**NHS Gloucestershire**

**integrated care board**

**SYSTEM RESOURCE committee**

**terms of reference**

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| V0.9 | Cath Leech & Dan Corfield |  |  | CFO-Designate review and streamlining.  Reformatting and final reconciliation of membership |
| V0.10 | Dan Corfield |  |  | Incorporating feedback from designate members |

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# Introduction

* 1. The System Resource Committee (the Committee) is established by the Integrated Care Board (ICB) as a Committee of the Board in accordance with its Constitution. These Terms of Reference (ToR), set out the membership, the remit, responsibilities and reporting arrangements of the Committee and may only be changed with the approval of the Board.
  2. The Committee is an executive committee of the Board and its members, including those who are not members of the Board, are bound by the Standing Orders and other policies of the ICB.

# Purpose

* 1. NHS England and NHS Improvement have outlined the role of the ICS in the delivery of integrated care in the paper ‘Integrating care: Next steps to building strong and effective integrated care systems across England’. The ICS’s role is to serve four fundamental purposes:
* improving population health and healthcare;
* tackling unequal outcomes and access;
* enhancing productivity and value for money;
* helping the NHS to support broader social and economic development.
  1. The Committee will contribute to the overall delivery of the ICB objectives by providing oversight and assurance to the Board for matters relating to system resources allocation, performance against strategic plans and financial performance:
     1. Efficiency, outcomes and value for money in the use of resources across the ICB footprint;
     2. Financial performance of the ICB;
     3. Financial performance of NHS organisations within the ICB footprint.
  2. Specific areas covered are:
     1. Improving population health and healthcare: by ensuring that resources are prioritised to support:
* improvement in health outcomes;
* increased efficiency and value for money of the delivery of healthcare across the ICS.
  + 1. Tackling unequal outcomes and access: by ensuring that resources are prioritised to support:
* reducing health inequalities;
* increasing social justice and health equity.
  + 1. Enhancing productivity and value for money: by ensuring that resources are prioritised to support:
* the system to take a value-based healthcare approach across organisations and programmes of care;
* delivery of enhanced efficiency, productivity and value for money through the application of rigorous management of resources, prioritisation and benefits realisation approaches.
  + 1. Helping the NHS to support broader social and economic development, by ensuring that resources are allocated to support the strategic objectives as set out through the integrated care partnership.
  1. Oversee the collective management of system resources and performance system/place-based and organisational levels, contributing to the wider System Oversight Framework held by the ICS Board, in particular with responsibility for providing the evidence for the domain “Finance and Use of Resources”.
  2. Request devolution of programme funding (assuming Segment 1 earned autonomy) and take proportionate control over the deployment of improvement resources made available through regional improvement hubs.
  3. Request access to funding to provide peer support to other organisations, and benefit from a streamlined business case approval process.
  4. The System Resource Committee has no executive powers, other than those delegated in the SoRD and specified in these terms of reference.

# Delegated Authority

* 1. The System Resources Committee is a formal committee of the ICB. The Board has delegated authority to the Committee as set out in the Scheme of Reservation and Delegation and may be amended from time to time.
  2. The System Resource Committee is authorised by the Board to:
     1. Investigate any activity within its terms of reference;
     2. 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) as outlined in these terms of reference;
     3. Commission any reports it deems necessary to help fulfil its obligations;
     4. 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;
     5. Create task and finish sub-groups in order to take forward specific programmes of work as considered necessary by the Committee’s members. The Committee shall determine the membership and terms of reference of any such task and finish sub-groups in accordance with the ICB’s constitution, Standing Orders and Scheme of Reservation and Delegation (SoRD) but may not delegate any decisions to such groups.
  3. For the avoidance of doubt, the Committee will comply with, the ICB Standing Orders, Standing Financial Instructions and the SoRD.

# Membership

* 1. Membership
     1. The Committee members shall be appointed by the Board in accordance with the ICB Constitution.
     2. The Board will appoint no fewer than five members of the Committee including:
* Independent Non-Executive Director of the ICB who leads on Resources (Chair);
* A Non-Executive Director who ideally holds a finance qualification – this could be a co-opted member from one of the ICS Partner Boards (Vice Chair);
* Chief Executive Officer of the ICB;
* Chief Financial Officer of the ICB;
* Director of Strategy and Transformation of the ICB;
* Director of Operational Planning and Performance of the ICB.
  + 1. Members will possess between them knowledge, skills and experience in accounting; risk management; strategic and financial planning; 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.
  1. Chair and vice chair
     1. In accordance with the constitution, the Committee will be chaired by an Independent Non-Executive Director of the ICB appointed on account of their specific knowledge skills and experience making them suitable to chair the Committee.
     2. The Chair of the Committee shall be independent and therefore may not chair any other committees.
     3. Committee members may appoint a Vice Chair who will be a Non-Executive Director who holds a finance qualification – this could be a committee member co-opted from one of the ICS Partner Boards.
     4. The Chair will be responsible for agreeing the agenda and ensuring matters discussed meet the objectives as set out in these ToR.
  2. Attendees and other Participants
     1. Only members of the Committee have the right to attend Committee meetings, however all meetings of the Committee may also be attended by other invited and appropriately nominated individuals who are not members of the Committee. 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 including representatives from the health and wellbeing board(s), secondary, mental health and community providers, notably:
* Directors of Finance of each main health system Provider partner (Community & Mental Health; Acute);
* Directors of Strategy of each main health system Provider partner (Community & Mental Health; Acute);
* Director of Finance and Director of Strategy of the Local Authority; notably as required for specific agenda items.
* One Independent Non-Executive Director of each main system partner (Community & Mental Health; Acute; Local Authority), who chairs their equivalent committee responsible for the allocation and utilisation of financial and other material resources.
  + 1. 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.
    2. 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.
  1. Attendance
     1. 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.
  2. Structure
     1. The business of the Committee shall consist of two sections:
        + Organisational Finance - the business of ICB internal financial matters, equivalent to partner organisations’ internal finance/resources committees.
        + System Finance – the broader system financial performance and position including ongoing work regarding value.

# Quoracy

* 1. Quoracy is defined as a minimum of 50% of the Committee’s core membership which must include the Chair or Vice-Chair or their nominated deputy.
  2. Where partner members are included in the core membership of the Committee, business planners for meetings will be designed to make optimal use of partner time, meaning that they may not be required for all of every meeting. Where this is the case, their absence will not affect the quoracy of the meeting.
  3. 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.
  4. If the quorum has not been reached, then the meeting may proceed if those attending agree, but no decisions may be taken.

# Voting and decision-making

* 1. 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.
  2. 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.
  3. 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. Where any such action has been taken between meetings, then these will be reported to the next meeting. For the avoidance of doubt, this provision applies to and facilitates the Committee’s decision making by email, should this be required to expedite an urgent decision.

# Frequency and notice of meetings

* 1. The System Resource Committee will meet at least 6 times a year. Arrangements and notice for calling meetings are set out in the Standing Orders. Additional meetings may take place as required.
  2. The Board, Chair or Chief Executive may ask the System Resource Committee to convene further meetings to discuss particular issues on which they want the Committee’s advice.
  3. 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.

# Committee secretariat

* 1. The Committee shall be supported with a secretariat function which will include ensuring that:
     1. The agenda and papers are prepared and distributed in accordance with the Standing Orders having been agreed by the Chair with the support of the relevant executive lead;
     2. Attendance of those invited to each meeting is monitored and those that do not meet the minimum attendance requirements are highlighting to the Chair;
     3. Except in the event of urgent meetings, a minimum of ten days’ notice of a meeting of the Committee will normally be provided confirming the venue, time and date together with an agenda of items to be discussed. Supporting papers will normally be issued 5 working days before the meeting;
     4. All members or attendees at the Committee are required to declare any potential or actual conflict of interest before items are discussed. There will be a standing agenda item at the beginning of each meeting for this purpose. Even if an interest has been recorded in the register of interests, it must still be declared in meetings where matters relating to that interest are records of members’ appointments and renewal dates and the Board is prompted to renew membership and identify new members where necessary;
     5. Good quality minutes are taken in accordance with the standing orders and agreed with the chair so that a record is kept of matters arising, action points and issues carried forward;
     6. The Chair is supported to prepare and deliver reports to the Board;
     7. The Committee is updated on pertinent issues/ areas of interest/ policy developments;
     8. Action points are taken forward between meetings and progress against those is monitored.
  2. All members or attendees at the Committee are required to declare any potential or actual conflict of interest before items are discussed. There will be a standing agenda item at the beginning of each meeting for this purpose. Even if an interest has been recorded in the register of interests, it must still be declared in meetings where matters relating to that interest are records of members’ appointments and renewal dates and the Board is prompted to renew membership and identify new members where necessary.

# Remit and responsibilities of the Committee

* 1. The System Resource Committee will contribute to the overall delivery of the ICB objectives by providing oversight and assurance to the Board for matters relating to system resources allocation, performance against strategic plans and strategic financial performance.
  2. Each Integrated Care Board Committee will have a remit which encompasses two primary areas of responsibility.
     1. The Committee will exercise the delegated authority of the Board to execute assurance against a sub-set of its statutory duties and functions.
     2. The Committee will retain oversight of progress against the Integrated Care Board’s strategic priorities through the developing partnership and integrated working of its members.
  3. This balanced approach will ensure that the governance focus of the Committee spans both current performance and risk as well as strategic development and system effectiveness.
  4. Committees will have a core membership spanning both areas of its responsibility, which can be enhanced as required by the addition of co-opted attendees or participants who are invited to contribute to the debate and deliberation of the Committee. The decision on the use of co-opted attendees or participants rests with the Chair of the Committee.
  5. The Committee will provide oversight and assurance to the Board in relation to:
  6. Efficiency, Outcomes and Value for Money in the use of resources:
     1. System Resources Allocation:
* Improve population health and healthcare delivery by ensuring that resources are prioritised to support improvement in health outcomes and increased efficiency and value for money of the delivery of healthcare across the ICS;
* Assure the approach to distribute the resource allocation through commissioning and direct allocation to drive agreed change based on the ICB strategy;
* Support the ICS objective of tackling unequal outcomes and access by ensuring that resources are prioritised to support programmes that reduce health inequalities and / or increase social justice and health equity;
* Support the ICS to support broader social and economic development, by ensuring that resources are allocated to support the strategic objectives as set out through the integrated care partnership;
  + 1. Agree the proposed process regarding the deployment of system-wide transformation funding in line with SOF segmentation and earned autonomy.
    2. Enhance Productivity and Value for Money:
* Provide leadership across the system to ensure a value-based healthcare approach across organisations and programmes of care;
* Assure the delivery of enhanced efficiency, productivity and value for money through the application of rigorous management of resources, prioritisation and benefits realisation approaches to ensure financial resources are used in an efficient way to deliver the objectives of the ICB;
* to monitor the identification and delivery of system efficiencies across the ICB, in particular opportunities at system level where the scale of the ICB partners together and the ability to work across organisations can be leveraged;
* to receive exception reports on any material breaches of the delivery of agreed efficiency improvement plan including the adequacy of proposed remedial action plans.
  1. Financial Performance of the ICB
     1. System financial management framework
* to agree the strategic financial framework of the ICB;
* to have oversight of the ICB financial information systems and processes to be used for financial planning in line with the strategy and national guidance;
* to oversee and recommend proposals to allocate resources where appropriate across ICS partners to address finance and performance related issues that may arise;
* to consider all major and material investment/disinvestment service changes or efficiency schemes prior to submission to the Board for approval where appropriate.

* + 1. Financial monitoring information
* to receive assurance on the effective monitoring of the ICB in-year financial performance against plan, with consideration of underlying activity and relevant performance data as appropriate, identifying key issues and risks requiring discussion or decision by the Board;
* to oversee and challenge the financial position and financial impacts (both short and long-term) to support decision-making;
* to be assured that all plans and reports are supported by robust activity and financial information;
* to be assured that there is robust financial and activity modelling to support the ICB priority areas;
* Provide oversight of the Financial Strategy including the medium-term financial plan (MTFP)
* to be assured there is a robust understanding of where costs sit across the system, the drivers of system cost, and the impacts of service change on costs;
* to oversee the development of an approach with partners, including the ICB health and care partnership, to ensure the relationship between cost, performance, quality and environment sustainability are understood;
* to be assured that appropriate information is reported to manage financial issues, risks and opportunities across the ICB;
* to consider and comment on strategic risks on the corporate risk register.
* to have oversight of the financial position of ICS partners, and how this relates to the system control total to ensure that we achieve the best financial outcome for the system;
* to receive in year financial performance reports from ICS partners which are based on common approaches, estimates and judgements.
  + 1. Performance
* Assure the ICB’s performance against the Constitution and other Local Performance Measures.
* Assure that the underpinning systems and processes for data collection and management are robust and provide relevant, timely and accurate information to support the operational management of the organisation.
  + 1. Capital
* Have oversight of the system estates strategy and plan to ensure it properly balances clinical, strategic and affordability drivers;
* Receive assurance that the estates plan is built into system financial plans;
* Assure the System capital programme and annual capital budgets against the capital envelope and consider actions that need to be taken to ensure that it is appropriately and completely used and recommend to the ICB;
* Consider proposals for investment in line with an agreed prioritisation process for the ICB and NHS partner organisations;
* Review recommendations from the capital prioritisation process and assure recommendation to the Board for approval.
  1. Approval of policies and standard operating procedures (SOPs) as relevant to the committee’s business.

# Relationship with the ICB and other groups / committees / boards

* 1. The System Resources Committee is directly accountable to the ICB. The minutes of meetings shall be formally recorded. The Committee will advise the Audit Committee on the adequacy of assurances available and contribute to the Annual Governance Statement.
  2. The Committee will have oversight of and approve the Terms of Reference and work programmes for the groups reporting into the System Resources Committee.
  3. The Committee will receive scheduled assurance report from its delegated groups. Any delegated groups would need to be agreed by the ICB Board.
  4. To work closely with the other committees in the ICB where appropriate and relevant e.g. implementation of the Internal Audit recommendations and receive assurances to the Audit Committee.
  5. To work closely with the other finance/resource committees in the ICS where appropriate and relevant to ensure consistency in best practise and appropriate transparency in the oversight, monitoring and probity of the use of public resources.
  6. To investigate identified areas of concern with regard to the ICB’s internal controls referred by another committee or the Board of the ICB

# Policy and best practice

* 1. When considering matters, the Committee should take into account the following points:
     1. All statutory requirements applicable to CCGs (including Accounting, Health and Safety, Information Security, etc.);
     2. NHS England requirements and standards;
     3. Best professional practice and standards;
     4. NHS Best practice and guidance;
     5. Emerging risks and issues.
  2. The Committee will have full authority to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary, within its terms of reference and within a limit determined by the Chief Finance Officer.

# Monitoring and Reporting

* 1. When considering matters, the Committee should take into account the following points:
     1. The Committee is accountable to the Board and shall report to the Board on how it discharges its responsibilities;
     2. The minutes of the meetings shall be formally recorded by the secretary and submitted to the Board in accordance with the Standing Orders;
     3. The Chair will provide assurance reports to the Board after each meeting and shall draw to the attention of the Board any issues that require disclosure to the Board or require action;
     4. The Committee will provide an annual report to the Board to describe how it has fulfilled its terms of reference, details on progress and a summary of key achievements in delivering its responsibilities.

# Conduct of the Committee

* 1. Members will be expected to conduct business in line with the ICB values and objectives.
  2. Members of, and those attending, the Committee shall behave in accordance with the ICB’s Constitution, Standing Orders, and Standards of Business Conduct Policy.
  3. Conflicts of interest
     1. In discharging duties transparently, conflicts of interest must be considered, recorded and managed. Members should have regard to both the ICB’s policies and national guidance on managing conflicts of interest.
     2. All potential conflicts of interest must be declared and recorded at the start of each meeting. A register of interests must be maintained by the Chair and submitted to the Board. If the Chair considers a conflict of interest exists then the relevant person must not take part in that item, and the Chair may require the affected member to withdraw at the relevant point.
  4. Equality and diversity
     1. Members must demonstrably consider the equality and diversity implications of decisions they make.

# Review of ToR

* 1. The Committee will review its effectiveness at least annually. 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 Board for approval.