

## Finance, Performance and Investment Committee of North East London ICB

### TERMS OF REFERENCE

<b>Status</b>	<ol style="list-style-type: none"><li>1. The Finance, Performance and Investment Committee (“the Committee”) is established by the Integrated Care Board (“the ICB”) as a Committee of the Board of the ICB (“the Board”).</li><li>2. These Terms of Reference set out the membership, the remit, responsibilities and reporting arrangements of the Committee and may only be changed with the approval of the Board. Additionally, the membership of the Committee must be approved by the Chair of the Board.</li><li>3. The Committee and all of its members are bound by the ICB’s Constitution, Standing Orders, Standing Financial Instructions, policies and procedures of the ICB.</li></ol>
<b>Authority</b>	<ol style="list-style-type: none"><li>4. The Committee is authorised by the Board to take all necessary actions to fulfil the remit described within these terms of reference, including obtaining professional (including legal) advice, commissioning reports and creating groups. The Committee will follow the processes described by the Board for commissioning any professional advice. The Committee may establish groups to assist the committee to undertake its functions but it cannot delegate decisions to such groups.</li><li>5. In reliance on its authority, the Committee has established the Primary Care Contracts Sub-Committee and Investment Review Group.</li></ol>
<b>Purpose</b>	<ol style="list-style-type: none"><li>6. The Committee is established to provide assurance and oversight to the Board on the robustness of the short and long term financial strategy and management for the ICB.</li><li>7. The Committee will provide assurance to the ICB on operational performance as it relates to the Operational Planning guidance for acute and non-acute metrics, both constitutional and non-constitutional standards as appropriate.</li><li>8. 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.</li></ol>
<b>Responsibilities of the Committee</b>	<ol style="list-style-type: none"><li>9. The Committee will oversee and take any necessary decisions in the following areas in line with the operating principles and strategic priorities of the ICS as set out in the Handbook. The Committee will ensure that</li></ol>

the ICB's commitment to resident participation as a right and addressing health inequalities is considered in making all decisions.

10. The Committee will work with other governance structures across the ICB (not limited to committees, sub-committees, groups and advisory forums) in order to ensure there is collaboration on decisions relating to financial strategy and management; as well as in year financial operations. The Committee will have a number of working groups that will report into it; these include transformation and also procurement.
11. In addition the Committee will have the following core responsibilities:
  - (a) To review the financial allocations and budget for the current financial year and make recommendations to the Board for formal authorisation.
  - (b) Provide oversight and development of the five year strategic financial plan for the ICB.
  - (c) Review and approve allocation of contingency funding to members of the ICB based against defined metrics. This is to include transformation, productivity and to aid the reduction of health inequalities.
  - (d) Approve business cases for strategic investment that are in line with the SORD and meet the needs of the priorities of the ICB
  - (e) To review and monitor the financial strategy and operational financial plans of the ICB and the current and forecast financial position of the overall ICB budget.
  - (f) To review and monitor system wide operational performance in accordance with national operational planning guidance and advise on risks and mitigations.
  - (g) Consider and review ongoing financial reports and the Annual Statement to be presented to the ICB Board. Incorporating financial performance against budget, targets, financial risk analysis, forecasts and statements on the rigor of underlying assumptions to ensure statutory financial duties are met;
  - (h) Providing assurance to the ICB Board about delivery and sustained performance of contracts held by the ICB.
  - (i) Where required, the Committee will consider and review any external financial monitoring returns and commentary.
  - (j) To receive reports from the sub-committees and groups on their work, and the decisions made
  - (k) To ensure there is development of policies that sit under the remit of the Chief Finance and Performance Officer.

- (l) To approve policies that sit under the remit of the Chief Finance and Performance Officer
- (m) To receive regular reports on new and emerging risks and monitor the risks on the committee's risk register.

12. The Committee's duties will also include the following matter under its 'performance' remit:

- (a) The Committee, will work across the provider collaboratives and place based partnerships in accordance with the NEL ICS Oversight and Assurance Framework to ensure a proportionate and risk based approach to Performance oversight. The relationship with the NHS London regional team will be in accordance with the MoU and as such regional feedback will be shared with the Committee alongside provider collaborative approaches to performance improvement strategies as appropriate.
- (b) The Committee will also be updated on progress of the ICB and of Trusts in accordance with the NHS SOF Framework,
- (c) The Committee will oversee the annual operational planning process for activity and performance ensuring alignment to workforce and financial planning processes.

### Chairing arrangements

13. The Committee will be chaired by a Non-Executive Member, appointed on account of their specific knowledge, skills and experiences making them suitable to chair the Committee and will agree the Committee's agenda and ensure that its work and discussions meet the objectives set out in these terms of reference.

14. Committee members may appoint a Vice Chair from amongst the members. If a Chair has a conflict of interest then the Vice Chair or, if necessary, another member of the Committee will be responsible for deciding the appropriate course of action.

### Membership

15. The Committee members will be appointed by the Board in accordance with the ICB Constitution and the Chair of the ICB will approve the membership of the Committee.

16. The Committee shall have 7 members as follows:

- (i) Chief Finance and Performance Officer
- (ii) Non-Executive Member
- (iii) Non-Executive Member
- (iv) Non-Executive Member
- (v) Primary Care Partner Member

## Participants

(vi) Local Authority Partner Member of nominated representative

(vii) NHS Trust Partner Member or nominated representative

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

18. Only members of the Committee have the right to attend Committee meetings, but the Chair may invite relevant ICB and partner system staff to the meeting as necessary in accordance with the business of the Committee.

## Meetings, Quoracy and Decisions

19. The Committee will operate in accordance with the ICB's governance framework, as set out in its Constitution and Handbook and wider ICB policies and procedures, except as otherwise provided below:

### Scheduling meetings

20. The Committee shall ordinarily meet on a bi-monthly basis, with a minimum of six meetings each financial year. Additional meetings may be convened on an exceptional basis at the discretion of the Chair.

21. 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.

### Quorum

22. For a meeting to be quorate there must be four members, which must include:

(a) Three members from the Integrated Care Board

23. 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.

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

### Voting

25. 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 simple 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. The result of the vote will be recorded in the minutes.

### Papers and notice

26. A minimum of seven clear working days' notice is required of the date and time of a meeting. Notice of all meetings shall comprise venue, time

and date of the meeting, together with an agenda of items to be discussed. Supporting papers must be distributed at least five clear working days ahead of the meeting.

27. On occasion it may be necessary to arrange urgent meetings at shorter notice. In these circumstances the Chair will give as much notice as possible to members. Urgent papers shall be permitted in exceptional circumstances at the discretion of the Chair.

#### Virtual attendance

28. It is for the Chair to decide whether or not the Committee will meet virtually by means of telephone, video or other electronic means. Where a meeting is not held virtually, the Chair may nevertheless agree that individual members may attend virtually. Participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting. How a person has attended a meeting shall be specified in the meeting minutes.

#### Recordings of meetings and publication

29. Except with the permission of the Chair, no person admitted to a meeting of the Committee shall be permitted to record the proceedings in any manner whatsoever, other than in writing

#### Confidential information

30. Where confidential information is presented to the Committee, all those who are present will ensure that they treat that information appropriately in light of any confidentiality requirements and information governance principles.

#### Meeting minutes

31. The minutes of a meeting will be formally taken in the form of key points of debate, actions and decisions and a draft copy circulated to the members of the Committee together with the action log as soon after the meeting as practicable. The minutes shall be submitted for agreement at the next meeting where they shall be signed by the Chair.

#### Governance support

32. Governance support to the Committee will be provided by the ICB's governance team.

#### Conflicts of interest

33. Conflicts of interest will be managed in accordance with the policies and procedures of the ICB and those contained in the Handbook and shall be consistent with the statutory duties contained in the National Health Service Act 2006 and any statutory guidance issued by NHS England.

34. Members will be expected to behave and conduct business in accordance with:

	<ul style="list-style-type: none"> <li>(a) The ICB’s policies and procedures including its Constitution, Standing Orders and Standards of Business Conduct Policy which sets out the expected behaviours that all members of the Board and its committees will uphold whilst undertaking ICB business;</li> <li>(b) The NHS Constitution;</li> <li>(c) The Nolan Principles;</li> </ul> <p>35. Members must demonstrably consider equality, diversity and inclusion implications of the decisions they make.</p>
<p><b>Accountability and Reporting</b></p>	<p>36. The Committee is accountable to the Board and shall report to the Board on how it discharges its responsibilities.</p> <p>37. Exception reports will be presented to the ICB Board by the Chair of the committee. The minutes of the committee will be presented to the ICB Board once approved by the committee.</p> <p>38. 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.</p> <p>39. The Committee will provide the Board with an Annual Report, the report will summarise its conclusions from the work it has done during the year.</p>
<p><b>Review</b></p>	<p>40. The Committee will review its effectiveness at least annually.</p> <p>41. These ToR will be reviewed at least annually and more frequently if required. Any proposed amendments to the ToR will be submitted to the Board for approval.</p>

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