



## **NHS Somerset Integrated Care Board**

### **Audit Committee**

#### **Terms of Reference (ToR)**

#### **Constitution**

The Audit Committee (the Committee) is established as a Non-Executive Committee of the Board in accordance with the Integrated Care Board (ICB) Constitution. The ToR must be published on the ICB website and can only be modified with ICB Board approval. This ensures transparency and alignment with the ICB's governing documents. Committee members are bound by the Standing Orders and other policies of the ICB.

#### **Authority**

The 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) within its remit 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, for which the membership and terms of reference of any such sub-groups shall be in accordance with the ICB's constitution, standing orders and Scheme of Reservation and Delegation (SoRD). The Committee may not delegate any decisions to such groups.





For the avoidance of doubt, in the event of any conflict, the ICB Standing Orders, Standing Financial Instructions and the Scheme of Reservation and Delegation will prevail over these terms of reference, other than for the following exceptions:

- any exceptions agreed by the Board.

## **Purpose**

To contribute to the overall delivery of the ICB objectives by providing oversight and assurance to the Board on the adequacy of governance, risk management and internal control processes within the ICB.

The duties of the Committee will be driven by the organisation's objectives and the associated risks. An annual programme of business for internal audit and counter fraud will be agreed before the start of the financial year; however this will be flexible to new and emerging priorities and risks.

Provide assurance to the Board of ICB on the appropriateness and effectiveness of ICB's Risk Assurance Framework and of the processes for its implementation

Assure the Board on the appropriateness and effectiveness of the external audit, internal audit and counter fraud services its fees, findings and co-ordination with between audit providers. This will include overseeing the procurement for future external, internal and counter fraud service provision through an Audit Panel.

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

## **Membership and attendance**

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

The Committee shall comprise of three Non-Executive Directors, of which one would be nominated as the Chair of the Audit Committee.

Neither the Chair of the Board, nor employees of the ICB will be members of the Committee but can attend as required.





Members will possess between them knowledge, skills and experience in: accounting, risk management, internal, external audit; and technical or specialist issues pertinent to the ICB's business. When determining the membership of the Committee, active consideration will be made to diversity and equality.

Regardless of attendance, External Audit, Internal Audit, Local Counter Fraud and Security Management providers will have full and unrestricted rights of access to the Audit Committee.

### **Chair**

In accordance with the constitution, the Committee will be chaired by an Independent Non-Executive Member of the Board appointed on account of their specific knowledge, skills and experience making them suitable to chair the Committee.

The Chair of the Committee shall be independent and therefore may not chair any other committees.

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

### **Attendees**

Only members of the Committee have the right to attend Committee meetings, however all meetings of the Committee will also be attended by the following individuals who are not members of the Committee:

- Chief Finance Officer and Director of Performance and Contracting
- Representatives of both internal and external audit and counter fraud
- Individuals who lead on risk management matters
- other relevant attendees as required

The Chief Executive should be invited to attend the meeting at least annually.

The Chair of the ICB may also be invited to attend one meeting each year in order to gain an understanding of the Committee's operations.

When determining the membership of the Committee, active consideration will be made to diversity and equality.

Other individuals may be invited to become members of the Committee as and when appropriate to meet the needs of the agenda. 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.

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. If a member of the Committee is unable to attend, then a nominated deputy should be recommended and will assume the voting rights of that member. Where an 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.

Members are expected to attend 75% of meetings held each year.

### **Frequency, quoracy and decisions**

The Audit Committee will meet at least four times a year and arrangements and notice for calling meetings are set out in the Standing Orders.

At least once a year the committee should meet privately with the internal auditors, external auditors and LCFS either separately or together.

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.

In accordance with the Standing Orders, the Committee may meet virtually when necessary and members attending using electronic means will be counted towards the quorum.

The Committee will have an annual schedule of business to ensure that agenda are planned well in advance of meetings.

Dates and times of meetings will be planned at least 12 months in advance providing the Committee with notice of meetings.

### **Quorum**

For a meeting to be quorate a minimum of two independent Non-Executive Members of the Board are required, including the Chair or Vice Chair of the Committee.





If any member of the Committee has been disqualified 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.

If the quorum has not been reached, then the meeting may proceed if those attending agree, but no decisions may be taken.

## **Decision making and voting**

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.

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 of the Committee will hold the casting vote.

If a decision is needed which cannot wait for the next scheduled meeting, the Chair may conduct business on a 'virtual' basis through the use of telephone, email or other electronic communication and their decisions accepted as valid and binding.

## **Responsibilities of the Committee**

The Committee's duties can be categorised as follows.

### **Integrated Governance, Risk Management and Internal Control**

- To review the adequacy and effectiveness of the system of integrated governance, risk management and internal control across the whole of the ICB's activities that support the achievement of its objectives, and to highlight any areas of weakness to the Board.
- To ensure that financial systems and governance are established which facilitate compliance with the Department of Health and Social Care's (DHSC) Group Accounting Manual.





- To review the adequacy and effectiveness of the assurance processes that indicate the degree of achievement of the ICB's objectives, the effectiveness of the management of principal risks.
- To have oversight of system risks where they relate to the achievement of the ICB's objectives.
- To ensure consistency that the ICB acts consistently with the principles and guidance established in HM Treasury's Managing Public Money.
- To seek reports and assurance from directors and managers as appropriate, concentrating on the systems of integrated governance, risk management and internal control, together with indicators of their effectiveness.
- To identify opportunities to improve governance, risk management and internal control processes across the ICB.

### Internal Audit

To ensure that there is an effective internal audit function that meets the Public Sector Internal Audit Standards and provides appropriate independent assurance to the Board. This will be achieved by:

- considering the provision of the internal audit service and the costs involved
- reviewing and approving the annual internal audit plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation as identified in the assurance framework
- considering the findings of internal audit work, including the Head of Internal Audit Opinion (and management's response) and ensure coordination between the internal and external auditors to optimise the use of audit resources
- ensuring that the internal audit function is adequately resourced and has appropriate standing within the organisation
- monitoring the effectiveness of internal audit and carrying out an annual review





## External Audit

To review and monitor the external auditor's independence and objectivity and the effectiveness of the external audit process. In particular, the Committee will review the work and findings of the external auditors and consider the implications and management's responses to their work. This will be achieved by:

- considering the appointment and performance of the external auditors, as far as the rules governing the appointment permit
- discussing and agreeing with the external auditors, before the audit commences, the nature and scope of the audit as set out in the annual plan
- discussing with the external auditors their evaluation of audit risks and assessment of the organisation and the impact on the audit fee
- reviewing all external audit reports, including to those charged with governance (before its submission to the Board) and any work undertaken outside the annual audit plan, together with the appropriateness of management responses

## Other Assurance Functions

- To review the findings of assurance functions in the ICB, and to consider the implications for the governance of the ICB.
- To review the work of other committees in the ICB, whose work can provide relevant assurance to the Audit Committee's own areas of responsibility.
- To review the assurance processes in place in relation to financial performance across the ICB including the completeness and accuracy of information provided.
- To review the findings of external bodies and consider the implications for governance of the ICB. These will include, but will not be limited to:
  - review the reports and any required actions for any providers supplying financial services to the ICB (including NHS Shared Business Service, NHS Business Services Authority, NHS South, Central and West Commissioning Support Unit, NHS Digital and Capital Primary Care Support England)





- reviews and reports issued by arm's length bodies or regulators and inspectors: eg. National Audit Office, Select Committees, NHS Resolution, Care Quality Commission
- reviews and reports issued by professional bodies with responsibility for the performance of staff or functions (eg. Royal Colleges and accreditation bodies)

### **Counter Fraud**

- To assure itself that the ICB has adequate arrangements in place for counter fraud, bribery and corruption (including cyber security) that meet NHS Counter Fraud Authority's (NHSCFA) standards and shall review the outcomes of work in these areas.
- To review, approve and monitor counter fraud work plans, receiving regular updates on counter fraud activity, monitor the implementation of action plans, provide direct access and liaison with those responsible for counter fraud, review annual reports on counter fraud, and discuss NHSCFA quality assessment reports.
- To ensure that the counter fraud service provides appropriate progress reports and that these are scrutinised and challenged where appropriate.
- To be responsible for ensuring that the counter fraud service submits an annual report and self-review assessment, outlining key work undertaken during each financial year to meet the NHS standards for commissioners.
- To report concerns of suspected fraud, bribery and corruption to the NHSCFA.

### **Information Governance (IG)**

- To receive regular updates on IG compliance (including uptake and completion of data security training), data breaches and any related issues and risks.
- To review the annual Senior Information Risk Owner (SIRO) report, the submission for the Data Security and Protection Toolkit and relevant reports and action plans.







- To receive reports on audits to assess information and IT security arrangements, including the annual Data Security and Protection Toolkit audit.
- To provide assurance to the Board that there is an effective framework in place for the management of risks associated with information governance.

### **Financial Reporting**

- To monitor the integrity of the financial statements of the ICB and any formal announcements relating to its financial performance.
- To ensure that the systems for financial reporting to the Board, including those of budgetary control, are subject to review as to the completeness and accuracy of the information provided.
- To review the annual report and financial statements (including accounting policies) before submission to the Board focusing particularly on:
  - the wording in the Governance Statement and other disclosures relevant to the Terms of Reference of the Committee
  - changes in accounting policies, practices and estimation techniques
  - responses to the external auditors from ICB officers responsible for governance
  - unadjusted mis-statements in the Financial Statements
  - significant judgements and estimates made in preparing of the Financial Statements
  - significant adjustments resulting from the audit
  - Letter of Representation
  - qualitative aspects of financial reporting

### **Conflicts of Interest**

- The Chair of the Audit Committee will be the nominated Conflicts of Interest Guardian.
- The Committee shall satisfy itself that the ICB's policy, systems and processes for the management of conflicts, (including gifts and hospitality and bribery) are effective including receiving reports relating to non-compliance with the ICB policy and procedures relating to conflicts of interest.





## **Management**

- To request and review reports and assurances from directors and managers on the overall arrangements for governance, risk management and internal control.
- The Committee may also request specific reports from individual functions within the ICB as they may be appropriate to the overall arrangements.
- To receive reports of breaches of policy and normal procedure or proceedings, including such as suspensions of the ICB's standing orders, in order provide assurance in relation to the appropriateness of decisions and to derive future learning.

## **Communication**

- To co-ordinate and manage communications on governance, risk management and internal control with stakeholders internally and externally.
- To develop an approach with other committees, including the Integrated Care Partnership, to ensure the relationship between them is understood.

## **Behaviours and conduct**

Committee members must adhere to ICB values, conduct, and policies, with a specific emphasis on equality and diversity in decision-making.

## **Accountability and reporting**

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

Matters of material of significance in respect of audit issues will be escalated to the following meeting of the Board of ICB. However, any items that require urgent attention will be escalated to the Chief Executive and Chairman at the earliest opportunity and formally recorded in the Committee minutes.

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.





The Audit Committee will provide the Board with an Annual Report, timed to support finalisation of the accounts, the Governance Statement and assure the Board on compliance. The report will summarise its conclusions from the work it has done during the year specifically commenting on:

- the fitness for purpose of the assurance framework
- the completeness and ‘embeddedness’ of risk management in the organisation
- the integration of governance arrangements
- the appropriateness of the evidence that shows the organisation is fulfilling its regulatory requirements
- the robustness of the processes behind the quality accounts

## **Secretariat and administration**

The Committee shall be supported with a secretariat function, whose duties in this respect will include:

- preparation and distribution of the agenda and papers in no less than five working days prior to a meeting, wherever possible
- monitoring attendance of the Committee and highlighting to the Chair those that do not meet the minimum requirements
- formally recording minutes of each meeting of the Committee
- supporting the Committee Chair to provide a written report to the Board after each meeting which will draw attention to any issues that require disclosure to the Board, or that require executive action
- keeping a record of matters arising and issues to be carried forward within an action log

## **Openness**

The agenda, papers and minutes of the Audit Committee are considered to be confidential.

## **Review**

The Committee will review its effectiveness at least annually.

These terms of reference will be reviewed at least annually and more frequently if required, to reflect evolving healthcare needs, regulatory changes and organisational priorities. The Committee will solicit input from stakeholders and experts to ensure





relevance and alignment with current healthcare commissioning practices and strategic objectives.

Any proposed amendments to the terms of reference will be submitted to the Board for approval.

Date of approval:	26 September 2024
Date of next review:	June – August 2025





## **NHS Somerset Integrated Care Board**

### **Management Board**

### **Terms of Reference (ToR)**

#### **Constitution**

The Management Board (the Committee) is established as an executive Committee of the Board in accordance with the Integrated Care Board (ICB) Constitution. The ToR must be published on the ICB website and can only be modified with ICB Board approval. This ensures transparency and alignment with the ICB's governing documents. Committee members are bound by the Standing Orders and other policies of the ICB.

#### **Authority**

The 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) within its remit 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, for which the membership and terms of reference of any such sub-groups shall be in accordance with the ICB's constitution, standing orders and Scheme of Reservation and Delegation (SoRD). The Committee may not delegate any decisions to such groups.





For the avoidance of doubt, in the event of any conflict, the ICB Standing Orders, Standing Financial Instructions and the Scheme of Reservation and Delegation will prevail over these terms of reference, other than the Committee being permitted to meet in private.

## **Purpose**

The Committee is responsible for the management of the organisation and the overall delivery of the ICB objectives by providing oversight and assurance to the Board that the ICB is discharging its statutory responsibilities. Its purpose is (but not limited to):

- be responsible for operational delivery of the organisation
- support the Chief Executive and Executive Team in delivering the organisation's objectives
- provide a forum to discuss, understand and agree approaches to key issues impacting the delivery of the organisation's objectives
- be the key decision-making forum in respect of operational delivery that impacts across the organisation and cannot be managed within individual services

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

## **Membership and attendance**

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

The Committee shall comprise:

- Committee Chair: Chief Executive
- Committee Vice-Chair: Chief Medical Officer
- Chief Finance Officer and Director of Performance and Contracting
- Chief Nursing Officer/Chief Operating Officer
- Chief Officer for Strategy, Digital and Integration
- Chief People Officer
- Chief Pharmacist
- Deputy Chief Finance Officer and Deputy Director of Performance and Contracting





- Deputy Chief Medical Officer(s)
- Deputy Chief Nursing Officer
- Deputy Director of Corporate Services (working across Somerset NHS Foundation Trust and NHS Somerset)
- Deputy Medical Director
- Chief Data Officer
- Director of Localities and Strategic Commissioning
- Director of Primary Care
- Executive Director of Communications, Engagement and Marketing
- Executive Director of Corporate Affairs
- Executive Director of Public and Population Health

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

When determining the membership of the Committee, active consideration will be made to diversity and equality.

Other individuals may be invited to become members of the Committee as and when appropriate to meet the needs of the agenda. 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.

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. Where an 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.

Members are expected to attend 75% of meetings held each year.

### **Frequency, quoracy and decisions**

The Committee will meet on a monthly basis. 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.





In accordance with the Standing Orders, the Committee may meet virtually when necessary and members attending using electronic means will be counted towards the quorum.

The Committee will have an annual schedule of business to ensure that agenda are planned well in advance of meetings.

Dates and times of meetings will be planned at least 12 months in advance providing the Committee with notice of meetings.

## **Quorum**

A quorum will be at least 60% of deputies and include at least two of the following executives: The Chief Executive, the Chief Nursing Officer/Chief Operating Officer, the Chief Medical Officer or the Chief Finance Officer and Director of Performance and Contracting.

If any member of the Committee has been disqualified 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.

If the quorum has not been reached, then the meeting may proceed if those attending agree, but no decisions may be taken.

## **Decision making and voting**

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.

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 of the Committee will hold the casting vote.

If a decision is needed which cannot wait for the next scheduled meeting, the Chair may conduct business on a 'virtual' basis through the use of telephone, email or other electronic communication and their decisions accepted as valid and binding.







## **Responsibilities of the Committee**

The Committee's scope includes but is not limited to:

- risk and forward planning
- service development, change and consultation
- Joint Forward Plan – update on ICB priority work programmes
- business cases/contracts/digital projects
- corporate policy approval
- reports/updates from sub-groups (IGRMCC, People and Culture Committee, Clinical Commissioning Policy Forum and Health and Safety Committee)

## **Behaviours and conduct**

Committee members must adhere to ICB values, conduct, and policies, with a specific emphasis on equality and diversity in decision-making.

## **Accountability and reporting**

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

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.

## **Secretariat and administration**

The Committee shall be supported with a secretariat function, whose duties in this respect will include:

- preparation and distribution of the agenda and papers in no less than five working days prior to a meeting, wherever possible
- monitoring attendance of the Committee and highlighting to the Chair those that do not meet the minimum requirements
- formally recording minutes of each meeting of the Committee
- supporting the Committee Chair to provide a written report to the Board after each meeting which will draw attention to any issues that require disclosure to the Board, or that require executive action





- keeping a record of matters arising and issues to be carried forward within an action log

## Review

The Committee will review its effectiveness at least annually.

These terms of reference will be reviewed at least annually and more frequently if required, to reflect evolving healthcare needs, regulatory changes and organisational priorities. The Committee will solicit input from stakeholders and experts to ensure relevance and alignment with current healthcare commissioning practices and strategic objectives.

Any proposed amendments to the terms of reference will be submitted to the Board for approval.

Date of approval:	26 September 2024
Date of next review:	June - August 2025





## **NHS Somerset Integrated Care Board**

### **Finance Committee**

### **Terms of Reference (ToR)**

#### **Constitution**

The Finance Committee (the Committee) is established as a Committee of the Board in accordance with the Integrated Care Board (ICB) Constitution. The ToR must be published on the ICB website and can only be modified with ICB Board approval. This ensures transparency and alignment with the ICB's governing documents. Committee members are bound by the Standing Orders and other policies of the ICB.

#### **Authority**

The 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) within its remit 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, for which the membership and terms of reference of any such sub-groups shall be in accordance with the ICB's constitution, standing orders and Scheme of Reservation and Delegation (SoRD). The Committee may not delegate any decisions to such groups.





For the avoidance of doubt, in the event of any conflict, the ICB Standing Orders, Standing Financial Instructions and the Scheme of Reservation and Delegation will prevail over these terms of reference, other than the Committee being permitted to meet in private.

## **Purpose**

To contribute to the overall delivery of the ICB objectives by providing oversight and assurance to the Board that the ICB is discharging its statutory responsibilities.

To provide assurance on the ICS financial position, as well as the ICB financial position. The Committee will look at the overall position of Somerset system financial performance, linking with the Finance Committee for SFT where necessary. As an assurance Committee of the Board, it will hold to account the ICB Executive team for delivery of the ICB's financial plan and recommend further areas for financial scrutiny. This will be done through:

- reviewing the financial performance of the ICB against statutory financial targets, financial control targets and the annual commissioning plan
- reviewing the ICB's financial position and improving value schemes (QIPP) agenda and provide assurance to the Board in the delivery against annual plans
- reviewing financial performance improvement plans, identifying areas for further improvement or commissioner actions and monitors trajectories towards improvement
- supporting the development and onward monitoring of the overall process of financial planning across the system and reviewing through the 5-year financial plan
- where finance issues are raised then these will be highlighted to the ICB Management Board and relevant delivery boards to agree actions and mitigations (via the ICB's Chief Executive) to rectify the issue
- ensure that the Committee agenda and papers take into account the risks on the Board Assurance Framework (BAF) and risk registers. The Committee will wish to be assured that matters of risk, with a financial impact, are being effectively managed





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

## **Membership and attendance**

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

The Committee shall comprise:

- Committee Chair: Non-Executive Member (must not be the Chair of the Audit Committee)
- Non-Executive Member (who will act as Committee Vice-Chair and whom also cannot not be Chair of the Audit Committee)
- Chief Executive
- Chief Finance Officer and Director of Performance and Contracting

In attendance:

- Chief Medical Officer
- Chief Nursing Officer/Chief Operating Officer
- Chief Officer for Strategy, Digital and Integration
- Chief Finance Officer, Somerset NHS Foundation Trust
- Chair of Finance Committee and Non-Executive Director, Somerset NHS Foundation Trust
- Chief Finance Officer of Somerset Council (or representative)
- Deputy Chief Finance Officer and Deputy Director of Performance and Contracting

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

When determining the membership of the Committee, active consideration will be made to diversity and equality.

Other individuals may be invited to become members of the Committee as and when appropriate to meet the needs of the agenda. 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. This will include other executive members for





Somerset NHS Foundation Trust when discussing specific cross cutting agenda items, to ensure a truly joined up approach.

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. If a member of the Committee is unable to attend, then a nominated deputy should be recommended and will assume the voting rights of that member. Where an 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.

Members are expected to attend 75% of meetings held each year.

### **Frequency, quoracy and decisions**

The Committee will meet on a monthly basis. 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.

In accordance with the Standing Orders, the Committee may meet virtually when necessary and members attending using electronic means will be counted towards the quorum.

The Committee will have an annual schedule of business to ensure that agenda are planned well in advance of meetings.

Dates and times of meetings will be planned at least 12 months in advance providing the Committee with notice of meetings.

### **Quorum**

A quorum will be at least two voting members who will include:

- Non-Executive Director, acting as Chair
- Chief Finance Officer and Director of Performance and Contracting or Deputy Chief Finance Officer and Deputy Director of Performance and Contracting





If any member of the Committee has been disqualified 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.

If the quorum has not been reached, then the meeting may proceed if those attending agree, but no decisions may be taken.

## **Decision making and voting**

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.

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 of the Committee will hold the casting vote.

If a decision is needed which cannot wait for the next scheduled meeting, the Chair may conduct business on a 'virtual' basis through the use of telephone, email or other electronic communication and their decisions accepted as valid and binding.

## **Responsibilities of the Committee**

The Committee's scope includes but is not limited to:

- overseeing and recommending to the Board the medium term (5-year) financial recovery plan and annual financial plan that reflects the prioritised commissioning plan for the ICB.
- receiving reports that provide assurance on the ICS's financial performance in relation to the following areas:
  - activity against agreed contract levels
  - 'in year' financial position by receiving a detailed report of the financial position, variances and progress towards meeting the targets within the ICB's financial plan, statutory financial targets and financial control targets





- detailed reports on each saving programme, to monitor in year delivery against programme initiation document (PID)
- receiving reports on the overall ICS financial performance in relation to the following areas:
  - performance delivery against operational plan objectives
  - emerging and crystallised cost pressures and risks across partner organisations
  - workforce and productivity indices
- challenging the delivery plans to achieve financial targets and/or improve performance and understand and proactively identify and support remedial actions
- reviewing the financial implications of opportunities to improve performance delivery during the financial year, taking into account the impact on the financial framework
- reviewing opportunities to improve performance of identified schemes or ad-hoc finance and performance related issues that may arise
- having oversight of the development of the annual finance plan, including:
  - annual system delivery intentions and national operating guidance
  - system financial framework and prioritisation process for both investment and savings that supports the ICS in formulating the annual financial plans for the next year
  - overview of any business cases approved, taking into account expected delivery of impact and/or benefits
- obtaining assurance of the development of savings schemes and services, approving the business cases and mobilisation plans







- receiving and considering evaluation reports for commissioned services in order to inform commissioning and decommissioning decisions, including:
  - delivery against expected benefits set out in any business cases approved through the annual planning cycle, to understand future intentions
  - consider the financial assessment for all new or proposed contractual arrangements, to ensure Value for Money is delivered in all cases (taking into account benchmarking where appropriate)
- ensuring that the financial risks and risks with a financial impact on the Board Assurance Framework are being managed and are mitigated against in accordance with the ICB's agreed risk appetite, taking into account any in-year usage of the system contingency
- identifying any new financial risks not recorded and ensure these are entered onto the risk register(s) as appropriate
- reviewing work plans for the Committee to ensure preparatory work to meet national budgetary planning timelines are appropriately scheduled
- overseeing strategic financial planning for newly commissioned services
- **Procurement:**

The Committee will provide general oversight (with the delegated sub-group reviewing procurements and bringing these to Finance Committee for approval) of all procurements taking place on behalf of the Board, to include:

- support of the ICS Procurement Policy in line with all legislative requirements and guidance
- oversight of all procurement and contract award processes, including contract extensions, invitation to tender, evaluation and preferred bidder and contract award recommendations for new contracts (where material or where there is a significant reputational risk)
- approval of ICB's contract for commissioning and corporate support





- **Policies and Procedures:**

- approval of procedures, policies and strategies relevant to the Committee's Terms of Reference
- agreeing the operational Scheme of Reservation and Delegation (SoRD) setting out key operational decisions of Chief Executive, Chief Finance Officer and other executive directors
- approving/ratifying detailed financial policies

- **Risk Management:**

- receiving assurance from officers of the ICB (and partner organisations where appropriate) and provide assurance to the Board that the risks to the finances ICB and ICS are appropriately managed
- acting as an assurance committee of the ICB and highlighting to Board any high risks and issues for review, escalation and inclusion on Corporate Risk Register and Board Assurance Framework
- reviewing, updating and seeking assurance that finance risks escalated to the Board are being managed effectively by the ICB

## **Behaviours and conduct**

Committee members must adhere to ICB values, conduct, and policies, with a specific emphasis on equality and diversity in decision-making.

## **Accountability and reporting**

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

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.





## Secretariat and administration

The Committee shall be supported with a secretariat function, provided by the Executive and Business Support Assistant for the Finance, Performance and Contracting Directorate, whose duties in this respect will include:

- preparation and distribution of the agenda and papers in no less than five working days prior to a meeting, wherever possible
- monitoring attendance of the Committee and highlighting to the Chair those that do not meet the minimum requirements
- formally recording minutes of each meeting of the Committee
- supporting the Committee Chair to provide a written report to the Board after each meeting which will draw attention to any issues that require disclosure to the Board, or that require executive action
- keeping a record of matters arising and issues to be carried forward within an action log

## Review

The Committee will review its effectiveness at least annually.

These terms of reference will be reviewed at least annually and more frequently if required, to reflect evolving healthcare needs, regulatory changes and organisational priorities. The Committee will solicit input from stakeholders and experts to ensure relevance and alignment with current healthcare commissioning practices and strategic objectives.

Any proposed amendments to the terms of reference will be submitted to the Board for approval.

Date of approval:	26 September 2024
Date of next review:	June - August 2025





## **NHS Somerset Integrated Care Board**

### **Quality Committee**

#### **Terms of Reference (ToR)**

#### **Constitution**

The Quality Committee (the Committee) is established as a non-executive Committee of the Board in accordance with the Integrated Care Board (ICB) Constitution. The ToR must be published on the ICB website and can only be modified with ICB Board approval. This ensures transparency and alignment with the ICB's governing documents. Committee members are bound by the Standing Orders and other policies of the ICB.

#### **Authority**

The 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) within its remit 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, for which the membership and terms of reference of any such sub-groups shall be in accordance with the ICB's constitution, standing orders and Scheme of Reservation and Delegation (SoRD). The Committee may not delegate any decisions to such groups.





For the avoidance of doubt, in the event of any conflict, the ICB Standing Orders, Standing Financial Instructions and the Scheme of Reservation and Delegation will prevail over these terms of reference.

## **Purpose**

To contribute to the overall delivery of the ICB objectives by providing oversight and assurance to the Board that the ICB is discharging its statutory responsibilities.

The ICB Quality Committee has been established to provide the ICB with assurance that it is delivering its functions in a way that secures continuous improvement in the quality of services, against each of the dimensions of quality set out in the NHSE (2021) Shared Commitment to Quality and enshrined in the Health and Care Bill 2021. This includes reducing inequalities in the outcomes of care and improving access to health care in an inclusive way.

The Committee exists to scrutinise the robustness of, and gain and provide assurance to the ICB, that there is an effective system of quality governance and internal control that supports it to effectively deliver its strategic objectives and provide sustainable, effective, safe high-quality care.

With regards to safety and quality improvement, the Committee will:

- Promote a culture within Somerset Integrated Care System that focuses on Safety, Experience, Safeguarding and Quality Improvement and clinical effectiveness and outcomes.
- Provide assurance on all NHS Provider services governance arrangements, patient safety and performance, through the receipt of timely insight and intelligence reports.
- Report areas of risk, concerns, mitigations and opportunities for improvement to the NHS Somerset Integrated Care Board.
- Have strong links with the Somerset System Quality Group and onwards to the Regional System Quality Group.

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





## Membership and attendance

The Committee members shall be appointed by the Board in accordance with the ICB Constitution. The Board will appoint no fewer than four members of the Committee including two of whom are Non-Executive Members of the Board (from the ICB). Other attendees of the Committee need not be members of the Board and would be appropriate representations from the areas reporting into the Committee.

The Committee shall comprise:

- Committee Chair: Non-Executive Director
- Committee Vice-Chair: Non-Executive Director
- ICB Chief Nursing Officer and Director of Operations (CNO)
- ICB Chief Medical Officer (CMO)
- 1 x lay members with lived experience (e.g. Healthwatch, Patient Safety Partners)

In attendance:

- Deputy Chief Nursing Officer
- One Deputy Chief Medical Officer
- Associate Directors – Directorate of Quality, Safety & Improvement

The following officers will attend the Committee routinely to present their reports:

- Chief Pharmacist
- Associate Director of Safeguarding, Mental Health, Learning Disability and Autism
- Associate Director of Continuing Healthcare Services
- Associate Director for Health Inclusion
- Head of Infection Prevention and Control
- LeDeR Local Area Contact
- Quality Leads – Directorate of Quality, Safety & Improvement

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

When determining the membership of the Committee, active consideration will be made to diversity and equality.





Other individuals may be invited to become members of the Committee as and when appropriate to meet the needs of the agenda. 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.

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. If a member of the Committee is unable to attend, then a nominated deputy should be recommended and will assume the voting rights of that member. Where an 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.

Members are expected to attend 75% of meetings held each year.

## **Frequency, quoracy and decisions**

The Committee will meet on a bi-monthly basis. Additional meetings may take place as required. Additional meetings will be held each year to undertake reviews and sign of annual reports as designated by the NHS Somerset Board and the invitation list will be extended to all members of the NHS Somerset Integrated Care Board.

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.

In accordance with the Standing Orders, the Committee may meet virtually when necessary and members attending using electronic means will be counted towards the quorum.

The Committee will have an annual schedule of business to ensure that agenda are planned well in advance of meetings.

Dates and times of meetings will be planned at least 12 months in advance providing the Committee with notice of meetings.

## **Quorum**

A quorum will be at least 3 members to include:

- Two Non-Executive Directors





- Chief Nursing Officer and Director of Operations, Chief Medical Officer or Deputy Chief Nursing Officer/Deputy CMO

If any member of the Committee has been disqualified 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.

If the quorum has not been reached, then the meeting may proceed if those attending agree, but no decisions may be taken.

### **Decision making and voting**

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.

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 of the Committee will hold the casting vote.

If a decision is needed which cannot wait for the next scheduled meeting, the Chair may conduct business on a 'virtual' basis through the use of telephone, email or other electronic communication and their decisions accepted as valid and binding.

### **Responsibilities of the Committee**

Strategically, the responsibilities of the Quality Committee will be authorised by the ICB Board. It is expected that the Quality Committee will:

- Be assured there are robust processes in place for the effective surveillance and management of the quality of services, planned, commissioned and delivered by NHS Somerset.
- Scrutinise structures in place to support all aspects of quality, including assurance, oversight, planning, insight, impact and improvement.







- Ensure structures operate effectively, where openness and transparency inform the culture and evidence of timely action is taken to identify learning opportunities and improvement, addressing areas of concern and risk as required.
- Agree and put forward the key quality priorities that are included within the ICB strategy/annual plan, including priorities to address variation/inequalities in care.
- Oversee and monitor delivery of the ICB key statutory quality requirements.
- Review and monitor risks on the Board Assurance Framework (BAF) and Corporate Risk Register which relate to quality, and high-risk operational risks which could impact on care. Ensure the ICB is kept informed of significant risks and mitigation plans, in a timely manner. This will require triangulation with other ICB formal committees.
- Oversee and scrutinise the ICB's response to all relevant (as applicable to quality) Directives, Regulations, national standards, policies, reports, reviews and best practice as issued by the Department of Health and Social Care (DHSC), NHS England (NHSE) and other regulatory bodies/external agencies (e.g. Care Quality Commission, National Institute of Clinical Excellence) and gain assurance they are appropriately reviewed and actions are being undertaken, embedded and sustained.
- Maintain an overview of changes in the methodology employed by regulators and changes in legislation/regulation and assure the ICB that these are disseminated and implemented across all relevant stakeholder sites.
- Oversee and seek assurance on the effective and sustained delivery of the ICB's quality improvement programmes, triangulating where necessary with the national, regional and local transformation programmes.
- Ensure mechanisms are in place to review and monitor the effectiveness of the quality of care planned and delivered by providers, localities, and neighbourhoods.
- Receive assurance that the ICB identifies lessons learned from all relevant sources and insight, including but not limited to; patient safety incidents, never events, statutory safeguarding adults and child reviews, complaints, compliments, learning from deaths and claims and ensures that learning is effective, disseminated and embedded.





- Develops a culture which helps to surface and supports effective use of insight to inform implementation, improvement, and impact.'
- Receive assurance that the ICB has effective and transparent mechanisms in place to monitor mortality and that it learns from death (including coronial inquests and Regulation 28 Preventing Future Death reports).
- To be assured that people accessing services are systematically and effectively involved as equal partners in the design and review of quality aspects of services.
- Scrutinise the robustness of the arrangements for, and assure compliance with, the ICB's statutory responsibilities for safeguarding adults and children.
- Scrutinise the robustness of the arrangements for, and assure compliance with, the ICB's statutory responsibilities for infection prevention and control.
- Scrutinise robustness of the arrangements for, and assure compliance with, the ICB's statutory responsibilities for equality, diversity and inclusion as it applies to people accessing services.
- Scrutinise the robustness of arrangements for, and assure compliance with, the ICB's statutory responsibilities for medicines optimisation and safety.
- Have oversight of and approve the Terms of Reference and work programmes for the groups reporting into and onward escalation relating to the Quality Committee (e.g. Infection Prevention and Control, Safeguarding Boards and Partnerships, Review Learn and Improve Group, Medicines Programme Board Provider Quality Committees and Patient Safety Boards and the Local Maternity and Neonatal System, etc)
- Provide insight and engagement with relevant System Quality Groups and forums, such as Somerset System Quality Group and Somerset System Mortality Group.

Operationally the Quality Committee will undertake the following actions:

- Monitor the work programmes and effectiveness of the Quality, Safety and Improvement directorate work plan. This will include the receipt and review of





relevant annual reports prepared by Senior Leads in the directorate and Quality Leads.

- Oversee patient safety incidents, risks and action plans linked to key areas of responsibility where Somerset ICB:
  - are Lead Commissioners
  - are Host Commissioners
  - have statutory responsibility
  - or where responsibility falls directly to Somerset ICB for improving the quality of services.
- Ensure that key themes and lessons learned from patient safety incidents, statutory safeguarding reviews, domestic homicide reviews, mental health homicide reviews, primary care significant event audits and all other relevant reviews are identified and shared across all NHS and care providers for continuous quality improvement of service planning, delivery and commissioning to prevent re-occurrence and inform change as required.
- Monitor mortality data and review findings, including Learning Disability Mortality Reviews (LeDeR) and the implementation of improvement actions.
- Monitor progress and performance across a range of quality metrics, promoting harm free care across all health and care providers to include a focus on organisational actions to reduce risk of harm such as provider performance dashboards, maternity dashboards, the integrated board assurance report and others as required.
- Receive assurance from the Leadership Committee and Clinical, Care and support Professionals Cabinet, and Clinical Reference Group that service strategy and redesign have prioritised quality and safety alongside service delivery efficiency.
- Review service and pathway redesign proposals and make recommendations about patient safety concerns and outcome of quality impact assessments to the ICB Leadership Committee.
- Receive focussed subject matter reports from the ICB Management Committee as required, with evidence that quality and patient safety issues and safeguarding





alerts in respect of health services are fully considered, risks identified and reduced or mitigated.

- Have oversight of the ICBs providers integrated quality dashboard and request attendance of providers, as required.
- Provide a forum for representatives from the Finance and Performance, Strategic Clinical Services Transformation, Commissioning and Governance, and Quality, Safety and Improvement directorates to work collaboratively with members of the Committee to provide assurance around patient safety/quality improvement aspects of the Health and Care Strategy.
- Receive reports on the ICBs duty to monitor and promote quality standards and opportunities for improvement in primary care.
- Receive reports on patient experience of NHS and care services from patient surveys, real time feedback, Friends and Family test, complaints, compliments, PALS and Member of Parliament enquiries and Healthwatch to identify lessons learned and inform commissioning, planning and delivery decisions.
- Ensure engagement with Primary Care Networks and practices and establish feedback mechanisms so that lessons learnt from complaints, compliments and incidents are shared to improve and inform services.
- Ensure engagement with Somerset Council care sector services and providers, establishing a mechanism to share insight and intelligence so that the quality of jointly commissioned services are reviewed and all opportunities for learning and improvement are recognised.
- Receive reports on the quality and safety of services jointly commissioned with Somerset Council.

The Quality Committee is concerned with all services:

- Commissioned by the NHS (either the ICB or NHS England)
- Jointly commissioned by the NHS and local authorities
- Commissioned by local authorities from NHS and non-NHS providers.





It includes services within its population boundary regardless of whether the ICB commissions services from that provider, consideration of out of area placements and providers that cross ICS and regional boundaries. Independent providers are also included.

The focus will be on population health and ICS quality priorities, e.g. across pathways/settings with particular emphasis on reducing inequities in access, experience and outcomes.

## **Behaviours and conduct**

Committee members must adhere to ICB values, conduct, and policies, with a specific emphasis on equality and diversity in decision-making.

## **Accountability and reporting**

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

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.

The Committee will advise the Audit Committee on the adequacy of assurances available and contribute to the Annual Governance Statement.

The Committee will receive scheduled assurance reports from its delegated groups. Any delegated groups would need to be agreed by the NHS Somerset Integrated Care Board.

More specifically:

- The Committee is authorised by the ICB to undertake activity within its terms of reference.
- Members of the Committee are responsible for communicating decisions (where applicable) made through their service/management lines.
- The Committee will provide a report to the ICB Board when required.





- Updates will be presented in a composite format to include areas of learning and areas of success, concern and risk.

## Secretariat and administration

The Committee shall be supported with a secretariat function, whose duties in this respect will include:

- preparation and distribution of the agenda and papers, having been agreed by the Chair with the support of the relevant executive lead, in no less than five working days prior to a meeting, wherever possible.
- monitoring attendance of the Committee and highlighting to the Chair those that do not meet the minimum requirements.
- formally recording minutes of each meeting of the Committee.
- supporting the Committee Chair to provide a written report to the Board after each meeting which will draw attention to any issues that require disclosure to the Board, or that require executive action.
- keeping a record of matters arising and issues to be carried forward within an action log.
- Updating the Committee on pertinent issues/areas of interest/policy developments.

## Review

The Committee will review its effectiveness at least annually.

These terms of reference will be reviewed at least annually and more frequently if required, to reflect evolving healthcare needs, regulatory changes and organisational priorities. The Committee will solicit input from stakeholders and experts to ensure relevance and alignment with current healthcare commissioning practices and strategic objectives.

Any proposed amendments to the terms of reference will be submitted to the Board for approval.

Date of approval:	26 September 2024
Date of next review:	June – August 2025





## **NHS Somerset Integrated Care Board**

### **Remuneration Committee**

### **Terms of Reference (ToR)**

#### **Constitution**

The Remuneration Committee (the Committee) is established as a non-executive Committee of the Board in accordance with the Integrated Care Board (ICB) Constitution. The ToR must be published on the ICB website and can only be modified with ICB Board approval. This ensures transparency and alignment with the ICB's governing documents. Committee members are bound by the Standing Orders and other policies of the ICB.

#### **Authority**

The 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) within its remit 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, for which the membership and terms of reference of any such sub-groups shall be in accordance with the ICB's constitution, standing orders and Scheme of Reservation and Delegation (SoRD). The Committee may not delegate any decisions to such groups.





For the avoidance of doubt, in the event of any conflict, the ICB Standing Orders, Standing Financial Instructions and the Scheme of Reservation and Delegation will prevail over these terms of reference, other than the Committee being permitted to meet in private.

## Purpose

To contribute to the overall delivery of the ICB objectives by providing oversight and assurance to the Board that the ICB is discharging its statutory responsibilities in relation to paragraphs 17 to 19 of Schedule 1B to the NHS Act 2006. In summary:

- confirm the ICB Pay Policy including adoption of any pay frameworks for all employees including senior managers/directors (including board members) but excluding Non-Executive Directors<sup>1</sup> and the Chair.

The Board has also delegated the following functions to the Committee:

- oversight of the nominations and appointments process for Board members
- oversight of executive board member performance

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

## Membership and attendance

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

The Board will appoint no fewer than four members of the Committee including two Non-Executive Members of the Board. Other members of the Committee need not be members of the Board, but they may be. The Chair of the Board may be a member of the Committee but may not be appointed as the Chair.

In accordance with the constitution, the Committee will be chaired by an independent Non-Executive Member of the Board appointed on account of their specific knowledge skills and experience making them suitable to chair the Committee.

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<sup>1</sup> Non-executive Board member remuneration will be determined by the national framework with the Chair exercising limited discretion for any additional allowances.







Committee members may appoint a Vice-Chair from amongst the members.

In the absence of the Chair, or Vice-Chair, the remaining members present shall elect one of their number to Chair the meeting.

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

When determining the membership of the Committee, active consideration will be made to diversity and equality.

Other individuals may be invited to become members of the Committee as and when appropriate to meet the needs of the agenda. 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. Such attendees will not be eligible to vote:

- The ICB's most senior HR Advisor or their nominated deputy
- Any member of the Executive Team
- Chief Executive or their nominated deputy
- External consultants or partners to provide advice and guidance

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. Where an 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.

No individual should be present during any discussion relating to:

- any aspect of their own pay
- any aspect of the pay of others when it has an impact on them

Members are expected to attend 75% of meetings held each year.

### **Frequency, quoracy and decisions**

The Committee will meet at least twice a year. 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.





In accordance with the Standing Orders, the Committee may meet virtually when necessary and members attending using electronic means will be counted towards the quorum.

## **Quorum**

A quorum will be at least two Non-Executive Members who will include:

- The Chair or Vice-Chair

If any member of the Committee has been disqualified 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.

If the quorum has not been reached, then the meeting may proceed if those attending agree, but no decisions may be taken.

## **Decision making and voting**

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.

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 of the Committee will hold the casting vote.

If a decision is needed which cannot wait for the next scheduled meeting, the Chair may conduct business on a 'virtual' basis through the use of telephone, email or other electronic communication and their decisions accepted as valid and binding.

## **Responsibilities of the Committee**

The Committee's scope includes but is not limited to:

**For the Chief Executive, Executive Directors and Very Senior Managers:**

- determine all aspects of remuneration including but not limited to salary (including





- any performance-related elements) bonuses, pensions and cars
- determine arrangements for termination of employment and other contractual terms and non-contractual terms

**For all staff:**

- determine the ICB pay policy (including the adoption of pay frameworks such as Agenda for Change)
- oversee any exceptional contractual arrangements
- determine the arrangements for termination payments and any special payments following scrutiny of their proper calculation and taking account of such national guidance as appropriate

The Committee will also consider any other employment issues as the Board may delegate from time to time.

## **Benchmarking and guidance**

The Committee will take proper account of National Agreements and appropriate benchmarking, for example Agenda for Change and guidance issued by the Government, the Department of Health and Social Care, NHS England and the wider NHS in reaching their determinations.

## **Behaviours and conduct**

Committee members must adhere to ICB values, conduct, and policies, with a specific emphasis on equality and diversity in decision-making.

## **Accountability and reporting**

The Committee is accountable to the Board.

The Chair will draw to the attention of the Board any issues that require disclosure to the Board.

The Committee will provide the Board with appropriate information for inclusion within its Annual Report. This will summarise its conclusions from the work it has done during the year.





## Secretariat and administration

The Committee shall be supported with a secretariat function, whose duties in this respect will include:

- preparation and distribution of the agenda and papers in no less than five working days prior to a meeting, wherever possible
- monitoring attendance of the Committee and highlighting to the Chair those that do not meet the minimum requirements
- formally recording minutes of each meeting of the Committee
- supporting the Committee Chair to provide a written report to the Board after each meeting which will draw attention to any issues that require disclosure to the Board, or that require executive action
- keeping a record of matters arising and issues to be carried forward within an action log

## Review

The Committee will review its effectiveness at least annually.

These terms of reference will be reviewed at least annually and more frequently if required, to reflect evolving healthcare needs, regulatory changes and organisational priorities. The Committee will solicit input from stakeholders and experts to ensure relevance and alignment with current healthcare commissioning practices and strategic objectives.

Any proposed amendments to the terms of reference will be submitted to the Board for approval.

Date of approval:	26 September 2024
Date of next review:	June – August 2025

