

TERMS OF REFERENCE

Finance and Performance (F&P) Committee

(1) Introduction

- 1.1 The Integrated Care Board (the Board or ICB) must ensure it can effectively discharge its full range of statutory functions and duties. This includes establishing committees of the ICB, to support the Board and exercise any delegated functions, to help effective discharging of their range of functions.
- 1.2 The F&P Committee is one of five ICB Board Assurance Committees, as shown in in the ICB's Functions & Decisions Map. The scope of the committee is:
- Delivery of the ICB Annual Plan including finance and performance. Other functions initially ascribed to the committee include digital, estates, primary care and transformation; however the committee does not have the capacity to cover these initially and these functions will be considered in the future
 - Scrutinising System plans and performance to ensure that the system is addressing health inequalities
 - It will work closely with the Quality Committee - between the two committees financial and operational performance will be considered alongside the delivery of high quality care and services

(2) Constitution and Authority (inc. Reference to Legislation or Guidance)

- 2.1 The Finance & Performance Committee (the Committee or F&PC) is established by the ICB as a Committee of the Board in accordance with its Constitution. These TOR set out the membership, the remit, responsibilities and reporting arrangements of the Committee and may only be changed with approval of the Board.
- 2.2 The Committee is a Non-Executive Committee of the Board and its members, including those who are not members of the Board or ICB staff. It is bound by the ICB's Constitution Standing Orders and other key policies of the ICB. The Committee has no executive powers, other than those delegated in the Scheme of Reservation & Delegation (SoRD) and specified in these TOR. The Committee is authorised by the Board to:
- Investigate any activity within its TOR, including oversight of assigned Risk Management and Board Assurance Framework (BAF) activities within its lead responsibility area
 - 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) within its remit as outlined
 - 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 considered 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 & Finish' sub-groups to take forward specific programmes of work as considered necessary by members – the Committee shall determine the membership and TOR of any such sub-group in accordance with ICB's Constitution, Standing Orders and SoRD, but may not delegate any decisions to such groups
- For the avoidance of doubt, the Committee will comply with the Standing Orders, Standing Financial Instructions and SoRD, other than for any exceptions agreed by the Board
- Committee duties will be driven by ICB objectives and associated risks – an annual programme (cycle) of committee business will be agreed by Members before the start of each financial year, however, this will be kept flexible to adapt to new and emerging circumstances, priorities or risks

2.3 Minutes of the Committee will be included in Board papers for the ICB and on the agenda of the Finance & Performance Committees of System partners.

(3) Purpose and Core Duties

3.1 The Committee is established to contribute to overall delivery of ICB objectives by providing oversight and assurance to the Board on the delivery of the core purposes as assigned below and expanded upon within Appendix One:

- (a) To act as the single accountable system assurance and improvement enabler, providing assurance to ICB Unitary Board on ICB and System delivery of performance and finance duties
- (b) To be responsible for assuring ICB Unitary Board and NHSEI about ICB's own delivery and those of System NHS providers under the ICB's Five-Year Forward Plans and Finance / Capital Plans required by ICS statutory duties; achieving this dual purpose in a sensitive, facilitative way, while delivering NHSEI's "must-dos"
- (c) To be responsible for setting the "golden threads" across all relevant parts of the ICB-ICS in terms of setting a clear, common purpose and shared delivery agenda – this must not just be for Finance and Performance matters, but also to include system-wide enablers like Estates, Capital, and Data & Digital programmes
- (d) To be a forum for Non-Executive assurance on current delivery issues and forward-looking collective programme plans decision-making within the delegated limits of individuals represented
- (e) To present to ICB Unitary Board clear proposals of collaborative system actions required to secure ICS-ICB aims and objectives pertaining to the four core purposes ("Quadruple Aim")

(4) Membership and Attendance

(a) The Membership

4.1 Committee members shall be appointed by the Board in accordance with the ICB Constitution.

4.2 Members will together possess between them knowledge, skills and experience to effectively discharge the functions of the ICB, including any requisite technical or specialist issues pertinent to ICB business. When determining the membership of the Committee, active consideration will be made to diversity and equality.

4.3 Membership will be as follows:

- Chair – the ICB’s Independent Non-Executive Member for Finance & Performance
- Vice Chair – the ICB’s Independent Non-Executive Member for Quality
- ICB Chief Finance Officer, Chief Delivery Officer, Director of Corporate Governance, Chief Medical Officer, Chief Nursing Officer
- One Executive Director from UHNM, NSCT, MPFT, UHDB, RWT (Trusts to decide their own nomination, that individual to represent the Trust and report back into the Trust F&P Committee and Trust Board)
- Representative of Staffordshire County Council and Stoke City Council
- Representative of Voluntary Sector – VAST and Support Staffordshire to select a representative
- “In Attendance” members: Deputy Director of Governance, Deputy CFO, Head of PMO, Head of Planning
- CEO and other ICB Directors to have the option to attend or to be invited for specific meetings or topics
- Trust CFOs, COOs and Directors of Strategy to be invited when required – for example if there is a specific performance issue that the F&P needs to discuss where that senior executive is needed to lead the discussion and answer questions.
- To co-opt other, ad hoc members as required from the following when pertaining to specialist “deep dive” topics for F&PC discussion, in order to ensure Subject Matter Expert input: Primary / Secondary Care, WMAS or workstreams

4.4 On a quarterly basis there will be a meeting of the Non-Executive Chair and Vice Chair of the Committee with the Non-Executive chairs of the Finance & Performance Committees from system partners. Executive Directors from the ICB and system will be invited to this meeting as required.

(b) Chair and Vice Chair

4.5 The Committee will appoint these roles at its first meeting; and thereafter shall be chaired by those appointed, unless precluded by a Conflict of Interest for item(s) of business.

4.6 The Chair will be an Independent Non-Executive Member of the Board, on account of their specific knowledge, skills and experience making them suitable to chair the Committee. Members will appoint a Vice Chair who should also possess the same attributes to fulfil that role in the absence of the Chair.

4.7 The Chair will be responsible for agreeing the agenda and ensuring matters discussed meet the objectives as set out in these TOR.

(c) Attendees

4.8 Only Members as described above shall have the right to attend Committee meetings, unless it is agreed to meet in public for part or all of the agenda to be transacted. Other individuals may be invited to attend all or part of any meeting as and when appropriate to assist it with its discussions on any particular matter. These

may include for example further representatives from Health & Wellbeing Boards, Primary, Secondary and Community Providers.

- 4.9 The Chair (Vice 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.

(5) Frequency, Quoracy and Decisions

- 5.1 The Committee will meet ten times a year; with arrangements and notice for calling meetings reflecting those as set out in ICB Standing Orders for Board meetings. Additional meetings may take place as required. 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.
- 5.2 In accordance with ICB Standing Orders, the Committee may meet virtually when necessary; and members attending using electronic means will be counted towards the quorum.

(a) Quorum

- 5.3 For a meeting to be quorate, the Chair or Vice Chair must be present, 3 Executive Members of the Board and 50% of those Members listed in section 4.3 being required.
- 5.4 If any Member has been disqualified from participating in an item on the agenda, by declaration of a Conflict of Interest, then that individual shall no longer count towards the quorum. If a quorum has not been reached, then the meeting may still proceed if those present agree. However, no binding decisions may be deemed as fully taken by the meeting until confirmed by all Members via offline 'virtual' methods outside of the meeting and before the next scheduled one (see section 5.7 below).

(b) Decision Making and Voting

- 5.5 Decisions will be taken in according with the ICB Standing Orders. The Committee will ordinarily reach its conclusions by consensus. When this is not possible the chair may call a vote. This provision should though be seen as an exception to normal, routine decision-making.
- 5.6 Only Members of the Committee may vote. Each member is allowed one vote and a majority will be conclusive on any matter. Where there is a split vote, with no clear majority, the Chair will hold the casting vote.
- 5.7 Mirroring provisions set out within the Standing Orders, if an urgent or emergency decision is needed which cannot wait for the next scheduled meeting, the Chair may conduct such business on a 'virtual' basis through the use of telephone, email or other electronic communication.

(6) Responsibilities of the Committee

- 6.1 The Committee's detailed duties and core responsibilities are itemised within Appendix One.
- 6.2 Matters delegated to the Committee by the Board (and as also defined by / covered within the SoRD) are also itemised within Appendix One.

(7) Conflicts of Interest

- 7.1 The Committee and all Members or Attendees present shall fully and continuously satisfy itself that all matters of ICB policy, systems and processes for the management of conflicts (including gifts & hospitality and bribery) are upheld in all meetings.
- 7.2 For the avoidance of doubt, any additional national or statutory policy requirements shall also guide the Committee's processes and procedures. This shall include sending any reports relating to non-compliance with ICB policy and procedures to the ICB Audit Committee.

(8) Etiquette, Behaviours and Conduct

(a) ICB Values

- 8.1 All Committee Members and Attendees will be expected to conduct business in line with the ICB's stated values and objectives.
- 8.2 Committee Members and those attending shall always behave in accordance with the ICB's Constitution, Standing Orders and Standards of Business Conduct Policy.

(b) Equality and Diversity

- 8.3 All Members must demonstrably consider the Equality and Diversity implications of any or all decisions they make. Attendees will also be required to uphold the Equality Act and Public Sector Equality Duty in any of their engagements with the Committee.

(c) Integrated Care System Compact and ICB Meetings Charter

- 8.4 In addition to the items noted in section 8.2, all Members and Attendees will be expected to adhere to the separate Integrated Care System (ICS) Partnership Leadership Compact key principles of 'Trust', 'Courage', 'Openness & Honesty', 'Leading by Example', 'Respect', 'Kindness & Compassion', 'System First' and 'Looking Forward'.
- 8.5 Similarly, all will be required to respect and apply the ICB Meetings Charter, which shall codify all of the above and help with the logistics / practicalities of running an ICB meeting in line with the Constitution and Standing Orders.

(9) Accountability and Reporting

- 9.1 The Committee is accountable to the Board and shall report to Board on how it discharges its responsibilities. Minutes of the meetings shall be formally recorded by the secretariat and submitted to the Board in accordance with the Standing Orders.
- 9.2 The Chair will provide assurance reports to the Board at each meeting and shall draw to the attention of the Board any issues that require disclosure or require action.
- 9.3 The Committee will provide the Board with an Annual Report, timed to support finalisation of ICB Annual Accounts and Annual Report (Governance Statement

section). The report will summarise its conclusions from the work it has done during the year, specifically commenting on:

- The fitness for purpose, completeness and 'embeddedness' of the BAF and Risk reporting obligations of the Committee within the ICB's organisational context
- The integration of governance arrangements to underpin the 'Quadruple Aim' and Core Purposes of an ICB-ICS
- The appropriateness of the evidence that shows how the Committee is helping the ICB in fulfilling its regulatory requirements
- The robustness of the processes behind the Committee's decisions

(10) Secretariat and Administration

10.1 The Committee shall be supported with a secretariat function, which will include ensuring that:

- The agenda and papers are prepared and distributed in accordance with ICB Standing Orders; having been agreed by the Chair with the support of the relevant ICB Executive and Governance 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
- Maintenance and reporting of the committee Conflicts of Interest Register (with the ICB Governance Lead)
- Good quality minutes are taken and distributed in accordance with ICB 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
- Actions are taken forward between meetings and progress against those is monitored

(11) Review

11.1 The Committee will review its effectiveness at least annually.

11.2 These TOR will be reviewed at least annually and more frequently if required. Any proposed amendments will be submitted to the Board for approval (and will not be deemed as operational until that agreement has been confirmed).

Appendix One

(a) Committee Responsibilities and Duties

- Depending on the relative position of the System against the NHSEI-ICB/ICS System Oversight Framework (SOF), to co-ordinate / lead / jointly conduct / participate in related discussions and interventions, and provide upwards assurance on the collaborative delivery of the performance and finance requirements of the SOF via the associated Memorandum of Understanding (MOU) governance arrangements across the ICS
- Including leading the development process and oversight of Place and Provider Collaboratives plus the individual organisations therein, in delivering local strategic outcomes and priorities set out in planning guidance
- To gain assurance from the ICB's executive functions and provide assurance to the Unitary Board on the following areas - Financial Strategy, Financial Planning, Financial Performance & Control, Capital, Financial Policy & Risk Management:
 - Oversight of financial strategy
 - Development of system financial management information systems and processes
 - A joint understanding of the system financial envelope
 - Development of financial plans
 - Provide assurance on the development / delivery of the continuous improvement & efficiency agenda
 - Have oversight of the monthly financial performance of the system
 - Gain assurance on the delivery of the agreed efficiency plans and review exception reports
 - Consider and propose the system financial architecture and financial controls required
 - Ensure the system is able to meet the value for money criteria and ensure financial sustainability
 - Development and oversight of system capital plans
- To co-ordinate all aligned non-corporate system governance / financial governance arrangements and necessary oversight mechanisms and structures that reflect these, including the respective roles of the ICB-ICS Partner and Regional NHSEI Team
- To approve project mandates for transformation / system savings as per agreed process proposals
- To hold SROs for all portfolios to account for delivery of agreed metrics, and to triangulate the impact of the System Transformation programmes across finance, activity and performance;
- To advise the ICB Unitary Board and ICS Senior Leadership Team of any matter relating to the operational and financial performance of the system, either in the future or the past;
- To co-ordinate action between ICS partners for the benefit of patients;

- Organisation specific data will rarely be considered (being the responsibility of individual organisations). System wide data will generally be the focus of consideration and will be based on the most up to date sources. The focus will be on the agreed priority metrics that are assessing the delivery of the transformational agenda using KPIs and Balanced Scorecards where possible;
- No substantive matter of ICB - System strategy, planning, performance or finance will be considered without having been debated at the Committee first;
- To promote visibility and ownership of the implied results of national planning returns;
- To take a shared, collective responsibility for the SSOT system's finances and performance and thereby provide assurance to ICB Unitary Board on the extent to which system partners are working effectively together to integrate, deliver and improve local health and care services;
- To support the NHSEI Quarterly System Review Meeting (QSRM) focus on key areas of escalation by exception and key strategic areas of focus. Where there are significant areas of concern requiring support, additional NHSEI-led oversight arrangements will be instigated in line with the SOF MOU;
- To receive at each meeting a high-level dashboard, with focused "deep dives" throughout the year, after gaining the views of the membership on the key areas of oversight to be assured upon and where / how the Committee can best add value to the system across its broad remit.

(b) ICB Board Delegations to the Committee

- [List Here once confirmed by the approved SORD]

Date of Approval:

Date of Review: