

BSW ICB Finance Committee

Terms of Reference

1. Introduction

- 1.1 In accordance with the BSW ICB's Constitutions and Standing Orders, the Finance Committee (the Committee) is established by the Integrated Care Board (the Board or ICB).
- 1.2 These Terms of Reference set out the membership, remit, responsibilities and reporting arrangements of the Committee, and may only be changed with the approval of the Board.
- 1.3 The ICB recognise the dual role of the ICB Finance Committee. The Healthcare Financial Management Association (HFMA) guidance on Integrated Care Board: Finance Committee terms of reference (December 2021) states "some of the functions set out [in the guidance], will apply to the ICB as an entity (body corporate), some to its system leadership role and some to both, so the responsibilities of the committee need to be clearly defined".
- 1.4 This HFMA guidance goes further to outline "a key area to be considered within wider system responsibilities would be delivering the financial duty for each ICB and partner trusts to remain within agreed capital and revenue limits". This dual role requires the ICB to both deliver on its own responsibilities and work with NHS partners to ensure the wider NHS system also delivers on their collective responsibilities.
- 1.5 Therefore, taking the above into consideration, key parts of these Committee Terms of Reference are intended to be jointly developed with our system partners.

2. Purpose

- 2.1 The Committee will have two key purposes;
 - Provide oversight and assurance on the development and delivery of the agreed financial and operational performance of the ICB body corporate

- Work with our ICS NHS system partners, to ensure the development and delivery of jointly agreed financial and operational performance plans

2.2 The Committee has no executive powers, other than those delegated by the Board and specified in these terms of reference.

2.3 The Committee may be informed and advised by a number of stakeholders e.g. Finance Director, Chief Operating Officer, and Non-Executive and any arrangements will need to be jointly agreed with wider system ICS partners.

3. Responsibilities/Duties

3.1 The Committee shall carry out the following duties on behalf of the Board, and the Committee meeting can be held in one or two parts as agreed by ICS partners:

ICS-wide

- (a) Strategy – provide oversight and assurance on the key financial and operational performance aspects of key BSW system wide strategies, including financial recovery and sustainability, revenue investment and disinvestment, capital programme, value for money (efficiency, economy and effectiveness), clinical, estates, digital, workforce and environmental sustainability
- (b) Planning and performance delivery – provide oversight and assurance on both the development of the jointly agreed system financial and operational performance plans and their subsequent in-year delivery
- (c) System wide capital programme – drawing on the system wide clinical and estates strategies, provide oversight and assurance on both the development of a system wide capital programme and its subsequent in-year delivery
- (d) Development of system wide financial and operational performance information (business intelligence) and reporting – Effective strategic and operational planning and value for money are all facilitated by excellent information. Therefore, the Committee will provide oversight and assurance on the development of a system business intelligence function
- (e) System financial and operational performance risks – provide oversight and assurance on the identification and mitigation of key risks, relating to system wide financial and operating performance risks

ICB body corporate

- (f) Resource allocation and commissioning – drawing on strategies agreed by the Integrated Care Partnership, provide oversight and assurance on resource allocation through commissioning and direct allocation, deployment of system wide transformation funding and associated investments and disinvestments (including making decisions as delegated and/or making recommendations to the Board).

- (g) Planning and performance delivery – provide oversight and assurance on both the development of the ICB financial and operational performance plans and their subsequent in-year delivery, including delegated and pooled budgets and non-recurrent in-year allocations
- (h) Procurement – provide oversight and assurance of procurement exercises (including Invitation to Tender, Evaluation, Preferred Bidder Appointment and Contract Award) for contracts (in line with agreed financial delegated thresholds), or where significant reputational or service issues are known or expected
- (i) Business cases – provide oversight and assurance on key ICB business cases (in line with the agreed SFIs) and making decisions on business cases in line with the agreed ICB scheme of delegation
- (j) Information governance – provide oversight and assurance on all aspects of information governance and general data protection regulations (GDPR) that relate to the ICB
- (k) Digital strategy – provide oversight and assurance on the ICB’s own digital strategy and implementation
- (l) Estates strategy – provide oversight and assurance on the ICB’s own estate strategy and implementation
- (m) Environmental sustainability – provide assurance and oversight on the ICB’s own carbon neutrality, green and environmental responsibilities
- (n) ICB financial and operational performance risk – provide oversight and assurance on the identification and mitigation of key risks, relating to the ICB corporate body’s financial and operating performance risks

4. Membership

4.1 The following are members of the Committee, i.e. they have the right to receive meeting documents and to vote:

- the ICB Non-Executive Director (Finance) – Chair
- the ICB Non-Executive Director (Quality)
- a NHS partner organisation Non-Executive Director (*to be agreed*)
- the ICB Chief Finance Officer
- the ICB Executive Director of Strategy and Transformation
- the ICB Executive Director of Planning and Performance
- One ICB Place Director

- 4.2 The following normally attend Committee meetings, i.e. they may receive meeting documents but cannot participate in the Committee's decision-making and must not vote:
- the ICB Non-Executive Director (Audit)
 - a NHS partner organisation Executive Director of Finance (*to be agreed*)
 - a NHS partner organisation Chief Operating Officer (*to be agreed*)
- 4.3 In addition, the Chair, on behalf of the Committee, may invite such individuals to the Committee's meetings as are considered necessary to enable the Committee to conduct its business effectively. For the avoidance of doubt, such invited attendees cannot participate in the Committee's decision-making and must not vote.
- 4.4 There may be times when members of the Committee may not be able to participate in an item on the agenda, by reason of a declaration of conflicts of interest, if that is the case then that member will withdraw from the meeting until that item is concluded.
- 4.5 Depending upon the final agreed structure of the ICB Finance and Investment Committee meetings i.e. one part or two part meetings, the membership and attendance above will be reviewed and changed as agreed by system partners.

5. Quorum

- 5.1 A quorum shall be four members including the Chair.
- 5.2 If any member of the Committee has withdrawn from participating in an item on the agenda, by reason of a declaration of conflicts of interest, then that individual shall no longer count towards the quorum.
- 5.3 If the meeting becomes inquorate, it may proceed if those attending agree, but no decisions may be taken.

6. Reporting

- 6.1 After each of its meetings, the Committee will report, through its Chair, to the Board about business transacted and decisions taken. For this purpose, the Committee will submit a report to the Board highlighting reporting items as agreed by the Committee at each meeting, and make available copies of its minutes.
- 6.2 In addition, and as agreed with the Committee, the Chair shall report on any matters within the remit of this Committee which in the Chair's view require the Board's attention and/ or executive decision making.

7. Authority

- 7.1 In furtherance and support of its business, this Committee is authorised by the Board to
- investigate any activity within its terms of reference
 - seek any information it requires within its remit, from any employee or member of the ICB (who are directed to co-operate with any request made by the Committee) as outlined in these terms of reference

- commission any reports it deems necessary to help fulfil its obligations
- obtain legal or other independent professional advice and secure the attendance of advisors with relevant expertise if it considers this is necessary to fulfil its functions. In doing so the Committee must follow any procedures put in place by the ICB for obtaining legal or professional advice
- create task and finish sub-groups in order to take forward specific programmes of work as considered necessary by the Committee's members. The Committee shall determine the membership and terms of reference of any such task and finish sub-groups in accordance with the ICB's constitution, Standing Orders and Scheme of Reservations and Delegations (SoRD) but may not delegate any decisions to such groups.

For the avoidance of doubt, the Committee will comply with the ICB Standing Orders, Standing Financial Instructions and the SoRD.

8. Frequency of Meetings

- 8.1 Meetings shall normally be held every monthly, and otherwise as required.
- 8.2 The Board, Chair or Chief Executive may ask the Committee to convene further meetings to discuss particular issues on which they want the Committee's advice.

9. Secretariat

- 9.1 The Secretariat for the Committee is provided by the ICB Corporate Office. The Secretariat will ensure that:

- The agenda and papers are prepared and distributed in accordance with the Standing Orders having been agreed by the Chair with the support of the relevant executive lead;
- Attendance of those invited to each meeting is monitored and highlighting to the Chair those that do not meet the minimum requirements;
- Records of members' appointments and renewal dates and the Board is prompted to renew membership and identify new members where necessary;
- Good quality minutes are taken in accordance with the standing orders and agreed with the chair and that a record of matters arising, action points and issues to be carried forward are kept;
- The Chair is supported to prepare and deliver reports to the Board;
- The Committee is updated on pertinent issues/ areas of interest/ policy developments;
- Action points are taken forward between meetings and progress against those actions is monitored;
- Governance advice is available and easily accessible for Committee members.

10. Conduct of meetings

- 10.1 Committee meetings will be conducted in accordance with the ICB's Constitution and Standing Orders.

10.2 Members of the Committee will

- conduct the Committee's business in accordance with any national guidance and relevant codes of conduct / good governance practice, including the Nolan principles of public life;
- comply with the standards of business conduct', including the protocols for managing conflicts of interest, as determined in the ICBs Constitutions, Standards of Business Conduct Policies, and other relevant policies / guidance on good and proper meeting conduct for NHS organisations .

10.3 A meeting is constituted when members attend face-to-face, via telephone or video conferencing, any other electronic means, or through a combination of the above. Quoracy rules apply in any case. For the avoidance of doubt, this provision applies to and facilitates the Committee's decision making by email, should this be required to expedite an urgent decision.

10.4 Decisions will be taken in accordance with the Standing Orders. The Committee will ordinarily reach conclusions by consensus. When this is not possible the Chair may call a vote.

10.5 Only members of the Committee may vote. Each member is allowed one vote and a majority will be conclusive on any matter.

10.6 Where there is a split vote, with no clear majority, the Chair of the Committee will hold the casting vote.

11. Review

11.1 The Committee will regularly review its performance, its membership and these terms of reference, and recommend to the ICB's Board any amendments it considers necessary to ensure it continues to discharge its business effectively.

Effective date: 1st July 2022

Review date: July 2023

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