

**(Annex F of the Memorandum of Agreement)**  
**NHS WEST LEICESTERSHIRE, NHS EAST LEICESTERSHIRE & RUTLAND AND**  
**NHS LEICESTER CITY CLINICAL COMMISSIONING GROUPS'**  
**COLLABORATIVE ARRANGEMENTS**

**TERMS OF REFERENCE FOR PROVIDER PERFORMANCE ASSURANCE**  
**GROUP**  
**(v2, draft 1, reviewed August 2018)**

**1. PURPOSE**

NHS Leicester City Clinical Commissioning Group (LC CCG), NHS East Leicestershire and Rutland Clinical Commissioning Group (ELR CCG) and NHS West Leicestershire Clinical Commissioning Group (WL CCG) hereby resolve to establish the Provider Performance Assurance Group (PPAG). The PPAG has been established through the Memorandum of Agreement approved by the CCGs' Governing Bodies and is a meeting in common operating with delegations to named individuals from each CCG (in line with respective Schemes of Reservation and Delegation). The principal role of the PPAG is to receive assurance and hold to account the contract squares (including the Managing Directors); advise and recommend actions on provider performance as appropriate; and provide onward assurance to the respective Governing Bodies

**2. DEFINITIONS**

- 2.1.1 NHS West Leicestershire, NHS East Leicestershire & Rutland and NHS Leicester City Clinical Commissioning Groups ("the CCGs")
- 2.1.2 Provider Performance Assurance Group (PPAG)
- 2.1.3 Commissioning Collaborative Board (CCB)
- 2.1.4 The Memorandum of Agreement dated 2014 agreed by the CCGs to define their arrangements for collaboration (Memorandum of Agreement)

**3. MEMBERSHIP**

- 3.1 The membership of the PPAG shall be as follows:

- 3.1.1 Three Lay Members, one to be appointed by the Governing Body of each CCG
  - 3.1.2 The three Managing Directors of the CCGs or their deputies
  - 3.1.3 three executive officers (in addition to the lead for quality of care), one from each CCG, and one of whom is a Chief Finance Officer of one of the CCGs
  - 3.1.4 three executive officers with the lead for quality of care, one from each CCG or their deputies
  - 3.1.5 three General Practitioners, one to be appointed by the Governing Body of each CCG.
- 3.2 The Chair of the PPAG shall be one of the Lay Members from the CCGs. Each of the Lay Members shall serve as Chair for four months, the order of rotation amongst the Lay Members to be determined such that the Chair at any time represents the CCG whose Clinical Chair is Chair of the CCB at that time.

#### **4. AUTHORITY**

- 4.1 The PPAG is not a joint committee of the CCGs' Governing Bodies and no authority is delegated to the PPAG in this capacity.
- 4.2 The PPAG will operate through authority delegated by the CCGs' Governing Bodies to the members of the PPAG acting jointly as a group meeting in common. This authority is recorded in the CCGs' Schemes of Reservation and Delegation.
- 4.3 The PPAG is authorised to decide any matter within its remit and the authority delegated to its members when acting jointly. The PPAG has no authority to compel any of its members to act against or in any way in contravention of the intentions, instructions or delegation of/from the CCG Governing Bodies which appointed those members.

#### **5. DUTIES**

The PPAG shall:

- 5.1 Agree annually with the CCGs' Governing Bodies:
  - 5.1.1 the providers whose performance shall be within the remit of the PPAG; and
  - 5.1.2 the elements of those providers' performance which shall be within the remit of the PPAG.

- 5.2 In addition to the duties agreed under 5.1 above, the PPAG shall seek assurance on any element on any provider's performance as directed by the CCGs' Governing Bodies at any time; and suggest, advise or recommend the contract teams on actions to be taken.
- 5.3 Obtain assurance in respect of the management by contract teams, by the CCGs' Managing Directors and by any other executive arrangements of the performance of providers within the remit of the PPAG. In particular, obtain assurance in respect of:
  - 5.3.1 the monitoring of quality of care, and of operational and financial performance against targets and limits; and
  - 5.3.2 the effectiveness of action taken by contract teams, by the CCGs' Managing Directors and by any other executive arrangements to address any variance from targets and limits, including the use of any delegated authority to impose contractual penalties.
- 5.4 In respect of matters which require action by the PPAG in accordance with the Scheme of Reservation and Delegation, agree the action necessary to address provider performance, ensuring that the agreed action is within the authority delegated to the members of PPAG. Where the PPAG agrees action in respect of provider performance it shall determine the arrangements through which the effectiveness of such action will be monitored, to include as a minimum reports to subsequent meetings of the PPAG for a period to be determined by the PPAG.
- 5.5 Determine the information which the PPAG requires such that it can discharge its duties as set out in these Terms of Reference.
- 5.6 Make recommendations to the CCB where the PPAG considers this appropriate to address matters not relevant to the performance of particular providers but which relate to commissioning or other strategic matters which are apparent from the performance of one or more providers.

## **6. CONDUCT OF BUSINESS**

- 6.1 The PPAG shall conduct its business in accordance with these Terms of Reference and with other relevant governance documents.
- 6.2 The PPAG shall be deemed quorate if there are at least:
  - 6.2.1 two of the three Lay Members present (the two lay members must represent two of the three CCGs);

- 6.2.2 at least two representatives from each CCG present such that at least one of the two representatives from each CCG must be a clinician, i.e. a nurse lead or a GP.
  - 6.2.3 A quorate meeting shall be competent to exercise all or any of the authorities, powers and duties vested in or exercised by the PPAG.
- 6.3 The Chair shall conduct each meeting of the PPAG such that it addresses the business on the agenda in accordance with these Terms of Reference and other relevant governance documents. In particular, the Chair shall ensure that the PPAG is robust in assessing the contract teams and the CCGs' Managing Directors. To support this the Chair shall ensure that at each meeting all present are aware of the roles in which they are participating at any one time, ie. that the Managing Directors, the Chief Finance Officers, the executive leads for quality and the General Practitioners are aware of when they are being held assessed by colleagues and when they are assessing others.
- 6.4 The PPAG shall approve the schedule and locations for its meetings. The PPAG Chair may in conjunction with the Lay Members representing the other two CCGs, request an extraordinary meeting if collectively they consider one to be necessary.
- 6.5 At the discretion of the PPAG Chair in conjunction with the Lay Members representing the other two CCGs business may exceptionally be transacted through a teleconference provided all parties are able to hear all other parties and where an agenda has been issued in advance.
- 6.6 Agendas and briefing papers shall be prepared and circulated five working days before each meeting to give members sufficient time to give them due consideration.
- 6.7 The Secretary to the PPAG shall be the Commissioning Collaborative Officer. The Secretary shall advise the Chair of the PPAG on the PPAG's compliance with these Terms of Reference and with other relevant governance requirements and shall generally provide advice and support to the PPAG as required.

## **7. REPORTING & RELATIONSHIPS**

- 7.1 The PPAG will address matters agreed with, or directed at any time by, the CCGs' Governing Bodies and other matters referred by contract teams, by the CCGs' Managing Directors or by other executive arrangements, including any matters referred from the CCGs' Governing Bodies.

- 7.2 The PPAG will report to each meeting of the CCGs' Governing Bodies through a report, the principal contents of which shall be agreed by the PPAG at each of its meetings. The report shall describe the matters which require the attention of the CCGs' Governing Bodies (particularly the matters in respect of which the PPAG was assured or not assured) and, where decisions are required from the CCGs' Governing Bodies, the report shall propose options and a recommendation. The PPAG shall agree the report such that as far as possible the options reflect any variation of views from amongst the three CCGs represented at the PPAG.
- 7.3 Where the PPAG decides that a matter requires escalation to the CCGs' Governing Bodies but the matter requires action before the next scheduled meetings of the CCGs' Governing Bodies, the matter shall be addressed through authority delegated to officers of each Governing Body (the authorised officers). The authority delegated to the authorised officers shall be as defined in the CCGs' Schemes of Reservation and Delegation. In the event that the authorised officers exercise such delegated authority they shall arrange for it to be reported to the next scheduled meeting of each CCG Governing Body. The report shall include a full description of the matter escalated by the PPAG and the action and decisions taken by the authorised officers. In the event that the report is verbal a full record shall be made in the minutes of the CCGs' Governing Bodies' meetings.
- 7.4 The minutes of the PPAG shall be circulated to the CCGs' Governing Bodies as deemed appropriate in line with the governance arrangements of each CCG. In any event, each Managing Director shall give to his or her CCG Governing Body a verbal summary of the most recent PPAG meeting, referring to the report and to the minutes.

## **8. STATUS AND REVIEW OF THESE TERMS OF REFERENCE**

- 8.1 These Terms of Reference were approved by the CCGs' Governing Bodies as follows:
- 8.1.1 NHS West Leicestershire CCG: 11 September 2018
  - 8.1.2 NHS East Leicestershire & Rutland CCG: 11 September 2018
  - 8.1.3 NHS Leicester City CCG: 11 September 2018
- 8.2 These Terms of Reference shall be reviewed and submitted for re-approval by the CCGs' Governing Bodies not more than six months following their initial approval and then at intervals of not more than 12 months.