

REPORT TO:	NHS SOMERSET INTEGRATED CARE BOARD ICB Board Part A	ENCLOSURE: L
DATE OF MEETING:	27 March 2025	
REPORT TITLE:	Establishment of a Strategic Commissioning Committee	
REPORT AUTHOR:	Jade Renville, Director of Corporate Services and Affairs	
EXECUTIVE SPONSOR:	David McClay, Chief Officer for Strategy, Digital & Integration	
PRESENTED BY:	David McClay, Chief Officer for Strategy, Digital & Integration Jade Renville, Director of Corporate Services and Affairs	

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

LINKS TO STRATEGIC OBJECTIVES (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

PREVIOUS CONSIDERATION / ENGAGEMENT
Discussions internally within the ICB and verbal updates at development sessions of the ICB Board.

REPORT TO COMMITTEE / BOARD
<p>The proposed purpose in establishing a strategic commissioning committee is to contribute to the overall delivery of the ICB's objectives by providing oversight and assurance to the Board that the ICB is discharging its statutory responsibility for commissioning services that meet the needs of its population. The commissioning of services by the ICB is driven by the need to meet its core purpose defined by the four aims:</p> <ul style="list-style-type: none"> a) improve outcomes in population health and healthcare b) tackle inequalities in outcomes, experience and access c) enhance productivity and value for money d) help the NHS support broader social and economic development.

The Board, through this committee, has a role in ensuring that its commissioning strategies and plans are aligned and support the delivery of these aims, the system's integrated care strategy and the 'three shifts' defined in the 10-year health plan (moving care from hospitals to the community, embracing digital transformation, and shifting from treatment to prevention). The committee will also assure the Board the commissioning decisions are underpinned by data and evidence.

It is intended that this committee will provide assurance at a strategic level, and replace the existing Primary Care Commissioning Committee as a Committee of the Board, instead ensuring there is greater oversight of the totality of the ICB's commissioned services. The important functions of the Primary Care Commissioning Committee will not be lost, and instead sit within the overarching portfolio of the Strategic Commissioning Committee, with an operational group reporting in. Other sub-groups may be created to ensure the Strategic Commissioning Committee can serve its purpose and role.

Draft terms of reference are included in Appendix 1 (setting out the purpose, responsibilities and membership of the committee in more detail) and Appendix 2 contains an overview of the responsibilities of the other assurance committees of the ICB Board for context.

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

Reducing Inequalities/Equality & Diversity	Committee proposed to oversee the commissioning of services that meet its four aims, including to improve outcomes in population health and to tackle inequalities.
Quality	See above
Safeguarding	N/A
Financial/Resource/ Value for Money	Committee proposed to oversee the commissioning of services that meet its four aims, including to enhance productivity and value for money and help the NHS support broader social and economic development
Sustainability	Committee proposed to oversee the commissioning of services that meet its four aims, including to help the NHS support broader social and economic development.
Governance/Legal/ Privacy	Committee to be established in line with the ICBs constitutional documentation.
Confidentiality	N/A
Risk Description	N/A



NHS Somerset

Strategic Commissioning Committee

Terms of Reference (ToR)

Introduction and Constitution

The Strategic Commissioning Committee is established as a committee of the Board in accordance with Somerset Integrated Care Board's (ICB) Constitution. These terms of reference must be published and can only be modified with Board approval. This ensures transparency and alignment with the ICB's constitutional and governing documents, by which committee members are required to abide.

Purpose

To contribute to the overall delivery of the ICB's objectives by providing oversight and assurance to the Board that the ICB is discharging its statutory responsibility for commissioning services that meet the needs of its population. The commissioning of services by the ICB is driven by the need to meet its core purpose defined by the four aims:

- a) improve outcomes in population health and healthcare
- b) tackle inequalities in outcomes, experience and access
- c) enhance productivity and value for money
- d) help the NHS support broader social and economic development.

The Board, through this committee, has a role in ensuring that its commissioning strategies and plans are aligned and support the delivery of these aims, the systems integrated care strategy and the 'three shifts' defined in the 10-year health plan (moving care from hospitals to the community, embracing digital transformation, and shifting from treatment to prevention). The committee will also assure the Board the commissioning decisions are underpinned by data and evidence.

Additionally, the committee has responsibility to ensure that the ICBs strategic commissioning framework is developed to reflect the core purpose of the ICB and that the organisation has the capacity and capability to deliver this.





Key Areas of Focus and Responsibilities of the Committee

- To ensure that the ICB develops a strategic commissioning framework that reflects national best practice and supports delivery of the purpose (four aims) of the ICB.
- To assure the Board that the ICBs strategic commissioning framework delivers the requirements of the 10-year health plan. This includes, but is not limited to:
 - a. Ensuring the ICB develop plans that enable partners within the system to deliver person-centred care; and
 - b. Supports a 'shift' of resource towards neighbourhood, community and primary care
- To ensure that the strategy and delivery plan for integrated neighbourhood health is aligned and meets the needs within the geography of Somerset.
- To assure the ICB Board that the ICB has the necessary data and analytic capabilities to support its commissioning decisions.
- To assure the Board that the ICBs commissioning strategy and plans focus on delivering improved outcomes for the population of Somerset.
- Strengthening how the ICB assures itself that, through its commissioning framework, it is identifying and addressing identified inequity, as identified, for example, by the joint strategic needs assessment.
- To assure the Board that there is visibility of all commissioned services for the Somerset population, gaining assurance on the processes for monitoring these, with a particular focus on how they contribute to improving outcomes for the Somerset population.
- To assure the Board that the ICB's annual commissioning intentions support the delivery of the four aims and deliver improved outcomes for the people of Somerset.
- To oversee and assure the Board on any major procurements undertaken in line with the ICBs commissioning intentions.
- Assure the Board that any joint and co-commissioning arrangements with





Somerset Council and external NHS bodies are robust and meet the needs of the Somerset population.

- Seek assurance over how mechanisms such as pooled, shared and personal budgets are being used to enable better outcomes for people.
- Obtain assurance that the needs of the Somerset population are being clearly considered via the Principal Commissioner model and the Joint Committee for delegated specialised services.
- The Committee will also discharge any mandatory requirements with regards to primary care and specialised commissioning.

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

Authority

The Board has delegated authority to the Committee as set out in its Scheme of Reservation and Delegation and may be amended from time to time.

The Strategic Commissioning Committee can be 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 sub-groups as required to take forward specific programmes of work as considered necessary. The committee may delegate some tasks to such individuals, sub committees or individual members as it shall see fit, provided that





any such delegations are consistent with the parties' relevant governance arrangements, are in line with the Scheme of Reservation and Delegation, are governed by terms of reference approved by this Committee and reflect appropriate arrangements for the management of conflicts of interest.

The Strategic Commissioning Committee will take assurance from the ICB Management Board, the Primary Care Operational Group (which will report to the Strategic Committee) and System Collaboration Forum.

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.

Membership and attendance

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

The Committee shall comprise:

- Committee Chair: ICB Non-Executive Director
- Committee Vice-Chair: Non-Executive Director
- ICB Chief Officer for Strategy, Digital & Integration
- ICB Chief Medical Officer
- ICB Chief Nursing Officer
- ICB Chief Finance Officer & Director of Performance
- Director of Public Health
- Somerset Council Director of Adult Services or Director of Children's Services
- ICB Director of Population Health & Inequalities

In attendance:

- ICS Chief Data Officer
- Director of Primary Care
- Director of Localities and Strategic Commissioning
- Lay member (TBC)

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 attend 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.

Frequency, quoracy and decisions

The Committee will meet on a bi-monthly basis, with the frequency to be reviewed after an initial 12-month period. Additional meetings may take place as required.

The Board, Chair or Chief Executive may ask the Commissioning 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 three voting members as a minimum, who will include:

- Non-Executive Chair or Vice-Chair
- ICB Chief Officer for Strategy, Digital & Integration
- ICB Chief Medical Officer or ICB Chief Nursing Officer

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.

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;
- Recording of members' appointments and renewal dates and the Board is prompted to renew membership and identify new members where necessary;
- 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:	
Date of review:	



Appendix 2 – Overview of ICB Governance Arrangements

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) (*Approved by NHS England*)
- Terms of Reference for the Committees of the ICB Board
- 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

The governance handbook is published on our website at: <https://nhssomerset.nhs.uk/about-us/governance/>

A summary of the purpose and the roles and responsibilities of the assurance committees of the ICB, as set out within their terms of reference, and cross referenced with the Standing Financial Instructions (SFIs), is included within this paper.

Assurance Committees of the ICB (Chaired by a Non-Executive Director)

- Audit Committee
- Finance Committee
- Quality Committee
- Remuneration Committee
- Strategic Commissioning Committee (proposed); replacing the PCCC as a Committee of the ICB Board.

Executive Groups

The purpose of ICB **Management Board** (as described within its terms of reference) is 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.

In addition, there a range of '**ICS system groups**' that have been convened as a way of facilitating collaboration between the constituent organisations within the Somerset Integrated Care System (ICS), e.g., the Elective Care Delivery Group, Digital Delivery Group, Urgent Care Delivery Group etc. These are overseen by a 'system executive function', known as the Collaboration Forum, which is responsible for driving the delivery of the overall health and care strategy that is established by the Integrated Care Partnership.

Individuals that form part of these groups are able to act within the level of authority and the powers granted to them by way of their constituent bodies' policies and make decisions only on that basis. Organisational governance arrangements and financial limits and decision making still apply. Updates will be provided via executive reports into the Board.

AUDIT COMMITTEE - TERMS OF REFERENCE OVERVIEW

Purpose: To provide oversight and assurance to the Board on the adequacy of governance, risk management and internal control processes within the ICB.

Summary of Responsibilities:

Governance, Risk and Internal Control

- Seek assurance as to the adequacy and effectiveness of governance, risk management, and internal control systems.
- Ensure financial systems comply with DHSC's Group Accounting Manual.
- To ensure that the ICB acts consistently with the principles and guidance established in HM Treasury's Managing Public Money.

Internal Audit

- Ensure there is an effective internal audit function that meets Public Sector Internal Audit Standards and provides appropriate independent assurance to the Board.
- Review and approve the annual internal audit plan.
- Consider 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 Monitor effectiveness of internal audit and conduct annual reviews.

External Audit

- Review and monitor external auditor's independence and objectivity and the effectiveness of the external audit process.
- Consider appointment and performance of external auditors.
- Discuss and agree audit scope and plan with external auditors.
- Review external audit reports and management responses.

Counter Fraud

- Seek assurance of adequate arrangements for counter fraud, bribery, and corruption (including cyber security) that meet NHS Counter Fraud Authority standards.
- Review, approve, and monitor counter fraud work plans.
- Receive regular updates on counter fraud activity.
- Ensure submission of annual reports and self-review assessments.
- Report concerns of suspected fraud to NHSCFA.

Information Governance (IG) and Cyber

- Receive updates on IG compliance, data breaches, and related issues. This is normally achieved via the annual report.
- Review Data Security and Protection Toolkit assurance reports
- 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

- Monitor integrity of financial statements of the ICB.
- Ensure completeness and accuracy of financial reporting systems.
- Review annual report and financial statements before submission to the Board.

Other Assurance Functions

- Review findings of assurance functions and implications for governance.
- Review work of other committees where necessary to provide relevant assurance.
- Review assurance processes related to financial performance.
- Consider findings of external bodies and their implications for governance.

AUDIT COMMITTEE - SFIs OVERVIEW (WHERE NOT IN ToR)

Non-compliance with the SFIs shall be reported to the Audit Committee.

Where it is decided that competitive tendering is not applicable and should be waived; waivers for the value of £50,000 and above must be reported to the Audit Committee.

Debt management; amount below £250 written off following approval of the Chief Financial Officer or Deputy Chief Financial Officer, or any automatic write-offs below £5 will be reported to Audit Committee on at least an annual basis.

Procurement and purchasing; retrospective expenditure approval should not be permitted. Any such retrospective breaches require approval from any committee responsible for approvals before the liability is settled. Such breaches must be reported to the ICB Audit Committee.

All losses and special payments (including special severance payments) must be reported to the ICB Audit Committee.

FINANCE COMMITTEE - TERMS OF REFERENCE OVERVIEW

Purpose: 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. Hold the ICB executive team to account for delivery of the financial plan.

Summary of Responsibilities:

Financial Planning and Performance

- Oversee and recommend to the Board the 5-year financial recovery plan and annual financial plan that reflects the prioritised commissioning plan for the ICB.
- Receive reports on ICS's financial performance, including contract activity, in-year financial position, variances, and progress towards targets.
- Monitor delivery against saving programmes and operational plan objectives.
- Review financial implications of performance improvement opportunities.
- Oversee development of the annual finance plan.
- 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 procurement and contract award processes taking place.
- Approval of ICB's contract for commissioning and corporate support.
- Support the ICS Procurement Policy in line with legislative requirements.

Policies and Procedures

- Approve financial procedures, policies, and strategies relevant to the Committee.

Risk Management (via review of the Corporate Risk Register and the BAF)

- Receive assurance on the management of financial risks.
- Act as an assurance committee to highlight high risks and issues to the Board.
- Review and update finance risks escalated to the Board.

FINANCE COMMITTEE SFIs OVERVIEW - (WHERE NOT IN ToR)

Contracting/Tendering Procedure; Invitation to Tender

Approval must be sought from the Somerset ICB Finance Committee before commencement of a formal contract/tendering procedure and release of invitations to tender documentation.

Authorisation of Tenders and Competitive Quotations

Providing all the conditions and circumstances set out in the SFIs have been fully complied with, formal authorisation and awarding of a contract may be decided by the following staff to the value of the contract (over the full contract life cycle including VAT) as follows:

Designated budget holders - up to £50,000

Directors - up to £500,000

Accountable Officer and Chief Financial Officer - up to £10,000,000

ICB Board - over £10,000,000

All contracts must also be supported by the Somerset ICB Finance Committee before formal authorisation and award. All process undertaken for appointing a provider for contracts with a value exceeding £10,000,000 must be reviewed by the ICB Finance Committee for recommendation to the ICB Board for authorisation and award.

QUALITY COMMITTEE - TERMS OF REFERENCE OVERVIEW

Purpose: The ICB Quality Committee provides 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. This includes reducing inequalities in the outcomes of care and improving access to health care in an inclusive way. The Committee exists to seek assurance 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.

Summary of Responsibilities:

- Quality surveillance and management: ensure robust processes for monitoring and managing service quality.
- Scrutinise structures in place to support all aspects of quality, including assurance, oversight, planning, insight, impact and improvement.
- Openness and transparency: Promote a culture of openness, timely action, and learning from areas of concern.
- Set and propose key quality priorities for the ICB strategy/annual plan.
- Monitor and ensure delivery of statutory quality requirements.
- Corporate risk register and BAF: Review and monitor quality-related risks.
- Regulatory compliance: Oversee compliance with directives, regulations, and best practices from health authorities.
- Oversee and seek assurance on the effective and sustained delivery of the ICB's quality improvement programmes.
- Ensure mechanisms are in place to review and monitor the effectiveness of the quality of care delivered by providers, localities, and neighbourhoods.
- Seek assurance that the ICB identifies lessons learned for quality improvement from all relevant sources and insight.
- Receive assurance that the ICB has effective and transparent mechanisms in place to monitor mortality and that it learns from death.
- Ensure compliance with safeguarding responsibilities.
- Ensure compliance with statutory responsibilities for infection prevention and control.
- Ensure compliance with medicines optimisation and safety responsibilities.
- Engage with relevant system quality groups and forums.

Operationally the Quality Committee undertakes the following actions:

- Monitor the effectiveness of the quality directorate work programmes.
- Oversee patient safety incidents and action plans.
- Share lessons from various reviews to improve service quality.
- Monitor mortality and review findings and the implementation of improvement actions.
- Monitor progress across quality metrics and promote harm-free care across all health and care providers.
- Receive assurance that that service redesign proposals have prioritised quality and safety alongside service delivery efficiency.
- Oversee the integrated quality dashboard.
- Ensure engagement with providers of health and care services
- Receive reports on patient experience of NHS and care services to ensure all opportunities for learning and improvement are recognised.
- Receive reports on the quality and safety of services jointly commissioned with Somerset Council.

RENUMERATION COMMITTEE - TERMS OF REFERENCE OVERVIEW

Purpose: 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 and the Chair.

Summary of Responsibilities:

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.