



Bath and North East Somerset, Swindon and Wiltshire Integrated Care Board (BSW ICB):

Finance and Investment Committee – Terms of Reference (ToR)

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1. Establishment

The Finance and Investment Committee (the Committee) is established by the Integrated Care Board (ICB), in accordance with its Constitution and Scheme of Reservation and Delegation (SORD).

1.1 Terms of Reference:

Definition of terms: The Terms of Reference for the Committee are defined by the Board.

Amendment: The Terms of Reference may be amended in accordance with the provisions in the Constitution and the SoRD.

Publication: These terms of reference is published in the Governance Handbook, which can be accessed on the Integrated Care Board website.

1.2 Purpose

The purpose of the committee is to provide assurance to the ICB Board in relation to

- The financial management and sustainability of the ICB as a body corporate,
- The financial sustainability and achievement of agreed financial and productivity goals of NHS providers that operate in the ICB's area, and
- the effectiveness of the ICB's efforts, with partners in the wider health and care economy in the area, to achieve financial sustainability of health and care services.

2. Roles and responsibilities

This section describes the Committee's duties, authority, accountability and reporting.

2.1 Duties

The Committee's duty is to assure the board on:

- Financial Planning and Oversight
- Performance against the delivery of the ICB's Strategy and Operational Plan.
- System Oversight Framework
- Sustainability and Innovation, including digital and procurement

Providing assurance involves:

- **Scrutinising** the robustness of finance processes, e.g. financial planning, internal controls, continuous improvement processes, etc
- **Triangulating multiple sources** of internal and external information, including:
 - Data analysis and contract performance intelligence
 - Patients', service users' and carers' reports, surveys, complaints, and concerns
 - Evidence from key clinicians and managers from commissioned services
 - Other intelligence agreed to be important and reliable
- **Remedial action:** Where assurance cannot be provided in part or in full, to provide the Board with details of remedial actions being taken and or being recommended.
- **Considering efficacy and efficiency:** Things are not only in place but the right things are being done in the right way to achieve the right objectives, which support the ICS aims.

The committee and its members are bound to uphold standards in public life, in accordance with the Nolan principles.

2.1.1 Financial Planning and Oversight

The Committee seeks assurance that the following are developed in the right way to deliver the Integrated Care System (ICS) and ICB aims:

- **Forward Plans:** The plans deliver financial viability and sustainability, increase productivity and support the priorities of the system.
- **Financial Targets:** The targets enable the ICB's Strategy and Operational Plan's objectives to be met.
- **Estates, capital and digital:** Estates capital and digital plans support collaboration and increase productivity.
- **Strategy and System:** The system's financial planning strategy allocates resources equitably across the system, supports service improvement and delivers financial stability across the system.
- **Risks:** provide oversight and assurance on the identification and mitigation of key risks, in line with the relevant risks highlighted in the Board Assurance Framework

2.1.2 Performance and Outcomes

The Committee seeks assurance that:

- **Strategy and Operational Plan:** Performance targets and outcomes are being met and/or gaps in performance are being addressed.
- **Service Improvement:** National, regional, and ICS targets for service improvement are being met, with particular focus on specified 'must do's' and external regulation.
- **Efficiency:** Resources are managed to deliver value for money, efficiency, effectiveness and sustainability.

2.1.3 NHS Oversight Framework

The Committee seeks assurance on the arrangements for discharging the ICB's responsibilities in relation to the themes in the NHS Oversight Framework

2.1.4 Sustainability and Innovation

The Committee seeks assurance that sustainability and innovation strategies are developed and implemented to help the ICS achieve their strategic priorities.

The Committee seeks assurance that the digital strategy and estates strategy are enabling transformation of services and delivering efficiencies

The Committee seeks assurance that procurement strategies support the role of the ICB as an anchor institution and deliver efficiencies

2.2 Authority:

The committee is authorised to:

Investigate	Investigate any activity within its terms of reference.
Seek information	Seek any information it requires within its remit, from any employee or member of the Board.
Commission reports	Commission reports required to help fulfil its obligations.

The committee is authorised to:

Obtain advice	Obtain independent professional advice and secure the attendance of advisors with relevant expertise to fulfil its functions. In doing so, the Committee must follow any procedures put in place by the ICB for obtaining professional advice.
Create Task & Finish Groups	Create, with agreement of the ICB, task and finish sub-groups for specific programmes of work. Determine the terms of reference of task and finish sub-groups, in accordance with the Boards constitution, Standing Orders and SoRD – but no decisions may be delegated to these groups.

2.2.1 Delegation in the Scheme of Reservation & Delegation

The ICB has delegated the following to the Committee as set out in the SoRD, which may be amended in accordance with the ICB Constitution.

Decisions Delegated by the Scheme of Reservation & Delegation (SoRD)

- Oversight of arrangements entered under section 65Z5 of the 2006 Act (pooled budgets and/or allocations)
- Scrutinise and recommend for approval proposed annual budgets, including place based budgets
- Approve the ICB's property governance and management framework
- Recommend and advise on making capital grants available
- Approve financial policies and procedures underpinning the ICB's Standing Financial Instructions.
- Oversee and monitor ICB and system performance
- Approve the ICB's debt management strategy and associated policies and procedures
- Approve the ICB's cash management policies and procedures
- Approve the ICB's procurement policy
- Approve the ICB's policies and procedures re the engagement of solicitors / legal advisors; approval and signing of documents which will be necessary in legal proceedings; and who can commit or spend ICB revenue resources in relation to settling legal matters
- Recommend for approval the joint ICB and partner NHS trusts and NHS foundation trusts plan setting out their planned capital resource use

2.2.2 Financial delegation to the Committee

The ICB has made financial delegation to the Committee as set out in the Scheme of Financial Delegation. Please refer to the Scheme of Financial Delegation for the delegated limits for this Committee.

2.3 Accountability and reporting

The Committee is accountable to the Board and reports to the Board on how it discharges its responsibilities.

Accountabilities	Description
Draft minutes and reports	<ul style="list-style-type: none"> The Committee receives scheduled assurance reports from its delegated groups The Secretary formally records the minutes of each meeting The Chair of the Committee reports to the Board after each meeting and provides a report on assurances received and decisions taken, escalating any concerns, where necessary
Monitor attendance	<ul style="list-style-type: none"> Attendance is monitored and profiled as part of the agenda at each Committee meeting Members should aim to attend 100% of meetings and must attend at least 75% of meetings, and read all papers beforehand.
Draft annual work plans	<ul style="list-style-type: none"> The Committee produces an annual work plan in consultation with the Board
Conduct annual self-assessment	<ul style="list-style-type: none"> The Committee undertakes an annual self-assessment of its performance against the annual plan and terms of reference Any resulting proposed changes to the terms of reference are submitted for approval by the Board The Committee utilises a continuous improvement approach in its delegation Members review the effectiveness of the meeting at each sitting
Annual Report	<ul style="list-style-type: none"> The Committee provides the Board with an Annual Report, timed to support finalisation of the accounts and the Governance Statement The report includes <ul style="list-style-type: none"> The governance cycle A summary of the business conducted, Frequency of meetings, membership attendance, and quoracy The committee's self-assessment
Audit Committee Report	The Committee advises the Audit Committee on the adequacy of assurances available and contributes to the Annual Governance Statement.

3. Committee meetings

This section sets out meeting:

- Composition and quoracy
- Frequency and formats
- Procedures

3.1 Composition and quoracy

This section sets out the meeting composition and quoracy requirements.

	Description of expectation
Chair	An independent non-executive member of the Board appointed for their specific knowledge skills and experience and suitability.
Deputy Chair	Committee members may appoint a Vice Chair from amongst the members.
Absence of Chair or Vice Chair	In the absence of the Chair, or Vice Chair, the remaining members present elects one of their number Chair the meeting.
Membership	<ul style="list-style-type: none"> • Paul Miller (ICB Non-Executive Director for Finance, Committee Chair) • Suzannah Power (ICB Non-Executive Director for Remuneration and People) • Prof. Rory Shaw (ICB Non-Executive Director for Quality & Performance) • Dominic Hardisty (NHS Trusts and NHS Foundation Trusts Partner Member – mental health sector) • Gary Heneage (Chief Finance Officer) • Richard Smale (Executive Director of Strategy and Transformation) • Rachael Backler (Executive Director of Planning and Performance) • Nominated Director of Finance from a partner Trust • Nominated Director of Finance from a BSW Local Authority • Nominated Director of Public Health from a BSW Local Authority <p>EDI: When determining the membership of the Committee, consideration will be given to diversity, equality and inclusion.</p>
Attendees and procedure for absence	<p>Only members of the Committee have the right to attend Committee meetings; however other executive directors or senior officers of the ICB may be required to attend at the request of the Committee.</p> <p>The Chair and Chief Executive of the ICB may attend any meeting to contribute and gain an understanding of the Committee's operations</p> <p>Procedure for absence:</p> <p>Where a member or any attendee of the Committee (who is not a member of the Committee) is unable to attend a meeting, a suitable alternative may be agreed with the Chair.</p>

	Description of expectation
	The Chair may ask any or all of those who normally attend, but who are not members, to withdraw to facilitate open and frank discussion of particular matters.
Quoracy and Procedure for Inquoracy	<p>Threshold: A minimum of three members being two Non-Executive Members, and at least one ICB executive director is required.</p> <p>Absence: Where members are unable to attend, they should ensure that a named and briefed deputy able to participate on their behalf attends in their place.</p> <p>Disqualification: If any member of the Committee is disqualified from participating in an item on the agenda, due to a declared conflict of interest, that individual no longer counts towards the quorum.</p> <p>Inquoracy: If the meeting becomes inquorate, and if members agree, the meeting may continue but cannot take decisions. Any decisions in principle must be ratified at the next meeting of the Committee.</p>

3.2 Frequency and formats

This section on Committee meetings describes the meeting frequency and formats.

	Description of rules
Meeting frequency	<p>The Committee will meet monthly.</p> <p>Additional meetings may be convened on an exceptional basis at the discretion of the Committee Chair.</p> <p>The Board, ICB Chair or Chief Executive may ask the Committee to convene further meetings to discuss particular issues on which they want the Committee's advice.</p>
Open vs closed	Where this is warranted by the nature of the business arising, the agenda is divided into two parts. Part 1 is open to the whole committee, including invited attendees. Part 2 is a closed session for members only to discuss confidential information.
Virtual meetings and extraordinary meetings	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.

3.3 Procedures

Procedure	Description of rules and expectations:
Agenda	<p>The Chair is responsible for agreeing the agenda and ensuring matters discussed meet the objectives as set out in these ToR.</p> <p>Members are expected to identify agenda items for consideration to the Chair and any meeting papers using the prescribed format at least 14 calendar days before the meeting.</p>
Decision-making	<p>Decisions are taken in accordance with the Standing Orders and are normally arrived at by consensus. When this is not possible the Chair may call a vote.</p> <p>Virtual voting: If a decision cannot wait for the next scheduled meeting and an extraordinary meeting is not appropriate or possible, the Chair may conduct business on a 'virtual' basis through the use of telephone, email, or other electronic communication.</p>
Voting	<p>Eligibility: Only members of the Committee may vote. Each member is allowed one vote and a majority is conclusive on any matter.</p> <p>Casting Vote: The chair may have a casting vote, if members are equally divided on an issue.</p> <p>Recording of votes: The result of the vote will be recorded in the minutes.</p>
Conflicts of interest	<p>Declarations: All members, ex-officio members and those in attendance must declare any actual or potential conflicts of interest. This is recorded in the minutes.</p> <p>Exclusions: The Committee will follow and apply the ICB's Standards of Business Conduct with regards to the management of conflicts of interest. This means that the Chair will consider the exclusion of members and / or attendees from discussion and / or decision-making if individuals have a relevant material or perceived interest in a matter under consideration.</p>
Conduct	<p>The Committee conducts its business in accordance with relevant codes of conduct / good governance practice, including the Nolan principles of public life, the ICB Standards of Business Conduct Policies, and other relevant policies / guidance on good and proper meeting conduct for NHS organisations.</p>

4. Secretariat and administration

This section describes the functions of the secretariat whose role is to support the Committee in the following ways:

Functions	Description
Distribute papers	Prepare and distribute the agenda and papers in accordance with the Standing Orders following their agreement by the Chair with the support of the relevant executive lead.
Monitor attendance	Monitor the attendance of those invited to each meeting and highlight to the Chair those that are not meeting the minimum attendance requirements.
Maintain records	Record conflicts of interest, members' appointments and renewal dates. Provide prompts to renew membership and to identify new members where necessary. Applies and implements records management per the ICB's policies.
Minute Taking	Take good quality minutes and agree them with the Chair. Keep a record of matters arising, action points and issues to be carried forward.
Support for Chair & Committee	Support the Chair in preparing and delivering reports to the Board. Take forward action points between meetings and monitor progress against those actions.
Provide updates	Update the Committee on pertinent issues/ areas of interest/ policy developments.
Governance advice	Provide easy access to governance advice for committee members.

Appendix I: Revision History

Version	Date	Approved by	Review	Type of changes
V1.0	1 July 2022	Board of ICB	Annually	Creation of ToR
V2.0	1 November 2022	Board of ICB	Interim	Review and revision of ToR
V3.0	17 November 2022			Minor amendments to section 1.2
V4.0	30 November 2022			Minor amendments to section 2.3

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Review

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: 1 July 2022

Review date: July 2023

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