

TERMS OF REFERENCE (TOR)

Finance and Performance (F&P) Committee PART A

(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 six ICB Committees. The scope of the Committee is:
 - Delivery of the ICB annual plan including finance and performance;
 - Scrutinising system finance plans and performance to ensure that the system is addressing health inequalities.
- 1.3 It will work closely with the Quality & Safety Committee (QSC), Strategic Commissioning & Transformation Committee (SCTC) and People Culture & Inclusion Committee (PCI). Between the 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&P) 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 are bound by the ICB's Constitution Standing Orders (the 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 System Board Assurance Framework (SBAF) activities within its lead 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' 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.
- 2.3 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.
- 2.4 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.

- 2.5 The Committee Chair's report 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 the appendix:
- (a) To act as the single accountable System assurance and improvement enabler, providing assurance to ICB Unitary Board on ICB / System delivery of performance and finance duties;
 - (b) To be responsible for assuring ICB Unitary Board and NHSE 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 NHSE'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 financial aspects of 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 "Quadruple Aim";
 - (f) To be responsible for approval under the double lock process of any Business Cases that will impact on the System's financial position;
 - (g) To be assured that the Provider Selection Regime (PSR) has been complied with and contracts have been legally awarded and approved within the financial envelope.

(4) Membership and Attendance

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 ICS / ICB, including any requisite technical or specialist issues pertinent to ICS / 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, Chief Transformation Officer, Director of Governance, Chief Medical Officer, Chief Nursing Officer, Chief People Officer;
 - One or more Executive Directors from UHNM, NSCT, MPFT, UHDB, RWT (Trusts to decide their own nominations, those individuals to represent the Trust and report back into the Trust F&P Committee and Trust Board);
 - Representatives of Staffordshire County Council and Stoke City Council;
 - Representative of Voluntary Sector – VAST & Support Staffordshire to select;
 - The System Financial Recovery Director.

- 4.4 In addition, attendance may include the following:
- “In Attendance” members: Deputy Director of Governance, Director of Operational Finance, Director of Planning, 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 – e.g. 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&P discussion, in order to ensure Subject Matter Expert input: Primary / Secondary Care, WMAS or Portfolios / Workstreams / Collaboratives.
- 4.5 Meetings will be structured as two-part meetings. Part (A) will cover System matters that requires the attendance of System Partners. Part (B) will consider ICB issues that have been delegated by the ICB Board. System Partners will be welcome to stay for both parts but will be free to leave after the completion of the Part (A) agenda. Voting members from the ICB will be authorised to vote in both Part (A) and Part (B); voting members from Partners will only be authorised to vote on Part (A) matters.
- 4.6 On a bi-monthly basis there will be a meeting of the Non-Executive 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 as required.

Chair and Vice Chair

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

Attendees

- 4.10 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 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 matter. These may include for example further representatives from Health & Wellbeing Boards, Primary, Secondary and Community Providers.
- 4.11 The Chair (or 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 matters.

(5) Frequency, Quoracy and Decisions

- 5.1 The Committee will meet monthly, at least ten times 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 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.

Quorum

- 5.3 For a Part (A) meeting to be quorate, the Chair or Vice-Chair must be present, plus 3 Executive Members of ICB Board and 3 from Partners. For a Part (B) meeting to be quorate, the Chair or Vice-Chair must be present, plus 3 Executive Members of ICB Board.
- 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).

Decision Making and Voting

- 5.5 Decisions will be taken in accordance with ICB Standing Orders. The Committee will ordinarily reach its conclusions by consensus. When this is not possible the Chair may call a vote. This should be seen as an exception to normal, routine decision-making.
- 5.6 Only members of the Committee may vote. Each ICB member (8 votes) and one Partner from each organisation (8 votes) 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. Organisations can send a voting deputy to meetings where the voting member is absent.
- 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 the appendix.
- 6.2 Matters delegated to the Committee by the Board (and as also defined by / covered within the SoRD) are also itemised within the appendix.

(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

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.

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.

ICS 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 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 the Board on how it discharges its responsibilities. The minutes of the meetings shall be formally recorded by the secretariat. 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 to the Board or require action.
- 9.2 The Committee will provide the Board / Audit Committee with an annual statement of its effectiveness, timed to support finalisation of ICB Annual Accounts & Annual Report's Governance Statement (see section 11). This will summarise its conclusions from the committee effectiveness work it has done during the year, specifically commenting on:
- The fitness for purpose, completeness and embeddedness of the SBAF / 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 - Committee Responsibilities and Duties

- ☑ Depending on the relative position of the System against the National Oversight Framework (NOF), to co-ordinate / lead / jointly conduct / participate in related discussions, interventions and provide upwards assurance on the collaborative delivery of the performance & finance requirements of the NOF via the associated governance arrangements across the ICS.
- ☑ To gain assurance from the ICB's Executive functions and provide assurance to the ICB Board on the following areas: Financial Strategy, Financial Planning, Financial Performance & Control, Capital, Financial Policy & Risk Management:
 - Oversight of Financial Strategy;
 - Development of ICB-ICS financial management information systems & processes;
 - A joint understanding of the System financial envelope;
 - Development of financial plans;
 - Assurance on development & delivery of performance improvement & efficiency agendas;
 - Oversight of the monthly financial performance of the System;
 - Assurance on the delivery of the agreed efficiency plans, reviewing Exception Reports;
 - Consider and propose the System financial architecture & financial controls required;
 - Ensure our System is able to meet VFM criteria and achieve financial sustainability;
 - Development and oversight of ICB-System Capital Plans;
 - Compliance with the financial aspects of the Provider Selection Regime (PSR).
- ☑ 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 NHSE Team.
- ☑ To approve financial Project Mandates for Transformational / System savings per agreed process proposals.
- ☑ To hold Portfolio SROs to account for delivery of agreed Financial Metrics, in liaison with the Strategic Commissioning & Transformation Committee (SCTC), to triangulate the impact of System Transformation programmes across finance, activity and performance aspects of the Commissioning Cycle.
- ☑ To advise the ICB Board and ICS Senior Leadership Team of any matter relating to the operational & financial performance of the System, either in the future or the past.
- ☑ To co-ordinate performance improvement actions 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 be based on the most up-to-date sources. The focus will be on agreed priority metrics that assess delivery of the Performance Management agenda using KPIs & 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 by liaising with other, relevant ICB Board Assurance Committees.
- ☑ To take a shared, collective responsibility for the System's finances and performance, thereby providing assurance to ICB Board on the extent to which System Partners are working effectively together to integrate, deliver and improve local health & care services.
- ☑ To support NHSE Quarterly System Review Meetings (QSRM) by focussing on key strategic areas of escalation and exception. Where there are significant areas of concern requiring support, additional NHSE-led oversight arrangements will be instigated in line with the NOF.
- ☑ 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.

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