NHS
North East London
Integrated Care Board

Contracts Sub-Committee

TERMS OF REFERENCE

Status	1. The Board of the ICB has established the Finance and Investment Committee (the "**FIC**") and, in turn, the Contracts Sub-Committee ("the **sub-committee**") is established as an executive sub-committee of the FIC, replacing the Primary Care Contracts Sub-Committee, which is disestablished. 2. These Terms of Reference set out the membership, the remit, responsibilities and reporting arrangements of the sub-committee and may only be changed with the approval of the FIC and the Board. Additionally, the membership of the sub-committee must be approved by the Chair of the Board. 3. The sub-committee and all of its members are bound by the ICB's Constitution, Standing Orders, Standing Financial Instructions, policies and procedures of the ICB.
Relationship with other committees	4. The sub-committee will operate as part of the ICB's wider commissioning and governance framework and will maintain a clear and effective relationship with the Commissioning Sub-Committee. 5. Where commissioning strategies, service models or procurement approaches are developed or overseen by the Commissioning Sub-Committee, the Contracts Sub-Committee will provide assurance on the contractual, commercial and financial aspects of proposed contract awards and contract variations. 6. The Chairs of the respective committees will ensure appropriate alignment, information flow and escalation arrangements are in place to support coherent decision-making and assurance across the commissioning lifecycle.
Authority	7. The sub-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 sub-committee will follow the processes described by the Board for commissioning any professional advice. 8. The sub-committee does not have the authority to delegate any functions delegated to it. However, the sub-committee may establish groups (e.g. working, advisory or task and finish groups), which do not have any decision-making powers but may inform the work of the sub-committee. Such groups must operate under terms of reference approved by the sub-committee, and these must reflect appropriate arrangements for the management of conflicts of interest.

Purpose and responsibilities

9. The role of the sub-committee shall be to oversee the exercise of functions relating to contract awards and contract management, including associated financial and commercial matters, and to provide assurance to the Finance and Investment Committee and the Board on all proposed contract awards, whether the decision to award is delegated to the sub-committee or reserved to the Finance and Investment Committee, in accordance with the ICB's Scheme of Reservation and Delegation.

10. The specific matters delegated to the sub-committee are set out in the ICB's Scheme of Reservation and Delegation and any associated operational schemes of delegation. The sub-committee is authorised by the ICB to take decisions in relation to those matters described in the scheme(s), subject to applicable procurement and contracting rules and the management of conflicts of interest.

    (i) In the first part, to bring together all delegated and non-delegated primary care contracting decisions within a single executive forum.

    (ii) In the next part, to extend the remit to cover contract awards across all healthcare services including primary care, the independent sector and NHS provider Trusts, up to the value of £xxxm (or such other limit as set out in the Scheme of Reservation and Delegation).

    (iii) To ensure decisions are taken with appropriate commercial, financial, quality and clinical input, and that decisions are properly recorded and reported through the ICB governance framework.

11. Financial management in relation to contract awards will be assured through the sub-committee, which may escalate matters to the FIC where required by the Scheme of Reservation and Delegation, the Standing Financial Instructions, or where matters are novel, contentious or repercussive.

12. The sub-committee shall provide assurance on the robustness, compliance and value for money of all contract award proposals, including those where the decision to award is ultimately taken by the Finance and Investment Committee.

13. This assurance will include consideration of procurement compliance, commercial and financial risk, affordability, value for money, quality and clinical considerations, and the management of conflicts of interest. The sub-committee will ensure that contract award recommendations are supported by appropriate documentation and are escalated with clear assurance commentary where decisions sit outside its delegated authority.

14. The sub-committee's assurance responsibilities will be facilitated by receiving reports and advice from relevant directorates and groups (as appropriate to the scope of items being considered), including finance, contracting, commissioning, quality and clinical leadership.

Key duties relating the exercise of the sub-committee's functions

15. The ICB's responsibilities relating to primary care have been delegated to it by NHS England in reliance on section 65Z5 of the NHS Act 2006 and in accordance with the Primary Care Delegation Agreement. The sub-committee shall ensure that it adheres to the agreement at all times and the requirements of any assurance arrangements made by NHS England.

16. The Delegation Agreement imposes wide-ranging contractual obligations on the ICB and refers to relevant guidance documents, policy and expectations, and Mandated Guidance issued by NHS England from time-to-time.[1] In certain circumstances, decisions may require the approval of the ICB's Chief Executive Office or Chief Finance and Performance Officer and require approval of NHS England in accordance with the financial limits set out in the Delegation Agreement, which includes where a matter in relation to the Delegated Functions is *novel contentious or repercussive*[2]. The sub-committee will ensure that it takes advice on any matter where these requirements may apply and escalate matters as appropriate.

17. In relation to Pharmacy, Optometry and Dentistry services (PODS), the sub-committee shall also take into account any advice, guidance or recommendations made by the London Commissioning Oversight Group (COG).

Chairing arrangements

18. The sub-committee will be chaired by the Chief Finance Officer (or nominated deputy) who will agree the sub-committee's agenda and ensure that its work and discussions meet the objectives set out in these terms of reference.

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

Membership

20. The sub-committee members shall be appointed by the Board in accordance with the ICB Constitution and the Chair of the ICB will approve the membership of the sub-committee.

21. The sub-committee shall have 7 members as follows:

    (a) Independent Clinical Chair

    (b) Chief Finance Officer or nominated deputy

    (c) Chief Clinical & Quality Commissioning Officer or nominated clinical deputy

[1] See Schedule 9 of the Delegation Agreement.
[2] See Schedule 5 of the Delegation Agreement.

(d) Director for Primary Care or nominated deputy

(e) Director for Proactive Care or nominated deputy

(f) Director for Acute Commissioning or nominated deputy

(g) Director of Procurement and Contracting or nominated deputy

Participants

22. Only members of the sub-committee have the right to attend meetings, but the Chair may invite relevant staff to the meeting as necessary in accordance with the business of the sub-committee.

23. The following will have a standing invitation to attend for part of the meeting of the sub-committee when items relating to primary care are discussed

    (a) Representatives from Healthwatch and the Local Medical Committee (London-wide and Barking & Dagenham and Havering), Local Dental Committee, Local Optical Committee and Local Pharmaceutical Committee.

24. The sub-committee may, invite others to attend meetings to support the sub-committee in discharging its responsibilities.

Meetings Quoracy and Decisions

25. The sub-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

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

27. The Board, Chair, Chief Executive or FIC may ask the sub-committee to convene further meetings to discuss particular issues on which they want the sub-committee's advice.

Quoracy

28. For a meeting to be quorate there must be four members present.

29. If any member of the sub-committee has been disqualified from participating on an item in the agenda, by reason of a declaration of conflicts of interest, then that individual shall no longer count towards the quorum.

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

Voting

31. Decisions will be taken in accordance with the Standing Orders. The sub-committee will ordinarily reach conclusions by consensus. When this is

not possible, the Chair may call a vote. Only members of the sub-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 sub-committee will hold the casting vote. The result of the vote will be recorded in the minutes.

Papers and notice

32. A minimum of five 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 also be distributed at least five clear working days ahead of the meeting.

33. 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 virtual meeting by email or MS teams shall be permitted in exceptional circumstances (i.e. remedial action) at the discretion of the Chair.

Virtual attendance

34. It is for the Chair to decide whether or not the sub-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

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

Confidential information

36. Where confidential information is presented to the sub-committee, all those who are present will ensure that they treat that information appropriately in light of any confidentiality requirements and information governance principles. This includes any information governance requirements expected of the ICB under the Delegation Agreement (e.g. clauses 17 and 21) and the MOU (e.g. clause 22).

Meeting minutes

37. 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 sub-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

38. Governance support to the sub-committee will be provided by the ICB's governance team.

Conflicts of interest

39. 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.

40. The ICB acknowledges that it shall comply with sections 17 and 23 of the MOU which, in summary, requires the ICB to:

    (a) Openly declare conflicts of interest in any decision-making forum convened for the purposes of making a decision under the provisions of the MOU.

    (b) Comply with relevant guidance and maintain a publicly available register of interests in respect of all persons making decisions concerning the functions set out in the MOU.

Behaviours and Conduct

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

    (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;

    (b) The NHS Constitution;

    (c) The Nolan Principles;

42. Members must demonstrably consider equality diversity and inclusion implications of the decisions they make.

Accountability and Reporting

43. The sub-committee is accountable to the FIC and shall report to the FIC on how it discharges its responsibilities and its assurance role in relation to contract awards, including highlighting any significant risks, issues or themes arising from its work.

44. The sub-committee will submit copies of its minutes or a report to the FIC following each of its meetings.

45. The sub-committee will provide the FIC with an annual report. The report will summarise its conclusions from the work it has done during the year.

Review

46. The sub-committee will review its effectiveness at least annually or more frequently if required.

	47. These terms of reference will be reviewed at least annually and more frequently if required. Any proposed amendments to the terms of reference will be submitted to the FIC and the Board for approval.

Date of approval:	30 September 2026
Date of review	September 2027
Version:	1.0

Annex 1 – Key Documents

Delegation Agreement	https://northeastlondon.icb.nhs.uk/wp-content/uploads/2023/07/NEL-Primary-Care-and-Dental-Delegation-Agreement-FINAL.pdf
Memorandum of Understanding (PODS), including the Terms of Reference for the Commissioning Oversight Group	MOU POD Services London.pdf London POD Commissioning Ove
London Operating Model for PODS	[insert]
Link to the Operational Scheme of Delegation for Primary Care	https://intranet.northeastlondon.icb.nhs.uk/wp-content/uploads/2024/02/Appx-4.2-Operational-Scheme-of-Reservation-and-Delegation-for-Primary-Care.pdf