.5 The Joint Remuneration Committee.

8.2 Each of the Committees at clause 8.1 shall comprise the members, who shall have the remit and voting rights and will meet in accordance with the terms of reference for the relevant joint Committee as set out at Schedule 6.

9. JOINT APPOINTMENTS

9.1 The CCGs shall share a Federation Chair, an Accountable Officer, Chief Finance Officer and Deputy Chief Finance Officer and other roles, as determined by the CCGs from time to time. Staffing structure from 2013/14 is shown in Schedule 5 Annex 2.

9.2 The employer of all the shared officers set out at clause 9.1 shall be Wokingham CCG with the exception of the Federation Chair who will remain the responsibility of the supplying CCG.

9.3 The Federation Chair will be subject to the following process:

Qualifications: GP Governing Body member of one of the member CCGs

Nominations: by member CCG Governing Bodies

Election: CCG Chairs will be eligible to vote.
Each CCG Chair will rank the candidates in order of preference.
A candidate will require a simple majority.
In the event of a tie or no candidate reaching the required majority the candidate with the fewest votes is eliminated and his or her votes will be transferred to the remaining candidate.
This is repeated until the required majority is reached.
If a tied vote cannot be resolved after the above process the matter will be decided by each remaining tied candidate placing their name on a folded piece of paper into a box and one name will be drawn out by a person agreed by those candidates.

Term of Office: One year, normally April to March with selection process taking place in the preceding January to February.

9.4 All such officers shall remain or become employed by the employing CCG and their employers' policies will apply in all matters concerning the employment of the relevant officer, including annual and other leave policies, disciplinary matters, performance review and appraisal. The employing CCG will seek and take into account the views of the Federation Chair and the CCG Representatives in respect of performance review and appraisal.

9.5 The employing CCG will be responsible for all payments of salary, provision of employment benefits, funding of any redundancy costs and funding for training and development ("Employment Costs") for its relevant employed officer, but shall be reimbursed a pro rata share in respect of the same by each other CCG.

10. CCGs JOINING THE FEDERATION

10.1 Any other clinical commissioning group may join the Federation, provided:

10.1.1 At least 3 of the CCGs agree, and;

10.1.2 The joining CCG executes a deed of adherence to this MOU;

The date of joining the Federation shall be 1 April of any year.

11 CCGs LEAVING THE FEDERATION

11.1 A CCG may withdraw its membership from the Federation by not less than 6 months prior notice to expire on 31 March of any year.

11.2 If a CCG fails to fulfil its obligations set out in this MOU, the FDG may recommend to the other CCGs that they exclude that CCG from the

Federation and if the other CCGs agree, act on their behalf to give immediate notice to the relevant CCG.

- 11.3 If a CCG withdraws or is excluded from the Federation under clause 11.1 or 11.2, that CCG shall, after the date notice has been given but before the expiry of the notice period, continue to be entitled to all its rights (including representation on the Committee) and to be bound by all its obligations (including all its indemnities and its contributions to the Management Fund) under this MOU.

12. FEDERATION BUDGET

12.1 The FDG shall;

12.1.1 Collect from the CCGs contributions to the Federation Budget that the CCGs have agreed;

12.1.2 Seek and obtain the agreement of one of the CCGs to manage the funds for the Federation Budget and

12.1.3 Request payments from the Federation Budget from time to time, acting within their authority under this MOU.

13. DISPUTE RESOLUTION

13.1 The Parties agree that any dispute which cannot be resolved locally arising out of any aspect of this MOU shall be resolved by any of the Parties referring it to mediation by CEDR (or any other independent mediator as agreed between the CCGs).

13.2 In the event that the Parties fail to achieve a resolution of any dispute through mediation in accordance with this clause 13, the Parties shall refer the dispute to an expert agreed by all Parties for expert determination. The expert's view shall be final and binding on the CCGs.

14. TERMINATION IN WHOLE OR IN PART OF THIS FEDERATION AGREEMENT

14.1 This MOU may be terminated in whole (such that the Federation is closed down) or in part (such that one or more CCGs exiting) by a decision of the CCGs. Such a decision shall be binding on all CCGs and shall take effect on the date decided upon by the CCGs ("Termination Date").

14.2 Where this MOU is terminated in part under clause 14.1, the affected CCG/s shall cease to be a party/parties to this MOU on the Termination Date. For the avoidance of doubt, this MOU (and the Federation) shall continue in full force and effect as between the remaining CCGs notwithstanding any CCG ceasing to be a Party to this MOU.

14.3 Where this Agreement is terminated in whole, during the period between the date of the decision under clause 14.1 and the Termination Date, all the provisions of this MOU shall remain in full force and effect except that:

14.3.1 No new contracts shall be negotiated through the Federation;

- 14.3.2 Any Federation negotiations in train at the date of the decision shall be discontinued;
 - 14.3.3 All occupancies of premises by the Federation shall be vacated and terminated on terms agreed with the CCGs concerned;
 - 14.3.4 All appointments of staff and officers to the FDG, the Committees (except for the purposes of preparing and circulating final accounts under clause 14.3.5) shall be terminated on terms agreed with the CCGs concerned;
 - 14.3.5 Final accounts for the Federation Budget shall be prepared and circulated to all CCGs and any surplus distributed to, or deficiency paid up by, all the CCGs in proportion to each CCG's pro rata share.
- 14.4 Where this Agreement is terminated in whole, before or as soon as practicable after the Termination Date:
- 14.4.1 Each Committee will provide each CCG with a timely and accurate summary of its current state of affairs;
 - 14.4.2 The Federation bank account shall be closed and the host CCG shall account for it to the other CCGs;
 - 14.4.3 All books of account and other papers of the FDG and the Committees and (to this extent that they relate to Federation business) each of the Co-ordinating CCGs shall be delivered to each CCG;
 - 14.4.4 The FDG shall record that all measures required under clauses 14.3 and 14.4 have been completed.
- 14.5 Once the FDG has recorded the completion of all measures required, in accordance with clause 14.4 this shall operate to automatically:
- 14.5.1 Terminate all the provisions of this Agreement, subject to clause 14.6;
 - 14.5.2 Terminate all appointments of representatives to the FDG, the Committees and
 - 14.5.3 Dissolve the FDG, and the Committees.
- 14.6 Clauses 5.1.4, 5.1.6, 6, 9.3, 9.4, 12, 13 and 14.6 shall survive termination of this Agreement and remain in effect as between all the CCGs.

15. GOVERNING LAW

- 15.1 The formation, interpretation and operation of this Agreement shall be subject to English law.

SCHEDULE 1

THE PARTIES

NAME OF CCG	SIGNATURE	NAME OF AUTHORISED SIGNATORY	DATE OF SIGNATURE
Newbury & District		Dr Abid Irfan	
North & West Reading		Dr Rod Smith	
South Reading		Dr Elizabeth Johnston	
Wokingham		Dr Stephen Madgwick	

SCHEDULE 2

GLOSSARY

1.1 A reference to the singular shall include the plural and vice versa and reference to a gender shall include any gender.

1.2 The headings in this MOU shall not affect its interpretation.

1.3 References to “Clauses” and “Appendices” are references to the clauses and appendices of this MOU.

1.4 In the event and to the extent only of any conflict between the Clauses and the Appendices, the Clauses shall prevail.

1.5 The following terms shall have the following meanings, unless the context requires otherwise:

“CEDR”	the Centre for Effective Disputes Resolution in London;
“Committees”	the joint committees established by the CCGs through the Federation;
“Co-ordinating CCG”	a CCG that will co-ordinating the commissioning of certain services on behalf of itself and the other CCGs;
“Federation Budget”	the annual budget for the running of the Federation, which is prepared by the FDG and considered and agreed by the CCGs, to which the CCGs pay a pro rata share calculated on the same basis as their management allowance;
“Financial Risk Management Strategy”	the annual strategy for managing financial risks across the CCGs that is proposed by the FDG to the CCGs annually and considered and agreed by the CCGs;
“Financial Risk Principles”	the principles agreed by the CCGs that will underpin the Financial Risk Management Strategy;
“Governing Body”	the governing body of aCCG;
“Providers”	Any third party service provider with whom the CCGs have contracted;

SCHEDULE 3

FUNCTIONS

Through the Federation Development Group:

- Manage the activities of the Federation;
- Submit an annual plan for the Federation to the CCGs for their consideration and agreement (which will include proposals for the Federation Budget and the Financial Risk Management Strategy);
- Assist the CCGs to implement their operating plans, to the extent that a pan CCG approach will assist the CCGs to fulfil their statutory duties in an effective, efficient and economical way;
- Assist the CCGs to monitor, and make recommendations to the CCGs to maximise the effectiveness of the Federation.

Through a Joint Commissioning Committee:

- Develop and recommend to the CCGs a joint commissioning strategy and procurement strategy that is informed by each CCG's commissioning strategy and the work of the relevant Health and Wellbeing Boards;
- Form programme boards to work on commissioning strategy for certain categories of care (currently Planned Care, Urgent Care, Long Term Conditions and Joint Commissioning) which will make recommendations to the joint commissioning committee;
- Support strategic commissioning by the CCGs;
- Support joint commissioning by the CCGs with unitary authorities;
- Review and make recommendations on each CCG's assurance framework;
- Secure commissioning support services on behalf of the CCGs;
- Agree negotiation strategies for provider services contracts with the CCGs;
- Recommend financial risk sharing strategies to the CCGs and oversee risk sharing arrangements that are agreed by the CCGs.

Through a Joint Quality Committee:

- Manage the relationship with key providers of services to the CCGs with a view to quality (not financial performance), liaising as appropriate with the provider contracting team;
- Performance manage providers of services and provide quality assurance to the CCGs;
- Recommend to the CCGs and implement as appropriate a joint safeguarding policy;
- Recommend to the CCGs and implement as appropriate a joint equality policy.

Through a QIPP and Performance Committee

- Monitor contract performance, the QIPP plan and overall use of resources;
- Monitor financial performance in relation to key national targets and the NHS Outcomes Framework;
- To approve QIPP business cases and release of finance from allocated reserves.

Through a Joint Audit Committee:

- Critically review the CCGs' financial reporting and internal control principles;
- Maintain an appropriate relationship with the CCGs' internal and external auditors.

Through a Joint Remuneration Committee,:

- Make recommendations to the CCG's Governing Bodies on determination of pay and remuneration for employees of the CCGs and people who provide services to them;
- Make recommendations to the CCG's Governing Bodies on determination of the remuneration and conditions of service of the senior team;
- Review the performance of the accountable officer and other senior team members and determining annual salary awards, if appropriate;
- Make recommendations to the CCGs' Governing Bodies on severance payments of senior staff and in appropriate cases seek HM Treasury approval.

SCHEDULE 4

FINANCIAL RISK SHARING PRINCIPLES

1. Based on the principles below, the FDG will recommend a Financial Risk Management Strategy to the CCGs' Governing Body annually for their consideration and approval. Once it has been agreed, the FDG will oversee the implementation of that strategy.
2. The CCGs agree the following principles:
 - a. No CCG can make a decision to invest funds which will cause it to breach its statutory financial duty;
 - b. The CCGs will discuss annually and agree the extent to which they will share financial risk and access any ring-fenced or pooled budgets (e.g. Innovation Fund) and present a policy for agreement to their respective Council of Members.
 - c. The CCGs will need to make decisions about access to funds for investment. Whether each CCG wishes to reserve these decisions to themselves, or take these in Federation will depend on:
 - The degree to which the decision will affect a shared financial risk;
 - The degree to which acting collaboratively provides a greater opportunity;
 - Whether acting alone as a CCG enables speed and flexibility;
 - The opportunity to engage member practices through the ability to affect change, and;
 - The cost of support for a single CCG approach as opposed to a Federated approach.
 - d. Investment decisions can be considered across a number of categories, including:
 - Drawdown for projects budgeted through the annual planning process;
 - Access to ring-fenced or pooled budgets e.g. Innovation Fund;
 - Access to unallocated reserves and contingencies;
 - Dealing with risks and cost pressures.
3. Drawdown for Projects
 - a. All bids for Investment and QIPP proposals shall be reviewed against the CCGs' agreed prioritisation framework. Those which are identified as a priority will be budgeted within reserves, pending the development of business cases.
 - b. To draw down these funds the project or budget lead must make a case proportionate to the issue.

- c. The Joint QIPP and Performance Committee will scrutinise all business cases on behalf of Boards and where necessary to approve drawdown from identified reserves.
- Funding decisions not requiring a business case which affect more than one CCG are also reviewed by the Joint QIPP and Performance Committee
 - Funding decisions not requiring a business case will be approved by CCG Governing Bodies
 - The CFO will maintain a schedule of all reserves and all investment decisions to inform CCG Governing Bodies.

4. Ring-fenced and Pooled Budgets

- The CCGs will collectively set aside sums to support joint commissioning, manage risks and/or innovation.
- Contributions will be split on a basis to be agreed e.g. weighted capitation, equal shares, expected usage
- When such a fund is established CCGs must agree terms on which such funds may be accessed. In any event such funds must be deployed in line with the CCG's Commissioning & Financial strategies and may not be deployed on
 - Any service within the remit of essential or additional services of P/GMS contractual arrangements
 - Capital investments

The CFO will maintain a list of all schemes approved for funding from any such funds and will report to the Joint QIPP and Performance Committee, to Governing Bodies and elsewhere as required.

5. Unallocated Reserves and Contingencies

In setting their budgets, the CCGs shall set aside contingency. The first call on this contingency is to meet their individual financial risk and to enable the CCG to meet its financial duties. Once a CCG is confident that it can meet all its obligations then further expenditure can be committed against the contingency budget.

6. Dealing with Risks and Unavoidable Cost Pressures

Unexpected risks can occur at any time during the financial year. It is then the responsibility of the CFO to advise Governing Bodies on the best course of action, which may be a combination of

- a. Calling on specific reserves set aside for the risk
- b. Re-ordering the priorities within the plan so that some investments are deferred
- c. Increasing savings from QIPP
- d. Calling on contingencies
- e. Calling on the 2% lodgement if the risk is non-recurrent
- f. As a last resort, reducing planned surpluses

Application of risk reserves will happen during the monthly financial reporting cycle and a swift decision is needed in order to keep expenditure in line with budgets. These will be applied at the discretion of the CFO. Details will be included in monthly financial reports to Governing Bodies. The CFO must advise the CCG Governing Bodies immediately

that a significant unexpected risk becomes known with recommendations on how the risk can be managed.

SCHEDULE 5

TERMS OF REFERENCE FOR THE FEDERATION DEVELOPMENT GROUP

MEMBERSHIP

See diagram at Annex 1 to this Schedule.

The membership of the Federation Development Group (FDG) consists of voting members and non-voting members.

The voting members are:

- Federation Chair (whose role is described in Annex 3 to this Schedule and who has a casting vote only);
- A representative from each CCG (who shall be the Chair of that CCG, except where the Federation Chair is also chair of a CCG, in which case he/she shall appoint a representative to act as his/her CCG's representative).
- Accountable Officer (shared by the CCGs);
- Chief Finance Officer (shared by the CCGs);

The non-voting members are:

- Committee Secretary;
- Others co-opted as necessary

FUNCTIONS

The FDG is not a committee of any of the CCGs' Governing Bodies. It is a joint working group that manages the activities of the Federation.

The FDG will put into place appropriate data sharing arrangements between the CCGs for the purposes of the Federation and provide assurance to the CCGs that such arrangements comply with data protection legislation.

The FDG's scope of authority to bind the CCGs is derived from an annual plan that it will submit to the CCGs for their consideration and agreement. That plan will include proposals for the Federation Budget and the Financial Risk Management Strategy.

The FDG will assist the CCGs to implement their operating plans, to the extent that a pan CCG approach will assist the CCGs to fulfil their statutory duties in an effective, efficient and economical way.

The FDG will also work to assist the CCGs to monitor the effectiveness of the Federation and make recommendations to the CCGs to assist them to maximise the Federation's ability to:

- assist each CCG to fulfil its statutory duties in an effective, efficient and economical way;
- achieve value for money through reduced cost and economies of scale;
- maximise the influence of the CCGs with large providers;
- share risk;

- maximise the ability of each CCG to access skills and capabilities they could not access by working alone;
- achieve consistency and integration where a pan CCG approach is required/desired.

The FDG will also manage the activities of the Federation and fulfil the duties in clause 12 of the MOU regarding the Federation Budget, and undertake any other duties delegated to it by the CCGs from time to time.

MEETINGS

The FDG shall meet at least quarterly.

Meetings shall be convened by the Federation Chair on at least seven days prior notice by e-mail to each member of the FDG. Notices of meetings shall set out the terms of any proposed decision or recommendation to be considered, or a sufficient summary of them. The agenda and papers will be circulated by email no later than five working days prior to the meeting. All papers will be accompanied by a summary sheet which will be completed by the author of the paper.

4 members present and representing all CCGs shall be a quorum for a meeting.

A voting member of the FDG who is not present himself/herself or by representative shall be entitled to one vote by proxy, addressed to the Federation Chair, indicating the proposed decisions for which it is given and in each case whether it is for or against it. The Federation Chair shall have a casting vote.

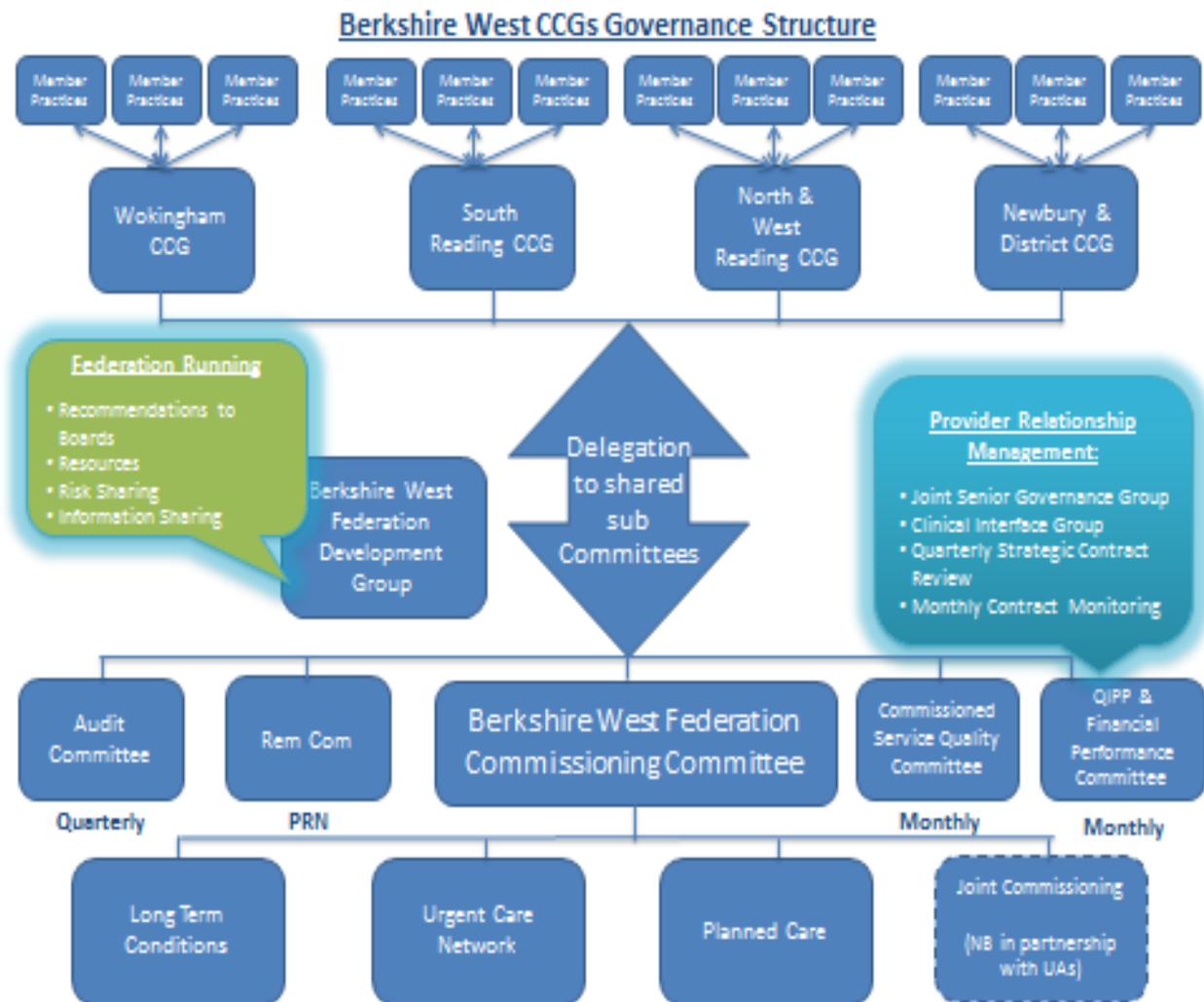
Decisions of the FDG shall only be passed by a quorate meeting with members present or represented or voting by proxy where there is a 75% majority.

Minutes shall be kept of all proceedings and decisions of the FDG and copies of them shall be circulated to all CCGs (whether or not present) by e-mail within 5 working days after the end of the meeting to which they relate.

Any CCG that is dissatisfied by a decision of the FDG may, acting in good faith, give notice by e-mail to the Federation Chair within 2 clear working days after the minutes containing the relevant decision have been e mailed, requiring the relevant decision to be referred to dispute resolution. The decision shall be so referred immediately once such notice is received and shall be suspended until the conclusion of dispute resolution. A decision not required to be referred to dispute resolution within the time specified shall be binding on all CCGs.

SCHEDULE 5 - ANNEX 1

ORGANISATION OF FEDERATION DEVELOPMENT GROUP

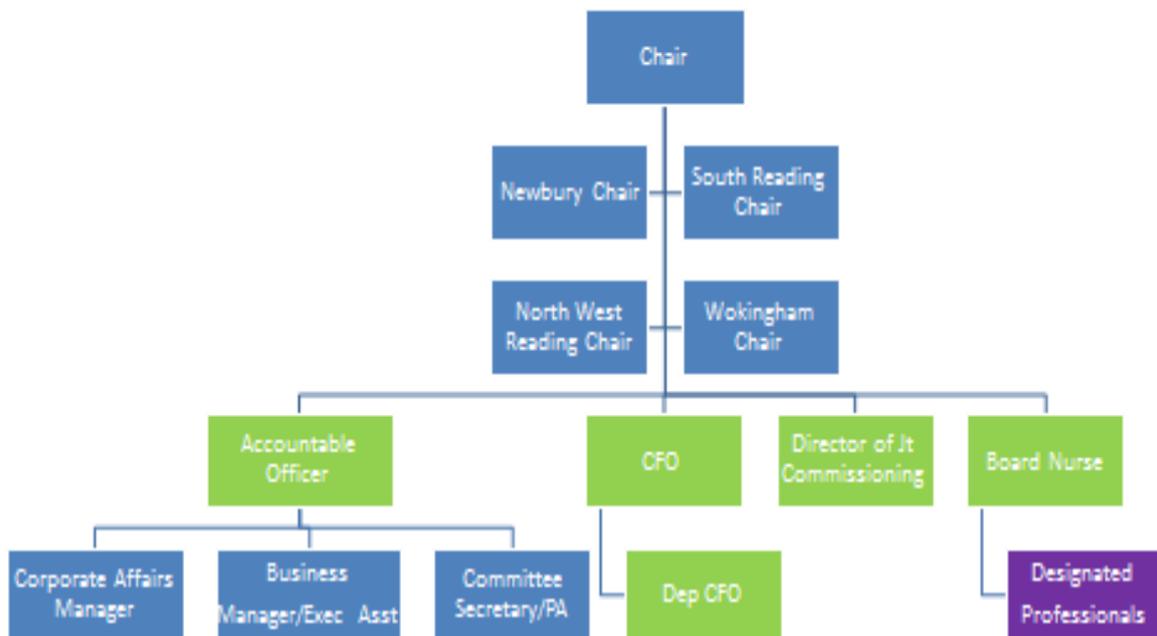


SCHEDULE 5 - ANNEX 2

INITIAL STAFFING STRUCTURE OF FEDERATION

Federation 'Team'

■ Shared – West Fed



SCHEDULE 5 - ANNEX 3

FEDERATION CHAIR'S ROLE DESCRIPTION

Accountable to: Berkshire West Federation CCG Governing Bodies

Time Commitment: 2 sessions per week for 12 months **Remuneration:** CCG Chair rate

Responsibilities to ensure:

- The Berkshire West Federation is effective and works to the benefit of all CCG members and is seen as part of the local CCG not separate from it. Including the establishment of appropriate
 - Governance
 - Risk Sharing & Budget Pooling
 - Balance between federated and local decision-making
- The development and implementation of joint Strategy, Plan and Projects to deliver maximum benefit on agreed Berkshire West Federation objectives including:
 - The establishment and maintenance of joint prioritisation processes
 - the Identification of clinical leads
 - securing appropriate management support
- The development and implementation of effective Market & Contracting Strategies and Contract Negotiations to deliver agreed Berkshire West Federation objectives
- To ensure effective Berkshire West Federation leadership of the Planning and Contracting processes including the identification of clinical leads for effective Provider Relationship Management
- Member CCGs are engaged and informed on all aspects of Federated working including:
 - Regular communication on Berkshire West Federation progress and decisions
 - Appropriate systems are developed to ensure Berkshire West Federation work is informed by CCG member views
- Key partners (e.g. providers, local authorities, SHA etc..) are aware of, understand the role of and can engage with the Berkshire West Federation
- The Berkshire West Federation secures cost effective Commissioning Support through joint working and procurement with the Berkshire East Federation
- Work with the Berkshire East Federation Chair to ensure the Berkshire Federation works effectively on behalf of member organisations

In addition the Chair will:

- Act as a lead and/or spokesperson for the Berkshire West CCGs where a collective view or voice is needed
- Ensure that the functions of the Berkshire West Federation are carried out in a way that is fair, open and objective
- Ensure effective running of the Berkshire West Federation Meetings
- Be the lead and where mandated act on behalf of the Berkshire West Federation in wider federated activities e.g, Berkshire Federation

Competencies:

- influences others positively & builds productive partnerships
- executes, plans & organises resources
- personal resilience – remains calm & positive when under pressure
- accountability/integrity - takes personal responsibility for corporate actions and acts at all times in accordance with consortium values/standards of behaviour
- transformational - identifies new ways of working that enhance quality and efficiency of services
- strives for excellence - seeks continuous improvement

SCHEDULE 6 - TERMS OF REFERENCE FOR EACH OF THE JOINT COMMITTEES

JOINT COMMISSIONING COMMITTEE

TERMS OF REFERENCE

1. Purpose of the Committee

The four CCGs in Berkshire West have chosen to work together via Programme Boards for key areas of work: Planned Care, Urgent Care, Long Term Conditions and Joint Commissioning (including MH and Children). As they share the same providers the CCGs have also agreed to take a joint approach to contract negotiation and monitoring.

The Commissioning Committee is a joint Committee of all four CCG Governing Bodies and provides a forum for determining commissioning strategy jointly. Its primary purpose is to support strategic commissioning and jointly agree the overall direction and reconfiguration of clinical services. Commissioning strategy and QIPP planning will continue to be ratified by the four CCG Governing Bodies who remain the statutory bodies with responsibility for commissioning and resource allocation.

The committee will also be the forum for managing financial and non-financial risk.

During the transition year of 2012/13 this committee will discharge the functions of the Berkshire West PCT's Executive Committee.

2. Accountability & Reporting Arrangements

The Berkshire West Commissioning Committee is a joint committee of the four CCG governing bodies. The authority to agree actions and policy will be delegated by the four CCG governing bodies to this joint Committee. It will receive reports from the four Programme Boards, review progress and agree necessary actions. The committee will also agree commissioning policy that needs to be developed across a wider geography than a single CCG e.g. low priority procedures etc. The authority to agree actions and policy will be delegated by the four CCG governing bodies to this joint committee.

The Commissioning Committee will also review the Board Assurance Framework and Corporate Risk Register for each CCG Governing Bodies as many of the risks and remedial actions will be common to all.

Each CCG Governing Body will receive and note the minutes of Commissioning Committee meetings and will receive an annual report on the effectiveness of its work.

3. Duties

Strategy

- To develop the Commissioning Strategy for the Berkshire West health economy
- Agree the priorities and review the progress of the four programme boards
- Based on the work of these boards, agree the areas of CCG commissioning plans that will be common to all.
- Agree the QIPP programme where this is being delivered across CCGs
- Support and monitor agreed financial risk sharing arrangements
- To develop, agree and communicate commissioning policy for the BW CCGs

- To ensure that the strategy of the four CCGs is aligned and that it is also aligned to national and sector strategy where appropriate
- Support strategic commissioning – overall direction and reconfiguration of clinical services
- Support joint commissioning with the three Unitary Authorities in Berkshire West
- Provide clinical leadership and influence

Promote and support commissioning (operational)

- To ensure that there are clinical champions and innovation leads for key areas of joint work
- To allocate resource to BW wide programmes and innovation
- Ensure co-ordination across CCGs
- Deal with any emerging operational issues

Manage financial and non-financial risks

- Review the Board Assurance Framework and Corporate Risk Register for each CCG
- Ensure that emerging risks are identified and added to the framework
- Agree and monitor mitigating actions

4. Membership

- Chair of BW CCG Federation (Chair)
- CCG Representatives (4)
- Director of Public Health
- Accountable officer
- Chief Financial Officer
- Director of Joint Commissioning
- LINKs member
- Secondary care member of a CCG Governing Body (1)
- Nurse member of a CCG Governing Body (1)

Additional members may be co-opted to attend for particular items.

5. Responsibilities of Members

In addition to contributing to the delivery of the responsibilities outlined above individual members of the CCGs' Commissioning Committee are responsible for declaring and managing conflicts of interests. Members also have a corporate responsibility to recognise and respect boundaries and ensure that information received by virtue of being a CCG Commissioning Committee member is managed appropriately within those boundaries.

CCG leads or their deputies are also responsible for

- Providing clear feedback to their CCG Governing Body and Council
- Providing clear input and feedback to the Commissioning Committee from their respective Governing Bodies and Councils
- Ensuring that their CCG is adequately represented on and actively engaged with developing the recommendations of the Programme Boards and other Task Groups to the Commissioning Committee

6. Frequency of Meetings

The Committee will meet monthly on the second Tuesday of every month.

7. Quoracy & Voting

For the Committee to be quorate there must be in attendance a representative from each CCG locality and one officer member.

At all times the committee will seek to reach a consensus, for any items requiring a formal vote each member will have a single vote and will require a 75% majority to be agreed.

8. Papers

The agenda and papers will be circulated by email no later than five working days prior to the meeting. All papers will be accompanied by a summary sheet which will be completed by the author of the paper. .

9. Key Relationships

CCG Governing Bodies
CCG Council of Members
Programme Boards
Commissioning Partnership Board
Health and Well Being Board(s)
LINKs/Health Watch
LMC
Nursing and other clinicians

10. Review

The terms of reference for the committee will be reviewed as required but at least annually. The Terms of Reference will be approved by the CCG Governing Bodies.

JOINT QIPP & FINANCIAL PERFORMANCE COMMITTEE

TERMS OF REFERENCE

1. Purpose of the Committee

The QIPP & Financial Performance Committee is a Joint committee of the 4 CCG Governing Bodies, The main aim of the committee is to:

- To monitor the contract performance, the Quality, Innovation, Productivity and Prevention (QIPP) plan and overall use of resources.
- To monitor the financial performance in relation to key national targets and the NHS Outcomes Framework.
- To approve QIPP Business cases and release of finance from allocated reserves.

2. Accountability & Reporting Arrangements

The Berkshire West QIPP & Finance Performance Committee is a joint committee of the four CCG governing bodies. The authority to agree actions and policy will be delegated by the four CCG governing bodies to this joint Committee.

Each CCG Governing Body will receive and note the minutes of QIPP & Finance Performance Committee and receive an annual report on the effectiveness of its work.

3. Duties

- To be accountable and provide reports to the CCG's governing bodies.
- To provide assurance to the 4 CCG Governing Bodies that appropriate performance management of financial targets, contract activity and QIPP is in place.
- To monitor the financial performance, contract performance, the Quality, Innovation, Productivity and Prevention (QIPP) plan and overall use of resources
- To ensure that appropriate accountability arrangements are in place for the delivery of specific financial, contract and QIPP targets. Each project has assigned programme lead and project lead for each project.
- To receive assurance that the performance of all providers is in line with contractual agreements and statutory requirements
- To review detailed monthly monitoring reports and year-end forecasts of performance against financial performance targets, including contract positions and QIPP plans, for each CCG
- To agree recommendations made by the CCGs' executives regarding the actions to recover financial performance, and to monitor compliance against these recommendations
- To inform the Governing Bodies of action plans to mitigate high risk areas and underperformance
- To ensure compliance with the financial management standards
- To participate and prioritise future projects and schemes to support QIPP pipeline.

4. Membership

- One CCG Lay member to Chair for 2 years on a rotating basis
- One CCG Lay member to rotate annually
- GP member of Governing Bodies x 4
- Accountable officer (AO)
- Chief Financial Officer (CFO)
- Patient/Public Representative

- PCT Cluster Director of Finance (for 2012/13 transition year only)

Supported by:

- CCG managers with responsibility for performance of QIPP (PMO and programme leads for each of the programmes).
- Director of Joint Commissioning
- CSU support staff for performance and information
- Others co-opted as required e.g. Public Health Consultant

5. Responsibilities of Members

In addition to contributing to the delivery of the responsibilities outlined above individual members of the Committee are responsible for declaring and managing conflicts of interests. Members also have a corporate responsibility to recognise and respect boundaries and ensure that information received by virtue of being a Committee member is managed appropriately within those boundaries.

CCG leads or their deputies are also responsible for

- Providing clear feedback to their CCG Governing Body and Council
- Providing clear input and feedback to the Committee from their respective Governing Bodies and Councils
- Ensuring that their CCG is adequately represented on and actively engaged with developing the recommendations and decisions of the Committee

6. Frequency of Meetings

The committee will meet monthly on the second Tuesday of every month

7. Quoracy & Voting

The Committee shall be quorate with the attendance of 4 CCG members with at least 1 lay member (ensuring all 4 CCG Governing Bodies are represented), the Accountable Officer and CFO or their designated deputies.

At all times the committee will seek to reach a consensus, for any items requiring a formal vote each member will have a single vote and will require a 75% majority to be agreed.

8. Papers

The agenda and papers will be circulated by email no later than five working days prior to the meeting. All papers will be accompanied by a summary sheet which will be completed by the author of the paper.

9. Review

The terms of reference for the committee will be reviewed as required but at least annually. The Terms of Reference will be approved by the CCG Governing Bodies.

JOINT QUALITY COMMITTEE

TERMS OF REFERENCE

1. Purpose of the Committee

The Commissioned Service Quality Committee is a joint committee of the four CCG Governing Bodies.

The Committee will provide performance management and assurance and make recommendations to the CCG Governing Bodies of the quality and safety of commissioned services.

2. Reporting & Accountability

The Committee is a joint committee of the four CCG governing bodies. The authority to agree actions and policy will be delegated by the four CCG governing bodies to this joint committee. Each CCG Governing Body will receive and note the minutes of Committee meetings and will receive an annual report on the effectiveness of its work.

The Committee will also report to the Joint Commissioning Committee for information.

3. Duties

The duties of the Committee are as follows:

- a. Ensure appropriate mechanisms are in place to monitor and drive forward the quality and safety of services commissioned by the 4 CCGs, recommending courses of action where concerns have been identified.
- b. Receive and discuss reports on quality in respect of the PCT's commissioned services (acute, mental health, community, independent and any willing/qualified provider); the reports will cover provider performance against CQUINs; patient experience (including complaints and compliments received by commissioners) and clinical performance indicators.
- c. Whilst not responsible for commissioning primary care, CCGs have a responsibility to improve the quality of primary care as part of their management of the whole health and social care system. The committee will therefore consider reports on the quality of primary care
- d. Ensure the patient voice is captured and changes to CCGs' commissioning strategies are recommended to improve patient experience.
- e. Receive, review and scrutinise reports on serious incidents (SIs) and Never Events occurring in commissioned services and monitor associated action plans. Request additional action/information as required.
- f. Ensure that there are robust systems and processes in place to safeguard adults and children.
- g. Consider national quality reports and results from relevant national audits, CQC inspections and Monitor

- h. Oversee and provide assurance on the clinical governance arrangements in provider services.
- i. Review performance against quality indicators in the NHS Outcomes Framework.
- j. Receive internal and external audits reports relating to quality and follow up action plans.
- k. Ensure delivery of the requirements set out in the Information Governance toolkit.
- l. Ensure adequate systems are in place for the governance of research in line with the Department of Health's requirements.
- m. Monitor arrangements in place within the 4 CCGs relating to equality and diversity issues, ensuring compliance with statutory obligations and implementation of equality action plans.

4. Membership

- CCG lay members (patient experience) x 4 (*1 to be the Chair*)
- GP member of Governing Bodies x 4
- Secondary care member of a CCG Governing Body (1)
- Nurse member of a CCG Governing Body (1)
- Patient/Public Representative (1)
- Accountable Officer
- Public health consultant

Supported by:

- CCG managers with responsibility for corporate governance and safeguarding
- CSU support staff for quality
- Others co-opted as required

5. Responsibilities of Members

In addition to contributing to the delivery of the responsibilities outlined above individual members of the Committee are responsible for declaring and managing conflicts of interests. Members also have a corporate responsibility to recognise and respect boundaries and ensure that information received by virtue of being a Committee member is managed appropriately within those boundaries.

CCG leads or their deputies are also responsible for

- Providing clear feedback to their CCG Governing Body and Council
- Providing clear input and feedback to the Committee from their respective Governing Bodies and Councils
- Ensuring that their CCG is adequately represented on and actively engaged with developing the recommendations and decisions of the Committee

6. Meeting frequency

Meetings shall be held 6 times a year, with additional meetings or working groups as required.

7. Quoracy & Voting

2 lay members and 2 Governing Body members, ensuring all 4 CCG Governing Bodies are represented plus AO, PH Consultant or their designated deputies. Where appropriate, members are expected to identify a suitable substitute to attend on their behalf if they are unable to attend a meeting. Other members may be co-opted onto the Committee, and the Committee may request attendance of any other member of staff or outside organisation as required.

At all times the committee will seek to reach a consensus, for any items requiring a formal vote each member will have a single vote and will require a 75% majority to be agreed

8. Papers

The Secretary to the Committee will take minutes of the meeting and provide appropriate support to the Chairman and committee members. The agenda and papers will be provided to committee members at least 5 working days before the meeting

9. Review

Terms of Reference will be reviewed as required but at least annually. The Terms of Reference will be approved by the CCG Governing Bodies.

FEDERATED AUDIT COMMITTEE

TERMS OF REFERENCE

1. Purpose of the Committee

The Joint Federated Audit Committee (the Committee) is established in accordance with the constitutions of the CCGs and shall have effect as if incorporated into each CCG's constitution.

The Committee will critically review each organisation's financial reporting and internal control principles, ensuring that all CCG activities are managed in accordance with the law and regulations governing the NHS and ensure appropriate relationships with both internal and external auditors is maintained

The Committee will apply best practice in decision making processes and will have full authority to commission any reports or surveys it deems necessary to help it fulfil its obligations.

2. Reporting & Accountability

The Audit Committee is a Committee of the CCG Governing Bodies within the Berkshire West Federation. It is responsible for providing assurance to CCG Governing Bodies for all areas under the delegated responsibility given by the CCGs.

Each CCG Governing Body will receive and note the minutes of Committee meetings and will receive an annual report on the effectiveness of its work.

3. Duties

The duties of the Committee are as follows:

Governance, Risk Management and Internal Control

The Committee will review the adequacy of

- The establishment and maintenance of an effective system of governance, risk management and internal control, across the whole of the CCGs activities that supports the achievement of organisational objectives.
- Processes and strategies to ensure the management of financial business risk
- All risk and control related disclosure statements (in particular the Statement on Internal Control/Annual Governance Statement) together with any accompanying Head of Internal Audit statement external audit opinion or other appropriate independent assurances prior to endorsement by CCG Governing Bodies.
- The underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements.
- The policies and procedures for all work related to fraud and corruption as set out in Secretary of State Directions and as required by the Counter Fraud and Security Management Service.

In carrying out this work the Committee will primarily utilise the work of Internal Audit, External Audit and other assurance functions, but will not be limited to these audit functions.

It will also seek reports and assurances from CCG operational leadership team, , GP Member Practices, CCG and CSS Officers as appropriate, concentrating on the over-arching systems of integrated governance, the management of risk and internal control, together with indicators of their effectiveness. It may also request specific reports from individual functions within CCGs as they may be appropriate to the overall arrangement. 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

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 Audit Committee and CCG Governing Bodies.
- Consider the provision of the Internal Audit service, the cost of the audit and any questions of resignation and dismissal.
- Review and approve the Internal Audit strategy, operational plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisations.
- Consideration of the major findings of internal audit work (and management's response), and ensure co-ordination between the Internal and External Auditors to optimise audit resources
- Ensuring that the Internal Audit function is adequately resourced and has appropriate standing within the organisation
- Annual review of the effectiveness of internal audit

External Audit

The Committee shall:

- Review the work and findings of the External Auditor appointed by the Audit Commission and consider the implications and management's responses to their work.
- Consider the appointment and performance of the External Auditor, as far as the Audit Commission's rules permit
- Discuss with the External Auditors their local evaluation of audit risks and assessment of the CCGs and associated impact on the audit fee,
- Review all External Audit reports including agreement of the annual audit letters before submission CCG Governing Bodies and any work carried outside the annual audit plan, together with the appropriateness of management responses.

Financial Reporting

The Committee shall review the Annual Report and Financial Statements before submission to each CCG Governing Body and Council of Members, focusing particularly on:

- the wording in the Statement on Internal Control/Annual Governance Statement and other disclosures relevant to the Terms of Reference of the Committee
- changes in, and compliance with, accounting policies and practices
- unadjusted mis-statements in the financial statements
- major judgemental areas
- significant adjustments resulting from the audit

4. Membership

The Committee shall be appointed by each CCG as set out in each CCG's constitution and the Federation MOU and may include individuals who are not on the governing bodies of the CCGs.

The Committee shall comprise 4 lay members of each of the constituent CCGs . The Chief Financial Officer or deputy will be in attendance at each committee meeting. The Chairs of the CCGs will be invited to attend the Committee to review the annual accounts. The Accountable Officer will attend the Committee as requested.

The Committee will nominate a chair and vice-chair who will be drawn from the members who are the CCG lay members with the lead role in governance.

5. Responsibilities of Members

In addition to contributing to the delivery of the responsibilities outlined above individual members of the Committee are responsible for declaring and managing conflicts of interests. Members also have a corporate responsibility to recognise and respect boundaries and ensure that information received by virtue of being a Committee member is managed appropriately within those boundaries.

CCG leads or their deputies are also responsible for

- Providing clear feedback to their CCG Governing Body and Council
- Providing clear input and feedback to the Committee from their respective Governing Bodies and Councils
- Ensuring that their CCG is adequately represented on and actively engaged with developing the recommendations and decisions of the Committee

6. Meeting frequency

The Audit Committee shall meet at least four times per annum and at such other times as the Committee shall determine.

7. Quoracy & Voting

For the Committee to be quorate there must be in attendance the Chair or Vice-chair, a representative from each CCG (which may include the Chair or Vice-Chair) and the Chief Financial Officer or deputy in attendance.

At all times the committee will seek to reach a consensus, for any items requiring a formal vote each member will have a single vote and will require a 75% majority to be agreed

8. Papers

The Federation shall appoint a secretary, who shall be responsible for supporting the Chair of the Committee in the management of the Committee's business. The agenda and papers will be provided to committee members at least 5 working days before the meeting

9. Review

The Committee will review its own performance, membership and terms of reference as required but at least annually and make proposals for any changes to the CCGs' governing

bodies and notified to the council of members. The Terms of Reference will be approved by the CCG Governing Bodies.

JOINT REMUNERATION COMMITTEE

TERMS OF REFERENCE

1. Purpose of Committee

The Joint Remuneration Committee (the Committee) is established in accordance with each of the Berkshire West Federation's CCG constitutions. These terms of reference set out the membership, remit, responsibilities and reporting arrangements of the Committee and shall have effect as if incorporated into each CCG's constitution.

The Committee is responsible for determining and agreeing with CCG Governing Bodies the framework for the Remuneration, Allowances and Terms of Service for employees of the CCGs and people who provide services to the CCGs

The Committee will apply best practice and uphold good governance in decision making processes.

- It will comply with disclosure requirements for remuneration.
- It will have full authority to seek independent advice about remuneration for individuals, to help it fulfil its obligations.
- It will ensure decisions are based on clear and transparent criteria.

2. Reporting & Accountability

The Remuneration Committee is a joint Committee of the CCG Governing Bodies within the Berkshire West Federation. It is accountable to the CCG Governing Bodies for all areas under the delegated responsibility given by the CCGs.

The Remuneration Committee is able to make decisions on behalf of CCG members and Governing Bodies as set out in the scheme of delegation. The Committee has a key role in ensuring probity and the management of conflicts of interest and there is a strong presumption that the advice of the Committee will be accepted by the CCG members and Governing Bodies.

3. Duties

The Committee is responsible for determining and agreeing with CCG Governing Bodies the framework for the Remuneration, Allowances and Terms of Service for employees of the CCGs and people who provide services to the CCGs. This should include:

- all aspects of salary, including performance related elements or bonuses and determination of Recruitment and Retention premia
- provision of other benefits
- allowances under any pension schemes they might establish as an alternative to the NHS pension scheme.
- arrangements for termination of employment and variation of other contractual terms.

It is also responsible for ensuring effective oversight of the performance of the CCG Chair, Accountable Officer Chief Financial Officer and other senior roles, and scrutiny of redundancy payments.

The work of the Committee will take proper regard of the CCGs circumstances and performance and of any appropriate national arrangements in place.

The Duties of the Committee are that it will:-

- Not less than once a year, note measurable performance objectives for the CCG Chair and Accountable Officer, which are compatible with the strategic objectives of the CCG and are consistent with local and national priorities.
- Monitor the CCG Chair and Accountable Officers assessments of performance of shared senior federated posts based on measures of individual and corporate targets.
- Agree any pay policy and payment framework for employees of the CCGs and people who provide services to the CCGs, notwithstanding provisions to mirror the implementation of national agreements.
- Ensure proper scrutiny of business cases and calculation of termination payments relating to staff employed substantively whose contract is being terminated on the grounds of redundancy or any other non-contractual arrangement.
- Approve non-contractual payments to staff such as bonus payments to ensure probity and value for money.
- Be advised by the Human Resources function on HR matters.
- Be advised by the Chief Financial Officer on relevant financial matters
- Ensure that remuneration packages and policy are such as to enable people of suitable calibre to be recruited, retained and motivated – within levels of affordability.
- Have proper regard to the organisation's circumstances and performance and to the provisions of any national arrangements where appropriate.
- Keep full minutes of its meetings, recording deliberations and conclusions

4. Membership

The Committee shall comprise 4 lay members of each of the constituent CCGs

The Chair and Vice-Chair of the Committee will be nominated from the CCG lay members with the lead role in overseeing governance.

Other individuals such as the Accountable Officer, Chief Financial Officer, HR officers and other external advisers may be invited to attend for all or part of any meeting, as appropriate, however no officer shall be in attendance for discussions about his/her own remuneration and terms of service.

5. Responsibilities of Members

In addition to contributing to the delivery of the responsibilities outlined above individual members of the Committee are responsible for declaring and managing conflicts of interests. Members also have a corporate responsibility to recognise and respect boundaries and

ensure that information received by virtue of being a Committee member is managed appropriately within those boundaries.

CCG leads or their deputies are also responsible for

- Providing clear feedback to their CCG Governing Body and Council
- Providing clear input and feedback to the Committee from their respective Governing Bodies and Councils
- Ensuring that their CCG is adequately represented on and actively engaged with developing the recommendations and decisions of the Committee

6. Meeting Frequency

The Committee shall meet at least twice per annum and at such other times as the Committee shall determine.

7. Quoracy & Voting

For the committee to be quorate there must be in attendance a member from each CCG (which may include the chair or vice-chair).

At all times the committee will seek to reach a consensus, for any items requiring a formal vote each member will have a single vote and will require a 75% majority to be agreed>

8. Papers

The Committee shall appoint a secretary, who shall be responsible for supporting the chair of the Committee in the management of the Committee's business and for drawing the Committee's attention to best practice, national guidance and other relevant matters, as appropriate.

The agenda and papers will be provided to committee members at least 5 working days before the meeting

9. Review

The Committee will review its own performance, membership and terms of reference as required but at least annually and make proposals for any changes to the CCGs' governing bodies. The Terms of Reference will be approved by the CCG Governing Bodies.