

<b>REPORT TO:</b>	<b>NHS SOMERSET INTEGRATED CARE BOARD ICB Board Part A</b>	<b>ENCLOSURE:</b> <b>D</b>
<b>DATE OF MEETING:</b>	<b>26 September 2024</b>	
<b>REPORT TITLE:</b>	<b>Revised Governance Handbook</b>	
<b>REPORT AUTHOR:</b>	<b>Ben Edgar-Attwell, Deputy Director of Corporate Affairs</b>	
<b>EXECUTIVE SPONSOR:</b>	<b>Jade Renville, Director of Corporate Affairs</b>	
<b>PRESENTED BY:</b>	<b>Jade Renville, Director of Corporate Affairs</b>	

<b>PURPOSE</b>	<b>DESCRIPTION</b>	<b>SELECT</b>
<b>Approve</b>	To formally receive a report and approve its recommendations, (authorising body/committee for the final decision)	<input checked="" type="checkbox"/>
<b>Endorse</b>	To support the recommendation (not the authorising body/committee for the final decision)	<input checked="" type="checkbox"/>
<b>Discuss</b>	To discuss, in depth, a report noting its implications	<input type="checkbox"/>
<b>Note</b>	To note, without the need for discussion	<input type="checkbox"/>
<b>Assurance</b>	To assure the Board/Committee that systems and processes are in place, or to advise of a gap along with mitigations	<input type="checkbox"/>

<b>LINKS TO STRATEGIC OBJECTIVES</b> (Please select any which are impacted on / relevant to this paper)
<input checked="" type="checkbox"/> Objective 1: Improve the health and wellbeing of the population <input checked="" type="checkbox"/> Objective 2: Reduce inequalities <input checked="" type="checkbox"/> Objective 3: Provide the best care and support to children and adults <input checked="" type="checkbox"/> Objective 4: Strengthen care and support in local communities <input checked="" type="checkbox"/> Objective 5: Respond well to complex needs <input checked="" type="checkbox"/> Objective 6: Enable broader social and economic development <input checked="" type="checkbox"/> Objective 7: Enhance productivity and value for money

<b>PREVIOUS CONSIDERATION/ENGAGEMENT</b>
Not applicable

<b>REPORT TO COMMITTEE / BOARD</b>
<p>In November 2023 - March 2024 and ICB Governance reviewed was completed by BDO. Following this review, the Governance Handbook has been revised to take account of the amendments to the various ICB Governance documents.</p> <p>The governance handbook sets out NHS Somerset Integrated Care Board's (ICB) key governance arrangements. It is comprised of the following:</p> <ul style="list-style-type: none"> <li>• Constitution (incorporating the Standing Orders) (<i>to be approved by NHS England</i>)</li> <li>• Terms of Reference for the Committees of the ICB Board</li> <li>• Scheme of Reservation and Delegation and Standing Financial Instructions</li> </ul>

- Standards of Business Conduct and Managing Conflicts of Interest Policy
- Integrated Care Boards Establishment Order 2022

The governance handbook is published on our website at:

<https://nhssomerset.nhs.uk/about-us/governance/>

The following summary report outlines the contents of the handbook with the full documentation provided as a **Technical Appendix** to the Board of Directors' papers:

## **GOVERNANCE HANDBOOK**

### **Constitution (requires NHS England approval)**

The NHS Somerset Constitution has been updated to reflect the updated guidance published by NHS England in July 2024.

Amendments include:

- General formatting and grammar updates
- Removal of sections required for initial ICB establishment
- Includes an option to increase the number of Non-Executive Members from four to five
- Includes the option for an Associate Non-Executive Member
- Other minor amendments

The Board are asked to **endorse** the submission of the Constitution to NHS England for approval.

### **Terms of Reference for ICB Committees**

The Terms of Reference for the ICB Committees have been standardised and updated to reflect their current roles and responsibilities. Amendments include:

- Membership and attendee lists have been updated to reflect the new structures.
- All committees will be required to circulate papers, where possible, five working days in advance of meetings, rather than five calendar days.

The Terms of Reference have been reviewed by the respective Committees/leads who have endorsed the submission of the Terms of Reference to the Board for approval.

The Board are asked to **approve** the updated Terms of Reference.

### **Standing Financial Instructions**

The ICB updates its SFIs on a regular basis and were reviewed by the Audit Committee in September 2024. The key changes to the revised SFIs are as follows:

- Section 5.6 – a new section has been added to reflect the ICBs use of credit cards
- Section 5.10 – the SFIs now include an explicit statement that debtor balances of £5 or below will automatically be written off in line with NHS England Best Practice
- Section 7 – now includes sections on the ICBs Triple Lock Policy and the Health Care Services (Provider Selection Regime) Regulations 2023

- Section 8 – updated terminology reflecting the Chief People Officer role
- Section 8 – Changes to the Prepayments section to align with ‘managing public money’ guidance
- Appendices – various updates to reflect the Provider Selection Regime and Triple Lock Policy

The Board are asked to **approve** the updated Standing Financial Instructions.

## **Governance Handbook**

### **1. Purpose of the Governance Handbook**

The governance handbook sets out NHS Somerset Integrated Care Board’s (ICB) key governance arrangements. It is comprised of the following:

- Constitution (incorporating the Standing Orders) (*to be approved by NHS England*)
- Terms of the Reference for the Committees of the ICB Board and structure chart
- Scheme of Reservation and Delegation and Standing Financial Instructions
- Standards of Business Conduct and Managing Conflicts of Interest Policy
- Integrated Care Boards Establishment Order 2022

Other supporting documents include the ICB’s Operating Model and the composition and roles and responsibilities of the members of the ICB Board.

The governance handbook is published on our website at:

<https://nhssomerset.nhs.uk/about-us/governance/>

### **2. The Role of the ICB and ICS**

ICBs are statutory organisations (established 1 July 2022) that bring the NHS together locally to improve population health and deliver shared strategic priorities, connecting to partnerships across the wider Integrated Care System (ICS). NHS Somerset is responsible for commissioning health and care services for our 580,000 residents. We play a pivotal role in allocating resource, ensuring delivery and driving improvement. We can only do this by bringing organisations together to work as one integrated care system (ICS) for Somerset. By working with our local communities, voluntary and partner organisations, we will transform how we work, strengthening our collaborations with the joint goal to improve the health and wellbeing of those people that live in our fantastic county.

### **3. ICB Board and Committee Member Roles The Board**

The Board has the overall function and duty of establishing and maintaining the strategic direction of the ICB. It agrees the vision, strategy and policy, and agrees a forward plan with clear objectives to deliver the organisation’s purpose. It is accountable for governing the organisation and holds the executive and its members to account for the delivery of strategy. It must be risk-aware and receive assurance about progress against aims and targets both for the ICB and the system.

Details of NHS Somerset’s Board members can be found here:

<https://nhssomerset.nhs.uk/about-us/our-board/>

## **Composition of the Board**

In accordance with paragraph 3 of Schedule 1B to the 2006 Act, the membership of the Board of the ICB consists of:

- a) Chair
- b) Chief Executive
- c) 1 Partner Member - NHS and Foundation Trusts
- d) 1 Partner Member - Primary Medical Services
- e) 1 Partner Member - Local Authorities
- f) Up to 5 Non-Executive Members (one of which, but not the Audit Committee Chair, will be appointed Deputy Chair, and one of which, who may be the Deputy Chair or the Audit Committee Chair, will be appointed the Senior Non-Executive Member)
- g) Director of Finance (known as Chief Finance Officer)
- h) Medical Director (known as Chief Medical Officer)
- i) Director of Nursing (known as Chief Nursing Officer)
- j) Public Health Expert

These are the roles that would be considered 'voting members' of the Board.

## **Regular Participants and Observers at Board Meetings**

The Board may invite specified individuals to be Participants or Observers at its meetings in order to inform its decision-making and the discharge of its functions as it sees fit.

Participants will receive advanced copies of the notice, agenda and papers for Board meetings. They may be invited to attend any or all of the Board meetings, or part(s) of a meeting by the Chair. Any such person may be invited, at the discretion of the Chair to ask questions and address the meeting but may not vote. The following participants can be invited to attend each Board Meeting:

- a) Additional ICB Executive Directors
- b) Healthwatch
- c) Voluntary, Community, Faith and Social Enterprise (VCFSE) sector
- d) Associate Non-Executive Member

The nomination and selection process for Board members is outlined in section 3 of the NHS Somerset constitution.

## **Somerset ICB Committee Membership & Responsibilities**

Please refer to **Appendix A** to this report.

### **4. Committee Arrangements, Governance and Terms of Reference**

The governance of the Somerset ICB Board is underpinned by the following committees chaired by a Non-Executive Member:

- ICB Audit Committee
- ICB Finance Committee
- ICB Quality Committee
- ICB Primary Care Commissioning Committee
- ICB Remuneration Committee

In addition, there is an executive led ICB Management Board.

These organisational arrangements are supported by collaborative, system working arrangements and groups, which feed-up through the System Collaboration Forum, and report via the chief executives into respective boards. The Board of the Somerset ICB receives a report from the Collaboration Forum at its meetings to ensure visibility of system working arrangements.

The Terms of Reference for the Board Committees of the ICB set out the purpose, membership and responsibilities delegated to each Committee and form part of the handbook.

## **5. Functions of the ICB, Scheme of Reservation and Delegation and Standing Financial Instructions**

ICBs are statutory bodies and as such their powers, functions and duties are conferred, in the main, by legislation. Additional responsibilities for other functions may be conferred through delegation to the ICB from other bodies (such as NHS England).

The ICB must act in a way that is consistent with its statutory functions, both powers and duties. Many of these statutory functions are set out in the 2006 Act but there are also other specific pieces of legislation that apply to ICBs. Examples include, but are not limited to, the Equality Act 2010 and the Children Acts. Some of the statutory functions that apply to ICBs take the form of general statutory duties, which the ICB must comply with when exercising its functions. These duties include but are not limited to:

- a) having regard to and acting in a way that promotes the NHS Constitution (section 2 of the Health Act 2009 and section 14Z32 of the 2006 Act);
- b) exercising its functions effectively, efficiently and economically (section 14Z33 of the 2006 Act);
- c) duties in relation to children including safeguarding, promoting welfare etc (including the Children Acts 1989 and 2004, and the Children and Families Act 2014)
- d) adult safeguarding and carers (the Care Act 2014)
- e) equality, including the public-sector equality duty (under the Equality Act 2010) and the duty as to health inequalities (section 14Z35)
- f) information law, (for instance, data protection laws, such as the UK General Data Protection Regulation 2016/679 and Data Protection Act 2018, and the Freedom of Information Act 2000); and
- g) provisions of the Civil Contingencies Act 2004.

The Scheme of Reservation and Delegation (SoRD) sets out those decisions that are reserved to the ICB Board and those decisions that have been delegated to ICB committees, individuals, joint committees and other statutory organisations.

The Standing Financial Instructions (SFIs) ensure that the ICB fulfils its statutory duty to carry out its functions effectively, efficiently and economically. The SFIs are part of the ICB's control environment for managing the organisation's financial affairs as they are designed to ensure regularity and propriety of financial transactions.

## 6. Standards of Business Conduct and Managing Conflicts of Interest

Public service values must be at the heart of the NHS. High standards of corporate and personal conduct, based on a recognition that patients come first, have been a requirement throughout the NHS since its inception. Because the NHS is publicly funded, it must be accountable for its services and for the effective and economical use of taxpayers' money.

NHS Somerset's Standards of Business Conduct and Managing Conflicts of Interest policy reflects the arrangements as set out in section 6 of the Constitution, and complies with relevant legislation and guidance. It sets out NHS Somerset will manage conflicts of interests arising from the operation of its business, and how staff should manage offers of gifts and hospitality.

The Board is asked to:

- **Endorse** approval of the revised Constitution to NHS England
- **Approve** the updated Terms of Reference for ICB Committees
- **Approve** the updated Standing Financial Instructions

### IMPACT ASSESSMENTS – KEY ISSUES IDENTIFIED (please enter 'N/A' where not applicable)

<b>Reducing Inequalities/Equality &amp; Diversity</b>	N/A
<b>Quality</b>	N/A
<b>Safeguarding</b>	N/A
<b>Financial/Resource/ Value for Money</b>	N/A
<b>Sustainability</b>	N/A
<b>Governance/Legal/ Privacy</b>	ICB's are required to amend their Constitution in line with the national updates. For good governance, ICB's are also required to have updated and relevant governance documents, i.e. the Governance Handbook.
<b>Confidentiality</b>	None – this is a Public Report
<b>Risk Description</b>	N/A



## Somerset ICB Committee Membership & Responsibilities

Group Name	Membership*		Key Responsibilities
	Position	Organisation	
Management Board	Chief Executive <b>[Chair]</b>	NHS Somerset ICB	<p>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):</p> <ul style="list-style-type: none"> <li>• be responsible for operational delivery of the organisation</li> <li>• support the Chief Executive and Executive Team in delivering the organisation's objectives</li> <li>• provide a forum to discuss, understand and agree approaches to key issues impacting the delivery of the organisation's objectives</li> <li>• be the key decision-making forum in respect of operational delivery that impacts across the organisation and cannot be managed within individual services</li> </ul>
	Chief Medical Officer <b>[Deputy Chair]</b>	NHS Somerset ICB	
	Chief Finance Officer and Director of Performance and Contracting	NHS Somerset ICB	
	Chief Nursing Officer & Director of Operations	NHS Somerset ICB	
	Chief Officer for Strategy, Digital and Integration	NHS Somerset ICB	
	Chief People Officer	NHS Somerset ICB	
	Executive Director of Communications, Engagement and Marketing	NHS Somerset ICB	
	Executive Director of Corporate Affairs	NHS Somerset ICB	
	Executive Director of Public and Population Health	NHS Somerset ICB	
	Chief Pharmacist	NHS Somerset ICB	
	Deputy Chief Finance Officer and Deputy Director of Performance and Contracting	NHS Somerset ICB	
	Deputy Chief Medical Officer(s)	NHS Somerset ICB	
	Deputy Chief Nursing Officer	NHS Somerset ICB	
	Deputy Director of Corporate Services	NHS Somerset ICB	
	Deputy Medical Director	NHS Somerset ICB	
	Chief Data Officer	NHS Somerset ICB	
Director of Localities and Strategic Commissioning	NHS Somerset ICB		
Director of Primary Care	NHS Somerset ICB		



**APPENDIX A**

Group Name	Membership & Attendees*		Key Responsibilities
	Position	Organisation	
Audit Committee	<b>Members:</b>		<p>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.</p> <p>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</p> <p>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.</p>
	Non-Executive Member (who will be independent and therefore may not chair any other committees)	NHS Somerset ICB	
	<b>[Chair]</b>		
	Non-Executive Member	NHS Somerset ICB	
	Non-Executive Member	NHS Somerset ICB	
	<b>Attendees:</b>		
	Chief Finance Officer and Director of Performance and Contracting	NHS Somerset ICB	
	Representatives of internal audit	BDO	
	Representatives of external audit	Grant Thornton	
	Representatives of counter fraud	BDO	
Individuals who lead on risk management matters	NHS Somerset ICB		
Other relevant attendees as required	NHS Somerset ICB/Other		
Finance Committee	<b>Members:</b>		<p>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:</p> <ul style="list-style-type: none"> <li>reviewing the financial performance of the ICB against statutory financial targets, financial control targets and the annual commissioning plan</li> <li>reviewing the ICB's financial position and improving value schemes (QIPP) agenda and provide assurance to the Board in the delivery against annual plans</li> </ul>
	Non-Executive Member <b>[Chair]</b> (must not be the Chair of the Audit Committee)	NHS Somerset ICB	
	Non-Executive Member (who will act as Committee Vice-Chair)	NHS Somerset ICB	
	Chief Executive	NHS Somerset ICB	
	Chief Finance Officer and Director of Performance and Contracting	NHS Somerset ICB	
	<b>Attendees:</b>		
Chief Medical Officer	NHS Somerset ICB		

\*As per Terms of Reference

**APPENDIX A**

Group Name	Membership & Attendees*		Key Responsibilities
	Position	Organisation	
	Chief Nursing Officer & Director of Operations	NHS Somerset ICB	<ul style="list-style-type: none"> <li>reviewing financial performance improvement plans, identifying areas for further improvement or commissioner actions and monitors trajectories towards improvement</li> <li>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</li> <li>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</li> </ul>
	Chief Officer for Strategy, Digital and Integration	NHS Somerset ICB	
	Chief Finance Officer	Somerset NHS Foundation Trust	
	Chair of Finance Committee and Non-Executive Director	Somerset NHS Foundation Trust	
	Chief Finance Officer (or representative)	Somerset Council	

\*As per Terms of Reference

APPENDIX A

Group Name	Membership & Attendees*		Key Responsibilities
	Position	Organisation	
Quality Committee	<b>Members:</b>		<p>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.</p> <p>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.</p> <p>With regards to safety and quality improvement, the Committee will:</p> <ul style="list-style-type: none"> <li>• Promote a culture within Somerset Integrated Care System that focuses on Safety, Experience, Safeguarding and Quality Improvement and clinical effectiveness and outcomes.</li> <li>• Provide assurance on all NHS Provider services governance arrangements, patient safety and performance, through the receipt of timely insight and intelligence reports.</li> <li>• Report areas of risk, concerns, mitigations and opportunities for improvement to the NHS Somerset Integrated Care Board.</li> <li>• Have strong links with the Somerset System Quality Group and onwards to the Regional System Quality Group.</li> </ul>
	Non-Executive Member <b>[Chair]</b>	NHS Somerset ICB	
	Non-Executive Director <b>[Vice Chair]</b>	NHS Somerset ICB	
	Chief Nursing Officer and Director of Operations	NHS Somerset ICB	
	Chief Medical Officer	NHS Somerset ICB	
	1 x lay members with lived experience (e.g. Healthwatch, Patient Safety Partners)	Healthwatch/Patient Safety Partners	
	<b>Attendees:</b>		
	Deputy Chief Nursing Officer	NHS Somerset ICB	
	One Deputy Chief Medical Officer	NHS Somerset ICB	
	Associate Directors – Directorate of Quality, Safety & Improvement	NHS Somerset ICB	
	<b>Officers attending to present reports:</b>		
	Chief Pharmacist	NHS Somerset ICB	
	Associate Director of Safeguarding, Mental Health, Learning Disability and Autism	NHS Somerset ICB	
	Associate Director of Continuing Healthcare Services	NHS Somerset ICB	
	Associate Director for Health Inclusion	NHS Somerset ICB	
Head of Infection Prevention and Control	NHS Somerset ICB		
LeDeR Local Area Contact			
Quality Leads – Directorate of Quality, Safety & Improvement	NHS Somerset ICB		

\*As per Terms of Reference

**APPENDIX A**

Group Name	Membership & Attendees*		Key Responsibilities
	Position	Organisation	
Remuneration Committee	<b>Members:</b>		<p>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:</p> <ul style="list-style-type: none"> <li>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.</li> </ul> <p>The Board has also delegated the following functions to the Committee:</p> <ul style="list-style-type: none"> <li>oversight of the nominations and appointments process for Board members</li> <li>oversight of executive board member performance</li> </ul>
	Non-Executive Member <b>[Chair]</b>	NHS Somerset ICB	
	Non-Executive Member	NHS Somerset ICB	
	Non-Executive Member	NHS Somerset ICB	
	Non-Executive Member	NHS Somerset ICB	
	<b>Attendees invited as and when appropriate to meet the needs to agenda:</b>		
	The most senior HR Advisor or their nominated deputy	NHS Somerset ICB	
	Any member of the Executive Team	NHS Somerset ICB	
Chief Executive or their nominated deputy	NHS Somerset ICB		
External consultants or partners to provide advice and guidance	External organisation(s)		

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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.

\*As per Terms of Reference

**APPENDIX A**

Group Name	Membership & Attendees*		Key Responsibilities
	Position	Organisation	
Primary Care Commissioning Committee	<b>Members:</b>		<p>The purpose of the Committee is to carry out the functions relating to the commissioning of primary medical services, including provision of pharmaceutical, ophthalmic, and dental services, securing the provision of comprehensive and high quality primary medical services in Somerset, making recommendations to the Integrated Care Board as appropriate.</p> <p>The Committee will be responsible for leading the development and implementation of the Primary Care Strategy, making recommendations for its approval to the Integrated Care Board.</p>
	Non-Executive Member <b>[Chair]</b>	NHS Somerset ICB	
	Non-Executive Member <b>[Vice Chair]</b>	NHS Somerset ICB	
	Non-Executive Member	NHS Somerset ICB	
	Chief Finance Officer and Director of Performance and Contracting or nominated deputy	NHS Somerset ICB	
	Chief Medical Officer	NHS Somerset ICB	
	Chief Nursing Officer or nominated deputy	NHS Somerset ICB	
	Deputy Chief Medical Officer	NHS Somerset ICB	
	Director of Primary Care	NHS Somerset ICB	
	Associate Director of Primary Care	NHS Somerset ICB	
	Dental Clinical Lead		
	Patient Representative (PPG Chairs)	PPG Group(s)	
	Representative for Public Health (this individual will also represent the Somerset Health and Wellbeing Board)	Public Health	
	<b>Attendees:</b>		
	NHS England Head of Primary Care or nominated representative	NHS England	
	Somerset GP Provider Board representative	Somerset GP Provider Board	
Somerset Local Representative Committee representatives (LMC/LPC/LOC/LDC)	LMC/LPC/LOC/LDC		
Somerset Healthwatch representative	Healthwatch		

\*As per Terms of Reference