

Joint Cluster Board – Open

Date: Wednesday 27th May 2026

Time: 12.00 – 13.45

Location: St Michael's Centre, North Rd, Stoke Gifford, Bristol BS34 8PD

Open Board Agenda

Item No.	Time	Agenda Item	Organisation	Sponsor	Presenter
1	12.00 – 12.02	Welcome & Apologies	Cluster	Chair	Chair
2	12.02 – 12.05	Declarations of Interest	Cluster	Chair	Chair
3	12.05 – 12.10	Joint Cluster Board Action Log & Matters Arising	Cluster	Chair	Chair
Business Items					
4	12.10 – 12.25	Chief Executive Report 1. Response to Jim Mackey letter	Cluster	Shane Devlin	Shane Devlin
5	12.25 – 12.45	Managing Out of Area MH Placements	Cluster	Dave Jarrett	Caroline Dawe and Faye Gladwin Helen Ford/Sadie Trout
6	12.45 – 13.05	M12 Finance Update – Gloucestershire and BNSSG ICBs	Cluster	Cath Leech	Cath Leech
Decision Items					
7	13.05 – 13.25	Cluster Committee Terms of Reference	Cluster	Cath Leech	Rob Hayday
8	13.25 – 13.35	Standing Financial Instructions Update	Cluster	Cath Leech	Cath Leech
Information Items					
9	13.35 – 13.45	Questions from Members of the Public	Cluster	Chair	Chair
10	13.45	Any Other Business	Cluster	Chair	Chair

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Date: Wednesday 27th May 2026

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Location: St Michael's Centre, North Rd, Stoke Gifford, Bristol BS34 8PD

Agenda Number:	5	
Title:	Progress on the Medium-Term Plan Mental Health commitment, to 'eliminate inappropriate out-of-area placements' Assurance on progress against the commitment in the medium-term plan.	
Confidential Papers	Commercially Sensitive	No
	Legally Sensitive	No
	Contains Patient Identifiable data	No
	Financially Sensitive	No
	Time Sensitive – not for public release at this time	No
	Other (Please state)	No
Purpose: Discussion / For information		
Key Points for Discussion:		
The NHS England (NHSE) Medium Term Planning (MTP) Framework 2026/27 - 2028/29 requires Integrated Care Boards (ICBs) and mental health (MH) providers to: 'Localise Care, reduce out of area placements and end the commissioning of locked rehabilitation inpatient services' The three-year plan requires a reduction in the number of inappropriate placements by March 2027 and to eliminate the practice by March 2028. In practice, the majority of out-of-area placements can be considered inappropriate. This requirement builds on successive MH planning frameworks, including the NHS Five Year Forward View and the NHS Long Term Plan, and reflects known quality concerns associated with out-of-area mental health placements (OAPs).		

These concerns were highlighted again in March 2026, when NHSE required all ICBs and mental health providers to identify alternative placements for patients receiving inpatient services at the St Andrew’s Healthcare Northampton site. In response, Bristol, North Somerset and South Gloucestershire (BNSSG) ICB and Avon and Wiltshire Partnership Trust (AWP) identified 1 patient at St Andrew’s. Gloucestershire ICB and Gloucestershire Health and Care NHS Foundation Trust (GHC) identified 2 patients. In addition, BNSSG ICB had recently moved one patient from St Andrews just prior to the audit. In all cases, alternative provision has now been arranged.

NHSE then requested that all ICBs audit current OAP numbers across all bed types in scope of the MTP, including patients with learning disabilities and/or autistic adults. Both BNSSG and Gloucestershire completed this audit and the results are detailed below.

NHSE also requested that ICBs discuss, in public Board, their assurance there is oversight of all MH OAPs and commitment to achieving the MTP requirement. Both BNSSG and Gloucestershire ICBs have committed to this requirement in their ICB medium-term plan submissions.

This paper provides the ICB Board with the full requirements of the MTP, the policy background, the bed types in scope, and the organisations directly involved in making placements that may be out of area. The paper reviews each MTP requirement, identifies risks, and makes recommendations to ensure that the requirements are met in full. It does this for both BNSSG and Gloucestershire ahead of the formal ICB merger.

The Board is asked to consider the paper and identify any further risks or issues relating both to assurance of full oversight of out-of-area placements and to whether the progress being made will ensure delivery of the MTP requirement to end this practice.

As the paper details, placements occur across teams and organisations, and this paper makes a series of recommendations to ensure progress continues across both BNSSG and Gloucestershire ICBs until formal merger. The Board is therefore asked to support the recommendations as priority actions.

<p>Recommendations:</p>	<p>The Board is asked to consider the paper and identify any risks or issues in the assurance that:</p> <ol style="list-style-type: none"> 1. All placements are accounted for 2. Progress is being made in line with the MTP to reduce OAP practice 3. Steps are in place to end this practice by March 2028 <p>The Board is asked to support continued monitoring of the identified risks through both ICBs existing governance structures and any emerging joint governance. And to receive a further update on progress in 12 months’ time.</p> <p>The Board is asked to raise any further priority areas or risks that should be included in the workstreams.</p>
<p>Previously Considered By and feedback:</p>	<p>Not applicable.</p>

Management of Declared Interest:	No conflicts of interest have been identified by those authoring or contributing to this report.
Risk and Assurance:	Risk areas have been identified throughout the document by section, and scored using the ICB risk assessment scoring matrix (Appendix 1). Risks and mitigations are detailed in section 9.
Patient and Public Involvement:	The policy direction set out nationally has been informed through engagement with people with lived experience. This has been undertaken by NHS England in developing the Commissioning framework for mental health inpatient services for mental health inpatient settings and is described further in the background section.
Financial / Resource Implications:	There are no direct financial or resource requirements associated with this paper.
Legal, Procurement, Policy and Regulatory Requirements:	<p>Policy Requirement</p> <p>The medium-term plan requires ICBs and mental health providers to eliminate inappropriate out-of-area mental health placements and locked rehabilitation by March 2028.</p> <p>Both BNSSG and Gloucestershire ICBs have committed to this in their medium-term plan submissions.</p>
How does this impact on health inequalities, equality and diversity and population health?	<p>For people with particular protected characteristics under the Equality Act 2010, an out-of-area placement can also mean separation from cultural and faith communities, LGBTQ+ communities, and accessible living arrangements, and can increase isolation at a time when connection and support are especially important.</p> <p>For groups with protected characteristics who are over-represented among people receiving out-of-area placements, reducing their use and providing suitable local alternatives should help to reduce the associated harms and improve health equality.</p>
ICS Green Plan and the Carbon Net Zero target?	Achieving the medium-term plan commitment reduces inpatient care, and brings care closer to home, all of which support Integrated Care System (ICS) green plan objectives and are recognised as lower carbon intensity.
Communications and Engagement:	No required communication and engagement activities have been identified.
Author(s):	<p>Neil Turney</p> <p>Head of Mental Health & Learning Disability & Autism, BNSSG ICB</p>

	With contributions from colleagues across both BNSSG and Gloucestershire ICBs
Sponsoring Director:	David Jarrett Chief Strategic Commissioning Officer

Agenda Item 5

Title: Progress on the Medium-Term Plan Mental Health commitment, to ‘eliminate inappropriate out-of-area placements’

1. Background

1.1 Policy background

There has been increasing recognition over the past ten years that out-of-area placements (OAPs) are costly and that sending people out of area for inpatient treatment, including acute, psychiatric intensive care unit (PICU) and rehabilitation care, is detrimental to recovery.

OAPs are associated with increased safety risks, poorer patient experience, poorer clinical outcomes, higher financial cost, and often longer lengths of stay in hospital. They can also result in people being separated from friends, family and support networks, disrupting continuity of care and potentially impeding recovery. In some cases, this can include patients being unable to access local, universally commissioned services which can further compromise care.

OAPs often also reflect wider issues in the functioning of the mental health system, including:

- Insufficient community mental health services, including alternatives to admission, leading to escalating need and avoidable demand on inpatient capacity.
- Insufficient inpatient capacity to meet unavoidable demand for admission.
- Poor discharge management, and insufficient housing and social care support, which can result in patients remaining in hospital when clinically ready for discharge (CRFD).

In 2016, the Five Year Forward View for Mental Health (FYFVMH) set out priority actions for the NHS by 2020/21, including the intention that ‘out of area placements for acute care should be reduced and eliminated as quickly as possible’. In 2019, the NHS Long Term Plan, together with its Mental Health Implementation Plan, continued this direction by focusing on reducing lengths of stay in out-of-area inpatient settings and investing in local acute inpatient wards to improve quality and reduce admissions.

The Community Mental Health Framework (2021) (CMHF) continued this policy direction by seeking to end the use of out-of-area placements and minimise the need for restrictive inpatient care, including locked rehabilitation placements. It also promoted alignment with NHS Improvement’s Getting It Right First Time (GIRFT) programme, which included recommendations focused on

reducing out-of-provider placements and supporting 'the aim that no one receives rehabilitation support outside of their local network of care'.

Although progress has been made nationally, it is recognised that the COVID-19 pandemic affected the full delivery of policy.

To achieve these quality improvements, the NHS England Medium Term Planning Framework 2026/27 now requires ICBs and mental health providers to achieve the following:

- **Localise Care, reduce out of area placements and end the commissioning of locked rehabilitation inpatient services**

Specifically setting the following targets:

- **2026/27 – Reduce the number of inappropriate out-of-area placements by the end of March 2027**
- **From 2027/28 onwards, ICBs should only commission mental health inpatient services for adults and older adults that align with the Commissioning framework for mental health inpatient services**
- **By March 2028 – Reduce, or maintain at zero, the number of inappropriate out-of-area placements**

This includes the elimination of all locked rehabilitation placements. Although locked rehabilitation is not a formal bed type, its environmental features are set out in the [Commissioning framework for mental health inpatient services](#), developed by NHS England to support commissioners to commission in line with policy. ICBs must adopt this framework by 2027/28.

Both BNSSG and Gloucestershire ICBs have set their 2026/27 OAP target as zero. Whilst this means there is a risk of non-compliance at points throughout the year, it sets the ambition to continue to reduce OAPs and eliminate this practice and is informed by recent past performance.

1.2 Definition of 'out-of-area placements' in mental health services

The Department of Health and Social Care provides the detailed national definition of inappropriate out-of-area placements in acute care, see [here](#), and an overview definition of an **inappropriate** OAP is also provided within the Medium-Term Planning Framework 2026/27 to 2028/29, which states:

An inappropriate OAP occurs when a patient with assessed acute mental health needs who requires non-specialised inpatient care (ICB commissioned) is admitted to a unit that does not form part of the usual local network of services.

Whilst exclusion criteria exist and may apply in certain circumstances, for example where there are safeguarding concerns or where this reflects patient choice, in practice most out-of-area placements can be considered inappropriate.

1.3 Bed types in scope and reporting levels

To meet the requirements of the medium-term plan, commissioners must eliminate out-of-area placements across the following bed types. It should be noted that, across the bed types in scope, there are differences in reporting arrangements and in the organisations leading individual

placements. Ending this practice will therefore require leadership and coordination across teams and organisations.

Whilst 'locked rehabilitation' is not a recognised bed type in the [typology of ward definitions](#), it is defined in the Commissioning framework for mental health inpatient services by ward features that include:

- Restrictive
- Long-stay
- Institutional
- Outside a rehabilitation pathway that enables step-down

Therefore, to comply fully with the medium-term plan, commissioners must commission in line with the framework rather than focusing solely on avoiding providers or settings.

The table below includes all seven bed types in scope of the MTP requirement. The South-West Provider Collaborative, led by Devon Partnership Trust, has been included to provide full oversight of patients who are placed out of area and were reported in the NHS England audit return.

The [South-West Provider Collaborative](#) is an NHS-led partnership of mental health, learning disability and autism providers across the South West, led by [Devon Partnership NHS Trust](#), which plans, commissions and oversees specialised services across the region so that people can receive high-quality care as close to home as possible. As such these placements are not commissioned directly by the ICBs, with commissioning responsibility held by the Provider Collaborative.

Organisation leading placements	Bed type used	Reporting process in place
BNSSG system		
AWP	1: PICU	OAP numbers in these bed days are reported on monthly. System Intelligence teams compile in line with national reporting requirements and national datasets.
	2: Mental Health Adult Acute	
	3: Older Adult Acute	
BNSSG ICB Individual Funded and Complex Care Team (Mental Health Team) ICB teams make individual placements based on assessed need and provide oversight of individuals placed care.	4: Adult Neuro-Psychiatry / Acquired Brain Injury	No standardised OAP reporting exists for these bed types. Reporting and OAP numbers held at team level.
	5: Adult Mental Health Rehabilitation (Mainstream) Service	
BNSSG ICB	6: Adult Mental Health Rehabilitation for Adults with	No standardised OAP reporting exists for these bed types.

<p>Individual Funded and Complex Care Team (Learning Disability and Autism Team)</p> <p>ICB teams make individual placements based on assessed need and provide oversight of individuals placed care.</p>	<p>a Learning Disability and/or Autism (Specialist Service)</p> <p>7: Acute Mental Health Unit for Adults with a Learning Disability and/or Autism</p>	<p>Reporting and OAP numbers held at team level.</p> <p>Whilst separate reporting exists on overall inpatient numbers where patients have a learning disability, and/or are autistic, this reporting is not out of area specific.</p>
<p>Gloucestershire system</p>		
<p>GHC</p>	<p>1: PICU</p>	<p>OAP numbers in these bed days are reported on monthly.</p>
	<p>2: Mental Health Adult Acute</p>	
	<p>3. Older Adult Acute</p>	
<p>Gloucestershire ICB</p> <p>Continuing Healthcare Team & Older Adults MH (S117)</p> <p>ICB teams make individual placements based on assessed need and provide oversight of individuals placed care.</p>	<p>4: Adult Neuro-Psychiatry / Acquired Brain Injury</p>	<p>Reporting and OAP numbers held at team level.</p>
<p>Gloucestershire ICB</p> <p>High Needs Team</p> <p>Dynamic Key Worker Service</p>	<p>6: Adult Mental Health Rehabilitation for Adults with a Learning Disability and/or Autism (Specialist Service)</p> <p>7: Acute Mental Health Unit for Adults with a Learning Disability and/or Autism</p>	<p>No standardised OAP reporting exists for these bed types.</p> <p>Reporting and OAP numbers held at team level.</p> <p>Whilst separate reporting exists on overall inpatient numbers where patients have a learning disability, and/or are autistic, this reporting is not out of area specific.</p>
<p>Services across both systems</p>		
<p>Devon Partnership Trust – Provider Collaborative</p> <p>Leads in specialist provision where people have complex needs for secure services</p>	<p>Included to show the full oversight of BNSSG & Gloucestershire patients who are out of area.</p>	<p>Separate reporting exists on overall inpatient numbers but is not OAP specific.</p> <p>ICB Individual Funded and Complex Care Teams work closely with Provider Collaborative to support discharge planning.</p>

To achieve the MTP the following risk has been identified and is described in detail in section 9.

Risk 1: There is no standardised OAP reporting for four of the bed days in scope, and system intelligence reporting should be developed to provide greater oversight and assurance of the progress required.

2. March 2026 Audit Position

NHSE required all ICBs to audit their out-of-area placements by 2nd April 2026. The audit required ICBs to count all patients placed out of area, whether the placement was considered appropriate or inappropriate, and to record the type of bed used. ICBs were also required to report the number of patients with a learning disability and/or autistic adults. Both ICBs completed this audit and given the low numbers involved, the audit results have been grouped by placing organisation rather than by the individual bed types used in the audit return.

AWP also reported the number of patients who were 'in area' but 'out of trust'. Although this was not a requirement of the audit, it indicates the number of patients placed locally in independent sector beds who, in an optimal local system, would be receiving care in AWP inpatient beds. In practice, AWP seeks to bring people back into AWP beds as soon as clinically appropriate. This measure therefore also provides an indication of local system performance.

Lead organisation	Patients reported	Inappropriate / appropriate	Out of area
BNSSG system			
AWP	4	Appropriate	No
BNSSG ICB Individual Funded and Complex Care Team (Mental Health Team)	6	Appropriate	Yes
BNSSG ICB Individual Funded and Complex Care Team (Learning Disability and Autism Team)	7	Appropriate	Yes
South-West Provider Collaborative BNSSG Patients	8	Appropriate	Yes
Gloucestershire system			
GHC	10	Appropriate	Yes
Glos ICB MH placements	0	N/A	N/A
Glos ICB LDA placements	3	Appropriate	Yes
South-West Provider Collaborative Gloucestershire Patients	13	Appropriate	Yes

The audit has identified relatively low numbers of patients are out of area across all bed types. As described in risk 1 above, standardised and regular reporting across all bed types in scope can provide further oversight and assurance that the required progress is being made to achieve the requirements of the MTP.

3. Progress on MTP requirement to reduce placements by the end of March 2027

The MTP requires systems to make improvements in reducing out-of-area placements and locked rehabilitation by 2027, specifically:

- **2026/27 – Reduce the number of inappropriate out-of-area placements by the end of March 2027.**

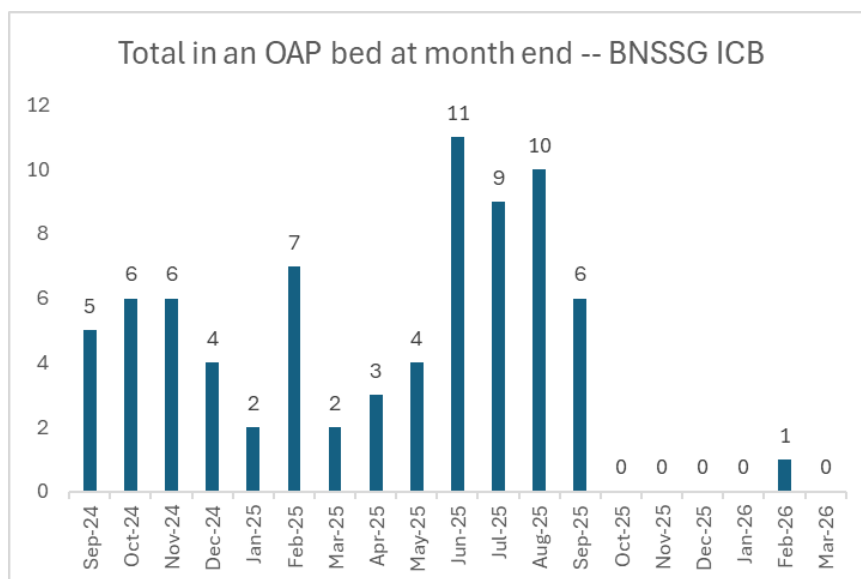
BNSSG Performance Bed Types 1-3

In line with national reporting, regular standardised reporting only applies to three bed types:

1. Adult Acute
2. Older Adult Acute
3. PICU

Table 1 below shows significant improvement over the last 18 months. Progress has been sustained, with compliance reached in October 2025. As BNSSG finished the 2025/26 year with no OAPs, the target remains set at zero, and whilst any recorded placement results in non-compliance this demonstrated our system commitment to eliminating this practice. Reporting is based on a month-end snapshot.

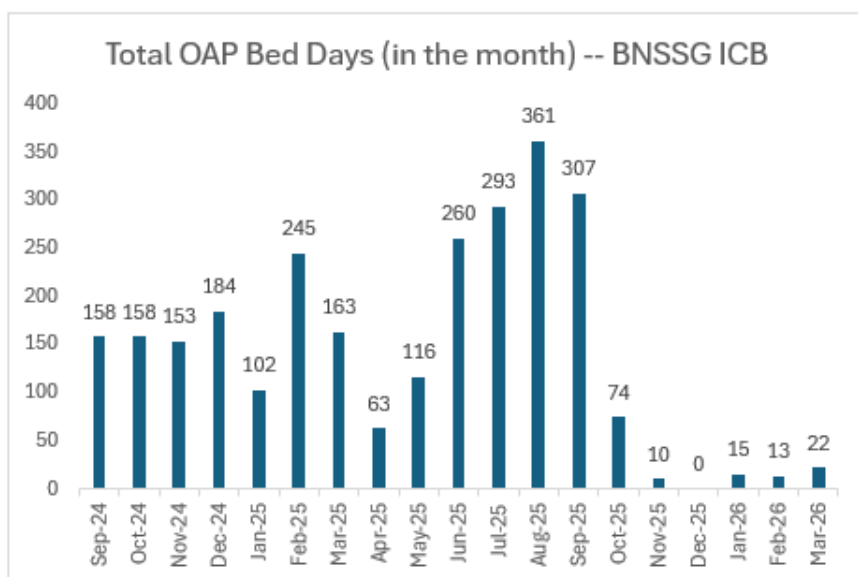
Table 1 – BNSSG OAP Beds Bed types 1-3



Step-change improvements have been driven by AWP-led initiatives, including strengthened flow governance, more assertive stewardship of out-of-area placements, and improved discharge coordination through the Transfer of Care Hub, which has been developed over the last 18 months. The sustained period at, or close to, zero suggests that these improvements have been embedded beyond a one-off surge response.

Inappropriate out-of-area placement bed day counts provide a more accurate measure of progress because they capture both how often placements occur and how long they last. Table 2 shows BNSSG improvement over the same 18-month period.

Table 2 – BNSSG OAP Bed Days - Bed types 1-3



Across both measures, AWP has demonstrated sustained improvement. Where performance has deteriorated, targeted admission quality and flow improvement initiatives have helped to restore and maintain performance.

This has included focused work to strengthen operational grip. For example, the short-term 'Flow Fortnight' approach was used successfully in summer 2025 to address a period of sustained inappropriate out-of-area placements and increased out-of-area bed days. Learning from this work is now informing the 'Project Zero' approach, which is being embedded as business as usual. Project Zero is a programme of key improvement actions, including greater clinical oversight, the removal of barriers to discharge, rapid escalation and increased multi-agency working. BNSSG is therefore demonstrating progress towards the March 2027 objective of reducing out-of-area placements.

In reviewing the reporting processes, the following risk has been identified:

Risk 2. The Transfer of Care Hub often supports patients who are from out of area and may therefore not be recorded by AWP. If these patients are also not recorded by their respective ICBs, there is a risk that their care may lack full oversight. Work is underway to explore this and ensure there are no gaps in reporting between AWP, other trusts and independent mental health beds. It is recommended that this work continues.

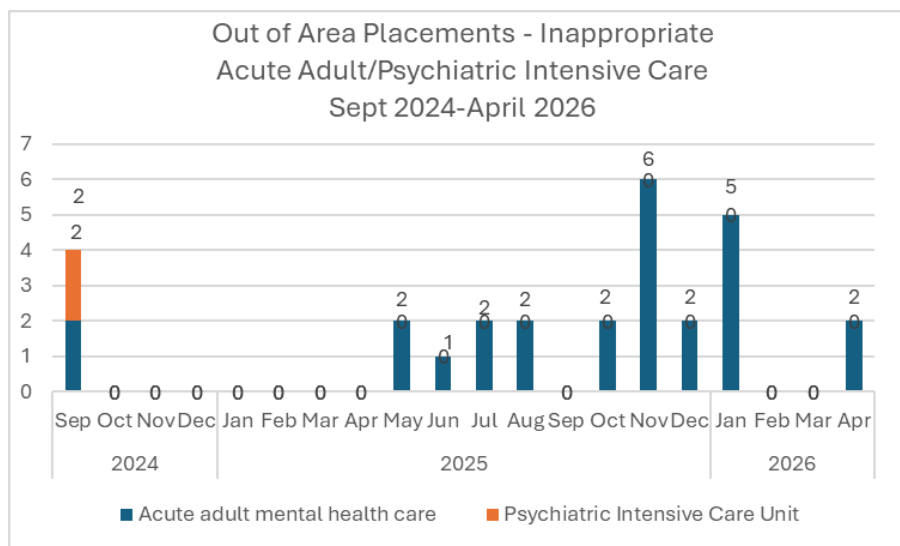
BNSSG Performance Bed Types 4-7

4. Adult Neuro-Psychiatry / Acquired Brain Injury
5. Adult Mental Health Rehabilitation (Mainstream) Service
6. Adult Mental Health Rehabilitation for Adults with a Learning Disability and/or Autism (Specialist Service)
7. Acute Mental Health Unit for Adults with a Learning Disability and/or Autism

Although placement numbers for these bed types are low, there is no standardised reporting available for them, and it is recommended that this is developed. This will provide greater oversight and identify where further action may be required.

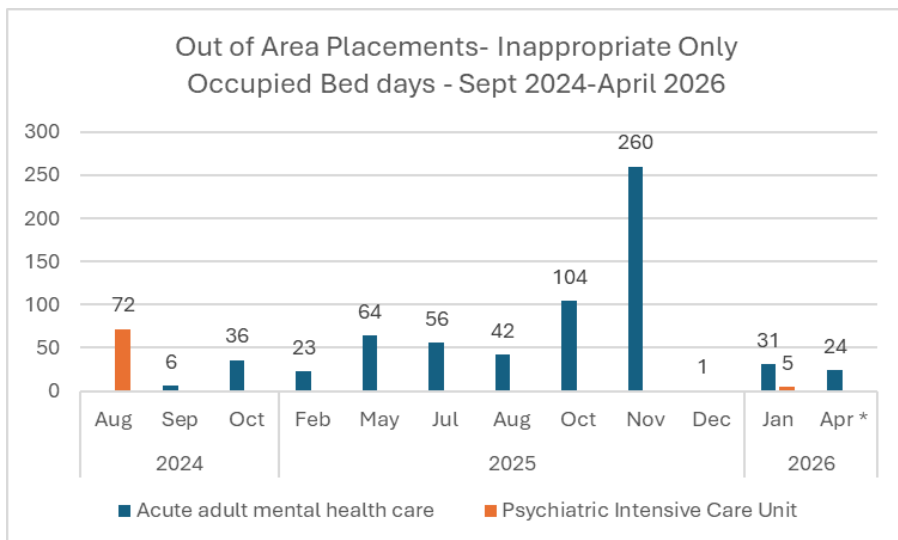
Gloucestershire Performance Bed Types 1-3

Gloucestershire also has a 2026/27 target of zero OAPs, and the Gloucestershire system has a strong and consistent track record in minimising OAPs. As illustrated in the graph below, there have been sustained periods with zero OAPs for adult acute and PICU placements, with no adults having been placed out of area for a PICU bed since 2024. In 2025, the average number of inappropriate OAPs was 1.3 per month, broadly aligning with the expected seasonal variation outlined in the local planning trajectory, with a modest increase observed during the summer months. This can be seen in Table 3 below.



During 2025/26, periods of sustained system pressure have been observed, resulting in higher-than-usual OAPs. Increases were particularly evident around bank holiday periods, with additional peaks in November and January associated with workforce capacity pressures.

There is a clear relationship between the number of OAPs and associated occupied bed days. While increases in placement volumes generally correspond with higher bed utilisation, variation in length of stay significantly influences overall impact. Periods with relatively low numbers of OAPs can still result in disproportionately high bed days, indicating delays in repatriation and complexity of need. This is shown in Table 4 below.



Key contributing factors to overall performance include:

- Reduced discharge activity, linked to limited availability of senior medical decision-makers and reduced senior management oversight during bank holidays, resulting in delayed clinical decision-making and onward movement
- On-call teams assuming broader responsibilities, which can affect timely coordination of patient flow and escalation processes
- Reduced community service provision, limiting alternatives to admission and delaying safe discharge planning
- Reduced workforce capacity and continuity, driven by annual leave and reliance on locum consultant cover during a period of transition to newly recruited substantive roles, impacting responsiveness, continuity of care, and consistency of clinical decision-making

Immediate actions that have been implemented to mitigate system pressures and recover system flow include:

- South-West Learning Improvement Network Project: Implementation of a Care Navigator, to support improved coordination of patient pathways and facilitate timely discharge planning
- Multi-Agency Discharge Events (MADE) and complex risk meetings: Strengthening system-wide oversight of high-risk or delayed patients and enabling coordinated decision-making
- Daily operational huddles: Providing real-time visibility of capacity and demand, supporting proactive management of flow and escalation
- Planned peer review and 72-hour post-admission reviews: Ensuring early senior clinical input, validation of care pathways, and prompt identification of opportunities to repatriate or step down care

The system continues to work with GHC and wider stakeholders to sustain its strong OAP track record but acknowledges the step change required to eliminate all inappropriate OAPs in line with the MTP as part of the inpatient transformation programme.

Gloucestershire Performance Bed Types 4-7

1. Adult Neuro-Psychiatry / Acquired Brain Injury
2. Adult Mental Health Rehabilitation (Mainstream) Service
3. Adult Mental Health Rehabilitation for Adults with a Learning Disability and/or Autism (Specialist Service)
4. Acute Mental Health Unit for Adults with a Learning Disability and/or Autism

As with BNSSG, Gloucestershire has no standardised reporting for these bed types, and it is recommended this is developed across both systems.

Considering all 7 bed types the the following risks have been identified:

Risk 3: There is no specialist learning disability and autism mental health ward provision in area. As such, aside from exclusion criteria, any placement in bed types 6 or 7 is likely to be inappropriate. Community and admission-avoidance capacity should therefore continue to be developed as a priority.

Risk 4. Insufficient mental health system capacity may mean that in periods of sustained pressure community capacity may be exceeded and lead to out-of-area placements.

Risk 5. Insufficient local provision for individuals with complex needs across both systems, could result in increased restrictive, out-of-area or higher-cost placements. This may negatively impact patient outcomes, experience, and length of stay, as well as increasing system and financial pressures.

4. Progress on the MTP requirement - Alignment with the Commissioning Framework

The MTP requires ICBs to:

- **From 2027/28 onwards, ICBs should only commission mental health inpatient services for adults and older adults that align with the Commissioning framework for mental health inpatient services**

To achieve this, the following governance arrangements have been established.

BNSSG

BNSSG ICB and Bath, Swindon and Wiltshire (BSW) ICB are working with Avon and Wiltshire Partnership Trust (AWP) to align commissioning and operational delivery with the Commissioning framework for mental health inpatient services. An Inpatient Quality Transformation Plan and Board has been established to:

- Provide a local roadmap to meet national expectations
- Strengthen system governance
- Improve the culture of care through a shift towards trauma-informed, least restrictive practice
- Improve flow and discharge
- Improve pathway integration
- Strengthen data and performance processes
- Support sustained performance improvement

Achievements to date include the development of a more collaborative model of care, including the roll-out of the “Your Team, Your Conversation, Your Plan” approach, which has increased the therapeutic value of admission and improved access to psychological and multidisciplinary interventions. Care is now more psychologically informed, and ward environments have improved.

The following risk has been identified:

Risk 6: Alignment with the Commissioning Framework for Mental Health Inpatient Services is currently inconsistent across BNSSG and across bed types. As such, some parts of the system are further progressed than others in applying the framework’s expectations on therapeutic value, least restrictive practice, pathway design, discharge and rehabilitation. It is recommended that the Inpatient Quality Transformation Board align with BNSSG ICB Individual Funded Care Teams to ensure consistency in approaches.

Gloucestershire

Oversight of OAPs is routinely maintained through the Adult Mental Health & Neurodivergence, and the Learning Disabilities & Autism Clinical Programme Groups (CPGs), which report into the All-Age Mental Health, Learning Disabilities and Autism Programme Board. The All-Age Board provides strategic system oversight of the portfolio, with a particular focus on inpatient quality and transformation.

Led by Gloucestershire Health and Care (GHC), the inpatient programme has applied a quality improvement approach to embed Multi-Agency Discharge Events (MADE), delivering sustained reductions in length of stay and improved patient flow for people with mental health needs, while identifying further opportunities for system resilience; this is complemented by participation in the NHS England South-West Learning Improvement Network, including the introduction of a community-based Supporting Discharge Coordinator (from end of May) and monthly outcome reviews to strengthen discharge planning and accelerate transitions into community care.

Gloucestershire has a functioning adult Dynamic Support Register (DSR) that focusses on preventing inappropriate and avoidable hospital admissions for people with a learning disability and/or autistic adults. It also focusses on discharges of people deemed clinically ready for discharge. The success of the DSR is reflected in very low admission numbers, currently only 3 inpatients all of whom are going through transition back to their own homes. DSR operational groups maintain person-centred focus through engagement of family members, Independent Supporters and other key stakeholders. The DSR ICS oversight panel address system wider issues needing resolution.

The following risk has been identified:

Risk 7: Assurance is required that the two ICBs are aligned in their use of the Commissioning Framework for Mental Health Inpatient Services across organisations, teams and governance structures.

5. Medium term priorities to eliminate inappropriate out-of-area placements by March 2028

The MTP requires mental health providers and ICBs to eliminate inappropriate out-of-area placements and locked rehabilitation by March 2028.

- **By March 2028 – Reduce, or maintain at zero, the number of inappropriate out-of-area placements**

As described in section 1, OAPs are often a result of wider issues in the local mental health system, and as such achieving the requirement of the MTP will require both individual discharge plans, and, the development of local services to ensure capacity and capability to meet local need. To achieve this, the following priority workstreams are already in place and include:

BNSSG Mental Health

- Development of the **Mental Health Emergency Department** – this will provide increased assessment and treatment capacity for people in crisis, reduce pressure on urgent care services and the health-based place of safety, and reduce escalation of need that could otherwise require Mental Health Act detention, urgent admission and/or a PICU bed.
- Development of a **Neighbourhood Mental Health Centre** – to bring mental health support closer to those who need it most and address known inequalities.
- **High Impact Users Model** – a joint system workstream to improve identification, care planning and coordinated support for people with repeated crisis presentations and highly complex needs.
- **Community Mental Health Programme** – continuing to strengthen community services, including discharge approaches for highly complex patients. This will improve flow and access to inpatient beds, support the most complex inpatients with the longest lengths of stay, and increase capacity in the current in-area bed base.
- **S117 Pathway Improvements** – it has been identified that there is an absence of community support for more complex patients. By increasing aftercare provision and rehabilitation pathways, there should be less need for out-of-area and locked rehabilitation-type provision in future.

Gloucestershire Mental Health

For individually commissioned mental health placements, work will continue to focus on stepping individuals down into community-based provision and avoiding the future use of locked rehabilitation placements. Delivery of this ambition will require closer alignment with the Inpatient Quality Transformation Board in BNSSG and the All-Age MH, LD&A Programme Board in Gloucestershire, to ensure all commissioning decisions are fully aligned with the agreed inpatient commissioning framework.

In parallel, work is underway to further develop future commissioning and contracting approaches in response to the ICB transition to clustered arrangements. This includes strengthening robust cluster-level and system-wide routine oversight, alongside clearer commissioning levers to support delivery of the Medium-Term Plan ambitions.

This will be underpinned by rigorous internal provider governance arrangements, ensuring accountability for quality, flow, and length of stay, and supporting consistent application of commissioning frameworks across services. The system will continue to work closely with partners and regional colleagues to align local delivery with regional expectations, share learning, and maintain assurance on the use of specialist provision, including the avoidance of inappropriate out-of-area and locked rehabilitation placements.

BNSSG Learning Disability and Autism

- Development of an all-age **Dynamic Support Register (DSR)**. DSRs are proven to increase professional co-ordination for individuals at risk and reduce avoidable inpatient admissions for people with a learning disability and/or autistic people. As there are no specialist in-area Learning Disability and Autism Mental Health Units, and in line with national policies to reduce reliance on inpatient units, it is strategically important to strengthen admission avoidance initiatives.
- Implementation of **AWP's specialist Kingfisher Unit** – opening from August 2026, this new inpatient service will provide specialist step-up support for people with a learning disability and/or autistic people with a treatable mental health condition who require a short inpatient intervention as an alternative to longer-term hospital placement. Capacity within both the inpatient unit and its community outreach service should be monitored closely and aligned to local need to reduce the need for future inpatient care. The unit is expected to reduce the need for future out-of-area placements.
- Establish a **Learning Disability and Autism Assurance Board** across health and social care to further reduce barriers to discharge and develop commissioning approaches to support people with complex needs. This is intended both to ensure that individuals currently using inpatient services are supported back to community placements and to develop the services required in the community.
- The BNSSG ICB Learning Disability and Autism (LDA) teams will continue to work with Provider Collaborative teams to develop plans to support adults with long lengths of stay, including people detained in secure pathways where Ministry of Justice restrictions may apply. All individuals in secure settings have an allocated ICB case manager to oversee discharge pathways.

Gloucestershire Learning Disability and Autism

The following priority workstreams are underway:

- **Dynamic Support Register (DSR)** – System Oversight and Prevention
Gloucestershire has an established Dynamic Support Register, which has improved system visibility of people at risk and enabled earlier, proactive multi-agency planning. This has supported the prevention of avoidable inpatient admissions and improved coordination of care. The approach will continue to be sustained locally and will support further embedding and development across BNSSG.

- Developing **Community-Based Alternatives**
Continued development of community-based crisis alternatives, such as crash pads in Gloucestershire and other local provision, to provide timely, proportionate support closer to home and reduce reliance on inpatient care for people with learning disabilities and autistic people.
- Provider **Market Development and Personalised Commissioning**
Ongoing work to engage and develop local provider markets for complex care needs and behaviours that challenge, prioritising personalised, needs-led community placements that promote independence, improve outcomes, and reduce the need for inpatient provision.
- Addressing **Gaps in LD pathways**: Strengthening support for adults with a forensic history to enable sustainable community placements and improved local oversight, and developing more responsive provision for autistic adults, both with and without co-occurring mental health needs.

As the ICB cluster continues to merge, teams, workstreams and governance structures will develop further to improve the quality of care for adults with learning disabilities and autistic adults. There are clear opportunities to align approaches, share learning between both systems and continue to drive improvement. There will also be opportunities to develop commissioning and contracting arrangements at greater scale, particularly for people with complex needs across the cluster.

It is recognised that some individuals may present risks to themselves and/or others and require care in more secure settings. Management of these pathways will be undertaken in line with the inpatient commissioning framework, with closer alignment required between cluster arrangements and the Inpatient Transformation Board to ensure consistency, quality and robust oversight. This will include continued work with Provider Collaboratives and the Ministry of Justice in relation to people with long lengths of stay and those in secure pathways.

In parallel, the cluster will prioritise the development of specialist complex community commissioning plans and continue to strengthen clinical pathways that support step-down from inpatient and secure settings into community-based provision. This work remains a key priority to support safe discharge and reduce reliance on inpatient care. In Gloucestershire, a comprehensive learning disability pathway review is underway to explore options for accessing inpatient capacity where required and to strengthen the capability and resilience of the Community Learning Disabilities Team to better meet local need and reduce reliance on admission.

6. Progress to achieve the full MTP requirement, summary and recommendations

The MTP requires that ICBs and mental health providers:

- **Localise Care, reduce out of area placements and end the commissioning of locked rehabilitation inpatient services**

This paper provides an update on the progress being made in both the BNSSG and Gloucestershire systems toward achieving this overall aim. A number of risks have been identified with mitigations proposed to reduce and manage risk, and support progress toward full achievement of the MTP.

The Board is asked to recognise the areas where further assurance is required and support the priority actions needed to achieve full compliance with the MTP by March 2028. In particular, this includes strengthening reporting and oversight across all bed types in scope, ensuring consistent application of the Commissioning Framework for Mental Health Inpatient Services, continuing joint work with providers and partner organisations to close any gaps in oversight, and maintaining focus on the medium- to long-term workstreams required to reduce reliance on out-of-area placements and locked rehabilitation across both ICB systems. These actions will be tracked through the existing governance structures within both ICBs, and any future joint governance structures as developed.

The Board is also asked to support continued monitoring of the identified risks and to receive a further update on progress in 12 months' time.

The Board is asked to raise any further priority areas or risks so that these can be included in the workstreams.

7. Financial resource implications

There are no direct financial or resource implications arising from this paper. The workstreams currently underway are subject to ongoing resourcing requirements, but these are already in progress and are not within the scope of this paper. No additional financial risk has been identified at this stage.

8. Legal and procurement implications

No legal or procurement implications have been identified.

9. Risk implications

The following risks to achieving the MTP requirements have been identified:

Risk ref:	Risk area	Risk to MTP score (likelihood x impact)	Score	Mitigation
1: Cluster	<p>If: Reporting is not standardised and consistent across all seven bed types for both systems.</p> <p>Impact: There is reduced oversight.</p> <p>Effect: Opportunities for required intervention may be missed, increasing the</p>	3 x 2	6 Moderate risk	System Intelligence Teams to develop reporting to include all bed types within scope of the MTP OAP requirements.

	risk that the MTP requirement will not be met.			
2: BNSSG	<p>If: Patients supported by the Transfer of Care Hub are non-BNSSG patients and other ICBs do not engage appropriately.</p> <p>Impact: There is a possibility that OAP patients are not appropriately recorded.</p> <p>Effect: This could reduce oversight and full assurance that all patients in contact with BNSSG, whether BNSSG patients or not, are correctly reported.</p>	3 x 2	6 Moderate risk	Continue joint work between BNSSG ICB and AWP on out-of-area principles and strengthen Transfer of Care Hub recording assurance.
3: Cluster	<p>If: We continue to have no / no open specialist learning disability and autism mental health provision in area.</p> <p>Impact: Exclusion criteria aside, all placements in bed types 6 or 7 are likely to be out of area.</p> <p>Effect: Where these bed types are required, placements will be inappropriate and MTP requirements will not be met.</p>	4 x 3	12 Moderate risk	Priority should continue to be given to workstreams that support admission avoidance. These will be ICB level specific and include DSR development, strengthening of community LD teams and crisis teams, Kingfisher utilisation, and development of the Learning Disability and Autism Assurance Board.
4: Cluster	<p>If: Mental health system capacity across both systems is insufficient.</p> <p>Impact: Sustained demand and periods of system pressure may exceed available inpatient and community capacity.</p> <p>Effect: This may lead to delays in admission and discharge, increased reliance on out-of-area placements, and a reduced ability to provide care in the least restrictive setting.</p>	3x3	9 Moderate risk	Maintain and prioritise existing flow and demand management workstreams, with strengthened operational grip through daily system oversight. Continue to optimise discharge pathways, maximise use of community alternatives, and proactively manage escalation during known pressure periods (e.g. bank holidays).
5: System	<p>If: There is Insufficient local provision for individuals with complex needs across both systems.</p> <p>Impact: There is a risk that a lack of appropriate local provision for individuals with high and complex needs, including those with learning disabilities and/or autism, will result in increased use of</p>	4x4	16 High risk	Progress development cluster governance i.e. BNSSG Learning Disability Assurance Board and Gloucestershire All Age MH,LD&A Board to drive strategic oversight of gaps and commissioning priorities. Strengthen integration within system governance to support whole-system planning.

	<p>restrictive, out-of-area or higher-cost placements</p> <p>Effect: This may negatively impact patient outcomes, experience, and length of stay, as well as increasing system and financial pressures.</p>			<p>Undertake pathway review to identify required service developments, including community capacity and specialist provision, to reduce reliance on restrictive and out-of-area placements.</p>
6: BNSSG	<p>If: Alignment with the Commissioning Framework for Mental Health Inpatient Services continues to be applied inconsistently across bed types and both systems</p> <p>Impact: There may be variation in care and interpretation of inpatient provision, creating variation in oversight and approach.</p> <p>Effect: Reducing assurance that commissioning across all bed types is in line with the framework, across BNSSG.</p>	3 x 3	9 Moderate risk	<p>Formally align the Inpatient Quality Transformation Board with ICB Individual Funded and Complex Care teams, with shared governance, clearer escalation routes, and regular joint review of placements and pathway gaps to support consistent application of the framework across all relevant services.</p>
7: System	<p>If: Alignment with the Commissioning Framework for Mental Health Inpatient Services continues to be applied inconsistently across both systems</p> <p>Impact: There may be variation in care and interpretation of inpatient provision, creating variation in oversight and approach.</p> <p>Effect: Reducing assurance that commissioning across all bed types is in line with the framework, across both systems.</p>	3 x 3	9 Moderate risk	<p>Ensure consistency of approach across both ICB systems and share learning from progress to date, including the progress made by the Inpatient Quality Transformation Board.</p>

10. How does this impact on health inequalities, equality and diversity and population health?

National policy over the last ten years has increasingly focused on ending the use of out-of-area placements in favour of treatment that is located closer to people’s homes.

The impact of being placed or detained in hospital away from home can be profoundly damaging. [“The Health Services Safety Investigations Body \(HSSIB\) found that inappropriate mental health placements can lead to anxiety, physiological stress, PTSD, and patients dying by suicide.”](#)

Separation can compound and exacerbate distress rather than promote recovery, whether through separation from neighbourhoods, friends, family, employment, leisure activities or local communities

at a time of significant distress and vulnerability, often involving loss of liberty through detention under the Mental Health Act. The further the placement is from everything familiar, the greater the impact, and the harder it can be for friends, relatives and care co-ordinators to visit. For people with particular protected characteristics under the Equality Act 2010, an out-of-area placement can also mean separation from cultural and faith communities, LGBTQ+ communities, and accessible living arrangements, and can increase isolation at a time when connection and support are especially important.

For groups with protected characteristics who are over-represented among people receiving out-of-area placements, reducing their use and providing suitable local alternatives should help to reduce the associated harms and improve health equality.

11. Public Involvement including any Formal Consultation and Communication matters

No public involvement, consultation and communication matters have been identified.

12. ICS Green Plan and the Carbon Net Zero target

Whilst this paper makes no direct reference to the ICS Green Plan, delivery of the MTP requirement to eliminate inappropriate out-of-area placements and locked rehabilitation should result in more people being treated closer to home and in less restrictive settings, including through increased use of community provision. This supports Green Plan aims and is likely to reduce the carbon impact associated with travel and out-of-area placements.

13. Appendices

Glossary of terms and abbreviations

Acronym	Full term	Acronym	Full term
AWP	Avon and Wiltshire Partnership Trust	BNSSG	Bristol, North Somerset and South Gloucestershire
BSW	Bath, Swindon and Wiltshire	CMHF	Community Mental Health Framework
CPGs	Clinical Programme Groups	CRFD	Clinically Ready for Discharge
DSR	Dynamic Support Register	FYFVMH	Five Year Forward View for Mental Health
GHC	Gloucestershire Health and Care NHS Foundation Trust	GIRFT	Getting It Right First Time

HSSIB	Health Services Safety Investigations Body	ICB	Integrated Care Board
ICS	Integrated Care System	LDA	Learning Disability and Autism
LGBTQ+	Lesbian, Gay, Bisexual, Transgender, Queer and other minority sexual orientations and gender identities	MADE	Multi-Agency Discharge Events
MH	Mental Health	MHA	Mental Health Act
MTP	Medium-Term Plan	NHSE	NHS England
OAP	Out-of-Area Placement	PICU	Psychiatric Intensive Care Unit
PTSD	Post-Traumatic Stress Disorder	S117	Section 117 of the MH Act

Appendix 1

BNSSG ICB risk assessment scoring matrix

		Risk Assessment scoring matrix				
Probability/Likelihood	Almost Certain = 5	5	10	15	20	25
	Likely = 4	4	8	12	16	20
	Possible = 3	3	6	9	12	15
	Unlikely = 2	2	4	6	8	10
	Rare = 1	1	2	3	4	5
		Insignificant = 1	Minor = 2	Moderate = 3	Major = 4	Catastrophic = 5
		Impact/Consequence				

Meeting of Joint Cluster Board Open Session

Date: Wednesday 27th May 2026

Time: 12.00 – 13.45

Location: St Michael's Centre, North Rd, Stoke Gifford, Bristol BS34 8PD

Agenda Number:	6	
Title:	Cluster M12 Finance report	
Confidential Papers	Commercially Sensitive	No
	Legally Sensitive	No
	Contains Patient Identifiable data	No
	Financially Sensitive	No
	Time Sensitive – not for public release at this time	No
	Other (Please state)	No
Purpose: <u>For Information</u>		
Key Points for Discussion:		
<p>This report sets out for each ICB within the cluster:</p> <ul style="list-style-type: none"> • Reported financial position for the 25/26 financial year • Efficiency delivery • System financial performance <p>Exec summary We are pleased to report (subject to audit) that both Gloucestershire and BNSSG ICB’s are reporting small surpluses for the financial year 2025/26, £0.1m and £0.1m respectively. All statutory and regulatory financial duties have been met across both organisations.</p> <p>Both ICB’s faced similar pressures with material overspends in ADHD and Autism right to choose, this has been offset by performance in funded care, prescribing and High cost drugs and devices (BNSSG). Details of the individual positions are set out in the following pages of this report.</p> <p>In addition, both systems delivered at or better than plan. As a result of a national reallocation of deficit support from systems who had not delivered to plan - both Gloucestershire and BNSSG</p>		

	providers ended the year with a surplus which will help provide welcome cash support into future years
Recommendations:	To note
Previously Considered By and feedback:	Regular finance reports have been presented to each legacy ICB's finance committee and Board meetings
Management of Declared Interest:	Declarations of interest stated in meeting and recorded in Committee minutes.
Risk and Assurance:	This paper reports the M12 position of breakeven, as such there is no significant financial or other risk pertaining to this paper.
Patient and Public Involvement:	Not applicable
Financial / Resource Implications:	This paper sets out the financial performance and is an assurance document as such there are no direct financial or resource implications.
Legal, Procurement, Policy and Regulatory Requirements:	Each ICB is required not to exceed the cash limit set by NHS England, which restricts the amount of cash drawings that the ICB can make in the financial year. The ICB must also comply with relevant accounting standards. The ICS are required to breakeven on a cumulative basis for the financial year 2025/26. If the system finance was to report an adverse forecast outturn to plan, then NHS England may enact additional financial controls
How does this impact on health inequalities, equality and diversity and population health?	Annual operating plan and savings & transformation projects require assessments to be completed during the planning stages to ascertain whether there are positive, negative, or neutral impacts in relation to the Protected Characteristics.
ICS Green Plan and the Carbon Net Zero target?	Not applicable – assurance document
Communications and Engagement:	The financial position of each ICB is subject to regular reporting and review by the relevant Finance Committees and Board meetings. In addition, the ICB has regular meetings with NHSE to review performance throughout the year.
Author(s):	Matt Backler (BNSSG) matt.backler1@nhs.net – Operational Director of Finance Shofiqur Rahaman (Glos) shofiqur.rahman6@nhs.net – Deputy CFO
Sponsoring Director:	Cath Leech Cath.leech@nhs.net - Chief Finance and Corporate Services Officer

Improving Services
& Delivering
Outcomes
(Our Performance)

(System Resources Committee)

Our People

(People Committee)

Quality
(Safety, Experience
and Effectiveness)

(Quality Committee)

Finance and Use of
Resources

(System Resources Committee)

Summary of Key Achievements & Areas of Focus



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Finance

Key Messages: Month 12

Statement of Net Income & Expenditure Position (£'000)			
Year End 2025/26	Annual Plan Surplus/ (Deficit)	Year End Actual Position Surplus / (Deficit)	Year End Variance to Plan Favourable / (Adverse)
Gloucestershire Hospitals NHS Foundation Trust	0	4,993	4,993
Gloucestershire Health and Care NHS Foundation Trust	0	2,014	2,014
Gloucestershire Integrated Care Board	0	93	93
System Surplus/(Deficit)	0	7,100	7,100

- The system, and each organisation within it, had set breakeven plans for 2025/26, which included a high level of savings and risk. At year end, the revenue position was a £7.1m favourable variance to plan. Within this all organisations showed underspends.
- The large movement away from the much smaller surpluses forecast at M11 was due to Deficit Support Funding provided at short notice from NHS England. All of this funding was passed through to the two Trusts, who have ended the year with higher surpluses than previously forecast, both organisations would have delivered a surplus without this funding. The ICB's year end position was a £0.093m surplus.
- Under delivery of recurrent savings remains an issue across organisations and has been built into the 2026/27 planned position. Reviews of key savings schemes continues to improve savings realisation and look to maximise the full year impact into 2026/27. The focus remains on moving forward recurrent realisation of savings schemes and identifying areas which are slowing delivery.
- Full year capital expenditure was £0.5m behind plan, with the underspend agreed to be utilised by BNSSG ICB. The delivery of the position required a significant amount of expenditure in the latter part of the year.

Improving Services
& Delivering
Outcomes
(Our Performance)

(System Resources Committee)

Our People

(People Committee)

Quality
(Safety, Experience
and Effectiveness)

(Quality Committee)

Finance and Use of
Resources

(System Resources Committee)

Detail of Key Achievements & Areas of Focus



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ICS Finance Report

Month 12 2025/26 – March 2026



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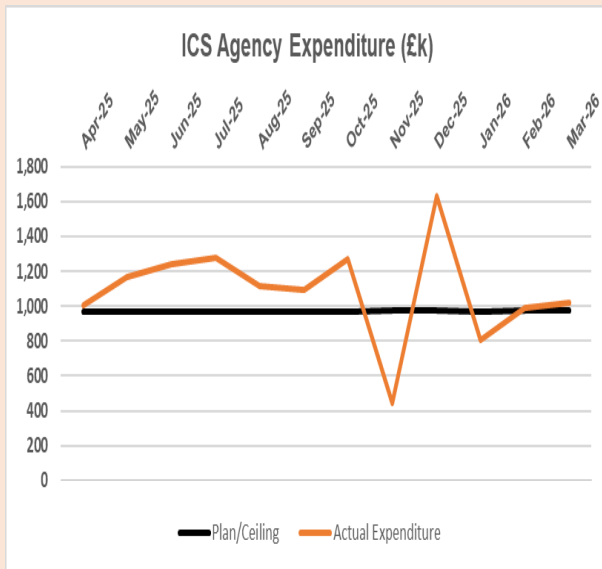
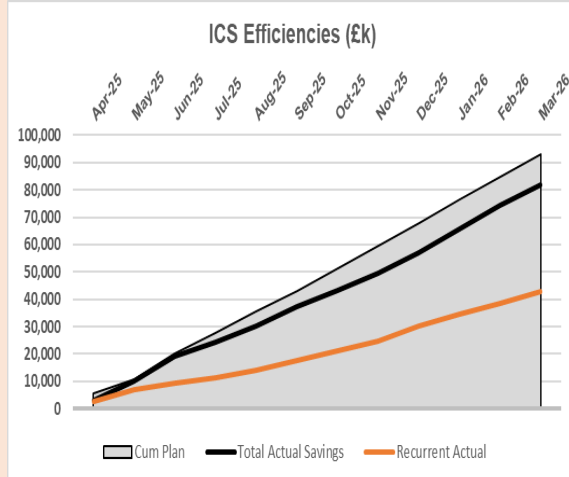
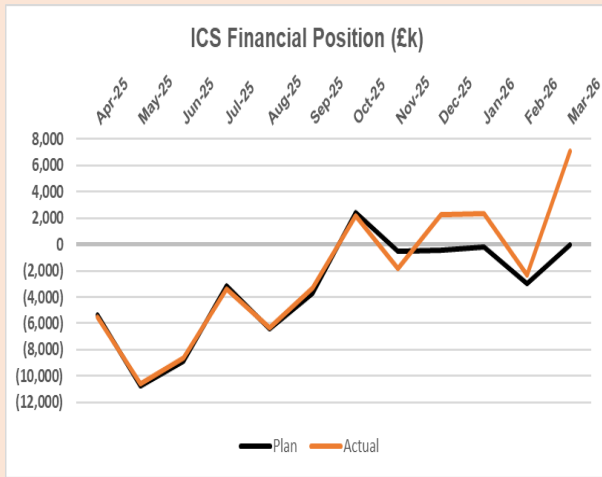
Key Financial Performance Indicators : Dashboard (1)

	25/26 Actual				25/26 Plan	Variance Surplus / (Deficit)	Previous Month Variance
	GHC	GHFT	GICB	Actual			
Overall System Financial Performance							
Year End (£m)	2.01	4.99	0.09	7.10	0.00	7.10	0.60
Efficiency Plan Status							
Year End Delivery (£m)	13.4	34.5	34.1	82.0	93.1	(11.2)	10.70
Year End Delivery (%)	88%	76%	106%	88%	100%	(12%)	(13%)
System Capital						(Over) / Under	
Year End against total CDEL (£m)	14.80	40.01	6.50	61.31	61.81	0.51	1.69

Key Financial Performance Indicators : Dashboard (2)

	25/26 Actual				25/26 Plan	Variance Over / (Under)	Previous Month Variance
	GHC	GHFT	Actual				
Workforce							
Year to Date Agency expenditure (£m)	2.6	10.5	13.1		3.9	9.19	8.17
YTD Agency spend as % of total Staff costs	0.9%	1.7%	1.4%		1.5%	(0.0)	0.2%
Liquidity (Cash)							
Year to Date Cash Balance v Plan (£m)	41.3	(2.6)	38.7		81.2	(42.5)	12.8
Other Key Financial Indicators							
Better Payment Practice Code (no. organisations not complying with 95% payment volume and value targets)						1	1

ICS Financial Performance Overview: Analysis (1)



Financial plan: key risks to ongoing delivery in 2026/27:

- Delivery of recurrent savings lower than plan thus worsening the underlying financial position
- The condition of the GHFT estate impact on operational performance
- Pay pressures: pay run rates incl. agency, bank & industrial action
- ICB changes: risk to delivery of plan due to staffing changes
- Demand growth within services: Independent Service Providers, Mental Health placements

System Financial Position

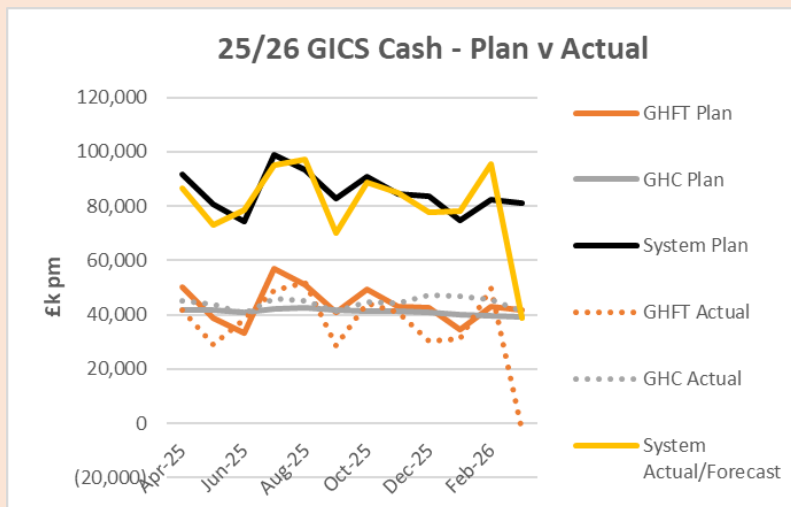
At year end, the revenue position is a surplus of £7.1m, including year end deficit support funding.

The focus for all organisations continues to be delivery of recurrent savings, managing costs within budget and ensuring strong controls.

Risk to ongoing delivery include:

- the ICB changes, this is significant both in terms of the risk of slowed delivery through staff reductions and also the cost of the change.
- There has been high growth within ICB variable contracts resulting in overspends in elective activity and ADHD and autism assessments. Contracts and indicative activity plans were in place in year and have been set for 2026/27, however, contract levers are limited and at best will support some mitigation of ongoing growth
- GHC have seen significant pressures within their mental health placements, this position is currently being reviewed with a view to identifying action to mitigate.
- Agency: The year end position showed GHC £1.3m below their plan, whilst GHFT were £2.8m above theirs.
- The risk on operational performance from the condition of the GHFT estate remains and there is an ongoing likelihood that additional costs will be incurred in order to mitigate into the coming year.

ICS Financial Performance Overview: Analysis (2)



Cash

The yearend system cash position is a £42.5m adverse variance to plan, driven by GHFT being £44.5m below plan. Cash forecasts are under regular review by organisations given the challenging financial position.

Cash cover is -1 days and 28 days for GHFT and GHC respectively. Cash is a key indicator of financial performance, reduced savings delivery or overspending leads to reduced cash balances

Better Payment Practice Code

The ICB have been able to report year end figures for BPPC, following system issues earlier in the year. They ended the year with 95.4% of invoices paid within 30 days (by volume) and 99.8% by value. GHFT's position worsened slightly for both volume and value in M12, reaching a year end position of 90.0% by value and 96.8% by volume, down 0.8% and 1% respectively on M11.

GHC have improved their position by value at M12, up from 95.1% to 95.4%, and 91.8% to 92.0% by volume.

Capital

The system ended the year with a £0.5m underspend

Better Payment Practice Code (BPPC)				
Target = 95%				
Organisation	YTD Volume	% Achieved ?	YTD Value	% Achieved ?
GHC	92.0%	N	95.4%	Y
GHFT	96.8%	Y	90.0%	N
GICB	95.4%	Y	99.8%	Y

Full Year Charge Against Capital Allocation (£m)	
System Capital Allocation	61.3
Nationally Funded Schemes	14.1
Gross Capital Expenditure	75.4
Less Donations, Grants, PFI funding	(1.2)
Total CDEL	74.2
System Capital Allocation	(61.8)
Nationally Funded Schemes	(14.1)
Gross Capital Expenditure	(75.9)
Less Donations, Grants, PFI funding	1.2
Total CDEL	(74.7)
Variance to Capital Allocation	(0.5)

System Financial Risks & Issues: Overview Change In Yr vs Rec

Key Financial Risks	Mitigating Actions	Recurrent Risk Rating
There is a risk of non-identification of savings and lack of a route to realise cashable savings from plans, leading to a worsening of the financial position.	Organisational savings monitored via internal governance, and monthly through system governance meetings. Focus on more detailed work up to include route to cash.	
Entry into the market of new independent sector providers is leading to an increase in activity with new providers who have low waiting times, there is no budget for this activity.	Indicative activity plans set for new entrants as soon as contract terms allow, followed by activity management plans, however, this is still new activity and options are aimed at mitigating a proportion of the overspend	
NICE TAs relating to weight management issued within the last 18 months; There is a risk of a significant increase in prescribing in primary and secondary care including independent sector providers accredited by other ICBs	Pathway for weight management in development by the ICS for both primary and secondary care and medicines formulary. Contract management measures in development to ensure that providers are adhering to quality and contractual standards	
New NICE TAs are in progress, specifically relating to dementia treatments. There is a risk that if approved will lead to large financial costs for all ICBs both in terms of drug and service costs.	The potential impact on services and costs is being reviewed to assess the most appropriate service model, the system is responding to consultations as they are issued.	
There is a risk that as the ICB changes progress and staff will leave, programmes of work, including statutory duties, will therefore be impacted leading to slowed delivery and reduced financial control.	The ICB has put in place processes for staff leaving the organisation to identify critical pieces of work to enable the organisation to find individuals who are able to cover work in the interim whilst structures are appointed	
Operational pressures, due to the condition of the GHFT estate, leading to reduced capacity and need for additional actions by partners to reduce occupancy at pace	Advance capacity and resource planning.	

System Savings Delivery Summary

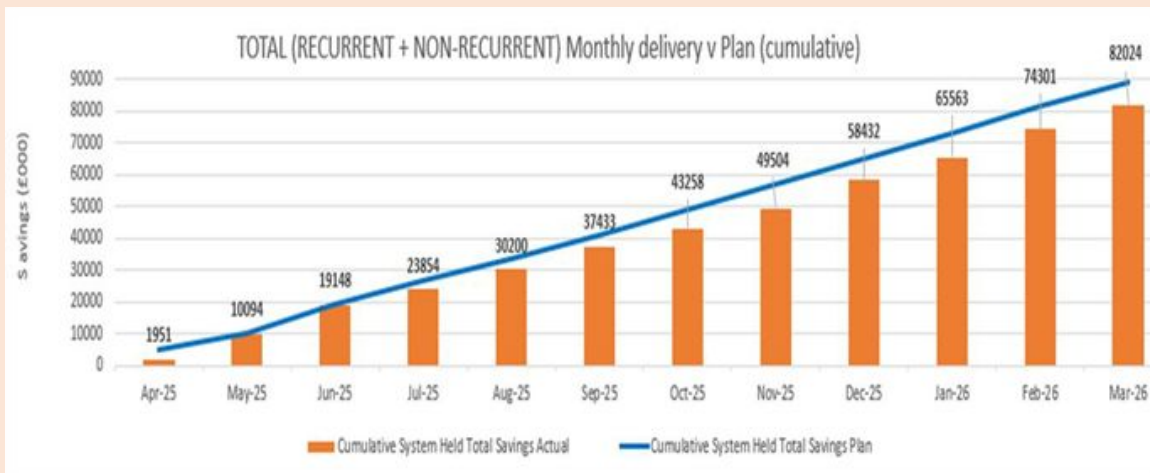
MONTH 12

GLOUCESTERSHIRE SYSTEM SAVINGS SUMMARY

Organisation	PLAN	M12 POSITION								
	Savings requirement	Forecast Savings	Forecast Variance	High	Medium	Low	Recurrent	Non-Recurrent	Opportunity / Unidentified	Identified Schemes Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Gloucestershire Hospitals NHS Foundation Trust	41,775	34,474	-7,301	0	0	34,474	15,814	18,660	0	34,474
Gloucestershire Health & Care NHS Foundation Trust	15,255	13,389	-1,866	0	0	13,389	5,619	7,770	0	13,389
ICB	19,288	25,321	6,033	0	0	25,321	19,848	5,473	0	25,321
System-Held	12,947	8,840	-4,107	0	0	8,840	1,430	7,410	0	8,840
Gloucestershire System Financial Savings Plan - 2025/26	89,265	82,024	-7,241	0	0	82,024	42,711	39,313	0	82,024

Percentage (%) of Unidentified										0.0%
Percentage (%) of Forecast identified										100.0%
Percentage (%) of Forecast - Risk Rating	0.0%	0.0%	100.0%							
Percentage (%) of Recurrent v Non-Recurrent							52.1%	47.9%		

System Efficiencies: Recurrent Performance



The initial plan included c£90m of savings, 52% of these were recurrent. In year delivery of recurrent savings slipped across all organisations, however, organisations delivered non recurrent mitigations to offset.

System Savings (urgent care, planned care & sharing of services) These savings are being managed by portfolios. Savings plans for urgent care have moved to implementation, with part year delivery in 2025/26, ending the year with a shortfall of c £3.8m.

ICB

The ICB delivered its savings by year end, with £25.3m achieved against a plan of £19.6m. Savings relating to organisational change will be delivered recurrently and have been covered non recurrently in year.



GHC

GHC delivered £5.783m of recurring efficiencies compared to their plan of £10.086m. Non recurrent savings delivered are £9.473m, ahead of plan by £4.3m and ensuring the Trust met its overall savings target.

GHFT

The Trust had a £41.8m total savings plan. Savings achieved were £34.5m, of which £3.0m was non-cash-releasing associated with temporary staff spend reduction. Their programme aimed to achieve £25.2m recurrently and has achieved £12.9m in recurrent cash-releasing schemes, meaning they have recurrent under-delivery of £12.3m.

Cash Management: Provider Cash Holdings

Gloucestershire Health And Care NHS Foundation Trust	Current Month
Cash and cash equivalents at end of period	41,317
Operating Expenses	(7,574)
Employee Expenses	(38,390)
Add back depreciation and amortisation	898
Add back all I&E impairments/(reversals)	24
Movement in credit loss allowance on receivables and financial assets	(567)
Number of days in current month	31
Operating Expenditure Days	28

Gloucestershire Hospitals NHS Foundation Trust	Current Month
Cash and cash equivalents at end of period	(2,614)
Operating Expenses	(39,011)
Employee Expenses	(83,048)
Add back depreciation and amortisation	2,947
Add back all I&E impairments/(reversals)	10,050
Movement in credit loss allowance on receivables and financial assets	83
Number of days in current month	31
Operating Expenditure Days	-1

System Cash Holding (£'000)			
	Jan-26	Feb-26	Mar-26
GHFT Plan	34,416	42,894	41,874
GHC Plan	40,265	39,639	39,359
System Plan	74,681	82,533	81,233
GHFT Actual/Forecast	31,232	49,798	(2,614)
GHC Actual/Forecast	46,711	45,535	41,317
System Actual/Forecast	77,944	95,333	38,703
Above/(Below) Plan	3,263	12,800	(42,530)

One of the system measures of effective cash management is the number of days cash cover for operating expenditure. A reasonable system target is 30 days cover.

The GHFT cash balance represents -1 days cash cover for operating expenditure, overdrawn by £3m at year end (£44.5m below plan). This is a reduction from the 30 days of cash cover at month 11.

GHC's cash at the end of the month is £41m, this is above their planned position by £2m. It represents 28 days of cash cover, a reduction of 17 day versus M11.

System Capital Expenditure: Performance

	2025/26 (£k)			
	GHFT	GHC	ICB	SYSTEM
Total Capital Departmental Expenditure Limit (CDEL)	54,507	15,671	6,496	76,674
Other Funding Sources	(14,502)	(869)	0	(15,371)
Net Call against System CDEL	40,005	14,802	6,496	61,303
Plan	38,053	12,184	11,575	61,812
Over / (Under) Plan	1,952	2,618	(5,079)	(509)

System

The system ended with a £0.5m underspend, which will be utilised by the BNSSG System.

GHC

The Trust had an additional £12k spend, as such an additional call against system CDEL of £12k

The Trust spent a net £15.683m after disposals. This was above the original plan following receipt of additional funding for Solar Panels and Electric Vehicle Charging points but was only £22k below the revised system CDEL plan. Disposals were £0.804m compared with the plan of £1.449m.

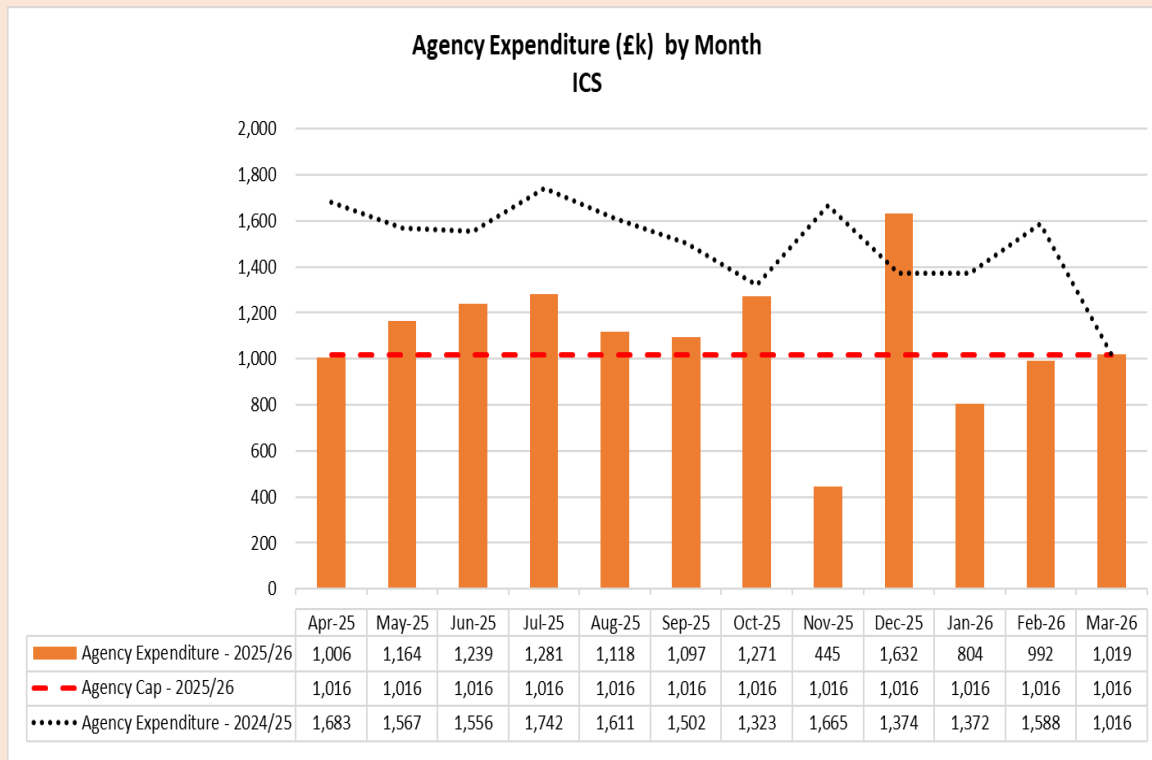
GHFT

Against our total CDEL plan we have reported a £1.1m underspend. This is driven by a £3.6m reduction in National Programme funds reflecting the return of Constitutional Standards money to NHSE for programmes that could not be delivered during the year. This movement is partially offset by £2.0m of System Capital Incentive Funds which were allocated at system level.

ICB

The ICB expenditure reflects GPIT, minor improvement grants and agreed schemes utilising contingency reserve.

System Workforce: Agency Spend vs Cap



GHC

Agency spend for the year was £2.6m, which is £1.3m below plan. March had the lowest spend in 2025/26, at £121k.

The Trust has strong processes in place to ensure that all requests for agency go through appropriate governance, in particular the use of off framework agencies.

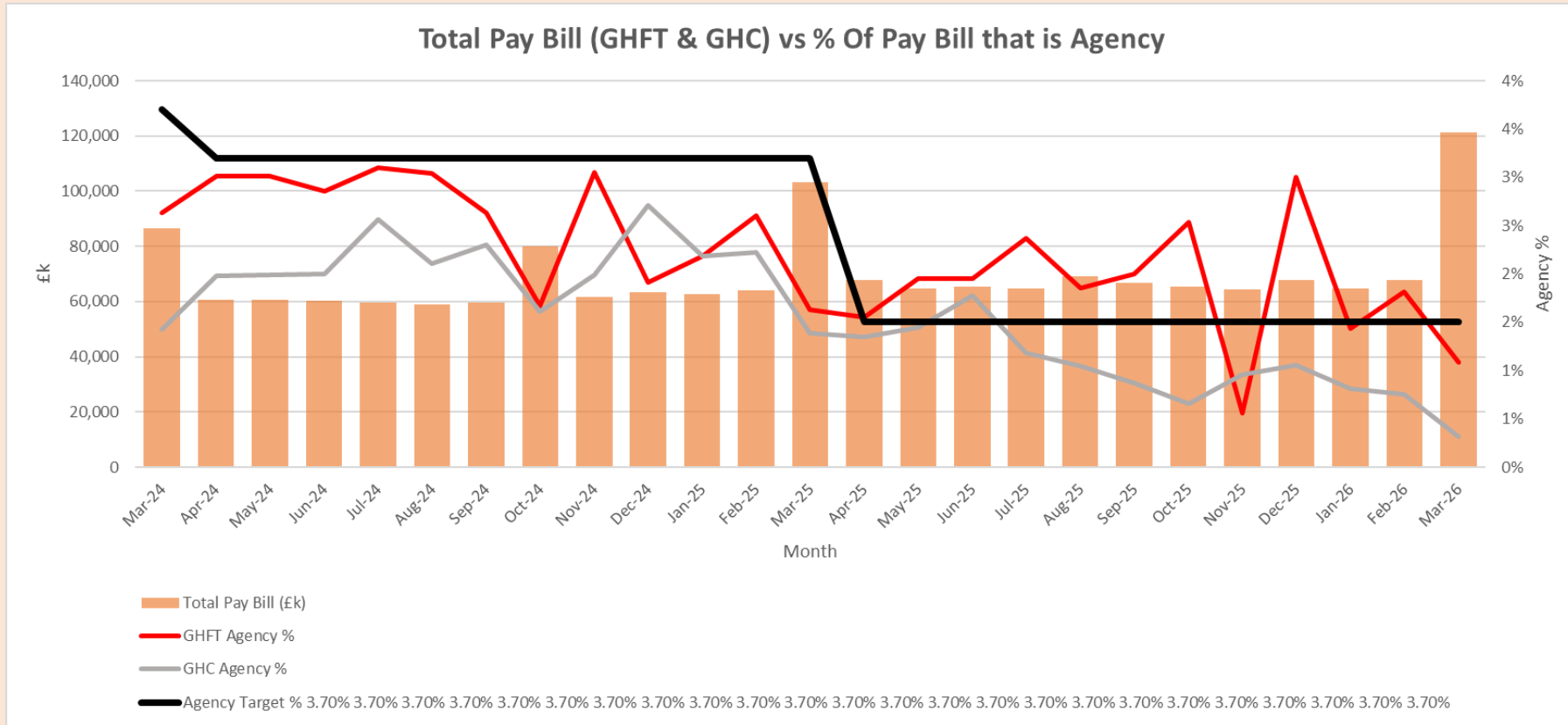
GHFT

GHFT spend on agency in March increased £76k month on month, to £898k. Annual spend was £2.8m above the 2025/26 plan at £10.5m.

Actions include

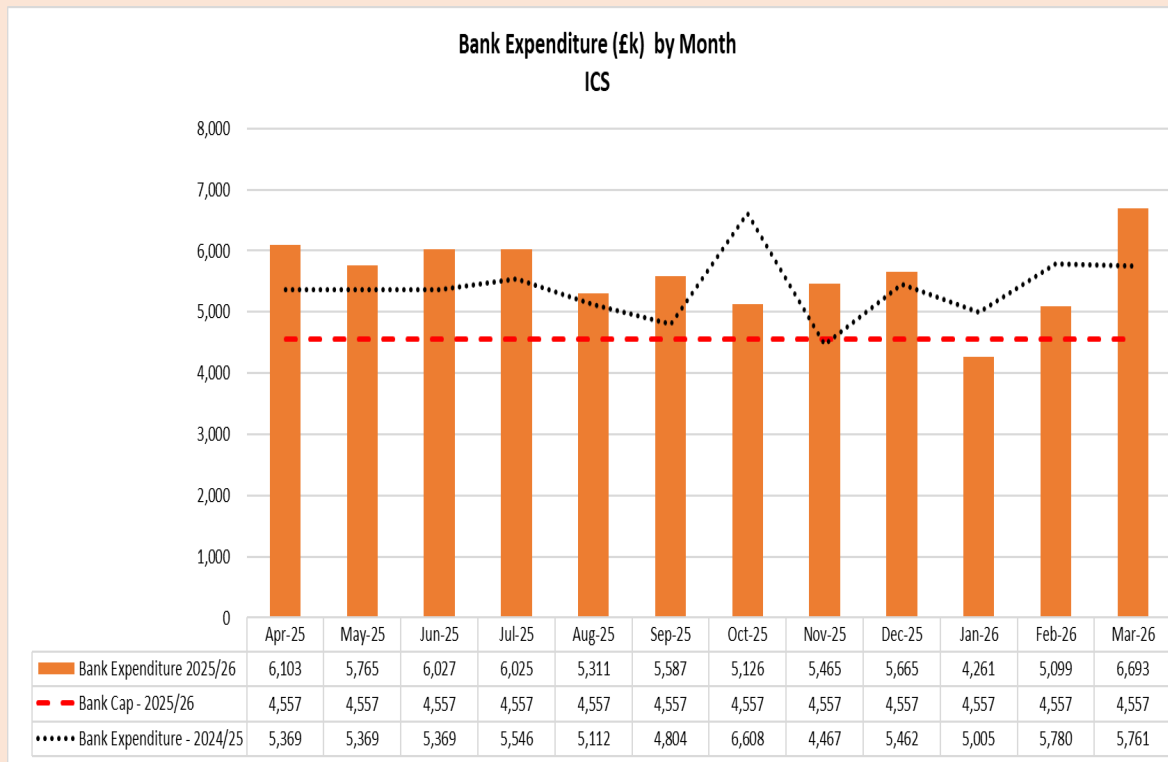
- Medical e-rota has been rolled out and is being used to reduce locum spend
- Rate card in place for RN and medics agency in place
- Substantive recruitment to long term vacancies covered by locums/agency staff is underway

System Workforce: Agency Spend



	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
GHFT Agency Spend (k)	£ 1,561	£ 1,306	£ 1,179	£ 1,171	£ 1,252	1208	1043	921	1259	819	937	1116	1268	709	881	866	1029	902	914	1134	247	1411	637	822	898
GHC Agency Spend (k)	£ 389	£ 377	£ 388	£ 385	£ 490	403	459	402	406	555	435	472	352	297	283	373	252	216	183	137	198	222	166	170	121
Total Agency Spend (k)	£ 1,950	£ 1,683	£ 1,567	£ 1,556	£ 1,742	£ 1,611	£ 1,502	£ 1,323	£ 1,665	£ 1,374	£ 1,372	£ 1,588	£ 1,620	1006	1164	1239	1281	1118	1097	1271	445	1632	804	992	1019

System Workforce: Bank Spend vs Cap



Bank spend has moved back above the 2024/25 spend levels in March.

GHC

Bank spend has increased by £1.2m month on month in March, to its highest level for the year. Cumulatively they have spent £3.2m more than their annual cap and £1.5m more than in 2024/25.

The majority of GHC’s overspend on Bank relates to the Medical & Dental Staff group.

GHFT

GHFT’s bank spend in March increased by £410k month on month. It’s third highest spend in the year. Annual spend was £9.6m above their cap at £46.0m, this was also £1.0m more than their spend in 2024/25.

Work is underway to look at measures to reduce spend in future years, by looking at good practice elsewhere.

ICB Finance Report

Month 12 2025/26 – March 2026



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Financial Overview and Key Risks

The M12 position is a surplus of £0.093m.

- The demand for ADHD assessments was exceptionally high in 25/26, contributing to an overspend of £3.7million. The ICB is actively working to establish contracted activity levels with key providers to manage pressures 2026/27.
- Children's services show a £1.6m overspend which is due to recognition of the increasing cost and risk around for children's placements. There is joint work with Gloucestershire County Council to look at how costs are shared, getting best value from commissioned packages of care and longer term work on joint earlier intervention to reduce the likelihood of a high cost package of care.
- Prescribing underspent by £0.137m in 2025/26; mainly due to savings delivery including those related to price changes
- Continuing Healthcare outturn was £4m underspend. The underspend is due to a number of factors including delivery of savings through reductions in packages of care, a lower than anticipated inflation uplift plus natural fluctuations in the number of applications received.
- The Delegated Pharmacy, Optometry, Dental budgets was £0.4m overspend. The dental ringfence has been achieved.
- The Mental Health Investment Standard (MHIS) has been delivered in 2026/27. Total expenditure was £130.008m against a target of £129.849m. Key investments for the year were CMHT (£2.2m), placements (£1m) and additional voluntary sector investments(£0.8m).

ICB Allocation – M12

- The ICB's confirmed allocation as at 31st March 2026 is **£1.577m**.

Description	Recurrent £'000	Non-Recurrent £'000	Total Allocation £'000
BALANCE BROUGHT FORWARD	1,423,090	146,532	1,569,622
Weight Management Service 25/26		49	1,569,671
Redundancy Funding		-3,600	1,566,071
LTBI (Latent TB) Q4		81	1,566,152
Diabetes (Hybrid closed Loop)		327	1,566,479
Community Equipment		1,643	1,568,122
Additional Industrial Action		2,000	1,570,122
Deficit Support Funding - Gloucestershire Health And Care		1,638	1,571,760
Deficit Support Funding - GHFT		4,915	1,576,675
Connecting Care Records		309	1,576,984
TOTAL IN-YEAR ALLOCATION 25/26 @ M10	1,423,090	153,894	1,576,984

ICB Statement of Comprehensive Income

Statement of Comprehensive Income (£'000)			
Month 12 2025/26 - March	Month 12 Plan	Month 12 Actual Position	Variance to Plan Favourable / (Adverse)
Acute Services	739,027	739,064	↓ (37)
Mental Health Services	155,470	160,144	↓ (4,674)
Community Health Services	162,656	165,403	↓ (2,747)
Continuing Care Services	105,995	101,847	↑ 4,148
Primary Care Services	202,149	203,209	↓ (1,060)
Delegated Primary Care Commissioning	152,804	152,111	↑ 694
Other Commissioned Services	9,166	9,107	↑ 59
Programme Reserve & Contingency	1,669	0	↑ 1,669
Other Programme Services	18,533	17,230	↑ 1,303
Specialised Commissioning	4,889	4,889	⇒ 0
Total Commissioning Services	1,552,358	1,553,003	↓ (644)
Running Costs	24,625	23,888	↑ 737
TOTAL NET EXPENDITURE	1,576,983	1,576,891	↑ 93
ALLOCATION	1,576,984	1,576,984	⇒ 0
Outside of Envelope	0	0	⇒ 0
Underspend / (Deficit)	(0)	93	↑ 93



**Bristol, North Somerset
and South Gloucestershire**
Integrated Care Board



Gloucestershire
Integrated Care Board

BNSSG M12 Finance Report

Board meeting – 27th May 2026



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Overview

The ICB reported a small surplus of £0.1m, against a breakeven plan. In addition, we are reporting breakeven against our capital resource limit (£12.0m). As a result of national reallocation of deficit support funding to providers in breakeven systems with a breakeven plan for 2026/27 they received additional funding in 2025/26 meant to support the Trust's cash position, this means that overall the system is reporting a surplus at year end of £11.8m

	Plan YTD	Actual YTD	less DSF	Actual with DSF removed
	£m	£m	£m	£m
BNSSG ICB	-	0.17	0.17	0.17
University Hospitals Bristol & Weston FT	-	4.98	(4.92)	0.06
North Bristol Trust	-	4.94	(4.92)	0.03
Avon & Wiltshire Partnership MH Trust	-	1.67	(1.64)	0.03
System Surplus/ (Deficit)	-	11.76	(11.30)	0.29

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Statutory duties

Duty

Maintain expenditure within the revenue resource limit	Yes
Ensure running costs are within the running cost resource limit.	Yes
Maintain capital expenditure within the delegated limit	Yes
Maintain expenditure within the allocated cash limit	Yes
Ensure compliance with the better payment practice	Yes

Total capital resource	£'000
Total net capital cost for the financial year	10,148
Final in year capital resource limit	10,290
Under/(over) spend in year	142

	2025-26 No.	2025-26 £'000	2024-25 No.	2024-25 £'000
--	----------------	------------------	----------------	------------------

Non-NHS Trade Payables

Invoices paid in the period	30,523	910,666	31,747	857,922
Invoices paid within target	30,248	889,394	31,457	848,106
% paid within target	99.1%	97.7%	99.1%	98.9%

NHS Trade Payables

Invoices paid in the period	1,206	1,477,119	1,265	1,324,977
Invoices paid within target	1,180	1,476,159	1,230	1,322,719
% paid within target	97.8%	100.0%	97.2%	99.8%



Statutory duties

- **Revenue resource limit:** the ICB delivered a surplus of £124k, please see next page
- **Running costs:** the ICB underspent running costs by £1.5m
- **Capital expenditure:** the table (left) shows that the ICB underspent by £142k, meeting the duty
- **Cash limit:** duty met, cash allocation not exceeded
- **Compliance with BPPC:** The ICB achieved the required 95% target to pay NHS and Non-NHS trade payables within 30 days (unless other terms had been agreed). The table (bottom left) shows our performance for 25/26



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Allocation

Programme Area	Confirmed Initial ICB allocation £m	Prior Months Allocation Changes £m	Adjustments in Month		Baseline Allocation at 31-Mar-26 £m
			SDF/Other allocations £m	Internal Budget adjs £m	
Acute Contracts	1,232.664	68.767	10.178	11.063	1,322.672
Mental Health	238.952	8.598	1.638	(7.968)	241.220
Community Services	235.724	7.732	(0.007)	17.910	261.359
Delegated Primary Care	304.664	13.574	0.003	-	318.241
Medicines Management	167.573	0.120	-	0.015	167.708
Primary Care	37.327	1.661	-	-	38.988
Funded Care	140.696	0.036	-	-	140.732
Childrens Services	48.413	5.382	-	-	53.795
Support costs	9.377	5.917	-	0.305	15.599
Reserves	(2.977)	4.520	12.949	(21.324)	(6.833)
Commissioning Budget	2,412.412	116.308	24.761	-	2,553.481
Running Costs	15.318	8.496	-	-	23.814
Total Allocation 2025-26	2,427.730	124.804	24.761	-	2,577.295

Allocation

The M12 allocation showed a £24.8m increase, the majority of which (after aligning through budget adjustments) was deployed against acute and community contracts representing surge funding received.

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Detailed Positions

Financial performance 1 April 2025 to 31 March 2026	Budget	Expenditure	Variance
Programme Area	£m	£m	£m
Acute	(1,322,672)	(1,325,143)	(2,471)
Mental Health	(241,220)	(247,605)	(6,386)
Community	(261,359)	(259,890)	1,469
Delegated Primary Care	(318,241)	(315,337)	2,904
Medicines Management	(167,708)	(161,846)	5,862
Primary Care	(38,988)	(39,005)	(17)
Funded Care	(140,732)	(141,108)	(377)
Children's	(53,795)	(55,096)	(1,301)
Support Costs	(15,607)	(16,669)	(1,062)
Reserves	6,833	6,829	(4)
Running Costs	(23,805)	(22,301)	1,505
BNSSG ICB Income/ (Expenditure)	(2,577,294)	(2,577,170)	124

- Whilst the overall position is (effectively) breakeven, there is material variance the programme level in some instances. The main drivers are:
- **Acute overspend of £2.5m:** driven by No Criteria to Reside (NCTR) patients of £7m and other contract performance overspends of £0.6m; partially offset by High Cost Drugs and Devices underspends of (£3.2m), Independent Sector underspends of (£1.5m) and other small underspends of (0.3m).
- **Mental health overspend of £6.4m:** driven by a net overspend on placement costs of £5.1m and an overspend on Right to Choose Adult ADHD & Autism costs of £5.1m. These are offset by contract slippage planned investments and contract and performance slippage of £3.8m.
- **Children's overspend of £1.3m:** driven by Right to Choose Adult ADHD & Autism costs
- **Medicines management underspend of £5.8m:** this pertains to prescribing costs which have been materially below plan.
- **Delegated primary care commissioning underspend of £2.9m:** generally driven by population growth being below expected growth rates
- **Running costs underspend of £1.5m** partially offset by an overspend in support costs

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Efficiency delivery

The ICB is expecting to overperform the efficiency target by £2.0m, mainly relating to primary care prescribing, small variances in high-cost drugs (acute) offsetting underperformance on S117 on mental health. Of the £56.8m savings £31.1m are contract efficiency savings through national tariff and a residual £25.7m are ICB delivered. All delivery is recurrent.

	Full Year Plan	Forecast Actuals	Forecast Variance to Plan	Forecast % delivery
ICB Area of Efficiencies:				
Acute	£22.9	£23.6	£0.6	103%
Community Healthcare	£8.4	£8.4	(£0.0)	100%
Mental Health	£5.5	£4.9	(£0.6)	88%
Ambulance	-	-	-	-
Primary Care	£6.0	£7.9	£2.0	133%
All-age Continuing Care	£10.5	£10.5	(£0.0)	100%
Running Costs	£1.1	£1.1	£0.0	100%
Other Programme Services	£0.3	£0.3	(£0.0)	100%
Unidentified	-	-	-	-
Total ICB Efficiencies	£54.8	£56.8	£2.0	104%
Recurrent / Non-Recurrent Split:				
Recurrent	£54.8	£56.8	£2.0	104%
Non-recurrent	£0.0	£0.0	£0.0	-
Total ICB Efficiencies	£54.8	£56.8	£2.0	104%

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Appendix: detailed programme spend

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Acute Services	2025/26 Budget	YTD Budget	YTD Expenditure	YTD Variance	
	£m	£m	£m	£m	
NBT	563.234	563.234	566.329	(3.095)	●
UHBW	582.851	582.851	583.740	(0.889)	●
South West Ambulance Trust	59.809	59.809	59.806	0.003	●
Independent Sector Providers	57.641	57.641	56.451	1.189	●
SWAG Cancer	19.503	19.503	19.115	0.388	●
Inter System Contracts	19.444	19.444	19.984	(0.539)	●
Low Volume Activity - Acute	14.554	14.554	14.552	0.002	●
Non Contracted Activity - Acute	2.203	2.203	1.873	0.330	●
UKHSA	1.643	1.643	1.743	(0.100)	●
Other Acute	0.981	0.981	0.776	0.205	●
IVF	0.809	0.809	0.774	0.035	●
Grand Total	1,322.672	1,322.672	1,325.143	(2.470)	

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Mental Health & Learning Disabilities	2025/26 Budget	YTD Budget	YTD Expenditure	YTD Variance	
	£m	£m	£m	£m	
AWP	154.391	154.391	154.426	(0.035)	●
MH Placements Section 117	21.982	21.982	27.123	(5.141)	●
IAPT	14.274	14.274	13.989	0.285	●
MH Community	12.758	12.758	10.116	2.642	●
ADHD	10.368	10.368	13.709	(3.341)	●
Dementia	6.263	6.263	6.117	0.146	●
LD Placements Section 117	5.574	5.574	5.956	(0.382)	●
Crisis Services	3.875	3.875	3.913	(0.038)	●
MH Placements Section 3	3.141	3.141	3.175	(0.034)	●
LD Placements Section 3	2.494	2.494	2.081	0.413	●
Mental Health SDF	2.208	2.208	1.921	0.287	●
Learning Disabilities	1.797	1.797	1.346	0.451	●
Low Volume Activity - Mental Health	0.922	0.922	0.922	-	●
MH S12 Doctors	0.673	0.673	0.548	0.125	●
Autism	0.500	0.500	2.263	(1.763)	●
Grand Total	241.220	241.220	247.605	(6.385)	

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Community	2025/26 Budget	YTD Budget	YTD Expenditure	YTD Variance	
	£m	£m	£m	£m	
Adult Community Contract	163.574	163.574	163.573	0.000	●
Jointly Commissioned	36.537	36.537	36.537	0.000	●
Discharge To Assess Beds	11.994	11.994	13.356	(1.362)	●
Community Equipment Services	7.466	7.466	7.367	0.099	●
Anticipatory Care	20.097	20.097	17.443	2.654	●
Hospices	4.513	4.513	4.376	0.137	●
BIRU	3.561	3.561	5.026	(1.465)	●
CMO Health Inequalities	2.855	2.855	1.554	1.301	●
Community Audiology	2.881	2.881	2.940	(0.059)	●
Other Non-Acute Contracts	2.576	2.576	2.752	(0.176)	●
Patient Transport - Non Acute	1.481	1.481	1.481	-	●
Prevention Fund	1.349	1.349	1.227	0.121	●
Community In-Year Investments	0.783	0.783	0.637	0.146	●
Third Sector Contracts	0.734	0.734	0.662	0.072	●
Other D2ALA	0.578	0.578	0.578	-	●
Other Community Services	0.381	0.381	0.381	(0.000)	●
Grand Total	261.359	261.359	259.890	1.469	

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Funded Care	2025/26 Budget	YTD Budget	YTD Expenditure	YTD Variance	
	£m	£m	£m	£m	
Adult Fully Funded CHC	0.018	0.018	0.449	(0.431)	●
Adult Fully Funded CHC LD	37.230	37.230	40.759	(3.530)	●
Adult Fully Funded CHC MH	2.100	2.100	2.224	(0.124)	●
Adult Fully Funded CHC PD	41.579	41.579	40.052	1.527	●
Adult Joint Funded	0.791	0.791	0.900	(0.109)	●
CHC Assessment And Support	0.715	0.715	1.190	(0.476)	●
Chief Nursing Office Funded Care Team Pay	5.292	5.292	5.274	0.018	●
Childrens CHC	3.620	3.620	3.599	0.021	●
Fast Track	18.223	18.223	16.671	1.552	●
Prior year CHC	0.000	0.000	-1.924	1.924	●
FNC	31.164	31.164	31.914	(0.750)	●
Grand Total	140.732	140.732	141.108	(0.377)	

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Primary Care	2025/26 Budget	YTD Budget	YTD Expenditure	YTD Variance	
	£m	£m	£m	£m	
GPIT	4.078	4.078	4.078	-	●
Local Enhanced Services	8.717	8.717	8.562	0.155	●
NHS111 Out Of Hours	20.603	20.603	20.975	(0.372)	●
Other Primary Care	1.196	1.196	1.119	0.078	●
Primary Care Transformation	3.448	3.448	3.336	0.113	●
Referral Support Service - CMO	0.179	0.179	0.165	0.014	●
Referral Support Service - CNO	0.766	0.766	0.770	(0.004)	●
Grand Total	38.988	38.988	39.005	(0.017)	

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Medicines Management	2025/26 Budget	YTD Budget	YTD Expenditure	YTD Variance	
	£m	£m	£m	£m	
Primary Care Prescribing	153.661	153.661	144.262	9.399	●
Central Drugs Costs	5.114	5.114	8.188	(3.074)	●
Other Prescribing	2.368	2.368	2.599	(0.231)	●
Dressings	2.135	2.135	2.471	(0.336)	●
CMOMedicines Optimisation Pay	2.122	2.122	2.144	(0.021)	●
Home Oxygen	2.072	2.072	1.898	0.174	●
Medicines Management Clinical	0.235	0.235	0.284	(0.049)	●
Grand Total	167.708	167.708	161.846	5.862	

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Delegated Primary Care	2025/26 Budget	YTD Budget	YTD Expenditure	YTD Variance	
	£m	£m	£m	£m	
GMS PMS Or APMS Contracts	129.643	129.643	127.865	1.778	●
Primary Care Networks DES	48.111	48.111	47.666	0.445	●
Premises Costs	16.550	16.550	16.454	0.096	●
Quality Outcomes Framework	13.395	13.395	13.395	-	●
Locum Reimbursement Cost	2.478	2.478	2.978	(0.500)	●
Other GP Services	2.374	2.374	2.303	0.071	●
Designated Enhanced Services	2.589	2.589	2.503	0.086	●
Prescribing And Dispensing Fees	1.575	1.575	1.475	0.101	●
Delegated Primary Care Reserve	-0.161	-0.161	-0.095	(0.066)	●
Grand Total	216.554	216.554	214.544	2.011	

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Pharmacy, Ophthalmology and Dental (POD) delegation	2025/26 Budget	YTD Budget	YTD Expenditure	YTD Variance	
	£m	£m	£m	£m	
Delegated Community Dental	2.905	2.905	2.905	0.000	●
Delegated Ophthalmic	8.920	8.920	8.798	0.122	●
Delegated Pharmacy	28.071	28.071	27.099	0.972	●
Delegated Primary Care IT	1.695	1.695	1.684	0.011	●
Delegated Primary Dental	40.439	40.439	40.184	0.255	●
Delegated Secondary Dental	19.657	19.657	20.123	(0.466)	●
Grand Total	101.687	101.687	100.793	0.894	

Children's Services	2025/26 Budget	YTD Budget	YTD Expenditure	YTD Variance	
	£m	£m	£m	£m	
CAMHS	25.075	25.075	24.659	0.416	●
CCHP	24.604	24.604	24.714	(0.110)	●
Other Childrens	4.116	4.116	5.722	(1.606)	●
Grand Total	53.795	53.795	55.096	(1.301)	

Cluster

Gloucestershire

BNSSG

Running Costs	2025/26 Budget	YTD Budget	YTD Expenditure	YTD Variance	
	£m	£m	£m	£m	
Business, Strategy and Planning Directorate	12.166	12.166	11.010	1.156	●
Chief Medical Office	0.647	0.647	0.639	0.008	●
Chief Nursing Office	0.045	0.045	0.028	0.017	●
Intelligence, Transformation and Digital Directorate	4.257	4.257	3.689	0.569	●
Office of the Chair & Chief Executive	3.226	3.226	3.560	(0.334)	●
People Directorate	1.488	1.488	1.282	0.206	●
Performance & Delivery Directorate	1.975	1.975	2.092	(0.118)	●
Grand Total	23.805	23.805	22.301	1.505	

Support Costs	2025/26 Budget	YTD Budget	YTD Expenditure	YTD Variance	
	£m	£m	£m	£m	
Estates	2.747	2.747	2.437	0.310	●
Hosted Services	0.232	0.232	-0.000	0.232	●
Other Programme Pay	2.711	2.711	2.894	(0.184)	●
Other Support Costs	2.127	2.127	2.558	(0.431)	●
Projects	6.352	6.352	7.359	(1.007)	●
Research & Development	0.085	0.085	0.124	(0.039)	●
Safeguarding	1.354	1.354	1.297	0.057	●
Grand Total	15.607	15.607	16.669	(1.062)	

Meeting of Joint Cluster Board Open session

Date: Wednesday 27th May 2026

Time: 12:00 – 13:45

Location: St Michael's Centre, North Rd, Stoke Gifford, Bristol BS34 8PD

Agenda Number:	7	
Title:	Terms of Reference for Cluster Committees	
Confidential Papers	Commercially Sensitive	No
	Legally Sensitive	No
	Contains Patient Identifiable data	No
	Financially Sensitive	No
	Time Sensitive – not for public release at this time	No
	Other (Please state)	No
Purpose: <u>Decision</u>		
Key Points for Discussion:		
<p>To support the Gloucestershire and BNSSG cluster, new governance arrangements are being established and, in line with the agreed Scheme of Reservation and Delegation for the cluster, agreement is required from the Board on the establishment of committees. The joint committees include:</p> <ul style="list-style-type: none"> • Finance, Performance and Quality Committee • Transformation, People and OD Committee • Strategic Health Inequalities, Prevention Population Health and Commissioning Committee <p>Audit committees, which will not be joint, will also exist with revised memberships. Arrangements are being made to confirm the full membership of each committee; section 3 sets out Non-Executive Director Chairs and Executive leadership for each committee.</p>		

<p>Recommendations:</p>	<ol style="list-style-type: none"> 1. To agree the Terms of Reference, and specifically the remits of the Cluster Committees. 2. To note the recommendation that a review of the TORs takes place by the end of the year. 3. To note that arrangements will be made to set up the first meetings which will make any urgent decisions and use the time to develop workplans and future membership. 4. To support the update to the SoRD to reflect the agreed committee responsibilities set out in these TORs
<p>Previously Considered By and feedback:</p>	<p>The Joint Transition Committee in April reviewed the purpose of each committee and assisted in the development of the membership of each. This followed previous discussions between NEDs and the lead executive(s) for each committee. The feedback about changes has been incorporated in these final draft versions.</p>
<p>Management of Declared Interest:</p>	<p>There are no conflicts identified in relation to this paper.</p>
<p>Risk and Assurance:</p>	<p>The establishment of committees will support the cluster ICBs to discharge their responsibilities including the management of risks. Committees will be aware of risks associated with their remits and set agendas accordingly.</p>
<p>Patient and Public Involvement:</p>	<p>There has been no public involvement in the development of the TORs.</p>
<p>Financial / Resource Implications:</p>	<p>Costs associated with administrating committees will be borne by existing budgets. To achieve efficiencies, MS Teams will be used for meetings and their administration.</p>
<p>Legal, Procurement, Policy and Regulatory Requirements:</p>	<p>The establishment of the joint committees and the running of audit committees in common take into account requirements.</p>
<p>How does this impact on health inequalities, equality and diversity and population health?</p>	<p>This paper does not specifically impact on health inequalities, equality and diversity and population health. However, the TORs set out the responsibilities for the management of this key area of focus; this mainly falls to the SHIPPHC Committee</p>
<p>ICS Green Plan and the Carbon Net Zero target?</p>	<p>This paper does not specifically contribute to the Green Plan. However, please note that the Finance, Performance and Quality Committee will have oversight of the ICB's Green Plan.</p>

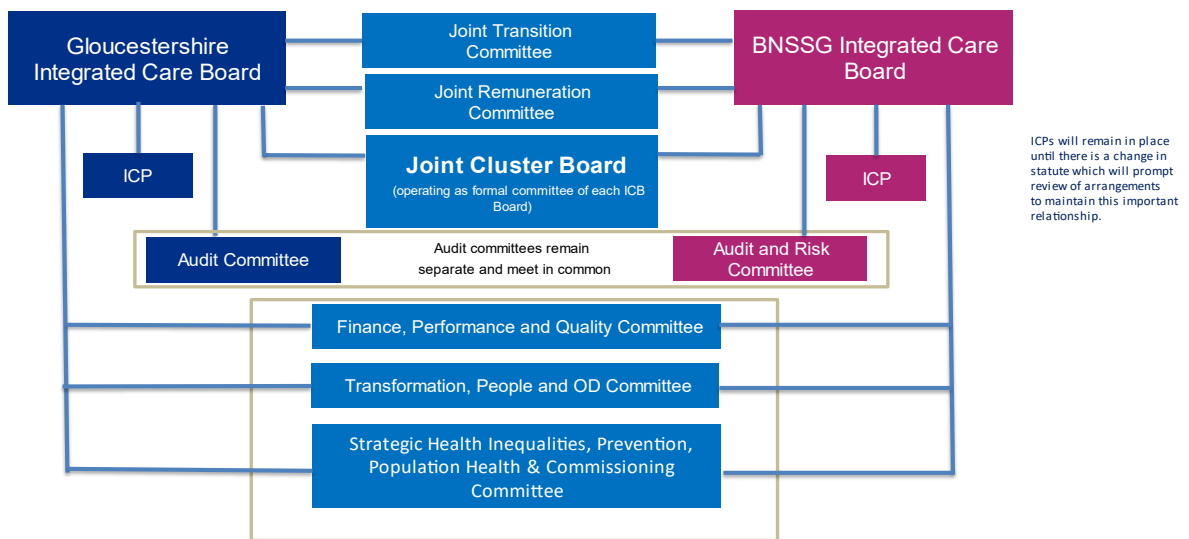
Communications and Engagement:	Once agreed, the TORs will be included on the ICB's websites as part of the Governance Handbooks.
Author(s):	Rob Hayday, Chief of Staff Tracey Cox, Director People, Culture and Engagement
Sponsoring Director:	Cath Leech, Chief Finance and Corporate Services Officer

Agenda item: 7

Report title: Terms of Reference for Cluster Committees

1. Background

Gloucestershire and BNSSG ICBs have formed a cluster to support the delivery of the NHS reforms and the Model ICB Blueprint. To support the cluster, new governance arrangements are being established, these are depicted in the diagram below:



The Joint Transition Committee and the Joint Remuneration Committees are already in operation. Terms of reference for the other committees have been drafted with input from Non-Executive Directors (NEDs) and Chief Officers. These TORs can be found as appendices to this paper.

2. Remit of the Joint Committees

The remit from each Joint Committee is summarised below.

Finance, Performance & Quality Committee

Chair: Ellen Donovan

Core Purpose :

To provide assurance to the Cluster Board that resources are being used effectively and sustainably (value for money and financial stewardship) and that key operational, contractual performance targets and statutory duties are being delivered.

It will do this by triangulating finance, performance and quality intelligence and by monitoring contract performance against national standards and agreed key outcomes to assure the delivery of high quality and effective services.

This will include a focus on place level delivery, assurance relating to primary contracts and delegated commissioning responsibilities.

Oversight of Estates, Digital and ICBs' Green Plans

3

Strategic Health Inequalities, Prevention Population Health & Commissioning Committee

Chair: Jane Cummings

Core Purpose :

To provide joint leadership, oversight and assurance that the ICBs' strategic commissioning shifts resources towards prevention and community-based care, improves population health outcomes, reduces health inequalities, and delivers best value from commissioned services.

The Committee will seek assurance that the integrated needs assessment, ICB's strategic commissioning strategy and population health improvement plan are shaped by a Population Health Management (PHM) approach.

Oversight of the development of neighbourhood health and place related plans.

4

Transformation, People and OD Committee

Chair: Ayesha Janjua

Core Purpose :

To oversee how the ICB attracts, develops, and retains its people, ensuring resources and practices support a compassionate, inclusive, and high performing workforce that has the core capabilities and capacity to support the ICB's strategic commissioning role and functions.

Provide assurance on ICB workforce strategy, organisational culture, staff experience and engagement, and workforce transformation changes, including equality, diversity and inclusion as well as staff wellbeing.

Oversight of ICB plans to develop robust change management and improvement capabilities while evolving the ICB's operating models to support new ways of working.

To seek assurance from providers on workforce related matters which will have a bearing on strategic commissioning decisions and make recommendations on areas for development.

5

In addition to the Joint Committees, the Audit Committees of the two ICBs in the cluster intend to meet in common with one jointly appointed NED chairing both committees. Audit committees are not permitted to be joint.

Committee meetings are expected to start in June 2026, and whilst in the formation stages, meetings will provide the opportunities for approval of urgent business and receipt of assurance that requires scrutiny.

Committees will provide routine updates and minutes to the Joint Cluster Board.

Once the Terms of Reference have been approved, the Scheme of Reservation and Delegation will need to be updated to reflect the remit of each committee.



3. Committee Membership

The table below summarises the membership of the committees drawn from the ICB NEDs and Chief Officers.

Cluster Committee membership
Minimum per annum:

All joint appointments
NEDs

Jane Cummings
Ellen Donovan
Ayesha Janjua
Steve West
Alison Moon
Jeff Farrar
Chief Officers
Rosi Shepherd

Ananthakrishnan Raghuram
David Jarrett

Jo Medhurst

Cath Leech

Jo Hicks
Shane Devlin

Joint	Joint	Joint	Common	Joint	Joint	= Chair
4	6	4	4	1	12	= Lead
SHIPPHC	FPQ	TPOD	AUDIT	REM COM	JTC	= Invited
X	X	X		X	X	
	X		X	X	X	
X		X		X	X	
	X		X		X	
X	X		X	X	X	
X	X	X		X	X	
X	X	Either			X	Chief Clinical Leadership & Delivery Officer - Nursing
X	X	Either			X	Chief Population Health Improvement Officer - Medical
X	X				X	Chief Strategic Commissioning Officer
X		X			X	Chief Population Health Improvement Officer
X	X		X		X	Chief Finance & Corporate Services Officer
X		X		X	X	Chief Transformation, People & Organisational Development Officer
					X	Chief Executive

Both ICBs recognise the value of having external participants attending committee meetings and The Cluster Chair has approached Chairs and leaders of other organisations in the NHS, Local Authority and VCSE sectors to seek nominations for members including Directors of Public Health. Responses are expected to be with the Chair by 29 May.

The TORs do not currently show the partner members, an update will be provided to a future Joint Cluster Board. Staff required to participate in committees will become known once the organisational changes have concluded. This will include colleagues from teams delivering their work in the four identified places: Gloucestershire, Bristol, North Somerset and South Gloucestershire, and their subsidiaries. Arrangements will also be made for participants to attend relevant committees to contribute the voice of the population served by the cluster.

4. Management of Conflicts of Interest

The ICBs maintain registers of Declarations of Interest. Information regarding conflicts of interest will be made available to committees with actions taken to restrict the involvement of individuals in the business of any relevant meeting items.

5. Committee Management Arrangements

As part of the formal staff consultation regarding the reorganisation of the ICB to fulfil the requirements of the Model ICB Blueprint and become a strategic commissioning organisation, resource has been identified to establish a Committee Hub function. This will mean that the committee secretariat will be run by a central function and not distributed across different directorates. Arrangements are being finalised for workplans, minuting, risk management and invitations for meetings.

6. Review Arrangements

Under normal circumstances, committee TORs would be reviewed annually. It is recommended that committee arrangements and TORs are reviewed by the end of the year to ensure that the emergent governance is fit for purpose, and to support arrangements for the merger of Gloucestershire and BNSSG ICBs which is expected to happen in April 2027.

7. Financial resource implications

Costs associated with administrating committees will be borne by existing budgets. There is an opportunity cost associated with holding committee meetings, their management and administration. Where possible efficiencies will be sought, this will include holding meetings on MS Teams to reduce the time commitment associated with attendance and to assist with minute taking using the associated transcription technology.

8. Legal and procurement implications

The establishment of the joint committees and the running of audit committees in common take into account requirements.

9. Risk implications

The establishment of committees will support the cluster ICBs to discharge their responsibilities including the management of risks. Committees will be aware of risks associated with their remits and set agendas accordingly.

10. How does this impact on health inequalities, equality and diversity and population health?

This paper does not specifically impact on health inequalities, equality and diversity and population health. However, the TORs set out the responsibilities for the management of this key area of focus; this mainly falls to the SHIPPHC Committee.

11. Public Involvement including any Formal Consultation and Communication matters

There has been no public involvement in the development of the TORs. Once agreed, the TORs will be included on the ICB's websites as part of the Governance Handbooks.

12. ICS Green Plan and the Carbon Net Zero target

This paper does not specifically contribute to the Green Plan. However, please note that the Finance, Performance and Quality Committee will have oversight of the ICB's Green Plan.

Appendices

Terms of Reference for:

- Finance, Performance and Quality Committee – joint committee
- Transformation, People and OD Committee – joint committee
- Strategic Health Inequalities, Prevention Population Health and Commissioning Committee – joint committee
- Gloucestershire ICB Audit Committee
- BNSSG ICB Audit Committee



**Bristol, North Somerset
and South Gloucestershire**
Integrated Care Board



Gloucestershire
Integrated Care Board

Finance, Performance & Quality Committee

Version 0.6

NHS Bristol, North Somerset & South Gloucestershire (BNSSG ICB), NHS Gloucestershire

Finance, Performance & Quality Outcomes Committee (FPQ) – Terms of Reference (ToR)

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1. Introduction

- 1.1 The FPQ is established by the two Integrated Care Boards (the Boards or ICBs) as a Committee of each Board in accordance with its individual Constitution.
- 1.2 These terms of reference, which must be published on each ICB's website, set out the membership, the remit, responsibilities and reporting arrangements of the Joint Committee and may only be changed with the approval of the Boards.
- 1.3 The Committee is a non-executive committee of each Board and its members, including those who are not members of the Board, and is bound by the Standing Orders and other policies of the ICBs
- 1.4 The Committee supports the ICBs' role as strategic commissioners and their delivery of the three NHS strategic shifts: hospital to community, analogue to digital, and sickness to prevention.
- 1.5 Committee business will support the ICBs to meet the NHS Triple Aim: improve population health, improve the quality of services, and use resources sustainably. The Committee will also seek to advance equity, improve patient experience, and support staff and clinician wellbeing.
- 1.6 The Committee will take an evidence-based approach, focus on transformation, and evaluate impact.

2. Purpose

- 2.1 The Committee provides assurance on the ICBs' value-for-money approach in the use of resources, financial stewardship, and delivery of key operational and contractual performance targets.
- 2.2 The Committee will also seek assurance on delivery of relevant statutory duties (including safeguarding and infection prevention and control).
- 2.3 The Committee will use triangulated finance, quality and performance intelligence to assure delivery of high-quality, equitable services and effective use of resources to the population. This will include paying attention to delivery at Place level in the cluster area.
- 2.4 The Committee will invite system partners to inform the Committee on their financial positions and operational and medium to long-term financial planning.
- 2.5 The Committee will provide assurance on the monitoring of contract performance against national and constitutional operational standards (for example, waiting times, quality and efficiency) and measures being taken to remedy the position where performance is not meeting expected standards. As outcomes frameworks develop, it will also monitor delivery of agreed outcomes.
- 2.6 The Committee will work with NHS England and provider Boards to understand respective performance-management responsibilities and avoid duplication, noting

the responsibility of Provider Boards to manage their contracted performance and NHS England's lead role for provider performance management from 2026.

- 2.7 The Committee will provide assurance on the ICBs' quality duties, including evaluation of quality metrics and outcomes from commissioned and directly provided services, and action to reduce inequalities.
- 2.8 The Committee will seek assurance that nationally agreed primary care contracts (general practice, dental, optometry and community pharmacy) are actively managed to deliver best outcomes for the local population.
- 2.9 The Committee will see assurance on the delivery of delegated commissioning responsibilities held by the ICBs.
- 2.10 The Committee will seek assurance of ~~system-wide~~ winter plans prior to submission to the Joint Cluster Board for approval.
- 2.11 The Committee will seek assurance that appropriate KPIs and standards are specified in commissioned services and that performance is managed effectively.
- 2.12 Where performance falls short, the Committee may establish Recovery Boards (or equivalent) to oversee remedial action.
- 2.13 The Committee will oversee procurement arrangements and seek assurance that legal requirements are met.
- 2.14 The Committee will scrutinise business cases within delegated limits and make recommendations.
- 2.15 The Committee will approve the ICBs' capital investment framework to govern allocation of resources to agreed priorities that support strategic commissioning.
- 2.16 The Committee will provide assurance that the ICBs fulfil their statutory duties as Category 1 responders under the Civil Contingencies Act, including obligations under the core standards for emergency preparedness, resilience and response, and annual assurance of system providers.
- 2.17 The Committee will review and challenge risks and mitigation plans relating to finance, performance and quality outcomes, escalating material issues to the Board as required.
- 2.18 The Committee will oversee Estates and Digital strategies and seek assurance that enabling infrastructure supports strategic commissioning requirements.
- 2.19 The Committee will oversee the ICBs' Green Plans and contribution to the sustainability agenda, including Net Zero targets and relevant national standards.
- 2.20 The Committee will approve relevant policies, as set out in the Schemes of Reservation and Delegation.

3. Delegated Authority

The Committee is authorised by the Boards 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. This will include the establishment of a Quality Management System to provide intelligence to support oversight and the identification of areas for remedial action.
- 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 ICBs for obtaining legal or professional advice;
- 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 but may /not delegate any decisions to such groups.

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.

4. Membership

- 4.1 The Committee membership will be drawn from the jointly appointed Non-Executive and Executive Members of each Board.
- 4.2 The following are members of the Joint Committee who have voting rights and decision-making powers. They will be appointed by their respective Board to the membership of this Joint Committee:

BNSSG ICB	Gloucestershire ICB
Ellen Donovan, Joint NED (Chair)	
Jane Cummings – Joint NED, Chair of SHIPPHC	
Steve West - Joint NED, Chair of Audit	
Chief Clinical Leadership and Delivery Officer - Medical	
Chief Clinical Leadership and Delivery Officer - Nursing	
Chief Finance and Corporate Services Officer	
Chief Strategic Commissioning Officer	

A Non-Executive Director who ideally holds a finance qualification – this could be a co-opted member from one of the ICS Partner Boards – will be a consideration when appointing committee members.

Chair and Vice Chair:

- 4.3 In accordance with the Constitutions of both ICBs, the Committee will be chaired by an independent non-executive member of the Board appointed on account of their specific knowledge skills and experience making them suitable to chair the Committee. The Cluster Chair will appoint the Committee Chair.
- 4.4 The Chair will be responsible for agreeing the agenda and ensuring matters discussed meet the objectives as set out in these ToR. The Chair will work closely with the lead Chief Officers who will use risk registers and other sources of intelligence to drive the business of the Committee.
- 4.5 Committee members may appoint a Vice Chair from amongst the members.
- 4.6 In the absence of the Chair, or Vice Chair, the remaining members present shall elect one of their number to Chair the meeting.
- 4.7 Members will possess between them knowledge, skills and experience in support of the Committees purpose. When determining the membership of the Committee, active consideration will be made to diversity and equality.

Attendees and other Participants:

- 4.8 Only members of the Committee have the right to attend Committee meetings, but the Chair may invite relevant individuals to the meeting as necessary in accordance with the business of the Committee
- 4.9 The ICBs recognise the value external stakeholders bring and will take a collaborative approach to strategic commissioning. The Committee may include individuals who bring sector- or profession-wide expertise (rather than representing a specific organisation) to inform its business.
- 4.10 Meetings of the Committee may also be attended by the following individuals who are not members of the Committee for all or part of a meeting as and when appropriate. Such attendees will not be eligible to vote:

Name	Job Title and Organisation	Representing
Existing partner members from similar Glos and BNSSG committees	Providers TBC	One attendee from a partner Board with a finance qualification would help provide the

		committee with the suggested expertise.
	Place Directors TBC	

4.11 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.

4.12 No individual should be present during any discussion where an actual or potential conflict of interest arises.

Attendance

4.13 Where a non-member attendee is unable to attend, the Chair may agree a suitable alternative.

5. Quoracy

5.1 For a meeting to be quorate the following must be present:

2 Non-Executive Members, including the Chair or Vice Chair of the Committee.

2 Chief Officers

5.2 Where a member (or deputy) is disqualified from participating in an item due to a declared conflict of interest, they will not count towards the quorum for that item.

5.3 If the meeting is not quorate, members may agree to continue for discussion; however, no decisions may be taken. Any decisions in principle must be ratified at the next quorate meeting.

6. Voting and decision making

6.1 Decisions will be taken in accordance with the Standing Orders. The Committee will normally reach decisions by consensus; where this is not possible, the Chair may call a vote.

6.2 Only members of the Committee may vote. Each member is allowed one vote and a majority will be conclusive on any matter.

6.3 Where there is a split vote, with no clear majority, the Chair of the Committee will hold the casting vote.

7. Frequency of meetings

- 7.1 The Committee will meet at least 6 times each year; and as the business of the ICBs requires. Arrangements and notice for calling meetings are set out in the Standing Orders.
- 7.2 The Committee will meet in private.
- 7.3 The Boards, cluster Chair or Chief Executive may ask the Committee to convene further meetings to discuss particular issues on which they want the Committee's advice.
- 7.4 In accordance with the Standing Orders, the Committee may meet virtually and members attending using electronic means will be counted towards the quorum

8. Administration

- 8.1 The Committee will be supported by a secretariat function, including to ensure that:
- 8.2 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.
- 8.3 Attendance of committee members is monitored and reported annually as part of the Annual Governance Statement contained within the Annual Report.
- 8.4 Records of appointments and renewal dates are maintained, and the Boards are prompted to renew membership and identify new members where required.
- 8.5 Good quality minutes are taken in accordance with the standing orders and agreed with the Chair and that a record of matters arising, action points and issues to be carried forward are kept.
- 8.6 The Chair is supported to prepare and deliver reports to the Board.
- 8.7 The Committee is updated on pertinent issues/ areas of interest/ policy developments.
- 8.8 Action points are taken forward between meetings and progress against those actions is monitored.

9. Review

- 9.1 The Committee will review its effectiveness at least annually and may recommend changes to its ways of working to the Boards.

10. Policy and best practice

10.1 The Committee shall have regard to current good practice, policies and guidance issued by NHS England, and other relevant bodies.

11. Monitoring and reporting

11.1 The Committee is accountable to the Boards and shall report to the Boards on how it discharges its responsibilities.

11.2 The Committee will submit copies of its minutes to the Board following each of its meetings. Where minutes and reports require confidentiality to be maintained, they will not be made public and will be presented at part B of the Board. Public reports will be made as appropriate.

11.3 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

12. Conduct of the committee

12.1 Members will be expected to conduct business in line with the ICBs' values and objectives

12.2 Members and attendees shall act in accordance with the ICBs' Constitutions, Standing Orders and Standards of Business Conduct Policy.

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

12.4 Conflicts of interest must be considered, declared, recorded and managed in line with ICB policies and national guidance. All potential conflicts must be declared at the start of each meeting and reflected in the papers. The Governance Team will maintain a register of interests and submit it with Committee papers and annually to the Boards. Where the Chair considers a conflict exists, the affected person must not take part in the relevant item and may be required to withdraw.

13. Review of Terms of Reference

13.1 These terms of reference will be reviewed at least annually and earlier if required. Any proposed amendments to the terms of reference will be submitted to the Board for approval.

Effective date:

Review date:

Contact:

Appendix I: Revision History

Version	Date	Approved by	Type of changes
V0.1	12.2.26		Initiation of the draft TORs
V0.2	1.3.26		Updates following session with joint NEDs Cluster Chair on 24.2.26
V0.3	2.4.26		Updates following meeting with ED, CL, AR, RS, DJ, TC
V0.4	10.4.26		Updates following comments from ED
V0.5	13.4.26		Updates following comments from CL
V0.6	15.4.26		Updates to NED membership following discussion with ICB Chair



**Bristol, North Somerset
and South Gloucestershire**
Integrated Care Board



Gloucestershire
Integrated Care Board

Transformation, People & OD Committee

Version 0.4

NHS Bristol, North Somerset & South Gloucestershire (BNSSG ICB), NHS Gloucestershire

Transformation, People & OD Committee (TPOD) – Terms of Reference (ToR)

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1. Introduction

- 1.1 The TPOD is established by the two Integrated Care Boards (the Boards or ICBs) as a Committee of each Board in accordance with its individual Constitution.
- 1.2 These terms of reference, which must be published on each ICB's website, set out the membership, the remit, responsibilities and reporting arrangements of the Joint Committee and may only be changed with the approval of the Boards.
- 1.3 The Committee is a non-executive committee of each Board and its members, including those who are not members of the Board, and is bound by the Standing Orders and other policies of the ICBs
- 1.4 The Committee is established to support the organisation to deliver its purpose as a Strategic Commissioner, and its contribution to the three NHS strategic shifts to modernize care: moving from hospital to community, from analogue to digital and from sickness to prevention.
- 1.5 ICB Committees will support the ICB to deliver its statutory duty set out in the NHS Triple Aim: to make decisions that simultaneously improve population health, enhance service quality, and ensure sustainable use of resources. In addition, the committees will also seek to advance equity, improve patient experience, staff and clinician wellbeing, and deliver value.
- 1.6 Joint committees will conduct their business with a focus on being transformative, taking an evidenced based approach, and measuring impact as part of evaluation.

2. Purpose

- 2.1 The role of this committee is to oversee how the organisation attracts, develops, and retains its people, ensuring resources and practices support a compassionate, inclusive, and high-performing workforce that has the core capabilities and capacity to support the ICB's strategic commissioning role and functions
- 2.2 The Committee provides assurance to the Boards on ICB workforce strategy, organisational culture, staff experience and engagement, and workforce transformation changes, including equality, diversity and inclusion as well as staff wellbeing.
- 2.3 The Committee provides assurance that the organisation promotes a positive, inclusive culture that supports staff wellbeing, equality, diversity and inclusion and oversight of any implementation plans. This includes the Public Sector Equality Duty. It will also ensure that openness is encouraged and that Freedom To Speak Up arrangements are in place and promoted.
- 2.4 The Committee monitors the delivery of the ICB Workforce and OD Strategy aligning with the national NHS People Plan & Promise including staff safety, staff survey results and action plans.
- 2.5 The Committee will have oversight of workforce health, promoting plans taking a

preventative intervention approach to reducing ill health in our employees (ref: health inequalities framework for ICBs) and supporting regional and national economic drivers to enhance the availability of workers.

- 2.6 The Committee will oversee the ICB's people/OD plans for a workforce skilled in leadership, analytics, finance, collaboration, and engagement, supported by digital innovation and organisational development; sharpening its role as strategic system leaders and commissioners of population health outcomes. This will also include oversight of the organisation's participation in national programmes such as the forthcoming strategic commissioning development programme that will support ICBs to strengthen strategic commissioning skills, in the 10 Year Health Plan
- 2.7 The committee oversees ICB plans to develop robust change management and improvement capabilities while evolving the ICB's operating models to support new ways of working. This will seek to build mechanisms for cultural development that support continuous improvement and learning across the system
- 2.8 The Committee assures that the organisation has the right people, skills, and capacity to deliver the ICB's priorities and business including any implementation plans. It will receive workforce data and use benchmarking and learning from experience to support developments. This will also include any transference plans if the ICB transfers direct control of some services to providers, regions, or national commissioners via TUPE or COSOP arrangements i.e. clinical and non-clinical service
- 2.9 The committee will have oversight of the arrangements that the ICBs will need to make to support the path to merger including aspects of organisational change.
- 2.10 The committee provides assurance on compliance with employment legislation, NHS guidance, and best practice standards
- 2.11 The committee will seek assurance from providers on workforce related matters which will have a bearing on strategic commissioning decisions and will make recommendations on areas for development.
- 2.12 The Committee will approve policies and standard operating procedures (SOPs) as relevant to the committee's business as set out in the Schemes of Reservation and Delegation.

3. Delegated Authority

The Committee is authorised by the Boards 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;
- 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 ICBs for obtaining legal or professional advice;

- Seek information from system partners on matters related to the business of the committee recognising the ICBs position as part of the NHS anchor position.
- 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 but may /not delegate any decisions to such groups.

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.

4. Membership

- 4.1 The Committee membership will be drawn from the jointly appointed Non-Executive and Executive Members of each Board.
- 4.2 The following are members of the Joint Committee who have voting rights and decision-making powers. They will be appointed by their respective Board to the membership of this Joint Committee:

BNSSG ICB	Gloucestershire ICB
Ayesha Janjua, Joint NED (Chair)	
Alison Moon - Joint NED, Chair of Rem Comm	
Chief Transformation, Organisational Development and People Officer	
Chief Population Health Improvement Officer	
Chief Clinical Leadership and Delivery Officer – either Medical or Nursing	

Chair and Vice Chair:

- 4.3 In accordance with the Constitutions of both ICBs, the Committee will be chaired by an independent non-executive member of the Board appointed on account of their specific knowledge skills and experience making them suitable to chair the Committee. The Cluster Chair will appoint the Committee Chair.
- 4.4 The Chair will be responsible for agreeing the agenda and ensuring matters discussed meet the objectives as set out in these ToR. The Chair will work closely

with the lead Chief Officers who will use risk registers and other sources of intelligence to drive the business of the Committee.

- 4.5 Committee members may appoint a Vice Chair from amongst the members.
- 4.6 In the absence of the Chair, or Vice Chair, the remaining members present shall elect one of their number to Chair the meeting.
- 4.7 Members will possess between them knowledge, skills and experience in support of the Committees purpose. When determining the membership of the Committee, active consideration will be made to diversity and equality.

Attendees and other Participants:

- 4.8 Only members of the Committee have the right to attend Committee meetings, but the Chair may invite relevant individuals to the meeting as necessary in accordance with the business of the Committee
- 4.9 The ICBs recognise the importance and value that external stakeholders bring and wants to ensure a collaborate and cohesive approach in its delivery of its strategic commissioning function. Therefore, the Committee will include individuals representing their sector (not organisation) or profession bring subject matter expertise to inform the business of the committee.
- 4.10 Meetings of the Committee may also be attended by the following individuals who are not members of the Committee for all or part of a meeting as and when appropriate. Such attendees will not be eligible to vote:

Name	Job Title and Organisation	Representing
	Glos/BNSSG ICBs	Combined Cluster Staff Partnership Forum and Inclusion Council (once formed)
	CPO or Chair of People committee from provider organisations	To bring external professional input to ICB business

- 4.11 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.
- 4.12 No individual should be present during any discussion when a conflict of interest 0 actual or potential – arises.

Attendance

- 4.13 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

5. Quoracy

- 5.1 For a meeting to be quorate the following must be present:
- 2 Non-Executive Members, including the Chair or Vice Chair of the Committee.
 - 2 Chief Officers
- 5.2 If any member of the Committee has been disqualified from participating on item in the agenda, by reason of a declaration of conflicts of interest, then that individual shall no longer count towards the quorum.
- 5.3 If the quorum has not been reached, then the meeting may proceed if those attending agree, but no decisions may be taken
- 5.4 If any member of the Committee or their deputy is disqualified from participating in an item on the agenda due to a declared conflict of interest, that individual no longer counts towards the quorum.
- 5.5 If the meeting becomes inquorate, and if members agree, the meeting may continue but cannot take decisions. Any decisions in principle must be ratified at the next quorate meeting of the Committee

6. Voting and decision making

- 6.1 Decisions will be taken in according with the Standing Orders. The Committee will ordinarily reach conclusions by consensus. When this is not possible the Chair may call a vote.
- 6.2 Only members of the Committee may vote. Each member is allowed one vote and a majority will be conclusive on any matter.
- 6.3 Where there is a split vote, with no clear majority, the Chair of the Committee will hold the casting vote.

7. Frequency of meetings

- 7.1 The Committee will meet at least 4 times each year; and as the business of the ICBs requires. Arrangements and notice for calling meetings are set out in the Standing Orders.
- 7.2 The Committee will meet in private.
- 7.3 The Boards, cluster Chair or Chief Executive may ask the Committee to convene

further meetings to discuss particular issues on which they want the Committee's advice.

- 7.4 In accordance with the Standing Orders, the Committee may meet virtually and members attending using electronic means will be counted towards the quorum

8. Administration

- 8.1 The Committee shall be supported with a secretariat function. Which will include ensuring that:
- 8.2 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.
- 8.3 Attendance of committee members is monitored and reported annually as part of the Annual Governance Statement contained within the Annual Report.
- 8.4 Records of members' appointments and renewal dates is maintained, and the Board is prompted to renew membership and identify new members where necessary.
- 8.5 Good quality minutes are taken in accordance with the standing orders and agreed with the Chair and that a record of matters arising, action points and issues to be carried forward are kept.
- 8.6 The Chair is supported to prepare and deliver reports to the Board.
- 8.7 The Committee is updated on pertinent issues/ areas of interest/ policy developments.
- 8.8 Action points are taken forward between meetings and progress against those actions is monitored.

9. Review

- 9.1 The Committee is authorised by the Boards of the clustering ICBs to obtain legal n or other professional advice, including the appointment of external advisor and/or consultants, related to its functions as it deems fit at the expense of the ICBs.

10. Policy and best practice

- 10.1 The Committee shall have regard to current good practice, policies and guidance issued by NHS England, and other relevant bodies.

11. Monitoring and reporting

- 11.1 The Committee is accountable to the Boards and shall report to the Boards on how it discharges its responsibilities.
- 11.2 The minutes of the meetings shall be formally recorded by the secretary and submitted to the Committee for approval.
- 11.3 The Committee will submit copies of its minutes to the Board following each of its meetings. Where minutes and reports require confidentiality to be maintained, they will not be made public and will be presented at part B of the Board. Public reports will be made as appropriate.
- 11.4 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

12. Conduct of the committee

- 12.1 Members will be expected to conduct business in line with the ICBs' values and objectives
- 12.2 Members of, and those attending the Committee shall act in accordance with the ICBs Constitutions, Standing Orders, and Standards of Business Conduct Policy
- 12.3 Members must demonstrably consider the equality, diversity and inclusion implications of decisions they make.
- 12.4 Conflicts of interests: 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. 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 Governance Team, submitted with the Committee papers and annually 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.

13. Review of Terms of Reference

- 13.1 These terms of reference will be reviewed at least annually and earlier if required. Any proposed amendments to the terms of reference will be submitted to the Board for approval.

Effective date:

Review date:

Contact:

Appendix I: Revision History

Version	Date	Approved by	Type of changes
V0.1	12.2.26		Initiation of the draft TORs
V0.2	1.3.26		Updates following session with joint NEDs Cluster Chair on 24.2.26
V0.3	2.4.26		Updates including membership following meeting with AJ,JH,TC
V0.4	15.4.26		Updates to NED membership following discussion with ICB Chair

Strategic Health Inequalities, Prevention & Population Health Commissioning Committee

Version 0.6

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NHS Bristol, North Somerset & South Gloucestershire (BNSSG ICB), NHS Gloucestershire

Strategic Health Inequalities, Prevention Population Health and Commissioning Committee (SHIPPHC)– Terms of Reference (ToR)

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1. Introduction

- 1.1 The SHIPPHC Committee is established by the two Integrated Care Boards (the Boards or ICBs) as a Committee of each Board in accordance with its individual Constitution.
- 1.2 These terms of reference, which must be published on each ICB's website, set out the membership, the remit, responsibilities and reporting arrangements of the Joint Committee and may only be changed with the approval of the Boards.
- 1.3 The Committee is a non-executive committee of each Board and its members, including those who are not members of the Board, and is bound by the Standing Orders and other policies of the ICBs.
- 1.4 As a Strategic Commissioner, the ICB will make a significant contribution to the three NHS strategic shifts to modernize care: moving from hospital to community (care closer to home), from analogue to digital (adopting AI and digital records), and from sickness to prevention (earlier intervention).
- 1.5 ICB Committees will support the ICB to deliver its statutory duty set out in the NHS Triple Aim: to make decisions that simultaneously improve population health, enhance service quality, and ensure sustainable use of resources. In addition, the committees will also seek to advance equity, improve patient experience, staff and clinician wellbeing, and deliver value.
- 1.6 Joint committees will conduct their business with a focus on being transformative, taking an evidenced based approach, and measuring impact as part of evaluation.

2. Purpose

- 2.1 The Committee's main purpose is to provide assurance that the ICB becomes an effective strategic commissioner, moving resources into areas of greatest need, prevention and community capacity, tackling inequalities and commissioning for value (quality of care, improved outcomes, equity and optimal efficient cost).
- 2.2 This will require a focus on understanding population need, developing insight, highlighting and acting on all inequalities with a focus on racial inequalities, championing prevention, and ensuring informed evidence-based outcome focused strategic commissioning takes place. This will include the evaluation of strategic deliverables, outcomes and delivery of stated objectives
- 2.3 The Committee will provide oversight and assurance on tackling health inequalities, prevention, & population health improvement through a population health management approach; the committee will take a medium to long term view of outcomes and evaluation of outcomes.
- 2.4 The Committee ensures that there is work progressed to build a shared understanding of the local population based on outcomes; and will require assurance that commissioning tackles inequalities, improves equity and outcomes whilst delivering maximum value and developing neighbourhood health.
- 2.5 The Committee will draw on a range of insights to identify geographical and

demographic and racial inequalities, and work in partnership with other organisations including local government to build a shared understanding of the population, and the different roles and responsibilities to improve outcomes and equity.

- 2.6 The Committee will have oversight of the population's drivers of risk over time and review demand across biological, psychological and social factors and how this information and intelligence informs commissioning and improvement plans
- 2.7 The Committee will create the right conditions to ensure that there is commitment and action from across the system to address agreed areas of focus to ensure that inequalities are tackled.
- 2.8 The Committee will seek assurance that the integrated needs assessment, ICB strategy and population health improvement plan are shaped by a Population Health Management (PHM) approach which identifies how different population groups (such as black and brown communities and inclusion health groups) access services and experience care and how their outcomes vary, and consequently how any gaps will be narrowed through the ICB strategy, population health improvement plan and strategic commissioning decisions, recognising that improving outcomes and reducing inequalities requires action across:
 - Health and care services
 - Places and communities
 - Health behaviours and lifestyles
 - The wider determinants of health, including housing, employment and the environment

The Committee will consider the interaction between these factors when providing oversight, assurance and strategic direction

- 2.9 The Committee will also seek assurance that the annual baseline mapping exercise to risk assess the healthcare services the ICB commissions is informed by a PHM approach and identifies systemic health inequalities to prioritise those healthcare services that should be reviewed to assess the quality, performance and productivity, accessibility and equity of existing provision. It is recognised that a number of established system oversight and assurance arrangements already exist (for example within maternity and neonatal services, mental health and autism, and cancer alliances). The Committee will not seek to duplicate these arrangements, but will prioritise areas where system-level oversight is limited or absent, or where additional assurance is required
- 2.10 The Committee will ensure that the ICB has a systematic approach to co-production that underpins the ICB's commissioning strategy and plans that meaningfully involves patients, service users, unpaid carers and community groups in co-designing solutions ensuring that resources are deployed to reach seldom heard and underserved people and communities. This will include the reporting of involvement and engagement initiatives; feedback received from diverse communities and how this feedback will shape the ICB commissioning plans.
- 2.11 The Committee will have oversight of the development of neighbourhood health

assuring alignment with national and local policy objectives as well as addressing the differential needs of different communities to reduce the health inequalities between those communities.

- 2.12 The Committee will develop the ICB's Strategic Commissioning strategy and commissioning intentions. It will ratify and agree priorities, define outcome measures and areas for service redesign taking into account national drivers including Core 20 plus 5 and other local initiatives.
- 2.13 The Committee will have oversight of Place related plans, ensuring that they align to the ICBs strategic commissioning direction, and are delivering against defined measures including outcomes.
- 2.14 The Committee will conduct deep dives and seek other assurance to check progress against strategic deliverables.
- 2.15 The Committee is also authorised to make decisions to decommission services undertaking any necessary public consultation and/or stakeholder engagement activities.
- 2.16 The Committee will support a cycle of continuous learning and improvement, using insight from data, evaluation, deep dives and system intelligence to understand what is working well, where progress is limited, and what actions are required to increase impacts. Learning and good practice will be shared across the system where appropriate to support improvement at scale.
- 2.17 In addition to its oversight and assurance role, the Committee will provide system leadership by:
 - Supporting strategic prioritisation of health inequalities, prevention and population health improvement activity
 - Encouraging collaboration across partners and places
 - learning, innovation and the spread of good practice
 - Supporting cultural change so that prevention and the reduction of health inequalities are embedded across the system
- 2.18 The Committee will approve policies and standard operating procedures (SOPs) as relevant to the committee's business as set out in the Schemes of Reservation and Delegation.

3. Delegated Authority

The Committee is authorised by the Boards 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.
- 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 ICBs for obtaining legal or professional advice.

- 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 but may /not delegate any decisions to such groups.

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.

4. Membership

- 4.1 The Committee membership will be drawn from the jointly appointed Non-Executive and Executive Members of each Board.
- 4.2 The following are members of the Joint Committee who have voting rights and decision-making powers. They will be appointed by their respective Board to the membership of this Joint Committee:

BNSSG ICB	Gloucestershire ICB
Jane Cummings, Joint NED (Chair)	
Ayesha Janjua, Joint NED, Chair of TPOD	
Alison Moon, Joint NED, Chair of Rem Comm	
Chief Population Health Improvement Officer	
Chief Strategic Commissioning Officer	
Chief Clinical Leadership and Delivery Officer – Medical or Nursing	
Chief Finance and Corporate Services Officer	
ICB Place Directors (minimum of 2)	
Tracey Jolliff, Chair of the Independent Advisory Group	
A representative DPH from the BNSSG patch	DPH for Gloucestershire

Chair and Vice Chair:

- 4.3 In accordance with the Constitutions of both ICBs, the Committee will be chaired by an independent non-executive member of the Board appointed on account of their specific knowledge skills and experience making them suitable to chair the

Committee. The Cluster Chair will appoint the Committee Chair.

- 4.4 The Chair will be responsible for agreeing the agenda and ensuring matters discussed meet the objectives as set out in these ToR. The Chair will work closely with the lead Chief Officers who will use risk registers and other sources of intelligence to drive the business of the Committee.
- 4.5 The Committee Chair in agreement with Committee members may appoint a Vice Chair from amongst the members.
- 4.6 In the absence of the Chair, or Vice Chair, the remaining members present shall elect one of their number to Chair the meeting.
- 4.7 Members will possess between them knowledge, skills and experience in support of the Committees purpose. When determining the membership of the Committee, active consideration will be made to diversity and equality.

Attendees and other Participants:

- 4.8 Only members of the Committee have the right to attend Committee meetings, but the Chair may invite relevant individuals to the meeting as necessary in accordance with the business of the Committee
- 4.9 The ICBs recognise the importance and value that external stakeholders bring and wants to ensure a collaborate and cohesive approach in its delivery of its strategic commissioning function. Therefore, the Committee will include individuals representing their sector (not organisation) or profession bring subject matter expertise to inform the business of the committee.
- 4.10 Meetings of the Committee may also be attended by the following individuals who are not members of the Committee for all or part of a meeting as and when appropriate. Such attendees will not be eligible to vote:

Name	Job Title and Organisation	Representing
	VCSE	
	IAG	
	Patient Experience	
	Acute Provider	Providers to support understanding of changes required
	GP Provider	
	Mental Health Provider	
	Community Provider	

- 4.11 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.
- 4.12 No individual should be present during any discussion when a conflict of interest - actual or potential – arises.

Attendance

- 4.13 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

5. Quoracy

- 5.1 For a meeting to be quorate the following must be present:
 - 2 Non-Executive Members, including the Chair or Vice Chair of the Committee.
 - 2 Chief Officers
- 5.2 If any member of the Committee has been disqualified from participating on item in the agenda, by reason of a declaration of conflicts of interest, then that individual shall no longer count towards the quorum.
- 5.3 If the quorum has not been reached, then the meeting may proceed if those attending agree, but no decisions may be taken
- 5.4 If any member of the Committee or their deputy is disqualified from participating in an item on the agenda due to a declared conflict of interest, that individual no longer counts towards the quorum.
- 5.5 If the meeting becomes inquorate, and if members agree, the meeting may continue but cannot take decisions. Any decisions in principle must be ratified at the next quorate meeting of the Committee

6. Voting and decision making

- 6.1 Decisions will be taken in according with the Standing Orders. The Committee will ordinarily reach conclusions by consensus. When this is not possible the Chair may call a vote.
- 6.2 Only members of the Committee may vote. Each member is allowed one vote and a majority will be conclusive on any matter.
- 6.3 Where there is a split vote, with no clear majority, the Chair of the Committee will hold the casting vote.

7. Frequency of meetings

- 7.1 The Committee will meet at least 4 times each year; and as the business of the ICBs requires. Arrangements and notice for calling meetings are set out in the Standing Orders.
- 7.2 The Committee will meet in private.
- 7.3 The Boards, cluster Chair or Chief Executive may ask the Committee to convene further meetings to discuss particular issues on which they want the Committee's advice.
- 7.4 In accordance with the Standing Orders, the Committee may meet virtually and members attending using electronic means will be counted towards the quorum

8. Administration

- 8.1 The Committee shall be supported with a secretariat function. Which will include ensuring that:
- 8.2 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.
- 8.3 Attendance of committee members is monitored and reported annually as part of the Annual Governance Statement contained within the Annual Report.
- 8.4 Records of members' appointments and renewal dates is maintained, and the Board is prompted to renew membership and identify new members where necessary.
- 8.5 Good quality minutes are taken in accordance with the standing orders and agreed with the Chair and that a record of matters arising, action points and issues to be carried forward are kept.
- 8.6 The Chair is supported to prepare and deliver reports to the Board.
- 8.7 The Committee is updated on pertinent issues/ areas of interest/ policy developments.
- 8.8 Action points are taken forward between meetings and progress against those actions is monitored.

9. Review

- 9.1 The Committee is authorised by the Boards of the clustering ICBs to obtain legal n or other professional advice, including the appointment of external advisor and/or consultants, related to its functions as it deems fit at the expense of the ICBs.

10. Policy and best practice

10.1 The Committee shall have regard to current good practice, policies and guidance issued by NHS England, and other relevant bodies.

11. Monitoring and reporting

11.1 The Committee is accountable to the Boards and shall report to the Boards on how it discharges its responsibilities.

11.2 The minutes of the meetings shall be formally recorded by the secretary and submitted to the Committee for approval.

11.3 The Committee will submit copies of its minutes to the Board following each of its meetings. Where minutes and reports require confidentiality to be maintained, they will not be made public and will be presented at part B of the Board. Public reports will be made as appropriate.

11.4 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

12. Conduct of the committee

12.1 Members will be expected to conduct business in line with the ICBs' values and objectives

12.2 Members of, and those attending the Committee shall act in accordance with the ICBs Constitutions, Standing Orders, and Standards of Business Conduct Policy

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

12.4 Conflicts of interests: 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. 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 Governance Team, submitted with the Committee papers and annually 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.

12.5 The Committee will have regard to trauma-informed practice in its work, recognising the impact of trauma on health outcomes, access to services and experiences of care.

12.6 The Committee will promote inclusive, respectful and constructive discussion, support appropriate challenge while maintaining a shared focus on improving outcomes and reducing inequalities.

13. Review of Terms of Reference

13.1 These terms of reference will be reviewed at least annually and earlier if required. Any proposed amendments to the terms of reference will be submitted to the Board for approval.

Effective date:

Review date:

Contact:

Appendix I: Revision History

Version	Date	Approved by	Type of changes
V0.1	12.2.26		Initiation of the draft TORs
V0.2	1.3.26		Updates following session with joint NEDs Cluster Chair on 24.2.26
V0.3	1.4.26		Updates following meeting with JC, JM, and TC
V0.4	2.4.26		With updates included as suggested by JM
V0.5	15.4.26		Updates to NED membership following discussion with ICB Chair
V0.6	11.5.26		Additions sent previously by JC



NHS Gloucestershire Integrated Care Board

Audit Committee Terms of Reference

V0.2

1. Introduction

- 1.1 The Audit Committee (the Committee) is established by the Integrated Care Board (the Board or ICB) as a Committee of the Board in accordance with its Constitution.
- 1.2 These Terms of Reference (ToR), which must be published on the ICB website, set out the membership, the remit, responsibilities and reporting arrangements of the Committee and may only be changed with the approval of the Board.
- 1.3 The Committee is a non-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
- 1.4 To support the clustering arrangements with BNSSG ICB, the committee will be able to meet 'in common' but not be a joint committee. However, the membership of the committee will be drawn from the joint Non Executive directors serving both Gloucestershire and BNSSG Boards, as well as other individuals.

2. Purpose of the Committee

- 2.1 The Committee shall contribute to the overall delivery of the ICB objectives by providing oversight and assurance to the Board on the adequacy of governance, risk management and internal control processes within the ICB.
- 2.2 The Committee shall critically review the Integrated Care Board's financial reporting and internal control principles and ensure an appropriate relationship with both internal and external auditors, and counter fraud is maintained.
- 2.3 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.
- 2.4 The Audit Committee has no executive powers, other than those delegated in the Scheme of Reservation and Delegation and specified in these terms of reference.
- 2.5 For the avoidance of doubt, the Committee will comply with, the ICB Standing Orders, Standing Financial Instructions and the SoRD.

3. Delegated Authority

- 3.1 The Audit 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.
- 3.2 The Audit Committee is authorised by the Integrated Care Board to:
 - 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;
 - 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.
- 3.3 The Audit Committee holds only those powers as delegated in these Terms of Reference as determined by the ICB Board

4. Membership and Structure

4.1 Membership

- 4.1.1 The Committee members shall be appointed by the Board in accordance with the ICB Constitution.
- 4.1.2 The following are members of this Committee and have voting rights and decision-making powers. They are appointed by their respective Board to the membership of this Committee:

Gloucestershire ICB	
Steve West, Joint NED (Chair)	
Joint NED – Chair of FPQ	
Joint NED – Chair of Rem Comm	
A Local Authority partner member	
A provider partner member from any sector	

4.1.3 Neither the Chair of the Board, nor employees of the ICB will be members of the Committee. Other members of the Committee need not be members of the Board, but they may be.

4.1.4 Members will possess between them knowledge, skills and experience in: accounting, risk management, corporate governance, cyber security, internal, external audit; 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.

4.2 Chair and vice chair

4.2.1 The Chair of the Committee shall be independent and therefore may not chair any other committees.

4.2.2 Committee members may appoint a Vice Chair who shall be an Independent Non-Executive Director of the ICB.

4.2.3 The Chair will be responsible for agreeing the agenda and ensuring matters discussed meet the objectives as set out in these ToR in consultation with the Chief Finance and Corporate Services Officer.

4.2.4 It is desirable but not essential that the Chair has relevant financial expertise.

4.3 Attendees and Participants

4.3.1 Only members of the Committee have the right to attend Committee meetings, however all meetings of the Committee will also be attended by the following individuals who are not members of the Committee:

- Chief Financial Officer of the ICB or their nominated deputy;
- Associate Director of Corporate Governance;
- Representative of Gloucestershire Counter Fraud Service;
- Representative of the ICB Internal and External Auditor firms.
- Other ICB team members as needed for specific items, including:
 - Governance team members who cover risk management and conflicts of interests;
 - Representative of the ICB Digital Team for part two (2) of the meeting only unless requested.

- 4.3.2 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.
- 4.3.3 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 and Community Providers.
- 4.3.4 The Chief Executive should be invited to attend the meeting at least annually.
- 4.3.5 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.

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- 4.4.1 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.

4.5 Access

- 4.5.1 Regardless of attendance, External Audit, Internal Audit, Local Counter Fraud and Security Management providers will have full and unrestricted rights of access to the Audit Committee.

5. Quoracy

- 5.1 Quoracy is defined as a minimum of three of the core membership which must include the Chair or Vice-Chair or their nominated deputy.
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6. Voting and Decision Making

- 6.1 The Committee will ordinarily reach conclusions by consensus. When this is not possible the Chair may call a vote.
- 6.2 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
- 6.3 If a decision is needed which cannot wait for the next scheduled meeting, the Chair may conduct business on a 'virtual' basis using telephone, email or other electronic communication

7. Frequency and notice of meetings

- 7.1 If a decision is needed which cannot wait for the next scheduled meeting, the Chair may conduct business on a 'virtual' basis using telephone, email or other electronic communication.
- 7.2 The Audit Committee shall meet a minimum of four times a year in accordance with the annual accounts cycle. The Chair of the Committee may convene additional meetings as required such as an audit briefing to review the annual accounts.
- 7.3 The Board, Chair or Chief Executive may ask the Audit Committee to convene further meetings to discuss particular issues on which they want the Committee's advice.
- 7.4 The external auditor or internal auditor may requisition a meeting of the Committee if it is deemed necessary.
- 7.5 The voting members of the Committee shall meet in private with the internal and external auditors not less than annually.
- 7.6 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.

8. Committee secretariat

- 8.1 The Committee shall be supported with a secretariat function provided by the Corporate Governance Team. The Governance Team shall ensure that.

- 8.1.1 The agenda and papers are prepared and distributed in accordance with the Standing Orders at least 5 working days before the meeting, having been agreed by the Chair with the support of the relevant executive lead – Chief Financial Officer;
- 8.1.2 Attendance by members of the committee is monitored and reported annually as part of the Annual Governance Statement (contained within the Annual Report);
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9. Remit and responsibilities of the Committee

- 9.1 The Audit Committee has been constituted in terms of its scope, responsibilities and membership to facilitate the ICB meeting its four fundamental purposes to:
 - **improve outcomes** in population health and healthcare;
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 - 9.3.1 To review the adequacy and effectiveness of the system of integrated governance, risk management and internal control across the whole of the ICB's activities that support the achievement of its objectives, and to highlight any areas of weakness to the Board.

- 9.3.2 To review the financial systems and governance that are established in order to facilitate compliance with DHSC's Group Accounting Manual.
 - 9.3.3 To review the adequacy and effectiveness of the assurance processes that indicate the degree of achievement of the ICB's objectives, and the effectiveness of the management of principal risks.
 - 9.3.4 To agree the risk management framework, policies and procedures ensuring that the risk management structure and processes within the ICB are robust and effective.
 - 9.3.5 To review the quality of risk identification, management and reporting; providing scrutiny and challenge to the Corporate Risk Register and Board Assurance Framework (or equivalent).
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 - 9.3.8 To seek reports and assurance from directors and managers within the ICB and the ICS as required, concentrating on the systems of integrated governance, risk management and internal control, together with indicators of their effectiveness.
 - 9.3.9 To review and approve on behalf of the Board those policies that ensure compliance with relevant regulatory, legal and code of conduct requirements and related reporting and self-certification e.g. Counter Fraud, Bribery and Corruption Policy, Standards for Business Conduct including Conflicts of Interests policy etc.
 - 9.3.10 To identify opportunities to improve governance, risk management and internal control processes across the ICB, and the ICS where appropriate.
- 9.4 Internal audit
- 9.4.1 To ensure that there is an effective internal audit function that meets the Public Sector Internal Audit Standards and provides appropriate independent assurance to the Board. This will be achieved by:
 - 9.4.2 Reviewing and approving the annual internal audit plan and more detailed programme of work, ensuring that this is consistent with the audit needs of the organisation as identified in the assurance framework;

- 9.4.3 Considering the major 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;
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 - 9.4.5 Monitoring the effectiveness of internal audit and carrying out an annual review.
- 9.5 External audit
- 9.5.1 To review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process. In particular, the Committee will review the work and findings of the external auditors and consider the implications and management's responses to their work. This will be achieved by:
 - 9.5.2 Discussing and agreeing with the external auditors, before the audit commences, the nature and scope of the audit as set out in the annual plan;
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 - 9.6.3 To review the findings of external bodies and agencies issued by arm's length bodies or regulators and inspectors: e.g. National Audit Office, Select Committees, NHS Resolution etc and consider the implications for governance of the ICB.

9.7 Counter fraud

- 9.7.1 To assure itself that the ICB has adequate arrangements in place for counter fraud, bribery and corruption (including cyber security) that meet NHS Counter Fraud Authority's (NHSCFA) standards and shall review the outcomes of work in these areas.
- 9.7.2 To review, approve and monitor counter fraud work plans, receiving regular updates on counter fraud activity, monitor the implementation of action plans, provide direct access and liaison with those responsible for counter fraud, review annual reports on counter fraud, and discuss NHSCFA quality assessment reports.
- 9.7.3 To ensure that the counter fraud service provides appropriate progress reports and that these are scrutinised and challenged where appropriate.
- 9.7.4 To be responsible for ensuring that the counter fraud service submits an Annual Report and Self-Review Assessment, outlining key work undertaken during each financial year to meet the NHS Standards for Commissioners; Fraud, Bribery and Corruption.
- 9.7.5 To report concerns of suspected fraud, bribery and corruption to the Board and the NHSCFA.

9.8 Data Security

- 9.8.1 To receive regular updates on IG compliance (including uptake & completion of data security training), data breaches and any related issues and risks.
- 9.8.2 To review the annual Senior Information Risk Owner (SIRO) report, the submission for the Data Security & Protection Toolkit and relevant reports and action plans.
- 9.8.3 To receive reports on audits to assess information and IT security arrangements, including the annual Data Security & Protection Toolkit audit.
- 9.8.4 To provide assurance to the Board that there is an effective framework in place for the management of risks associated with information governance.
- 9.8.5 To request and review reports and assurance on cyber security management and support within the ICB & ICS.

9.8.6 The Committee will provide assurance to the Board that the organisation is properly managing its cyber risk, including appropriate risk mitigation strategies

9.8.7 The Committee shall satisfy itself that the ICB's policy, systems and processes for the management of Information Rights are effective including receiving reports relating to noncompliance with the ICB policy and procedures relating to Information Rights

9.9 Financial reporting

9.9.1 To monitor the integrity of the financial statements of the ICB and any formal announcements relating to its financial performance.

9.9.2 To ensure that the systems for financial reporting to the Board, including those of budgetary control, are subject to review as to the completeness and accuracy of the information provided.

9.9.3 To review the Annual Report and Financial Statements (including accounting policies) before submission to the Board focusing particularly on:

- The Governance Statement and other disclosures relevant to the Terms of Reference of the Committee;
- Changes in accounting policies, practices and estimation techniques;
- Unadjusted mis-statements in the Financial Statements;
- Significant judgements and estimates made in preparing the Financial Statements;
- Significant adjustments resulting from the audit;
- Letter of representation; and
- Qualitative aspects of financial reporting.

9.10 Procurement & Contracting

9.10.1 To receive reports to examine and provide assurance regarding the ICB procurement decisions relating to the procurement of health care services and supply arrangements

9.10.2 Review and examine the ICB use of waivers and standing orders.

9.10.3 Review, examine and approve procurement policies, procedures and processes.

9.11 Conflicts of Interest

9.11.1 The Chair of the Audit Committee shall be the nominated Conflicts of Interest Guardian.

9.11.2 The Committee shall satisfy itself that the ICB's policy, systems and processes for the management of conflicts, (including gifts and hospitality and bribery) are effective including receiving reports relating to non-compliance with the ICB policy and procedures relating to conflicts of interest.

9.12 Management

9.12.1 To request and review reports and assurances from directors and managers on the overall arrangements for governance, risk management and internal control.

9.12.2 The Committee may also request specific reports from individual functions within the ICB as they may be appropriate to the overall arrangements.

9.12.3 To receive reports of breaches of policy and normal procedure or proceedings, including such as suspensions of the ICB's Standing Orders, in order provide assurance in relation to the appropriateness of decisions and to derive future learning.

9.13 Communication

9.13.1 To co-ordinate and manage communications on governance, risk management and internal control with stakeholders internally and externally.

9.13.2 To develop an approach with other committees, and with the Integrated Care Partnership, to ensure the relationship between them is understood.

9.14 Cyber Security

9.14.1 To request and review reports and assurance on cyber security management and support within the ICB & ICS.

9.14.2 The Committee will provide assurance to the Board that the organisation is properly managing its cyber risk, including appropriate risk mitigation strategies.

10. Relationship with the ICB and other groups / committees / boards

10.1 To work closely with the other committees in the ICB where appropriate and relevant e.g. implementation of the Internal Audit recommendations.

10.2 To investigate identified areas of concern with regard to the ICB's internal controls referred by another committee or the Board of the ICB.

11. Policy and best practice

11.1 The Committee shall have regard to current best practice, policies and guidance issued by NHS England, HMFA and other relevant bodies.

12. Monitoring and Reporting

12.1 The minutes of each meeting of the Committee shall be formally recorded and retained by the Integrated Care Board. The minutes shall be submitted to the Board of the ICB.

12.2 The Chair of the Committee shall report the outcome and any recommendations of the committee to the Board of the ICB.

12.3 The Audit Committee will provide the Board with an Annual Report, timed to support finalisation of the accounts and the Governance Statement. The report will summarise its conclusions from the work it has done during the year specifically commenting on:

- The fitness for purpose of the assurance framework;
- The completeness and 'embeddedness' of risk management in the organisation;
- The integration of governance arrangements;
- The appropriateness of the evidence that shows the organisation is fulfilling its regulatory requirements; and
- The robustness of the processes behind the quality accounts.

12.4 The Committee shall agree an annual schedule of reports and their frequency for the Audit Committee meetings.

13. Conduct of the Committee

13.1 Members will be expected to conduct business in line with the ICB values and objectives.

- 13.2 Members of, and those attending the Committee, shall behave in accordance with the ICB's Constitution, Standing Orders, and Standards of Business Conduct Policy
- 13.3 Members must demonstrably consider the equality, diversity and inclusion implications of decisions they make.
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- 13.5 Conflicts of interests: 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. 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 Governance Team, submitted with the Audit Committee papers and annually 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.

14. Review of ToR

- 14.1 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.

Annex 1 – Auditor Panel

1. Context and role

- 1.1 The Audit Committee will fulfil the role of 'Auditor Panel', as defined in the Local Audit and Accountability Act 2014 and in accordance with the Department of Health publication 'Auditor Panels – Guidance to help Health Bodies meet their Statutory Duties, September 2015'.
- 1.2 The principal roles of the Auditor Panel are to advise the Board of the ICB on the selection, appointment and removal of the ICB's external auditor and to appoint the internal auditor. The Auditor Panel is also responsible for advising the Board of the ICB on the purchase of 'non-audit services' from the external auditor.
- 1.3 The Auditor Panel will take the form of a separate section of the Audit Committee meeting and will be minuted separately.

2. Membership, Attendance, Secretary and Quorum

- 2.1 The membership, quoracy and committee secretary will be as per the Audit Committee and outlined in sections 3, 4 and 6.
- 2.2 The Chief Finance Officer will be invited to attend the meetings. In addition, the Panel may invite any other individual to attend the meetings, as appropriate.

3. Frequency and notice of meetings

- 3.1 The Panel will meet as and when required.
- 3.2 Written notice of the meetings and agendas will be provided, as part of the normal Audit Committee processes, to Panel members not less than 5 working days before the meeting.

4. Remit and responsibilities of the Panel

- 4.1 The key duties of the Panel are:
 - 4.1.1 to advise the Board on the selection, appointment and removal of the ICB's external auditors, paying due regard for their performance;
 - 4.1.2 the selection, appointment and removal of the ICB's internal auditors, paying due regard for their performance;

- 4.1.3 the maintenance of an independent relationship with the appointed external auditor;
- 4.1.4 the maintenance of an independent relationship with the appointed internal auditors; and
- 4.1.5 to advise the Board on the purchase of 'non-audit services' from the external auditor.

5. Monitoring and reporting

- 5.1 The minutes of each meeting of the Panel will be formally recorded and retained by the ICB and submitted to the Board of the ICB.
- 5.2 The Chair of the Panel shall report the outcome and any recommendations of the Panel to the Board of the ICB.

6. Review

- 6.1 Annually in line with the ToR for the Audit Committee.

Appendix I: Revision History

Version	Date	Approved by	Type of changes
V0.1	9.4.26		Initiation of the draft TORs to permit the efficient cluster arrangements for Audit Committees 'in common' with aligned membership, quoracy and frequency.
V0.2	13.4.26		Adjustments following feedback from CL and SW including the combination of some individual sections to cover one IG section (9.8 in this version)



NHS BNSSG Integrated Care Board

Audit Committee Terms of Reference

V0.2

1. Introduction

- 1.1 The Audit Committee (the Committee) is established by the Integrated Care Board (the Board or ICB) as a Committee of the Board in accordance with its Constitution.
- 1.2 These Terms of Reference (ToR), which must be published on the ICB website, set out the membership, the remit, responsibilities and reporting arrangements of the Committee and may only be changed with the approval of the Board.
- 1.3 The Committee is a non-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
- 1.4 To support the clustering arrangements with Gloucestershire ICB, the committee will be able to meet 'in common' but not be a joint committee. However, the membership of the committee will be drawn from the joint Non Executive directors serving both Gloucestershire and BNSSG Boards, as well as other individuals.

2. Purpose of the Committee

- 2.1 The Committee shall contribute to the overall delivery of the ICB objectives by providing oversight and assurance to the Board on the adequacy of governance, risk management and internal control processes within the ICB.
- 2.2 The Committee shall critically review the Integrated Care Board's financial reporting and internal control principles and ensure an appropriate relationship with both internal and external auditors, and counter fraud is maintained.
- 2.3 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.
- 2.4 The Audit Committee has no executive powers, other than those delegated in the Scheme of Reservation and Delegation and specified in these terms of reference.
- 2.5 For the avoidance of doubt, the Committee will comply with, the ICB Standing Orders, Standing Financial Instructions and the SoRD.

3. Delegated Authority

- 3.1 The Audit 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.
- 3.2 The Audit Committee is authorised by the Integrated Care Board to:
 - 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;
 - 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.
- 3.3 The Audit Committee holds only those powers as delegated in these Terms of Reference as determined by the ICB Board

4. Membership and Structure

4.1 Membership

- 4.1.1 The Committee members shall be appointed by the Board in accordance with the ICB Constitution.
- 4.1.2 The following are members of this Committee and have voting rights and decision-making powers. They are appointed by their respective Board to the membership of this Committee:

BNSSG ICB	
Steve West, Joint NED (Chair)	
Joint NED – Chair of FPQ	
Joint NED – Chair of Rem Comm	
A Local Authority partner member	
A provider partner member from any sector	

4.1.3 Neither the Chair of the Board, nor employees of the ICB will be members of the Committee. Other members of the Committee need not be members of the Board, but they may be.

4.1.4 Members will possess between them knowledge, skills and experience in: accounting, risk management, corporate governance, cyber security, internal, external audit; 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.

4.2 Chair and vice chair

4.2.1 The Chair of the Committee shall be independent and therefore may not chair any other committees.

4.2.2 Committee members may appoint a Vice Chair who shall be an Independent Non-Executive Director of the ICB.

4.2.3 The Chair will be responsible for agreeing the agenda and ensuring matters discussed meet the objectives as set out in these ToR in consultation with the Chief Finance and Corporate Services Officer.

4.2.4 It is desirable but not essential that the Chair has relevant financial expertise.

4.3 Attendees and Participants

4.3.1 Only members of the Committee have the right to attend Committee meetings, however all meetings of the Committee will also be attended by the following individuals who are not members of the Committee:

- Chief Financial Officer of the ICB or their nominated deputy;
- Associate Director of Corporate Governance;
- Representative of BNSSG Counter Fraud Service;
- Representative of the ICB Internal and External Auditor firms.
- Other ICB team members as needed for specific items, including:
 - Governance team members who cover risk management and conflicts of interests;
 - Representative of the ICB Digital Team for part two (2) of the meeting only unless requested.

- 4.3.2 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.
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- 9.7.5 To report concerns of suspected fraud, bribery and corruption to the Board and the NHSCFA.

9.8 Data Security

- 9.8.1 To receive regular updates on IG compliance (including uptake & completion of data security training), data breaches and any related issues and risks.
- 9.8.2 To review the annual Senior Information Risk Owner (SIRO) report, the submission for the Data Security & Protection Toolkit and relevant reports and action plans.
- 9.8.3 To receive reports on audits to assess information and IT security arrangements, including the annual Data Security & Protection Toolkit audit.
- 9.8.4 To provide assurance to the Board that there is an effective framework in place for the management of risks associated with information governance.
- 9.8.5 To request and review reports and assurance on cyber security management and support within the ICB & ICS.

9.8.6 The Committee will provide assurance to the Board that the organisation is properly managing its cyber risk, including appropriate risk mitigation strategies

9.8.7 The Committee shall satisfy itself that the ICB's policy, systems and processes for the management of Information Rights are effective including receiving reports relating to noncompliance with the ICB policy and procedures relating to Information Rights

9.9 Financial reporting

9.9.1 To monitor the integrity of the financial statements of the ICB and any formal announcements relating to its financial performance.

9.9.2 To ensure that the systems for financial reporting to the Board, including those of budgetary control, are subject to review as to the completeness and accuracy of the information provided.

9.9.3 To review the Annual Report and Financial Statements (including accounting policies) before submission to the Board focusing particularly on:

- The Governance Statement and other disclosures relevant to the Terms of Reference of the Committee;
- Changes in accounting policies, practices and estimation techniques;
- Unadjusted mis-statements in the Financial Statements;
- Significant judgements and estimates made in preparing the Financial Statements;
- Significant adjustments resulting from the audit;
- Letter of representation; and
- Qualitative aspects of financial reporting.

9.10 Procurement & Contracting

9.10.1 To receive reports to examine and provide assurance regarding the ICB procurement decisions relating to the procurement of health care services and supply arrangements

9.10.2 Review and examine the ICB use of waivers and standing orders.

9.10.3 Review, examine and approve procurement policies, procedures and processes.

9.11 Conflicts of Interest

9.11.1 The Chair of the Audit Committee shall be the nominated Conflicts of Interest Guardian.

9.11.2 The Committee shall satisfy itself that the ICB's policy, systems and processes for the management of conflicts, (including gifts and hospitality and bribery) are effective including receiving reports relating to non-compliance with the ICB policy and procedures relating to conflicts of interest.

9.12 Management

9.12.1 To request and review reports and assurances from directors and managers on the overall arrangements for governance, risk management and internal control.

9.12.2 The Committee may also request specific reports from individual functions within the ICB as they may be appropriate to the overall arrangements.

9.12.3 To receive reports of breaches of policy and normal procedure or proceedings, including such as suspensions of the ICB's Standing Orders, in order provide assurance in relation to the appropriateness of decisions and to derive future learning.

9.13 Communication

9.13.1 To co-ordinate and manage communications on governance, risk management and internal control with stakeholders internally and externally.

9.13.2 To develop an approach with other committees, and with the Integrated Care Partnership, to ensure the relationship between them is understood.

9.14 Cyber Security

9.14.1 To request and review reports and assurance on cyber security management and support within the ICB & ICS.

9.14.2 The Committee will provide assurance to the Board that the organisation is properly managing its cyber risk, including appropriate risk mitigation strategies.

10. Relationship with the ICB and other groups / committees / boards

10.1 To work closely with the other committees in the ICB where appropriate and relevant e.g. implementation of the Internal Audit recommendations.

10.2 To investigate identified areas of concern with regard to the ICB's internal controls referred by another committee or the Board of the ICB.

11. Policy and best practice

11.1 The Committee shall have regard to current best practice, policies and guidance issued by NHS England, HMFA and other relevant bodies.

12. Monitoring and Reporting

12.1 The minutes of each meeting of the Committee shall be formally recorded and retained by the Integrated Care Board. The minutes shall be submitted to the Board of the ICB.

12.2 The Chair of the Committee shall report the outcome and any recommendations of the committee to the Board of the ICB.

12.3 The Audit Committee will provide the Board with an Annual Report, timed to support finalisation of the accounts and the Governance Statement. The report will summarise its conclusions from the work it has done during the year specifically commenting on:

- The fitness for purpose of the assurance framework;
- The completeness and 'embeddedness' of risk management in the organisation;
- The integration of governance arrangements;
- The appropriateness of the evidence that shows the organisation is fulfilling its regulatory requirements; and
- The robustness of the processes behind the quality accounts.

12.4 The Committee shall agree an annual schedule of reports and their frequency for the Audit Committee meetings.

13. Conduct of the Committee

13.1 Members will be expected to conduct business in line with the ICB values and objectives.

- 13.2 Members of, and those attending the Committee, shall behave in accordance with the ICB's Constitution, Standing Orders, and Standards of Business Conduct Policy
- 13.3 Members must demonstrably consider the equality, diversity and inclusion implications of decisions they make.
- 13.4 Members must demonstrably consider the equality, diversity and inclusion implications of decisions they make.
- 13.5 Conflicts of interests: 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. 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 Governance Team, submitted with the Audit Committee papers and annually 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.

14. Review of ToR

- 14.1 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.

Annex 1 – Auditor Panel

1. Context and role

- 1.1 The Audit Committee will fulfil the role of 'Auditor Panel', as defined in the Local Audit and Accountability Act 2014 and in accordance with the Department of Health publication 'Auditor Panels – Guidance to help Health Bodies meet their Statutory Duties, September 2015'.
- 1.2 The principal roles of the Auditor Panel are to advise the Board of the ICB on the selection, appointment and removal of the ICB's external auditor and to appoint the internal auditor. The Auditor Panel is also responsible for advising the Board of the ICB on the purchase of 'non-audit services' from the external auditor.
- 1.3 The Auditor Panel will take the form of a separate section of the Audit Committee meeting and will be minuted separately.

2. Membership, Attendance, Secretary and Quorum

- 2.1 The membership, quoracy and committee secretary will be as per the Audit Committee and outlined in sections 3, 4 and 6.
- 2.2 The Chief Finance Officer will be invited to attend the meetings. In addition, the Panel may invite any other individual to attend the meetings, as appropriate.

3. Frequency and notice of meetings

- 3.1 The Panel will meet as and when required.
- 3.2 Written notice of the meetings and agendas will be provided, as part of the normal Audit Committee processes, to Panel members not less than 5 working days before the meeting.

4. Remit and responsibilities of the Panel

- 4.1 The key duties of the Panel are:
 - 4.1.1 to advise the Board on the selection, appointment and removal of the ICB's external auditors, paying due regard for their performance;
 - 4.1.2 the selection, appointment and removal of the ICB's internal auditors, paying due regard for their performance;

- 4.1.3 the maintenance of an independent relationship with the appointed external auditor;
- 4.1.4 the maintenance of an independent relationship with the appointed internal auditors; and
- 4.1.5 to advise the Board on the purchase of 'non-audit services' from the external auditor.

5. Monitoring and reporting

- 5.1 The minutes of each meeting of the Panel will be formally recorded and retained by the ICB and submitted to the Board of the ICB.
- 5.2 The Chair of the Panel shall report the outcome and any recommendations of the Panel to the Board of the ICB.

6. Review

- 6.1 Annually in line with the ToR for the Audit Committee.

Appendix I: Revision History

Version	Date	Approved by	Type of changes
V0.1	9.4.26		Initiation of the draft TORs to permit the efficient cluster arrangements for Audit Committees 'in common' with aligned membership, quoracy and frequency.
V0.2	13.4.26		Adjustments following feedback from CL and SW including the combination of some individual sections to cover one IG section (9.8 in this version)

Joint Cluster Board – Open Session

Date: Wednesday 27th May 2026

Time: 12.00 – 13.45

Location: St Michael's Centre, North Rd, Stoke Gifford, Bristol BS34 8PD

Agenda Number:	8	
Title:	Update to the Standing Financial Instructions for the cluster	
Confidential Papers	Commercially Sensitive	No
	Legally Sensitive	No
	Contains Patient Identifiable data	No
	Financially Sensitive	No
	Time Sensitive – not for public release at this time	No
	Other (Please state)	No
Purpose: <u>Decision</u>		
Key Points for Discussion:		
<p>The Joint Cluster Board approved a set of Standing Financial Instructions at the beginning of April 2026. The attached update includes some minor changes linked to procurement and tidying up of some areas.</p> <p>It must be noted that with the ICB workforce undergoing organisational change, it has not always been possible to stipulate roles that will have responsibilities or approval rights. It is therefore proposed that a review of these documents is proposed before the end of 2026 once the organisational structures and governance are more established.</p>		
Recommendations:	The Joint Cluster Board is asked to agree the SFIs on behalf of both Gloucestershire and BNSSG ICBs	
Previously Considered By and feedback:	Through the Transition Working Group, the executive team have been engaged in the development of these documents which use existing documents as their foundation.	
Management of Declared Interest:	None identified associated with the development of the documents	



**Bristol, North Somerset
and South Gloucestershire**
Integrated Care Board



Gloucestershire

Risk and Assurance:	There is a risk to the organisation if the ICB and its constituent governance structures do not fulfil their statutory and mandatory requirements. The document mitigate this risk by setting out arrangements.
Patient and Public Involvement:	There has been no wider public engagement in the development of this document.
Financial / Resource Implications:	Nil
Legal, Procurement, Policy and Regulatory Requirements:	The document has been developed with reference to existing materials and support the ICBs meet their constitutional requirements
How does this impact on health inequalities, equality and diversity and population health?	Nil
ICS Green Plan and the Carbon Net Zero target?	Nil
Communications and Engagement:	The documents will be published on both websites as part of the Governance Handbooks
Author(s):	Matt Backler, Operational Director of Finance, BNSSG
Sponsoring Director:	Cath Leech, Chief Finance and Corporate Services Officer



To support the clustering arrangements between Gloucestershire ICB and BNSSG ICB, these Standing Financial Instructions (SFI) have been produced to allow effective working arrangements between the organisations. Recognising the need for both ICBs to maintain their sovereignty until they are permitted by NHS England to merge, this document will need to be agreed by both individual Boards.

This document is supported by policies in both ICBs which are referred to and will be combined once organisational changes have been completed and individuals are aligned to new teams and ways of working.

BNSSG and Gloucestershire Integrated Care Boards

Standing Financial Instructions

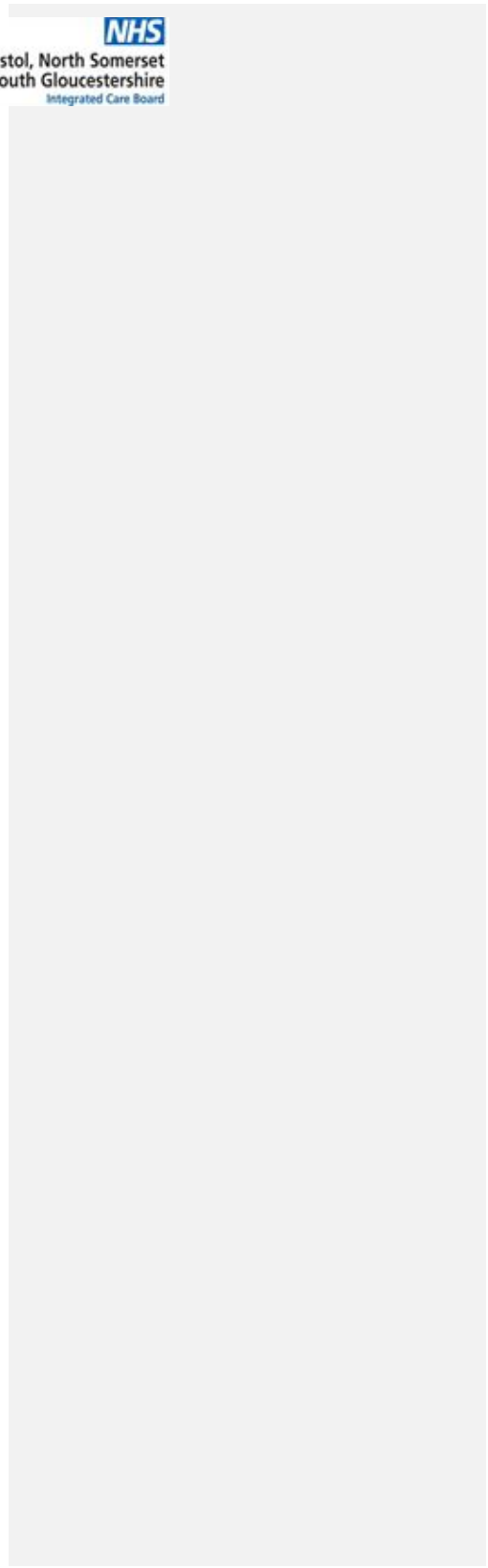
Version 0.5

26 March 2026



Classification: Official

Publication approval reference:
Agreed by ICB Boards
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1. Purpose and statutory framework

- 1.1.1 These Standing Financial Instructions (SFIs) shall have effect as if incorporated into the Integrated Care Board's (ICB) constitution and Governance Handbook. In accordance with the National Health Service Act 2006, as amended by the Health and Care Act 2022, the ICB must publish its constitution.
- 1.1.2 In accordance with the Act as amended, NHS England is mandated to publish guidance for ICBs, to which each ICB must have regard, in order to discharge their duties.
- 1.1.3 The purpose of this governance document is to 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.
- 1.1.4 SFIs define the purpose, responsibilities, legal framework and operating environment of the ICB. They enable sound administration, lessen the risk of irregularities and support commissioning and delivery of effective, efficient, and economical services.
- 1.1.5 The ICB is established under Chapter A3 of Part 2 of the National Health Service Act 2006, as inserted by the Health and Care Act 2022 and has the general function of arranging for the provision of services for the purposes of the health services in England in accordance with the Act.
- 1.1.6 Each ICB is established by order made by NHS England for an area within England, the order establishing an ICB makes provision for the constitution of the ICB.
- 1.1.7 All members of the ICB, its Board, and all other officers should be aware of the existence of these documents and be familiar with their detailed provisions. The ICB SFIs will be made available to all officers on the [intranet](#) and internet website.
- 1.1.8 Should any difficulties arise regarding the interpretation or application of any of these SFIs, the advice of the Chief Executive Officer or the Chief Finance Officer must be sought before acting.
- 1.1.9 Failure to comply with the SFIs may result in disciplinary action in accordance with the ICBs applicable disciplinary policy and procedure in operation at that time.

2. Scope

- 2.1.1 All officers of the ICB, without exception, are within the scope of the SFIs without limitation. The term officer includes, permanent employees, fixed term contract employees, secondees, agency and contract workers.
- 2.1.2 Within this document, words imparting any gender include any other gender. Words in the singular include the plural and words in the plural include the singular.
- 2.1.3 Any reference to an enactment is a reference to that enactment as amended.
- 2.1.4 Unless a contrary intention is evident, or the context requires otherwise, words or expressions contained in this document, will have the same meaning as set out in the applicable Act.

3. Roles and Responsibilities

3.1 Staff

3.1.1 All ICB officers are severally and collectively, responsible to their respective employer(s) for:

- abiding by all conditions of any delegated authority;
- the security of the statutory organisations property and avoiding all forms of loss;
- ensuring integrity, accuracy, probity, and value for money in the use of resources; and
- conforming to the requirements of these SFIs

3.2.1. For any and all Directors and employees who carry out a financial function, the form in which financial records are kept and the manner in which directors and employees discharge their duties must be to the satisfaction of the Chief Finance Officer

3.2 Chief Executive

3.2.1 The ICB constitution provides for the appointment of the Chief Executive Officer by the ICB chair. The Chief Executive Officer is the Chief Executive for the ICB and is personally accountable to NHS England for the stewardship of the ICB's allocated resources.

3.2.2 The Chief Finance Officer reports directly to the ICB Chief Executive Officer and is professionally accountable to the NHS England regional finance director.

3.2.3 The Chief Executive Officer and Chief Finance Officer will, as far as possible, delegate their detailed responsibilities, but they remain accountable for financial control.

3.2.4 The Chief Executive Officer will delegate to the Chief Finance Officer the following responsibilities (see also section 4 – Annual Reporting and accounts) in relation to the ICB:

- preparation and audit of annual accounts;
- adherence to the directions from NHS England in relation to accounts preparation;
- ensuring that the allocated annual revenue and capital resource limits are not exceeded;
- ensuring that there is an effective financial control framework in place to support accurate financial reporting, safeguard assets and minimise risk of financial loss;
- meeting statutory requirements relating to taxation;
- ensuring that there are suitable financial systems in place (see Section 5 – Financial Systems and Processes),
- meets the financial targets set for it by NHS England;
- use of incidental powers such as management of ICB assets, entering commercial agreements;
- the Governance statement and annual accounts & reports are signed;
- ensuring planned budgets are approved by the relevant Board; developing the funding strategy for the ICB to support the board in achieving ICB objectives, including consideration of place-based budgets;
- making use of benchmarking to make sure that funds are deployed as effectively as possible;
- ensuring that sufficient records are maintained to show and explain the ICB's transactions, in order to disclose, with reasonable accuracy, the financial position of the ICB at any time;
- executive members (partner members and non-executive members) and other officers are notified of and understand their responsibilities within the SFIs;
- specific responsibilities and delegation of authority to specific job titles are confirmed;
- provision of financial leadership and financial performance of the ICB;
- identification of key financial risks and issues relating to robust financial performance and leadership and working with relevant providers and partners to enable solutions; and

- the Chief Finance Officer will support a strong culture of public accountability, probity, and governance, ensuring that appropriate and compliant structures, systems, and process are in place to minimise risk.
- ensuring money drawn from the Department of Health against the financing requirement arising from the Resource Limit is required for approved expenditure only and is drawn down only at the time of need, following best practice as set out in 'Cash Management in the NHS'.

3.3 Audit Committee

3.3.1 The ICB Board (Board) and Chief Executive should be supported by an Audit Committee, which should provide proactive support to the Board, fulfilment of its terms of reference, and advising on:

- the management of key risks;
- the strategic processes for risk;
- the operation of internal controls;
- control and governance and the governance statement;
- the accounting policies, the accounts, and the annual report of the ICB;
- the process for reviewing of the accounts prior to submission for audit, management's letter of representation to the external auditors; and the planned activity and results of both internal and external audit.
- Agree Prepare Standing Financial Instructions (SFIs)

3.4 Finance Committee (or equivalent)

3.4.1 The ICB Board (Board) and Chief Executive should be supported by a Finance Committee. The Finance Committee shall support the Board through fulfilment of its TORs and its purpose;

- To contribute to the overall delivery of the ICB's objectives by providing oversight and assurance to the Board in the development and delivery of a robust, viable and sustainable system financial strategy and operational plan. This includes:
 - financial performance of the ICB
- Providing financial advice to the Integrated Care Board to enable the development of a financially sustainable Strategy;

- Develop financial strategy and plan for the ICB with due regard for the Strategy of the Integrated Care System Partnership Board and associated Health & Wellbeing Boards.

3.4.2 The Board has delegated authority to the Finance Committee (or equivalent) as described in the Reservation and Delegation Scheme:

- Strategy and Planning
 - Recommend annual, medium-term and Long-Term financial plans to the Board.
 - Recommend the approach for resource allocation to the Board.
- Regulation and Control
 - Oversight of procurement exercises in line with section 8 and make change recommendations to the Board.

4. Annual reporting and accounts

4.1 Reporting

4.1.1 The Chief Executive Officer, on behalf of the Board will ensure the ICB, in each financial year, prepares a report on how it has discharged its functions in the previous financial year.

4.1.2 An annual report must, in particular, explain how the ICB has:

- discharged its duties in relating to improving quality of services, reducing inequalities, the triple aim and public involvement;
- review the extent to which the Board has exercised its functions in accordance with its published 5 year forward plan and capital resource use plan; and
- review any steps that the Board has taken to implement any joint local health and wellbeing strategy.

4.1.3 The Chief Finance Officer will ensure, on behalf of the Chief Executive and Board that the ICB is in a position to produce its required monthly reporting, annual report, and accounts.

4.1.4 NHS England will give annual directions to the ICB as to the form and content of an annual report.

4.1.5 The ICB must give a copy of its annual report to NHS England by the date specified by NHS England in a direction and publish the report.

4.2 Internal audit

The Chief Executive Officer, as the Chief Executive, is responsible for ensuring there is appropriate internal audit provision in the ICB. For operational purposes, this responsibility is delegated to the Chief Finance Officer to ensure that:

- all internal audit services provided under arrangements proposed by the Chief Finance Officer are approved by the Audit Committee, on behalf of the Board;
- the ICB internal audit annual audit plan, must be endorsed by the ICB Chief Executive, Audit Committee and Board;
- the head of internal audit must provide an annual opinion on the overall adequacy and effectiveness of the Board's framework of governance, risk

management and internal control as they operated during the year, based on a systematic review and evaluation;

- the head of internal audit should attend Audit Committee meetings and have a right of access to all audit and risk assurance committee members, the Chair and Chief Executive of the ICB.
- the appropriate and effective financial control arrangements are in place for the ICB and that accepted internal and external audit recommendations are actioned in a timely manner.
- Reporting for Internal Audit shall be agreed between the Chief Finance Officer, the Audit Committee and the Head of Internal Audit; and shall comply with the guidance on reporting contained in the NHS Internal Audit Standards.

4.3 External audit

The Chief Finance Officer is responsible for:

- liaising with external audit colleagues to ensure timely delivery of financial statements for audit and publication in accordance with statutory, regulatory requirements;
- ensuring that the ICB appoints an auditor in accordance with the Local Audit and Accountability Act 2014; in particular, the ICB must appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding financial year; the ICB must appoint a local auditor at least once every 5 years and
- ensuring that the appropriate and effective financial control arrangements are in place for the ICB and that accepted external audit recommendations are actioned in a timely manner.

5. Financial systems and processes

5.1 Provision of finance systems

5.1.1 To be read in conjunction with section 16 – Digital.

5.1.2 The Chief Finance Officer is responsible for ensuring systems and processes are designed and maintained for the recording and verification of finance transactions such as payments and receivables for the ICB.

5.1.3 The systems and processes will ensure, that payment for goods and services is made in accordance with the provisions of these SFIs, related procurement guidance and prompt payment practice.

5.1.4 The required accounting system for use by ICBs is the Integrated Single Financial Environment (“ISFE2”).

5.1.5 Access will be granted to ICB employees to enable users to perform core accounting functions such as to transacting and coding of expenditure/income in fulfilment of their roles.

5.1.6 The Chief Finance Officer will, in relation to financial systems:

- promote awareness and understanding of financial systems, value for money and commercial issues;
- ensure that transacting is carried out efficiently in line with current best practice;
- ensure that the ICB meets the required financial and governance reporting requirements as a statutory body by the effective use of finance systems;
- enable the prevention and the detection of inaccuracies and fraud, and the reconstitution of any lost records;
- ensure that the financial transactions of the authority are recorded as soon as, and as accurately as, reasonably practicable;
- ensure publication and implementation of all ICB business rules and ensure that the finance team is appropriately resourced to deliver all statutory functions of the ICB;
- ensure that risk is appropriately managed;
- ensure identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers;

- ensure the ICB has suitable financial and other software to enable it to comply with these policies and any consolidation requirements of the ICB;
- ensure that contracts for computer services for financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes; and
- where another health organisation or any other agency provides a computer service for financial applications, the Chief Finance Officer shall periodically seek assurances that adequate controls are in operation.

6. Planning, Budgets and Budgetary Control

6.1 Planning

- 6.1.1 The Chief Executive Officer will compile and submit to the Board an Annual Operating Plan which take into account financial targets and forecast limits of available resources.
- 6.1.2 The annual plan will be developed in line with the ICS's Medium-Term plan and the NHS Long term plan objectives and will:
- a. be in accordance with the aims and objectives set out in the ICB's strategy;
 - b. ensure the achievement of the ICB statutory duty to breakeven;
 - c. a statement of the significant assumptions on which the plan is based
 - d. details of major changes in workload, delivery of services or resources required to achieve the plan
 - e. identify potential risks.
- 6.1.3 The approved annual plan will be the basis for setting the detailed budget plan and delegated budgets to approved budget holders.
- 6.1.4 The Chief Finance Officer will ensure that financial performance is monitored against budget and plan and communicated to appropriate Boards and Committees.
- 6.1.5 All budget holders must provide information as required by the Chief Finance Officer to enable budgets to be compiled.

6.2 Allocations

- 6.2.1. The Chief Finance Officer of the ICB will:
- periodically review the basis and assumptions used by NHS England for distributing allocations and ensure that these are reasonable and realistic and secure the ICB's entitlement to funds;
 - prior to the start of each financial year submit to the ICB Board for approval a report showing the total allocations received and their proposed distribution including any sums to be held in reserve; and

regularly update the ICB Board on significant changes to the initial allocation and the uses of such funds

6.3 Budgetary control and reporting

6.3.1. The Chief Executive Officer may delegate the management of a budget to permit the performance of a defined range of activities. This delegation must be in writing and be accompanied by a clear definition of:

- the amount of the budget;
- the purpose(s) of each budget heading;
- individual and group responsibilities;
- authority to exercise virement;
- achievement of planned levels of service;
- the provision of regular report

6.3.2. The Chief Executive Officer and delegated budget holders must not exceed the budgetary total or virement limits set by the Board.

6.3.3. Any budgeted funds not required for their designated purpose(s) revert to the immediate control of the Chief Executive Officer, subject to any authorised use of virement.

6.3.4. Non-recurring budgets should not be used to finance recurring expenditure without the authority in writing of the Chief Executive Officer, as advised by the Chief Finance Officer.

6.3.5. The Chief Finance Officer is

- responsible for maintaining policies and processes relating to the control, management and use of resources across the ICB;
- will delegate the budgetary control responsibilities to budget holders through a formal documented process.

6.3.6 The Chief Finance Officer will ensure:

- the promotion of compliance to the SFIs through a financial governance framework;
- the promotion of long-term financial health for the NHS system (including ICS);
- budget holders are accountable for obtaining the necessary approvals and oversight of all expenditure incurred on the cost centres and subjective code combinations they are responsible for;

- the improvement of financial literacy of budget holders with the appropriate level of expertise and systems training;
- that the budget holders are supported in proportion to the operational risk; and
- the implementation of financial and resources plans that support the NHS Long term plan objectives.

6.3.7 In addition, the Chief Finance Officer should have financial leadership responsibility for the following statutory duties:

- that of the ICB, in conjunction with its partner NHS trusts and NHS foundation trusts, to exercise its functions with a view to ensuring that, in respect of each financial year,
 - local capital resource use does not exceed the limit specified in a direction by NHS England;
 - local revenue resource use does not exceed the limit specified in a direction by NHS England.
- the duty of the ICB to perform its functions as to secure that its expenditure does not exceed the aggregate of its allotment from NHS England and its other income; and
- the duty of the ICB, in conjunction with its partner trusts, to seek to achieve any joint financial objectives set by NHS England for the ICB and its partner trusts.

6.3.8 The Chief Finance Officer and other Chief Officers should also promote a culture where budget holders and decision makers consult their Finance Business Partner in key strategic decisions that carry a financial impact.

6.4 Budget holder responsibilities

6.4.1 Each Budget Holder is responsible for ensuring that:

- a. they sign off their budget, as approved through the approved annual plan, at the start of the year and engage with relevant finance teams, and provide accurate forecasts of out-turn during the course of the year;
- b. the amount provided in the approved budget is not used in whole or in part for any purpose other than that specifically authorised, subject to the rules of virement;
- c. no permanent employees are appointed without the approval of the Chief Executive Officer other than those provided for within the available resources and manpower establishment as approved by the Board;

- d. a. any likely controllable overspending or reduction of income which cannot be met by virement is not incurred without the prior consent of the following delegated officers - acting within their duties and with due regard to the breakeven statutory duty - within the limits set out below:

Role	Programme budgets	Admin (running cost) budgets
Associate Director of Finance	>£0	>£0
Director of Operational Finance	£250,000-£500,000	£10,000 - £200,000
Chief Finance Officer	£500,000 - £2,500,000	£200,000 - £500,000
CFO and CEO	>£2,500,000	>£500,000

To be escalated to Board on a case by case basis, following oversight by Board committees with specific responsibility for the assurance of the service being commissioned.

- e. Full variance analysis from budgeted plan and corrective actions must be provided;
- f. they participate in finance training to develop the skills and knowledge necessary to discharge their financial management duties;
- g. they use the ICB's finance systems as required;
- h. where matters of financial control risk are identified, they are communicated to the ICB finance team as a matter of urgency;
- i. they are accountable for their budgets and financial performance, even where contracts are negotiated on behalf of the ICB by another institution;
- j. they take responsibility for ensuring that new members of staff are paid the correct salary and for making sure that final payments to and from employees are correct;
- k. ensuring that the prices paid for goods are correct, represent value for money, that procedures are followed to prevent fraud and that all invoices are appropriately authorised and that the goods and services received are correct;
- l. aware of the ICB's medium term plan and the impact of in year commitments on future years' planning assumptions
- m. they are available to work with the auditors and respond to questions or recommendations.

6.4.2 The Executive Team is responsible for identifying and implementing cost improvements and income generation initiatives in accordance with the requirements of the Annual Plan and a balanced budget.

6.5 Virement

~~6.5.1 Virements cover all budget transfers carried out in the financial year apart from those enacting the Annual Plan.~~

- ~~• the Annual Operating Plan;~~
- ~~• approved business cases;~~
- ~~• approved financial recovery plans;~~
- ~~• approved reserves deployment;~~
- ~~• NHS England allocation adjustments; or~~
- ~~• other approved planning or reporting processes.~~

6.5.2 The following shall not constitute virements for the purposes of delegated approval limits:

- allocation adjustments notified by NHS England;
- reserve releases approved through the financial planning process or in-year financial recovery process;
- technical accounting adjustments required for statutory reporting, ISFE reporting or compliance with accounting standards;
- transfers required to reflect centrally managed budgets, pay awards, prescribing allocations, contingency deployment or other non-discretionary adjustments;
- budget realignments required to reflect changes in organisational structures, operational responsibility or portfolio ownership;
- adjustments required to accurately reflect expenditure, income or commitments to the appropriate budget holder or cost centre; and
- any other technical budget movements authorised by the Chief Finance Officer for the purposes of effective financial management and reporting.

6.5.3 The Chief Finance Officer shall maintain appropriate records of all budget virements, and budget realignments undertaken during the financial year.

6.5.4 The Chief Finance Officer shall report material in-year budget realignments, reserve deployments and virements to the Finance Committee as part of routine financial reporting.

6.5.5 Virements must not:

- create recurring commitments from non-recurring resources without appropriate approval;
- adversely impact delivery of statutory financial duties;
- circumvent procurement, business case or approval processes; or
- be used to artificially avoid escalation thresholds set out within these Standing Financial Instructions.

6.5.6 Delegated limits for discretionary virements are:

<u>Delegated Officer</u>	<u>Value</u>
<u>Budget Holder</u>	<u>Up to £10k</u>
<u>Deputy Chief Officer</u>	<u>£10k to £25k</u>
<u>Chief Officer for their Directorate</u>	<u>£25k to £250k</u>
<u>Chief Finance Officer</u>	<u>£250k to £500k</u>
<u>Chief Executive Officer and Chief Officer</u>	<u>£500k to £1m</u>
<u>Board</u>	<u>Over £1m</u>

6.5.7 The Chief Finance Officer may approve, and action technical and non-discretionary budget movements of any value where required to:

- implement NHS England allocation changes;
- support statutory financial reporting;
- support month-end or year-end accounting processes;
- reflect approved reserve deployment;
- support financial recovery actions already approved through governance processes; or
- ensure the effective operational management of the ICB's financial position.

6.5.8 All material recurring virements impacting future financial years shall be reported to the Finance Committee and reflected within the Medium-Term Financial Plan as appropriate.

6.6 Reserves

6.6.1 Reserves cover all expenditure budgets not currently allocated to a budget holder and are held centrally.

6.7 Capital expenditure

6.7.1 The general rules applying to delegation and reporting shall also apply to capital expenditure.

6.8 Monitoring returns

6.8.1 The Chief Finance Officer is responsible for ensuring that the appropriate monitoring forms are submitted to the ICB's designated external regulators.

7. Income, banking arrangements and debt recovery

7.1 Income

7.1.1 An ICB has power to do anything specified in section 7(2)(a), (b) and (e) to (h) of the Health and Medicines Act 1988 for the purpose of making additional income available for improving the health service.

7.1.2 The Chief Finance Officer is responsible for:

- ensuring order to bank practices are designed and operated to support, efficient, accurate and timely invoicing and receipting of cash. The processes and procedures should be standardised and consistent across the NHS system by working with the Shared Services provider; and
- ensuring the debt management procedures reflects the debt management objectives of the ICB and the prevailing risks.

7.1.3 The ICB shall follow the Department of Health and Social Care costing manual in setting prices for NHS service agreements.

7.1.4 The Chief Finance Officer is responsible for approving and regularly reviewing the level of all fees and charges other than those determined by the Department of Health and Social Care or by Statute. Independent professional advice on matters of valuation shall be taken as necessary.

7.1.5 All employees must inform the management accounts team promptly of money due arising from transactions which they initiate/deal with, including all contracts, leases, tenancy agreements, private patient undertakings and other transactions.

7.2 Banking

7.2.1 The Chief Finance Officer is responsible for ensuring the ICB complies with any directions issued by the Secretary of State with regards to the use of specified banking facilities for any specified purposes.

7.2.2 The Chief Finance Officer will ensure that:

- the ICB holds the minimum number of bank accounts required to run the organisation effectively. These should be raised through the government banking services contract; and

- the ICB has effective cash management policies and procedures in place.

7.3 Debt management

7.3.1 The Chief Finance Officer is responsible for the ICB debt management policies and procedures.

7.3.2 This includes:

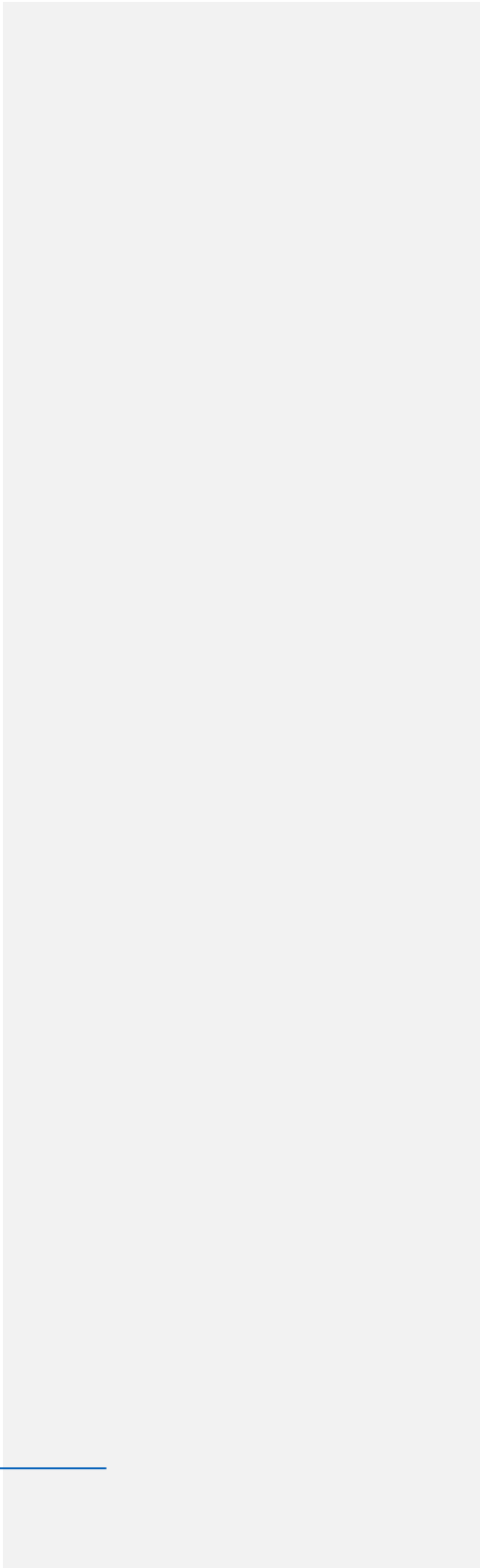
- debt management policies and procedures that covers end-to-end debt management from debt creation to collection or write-off in accordance with the losses and special payment procedures;
- ensuring the debt management policies and procedures covers a minimum period of 3 years and must be reviewed 12 months to ensure relevance and provide assurance;
- accountability to the Board that debt is being managed effectively;
- accountabilities and responsibilities are defined with regards to debt management to budget holders; and
- responsibility to appoint a senior officer responsible for day-to-day management of debt.
- The Chief Finance Officer is responsible for the appropriate recovery action on all outstanding debts.
- Income not received should be dealt with in accordance with losses procedures.
- Overpayments should be detected (or preferably prevented) and recovery initiated.

7.4 Security of cash

7.4.1 The Chief Finance Officer is responsible for:

- a. approving the means of officially acknowledging or recording monies received or receivable;
- b. the provision of adequate facilities and systems for employees whose duties include collecting and holding cash, including the provision of safes or lockable cash boxes, the procedures for keys, and for coin operated machines;
- c. prescribing systems and procedures for handling cash and negotiable securities on behalf of the ICB.

- 7.4.2 Official money shall not under any circumstances be used for the encashment of private cheques or IOUs.
- 7.4.3 Any cheques, postal orders, cash etc., shall be banked intact. Disbursements shall not be made from cash received.
- 7.4.4 The holders of safe keys shall not accept unofficial funds for depositing in their safes unless such deposits are in special sealed envelopes or locked containers. It shall be made clear to the depositors that the ICB is not to be held liable for any loss, and written indemnities must be obtained from the organisation or individuals absolving the ICB from responsibility for any loss.



8. Procurement and purchasing

8.1 Principles

- 8.1.1 The [Chief Strategic Commissioning Office with support as relevant from the Chief Finance Officer](#) will take a lead role on behalf of the ICB to ensure that there are appropriate and effective financial, contracting, monitoring and performance arrangements in place to ensure the delivery of effective health services and will ensure that appropriate procurement policies and arrangements are in place.
- 8.1.2 The ICB must ensure that procurement activity is in accordance with the legislation and regulation as described in the ICB's procurement policies for healthcare and goods and services and associated statutory requirements whilst securing value for money and sustainability. The Procurement policy can be found on the ICB's website and the [intranet](#).
- 8.1.3 The ICB shall undertake any contract variations or extensions in accordance with Public Contracts Regulation 2015 (goods and services) [which are amended by The Public Procurement \(Amendment etc.\) \(EU Exit\) Regulations 2020 \('PPAR 2020'\), the Procurement Act 2023 and Procurement Regulations 2024](#) and/or The Health Care Services (Provider Selection Regime) Regulations 2023 and the ICB procurement policy
- 8.1.4 The ICB must consider, as appropriate, any applicable NHS England guidance that does not conflict with the above.
- 8.1.5 All revenue and non-pay expenditure must be approved, in accordance with the ICB business case policy, prior to an agreement being made with a third party that enters a commitment to future expenditure.
- 8.1.6 All officers must ensure that any conflicts of interest are identified, declared and appropriately mitigated or resolved in accordance with the ICB standards of business conduct policy.
- 8.1.7 Budget holders are accountable for obtaining the necessary approvals and oversight of all expenditure incurred on the cost centres and subjective code combinations they are responsible for. This includes obtaining the necessary internal and external approvals which vary based on the type of spend, prior to procuring the goods, services or works.
- 8.1.8 The award of grant agreements must be in accordance with NHS England guidance and model agreement as referenced in section 13.4.

8.1.9 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 Audit Committee.

8.1.10 The ICB will consider obtaining expert support as appropriate to ensure compliance when engaging in tendering procedures.

8.2 Authorisation to procure

8.2.1 Providing all the conditions and circumstances set out in these Standing Financial Instructions and the relevant procurement policy have been fully complied with thresholds for the formal **authorisation to procure** for tenders and competitive quotations or commission pilot schemes are based on the type of procurement:

- Commissioning of Health Care Services (8.2.5)
- Commissioning of packages of care (8.2.6)
- Non-health care procurements - running costs (8.2.7)
- Non- health care procurements – excluding running costs (8.2.8)

~~8.2.2 The contract life cycle value excludes VAT. For commissioning of packages of care the procurement value represents the annual cost of the package. Delegated limits for procurement and contract approval shall apply to both:~~

- ~~• the total contract lifecycle value (excluding recoverable VAT); and~~
- ~~• the maximum annual financial commitment in any single financial year (excluding recoverable VAT).~~

~~Where either threshold is exceeded, the higher approval level shall apply.~~

~~8.2.2~~ 8.2.3 Officers with delegated responsibility include their delegated deputies.

Commissioning of Health Care Services

~~8.2.3~~ 8.2.4 To be read in conjunction with section 8.13 - Healthcare Service Agreements and the procurement policies.

8.2.5 The formal authorisation to procure is delegated as follows:

<u>Approval level</u>	<u>Annual value</u>	<u>Total lifecycle value</u>
<u>Deputy Director</u>	<u>£100k</u>	<u><£400k</u>
<u>Lead Chief Officer</u>	<u><£1m</u>	<u><£4m</u>
<u>Chief Finance Officer or Chief Executive Officer</u>	<u><£5m</u>	<u><£20m</u>
<u>ICB Board following oversight by the relevant Board committees with a specific</u>	<u>>£5m</u>	<u>>£20m</u>

responsibility for the service being contracted.

- ~~£100k~~ ————— ~~Deputy Chief Officer~~
- ~~>£100k and <£1m~~ ————— ~~Lead Chief Officer~~
- ~~>£1m and <£5m~~ ————— ~~Chief Finance Officer or Chief Executive Officer~~
- ~~>£5m~~ ————— ~~ICB Board following oversight by relevant Board committees with a specific responsibility for the service being contracted.~~

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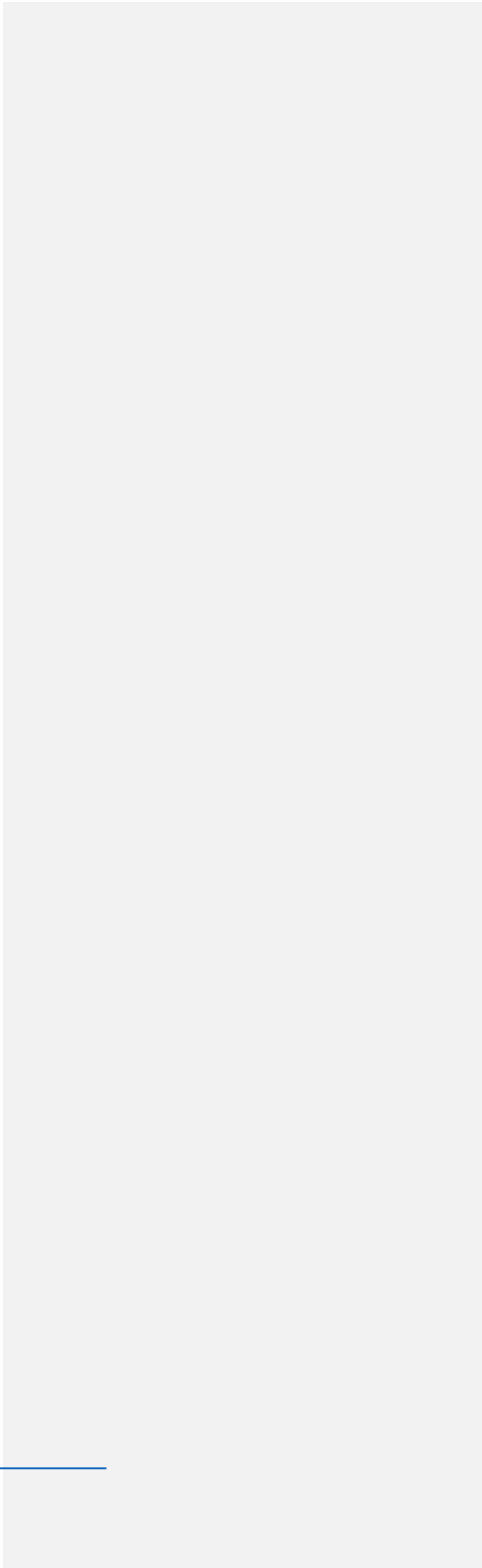
Commissioning of packages of care

8.2.48.2.6 The Chief Nursing Officer will develop a commissioning policy for individual funded care packages. The formal authorisation to procure is delegated as follows (values represent annual costs of packages of care) and will follow an escalation process:

BNSSG ICB:

- | | |
|--------------------------------|---|
| <u>£130k</u> | <u>Designated budget holder (level 1 and 2 of policy)</u> |
| <u>>£130k and <£260k</u> | <u>As above plus Complex Care panel (level 3)</u> |
| <u>>£260k and <£520k</u> | <u>As above plus High-cost panel (level 4)</u> |
| <u>>£520k and <£750k</u> | <u>As above plus Chief Nursing Officer (level 5)</u> |
| <u>£750k and <£1m</u> | <u>As above plus Chief Finance Officer or Chief Executive Officer</u> |
| <u>>£1m</u> | <u>Specially convened panel including Chief Nursing Officer, Chief Finance Officer, Chief Executive (level 5)</u> |
-
- ~~£130k~~ ————— ~~Designated budget holder (level 1 and 2 of policy)~~
 - ~~>£130k and <£260k~~ ————— ~~As above plus Complex Care panel (level 3)~~
 - ~~>£260k and <£520k~~ ————— ~~As above plus High cost panel (level 4)~~

>£520k and <£750k As above plus Chief Nursing Officer (level 5)	
<u><£520k</u>	<u>Risk and Scrutiny Panel for health funded packages of care. For joint funded packages of care, the Multi Agency Panel for adults and Placement & Budget Exceptions and Governance Panel (PBENG) for children's packages of care</u>
<u>>£520k and <£750k</u>	<u>As above plus Chief Nursing Officer</u>
<u>>£750k and <£1m</u>	<u>As above plus High-cost panel (level 4)</u>
<u>>£520k and <£750k</u>	<u>As above plus Chief Finance Officer or Chief Executive Officer</u>
<u>£750k and <£1m</u>	<u>As above plus Chief Finance Officer or Chief Executive Officer</u>
<u>>£1m</u>	<u>Specially convened panel including Chief Nursing Officer, Chief Finance Officer, Chief Executive</u>



~~8.2.5~~

Non-healthcare procurement – running costs

8.2.8 The formal authorisation to procure is delegated as follows:

<u>Approval level</u>	<u>Annual value</u>	<u>Total lifecycle value</u>
<u>Deputy Director</u>	<u>£50k</u>	<u><£200k</u>
<u>Lead Chief Officer</u>	<u><£500k</u>	<u><£2m</u>
<u>Chief Finance Officer or Chief Executive Officer</u>	<u><£1m</u>	<u><£4m</u>
<u>ICB Board following oversight by the relevant Board committees with a specific responsibility for the service being contracted.</u>	<u>>£1m</u>	<u>>£4m</u>

Non-healthcare procurement – excluding running costs

8.2.9 The formal authorisation to procure is delegated as follows:

<u>Approval level</u>	<u>Annual value</u>	<u>Total lifecycle value</u>
<u>Deputy Director</u>	<u>£100k</u>	<u><£400k</u>
<u>Lead Chief Officer</u>	<u><£1m</u>	<u><£4m</u>
<u>Chief Finance Officer or Chief Executive Officer</u>	<u><£5m</u>	<u><£20m</u>
<u>ICB Board following oversight by the relevant Board committees with a specific responsibility for the service being contracted.</u>	<u>>£5m</u>	<u>>£20m</u>

~~8.3.0~~

- ~~• <£100k — Deputy Chief Officer~~
- ~~• >£100k and <£1m — Lead Chief Officer~~
- ~~• >£1m and <£5m — Chief Finance Officer or Chief Executive Officer~~
- ~~• >£5m — ICB Board following oversight by the relevant Board committees with a specific responsibility for the service being contracted.~~

8.3.0 Route to procurement

~~8.10.18.3.1~~ The ICBs' procurement policies associated procurement procedures available on the intranet set out the route to procurement in line with current legislation and regulations. The delivery of all healthcare and goods and services, including transformation and pilot schemes, will be contracted through the following routes;

- Quotations: Competitive and non-competitive (8.4)
- Competitive tendering (8.5)
- By exception, waiving of quotations and competitive tendering (8.6) including undertaking a non-compliant procurement process (8.5.6)

8.118.4 Quotations: Competitive and non-competitive

~~8.11.18.4.1~~ ~~For Healthcare quotations are required where formal tendering procedures are not adopted and where the intended expenditure or income exceeds or is reasonably expected to exceed £5k but not exceed £50k over the lifetime of the contract.~~ For Healthcare the Provider Selection Regime **does not have a financial threshold and therefore when securing healthcare services formal tendering procedures are to be adopted.** The ICB recognises the need to be proportionate when securing healthcare services and therefore when not following the Provider Selection Regimes legislated processes, all non-compliant requests **must be reviewed by the ~~the~~ Director of Strategic Commissioning and the relevant senior procurement lead accompanied by a non-compliant request form and a completed procurement complexity framework which is located on the intranet.**

~~8.11.28.4.2~~ For **non-healthcare** quotations are required where formal tendering procedures are not adopted and where the intended expenditure or income ~~exceeds, or exceeds or~~ is reasonably expected to exceed £5k but not exceed the Public Contract Regulation threshold level over the **lifetime of the contract.**

8.11.38.4.3 Competitive Quotations

- a. Quotations should be obtained from at least 3 firms/individuals based on specifications or terms of reference prepared by, or on behalf of, the ICB;
- b. Quotations should be in writing;
- c. All quotations should be treated as confidential, should be retained for inspection and used to populate the contract register (see section 8.10.2);
- d. Those with delegated authority should evaluate the quotation and select the quote which gives the best value for money. If this is not the lowest quotation for a payment made by the ICB, or the highest for a payment received by the ICB, then the choice made and the reasons why should be recorded in a permanent record.

- e. For **non-healthcare quotations** the competitive quotations should be used to raise a procurement order through the financial system.

8.11.48.4.4 No quotation shall be accepted which will commit expenditure in excess of that which has been allocated by the ICB (8.2) and which is not in accordance with Standing Financial Instructions except with the authorisation of either the Chief Executive Officer or Chief Finance Officer.

8.11.58.4.5 Non-Competitive Quotations

Non-competitive quotations in writing may be obtained in the following circumstances:

- a. the supply of proprietary or other goods of a special character and the rendering of services of a special character, for which it is not, in the opinion of the Responsible Officer, possible or desirable to obtain competitive quotations;
- b. the supply of goods or manufactured articles of any kind which are required quickly and are not obtainable under existing contracts;
- c. where the goods or services are for building and engineering maintenance the responsible works manager must certify that the first two conditions of this SFI applies.

8.11.68.4.6 Where three quotes cannot be obtained or non-competitive quotations applied a Single Tender Waiver document must be completed following the process as set out in section 8.6.

8.128.5 Competitive tendering

8.12.48.5.1 **Non-healthcare** related services

The ICB shall ensure that competitive tenders are invited for non-healthcare related contracts where the intended expenditure or income exceeds, or is reasonably expected to exceed the Public Contract Regulation threshold level over the lifetime of the contract, including:

- the supply of goods, materials and manufactured articles;
- services including all forms of management consultancy services (other than specialised services sought from or provided by the Department of Health and Social Care);
- the design, construction and maintenance of building and engineering works (including construction and maintenance of grounds and gardens); for disposals.

~~8.12.28.5.2~~ Health Care Services

To be read in conjunction with section 8.13 - Healthcare Service Agreements and the latest version of the relevant procurement [policy](#) available on the intranet.

~~8.12.3~~ Where the ICB elects to invite tenders for the supply of healthcare services the ICB Constitution and these Standing Financial Instructions shall apply as far as they are applicable to the tendering procedure.

~~8.12.48.5.4~~ Exceptions and instances where formal tendering need not be applied
~~There are no exceptions and instances where formal tendering need not be applied as under the Provider Selection Regime all healthcare services commissioned need to follow legislation. If for any reason due to proportionality a risk-based approach needs to be considered, the ICB via the procurement oversight group may consider supporting a non-compliant route as per 8.4.1.~~

~~Formal tendering procedures need not be applied (see section 8.6) where:~~

~~8.12.98.5.6~~ Where the Provider Selection Regime is not followed a non-compliant request form and a procurement complexity framework must be completed. All healthcare non-compliant commissions/procurements must be overseen / supported by the procurement oversight group.

~~8.13~~ 8.6 Waiving of tendering procedures

8.6.1 Formal tendering procedures may be waived in the following circumstances:

- a. in very exceptional circumstances where the Chief Executive Officer decides that formal tendering procedures would not be practicable or the estimated expenditure or income would not warrant formal tendering procedures;
- b. where the requirement is covered by an existing contract, including any optional extension periods;
- c. where the Cabinet Office framework agreements are in place and have been approved by the Board;
- d. where a consortium arrangement is in place and a lead organisation has been appointed to carry out tendering activity on behalf of the consortium members;
- e. where the timescale genuinely precludes competitive tendering, but failure to plan the work properly would not be regarded as a justification for a single tender;
- f. where specialist expertise is required and is available from only one source;

- g. where specialist activities covered under a grant agreement are available from only one voluntary community and social enterprise organisation;
- h. when the task is essential to complete the project, and arises as a consequence of a recently completed assignment and engaging different consultants for the new task would be inappropriate;
- i. there is a clear benefit to be gained from maintaining continuity with an earlier project. However, in such cases the benefits of such continuity must outweigh any potential financial advantage to be gained by competitive tendering;
- j. for the provision of legal advice and services providing that any legal firm or partnership commissioned by the ICB is regulated by the Law Society for England and Wales for the conduct of their business (or by the Bar Council for England and Wales in relation to the obtaining of Counsel's opinion) and are generally recognised as having sufficient expertise in the area of work for which they are commissioned;
- k. where allowed and provided for in the Capital Investment Manual.

[8-13-28.6.2](#) The waiving of competitive tendering procedures should not be used to avoid competition or for administrative convenience or to award further work to a consultant originally appointed through a competitive procedure.

Where it is decided that competitive tendering is not applicable and should be waived, the fact of the waiver and the reasons should be documented and recorded in an appropriate ICB record and reported to the Audit, and Risk Committee at each meeting.

[8-13-38.6.3](#) Fair and Adequate Competition. Where the exceptions set out in 8.5.4 apply, the ICB shall ensure that Invitations To Tender (ITT) are sent to a sufficient number of firms/individuals to provide fair and adequate competition as appropriate, and in no case less than three firms/individuals, having regard to their capacity to supply the goods or materials or to undertake the services or works required.

[8-13-48.6.4](#) List of approved firms. The ICB shall ensure that the firms/individuals invited to tender (and where appropriate, quote) are among those on appropriate frameworks or that are otherwise confirmed as qualified. Where in the opinion of the Chief Finance Officer it is desirable to seek tenders from firms not on the approved lists, the reason shall be recorded in writing to the Chief Executive Officer.

[8-13-58.6.5](#) Items which subsequently breach thresholds after original approval. Items estimated to be below the limits set in these SFIs for which formal tendering procedures are not used which subsequently prove to have a value above such limits shall be reported to the Chief Executive Officer and be recorded in an appropriate ICB record.

8.6.6 Where tendering procedures have been waived or are non-compliant a single tender waiver form or a non-compliant request form as appropriate needs to be completed (available from the intranet) and signed as noted below and attached to the requisition, before being reported to the Audit Committee.

<u>Approval level</u>	<u>Annual value</u>	<u>Total lifecycle value</u>
<u>Deputy Director</u>	<u>£100k</u>	<u><£400k</u>
<u>Lead Chief Officer</u>	<u><£1m</u>	<u><£4m</u>
<u>Chief Finance Officer or Chief Executive Officer</u>	<u><£5m</u>	<u><£20m</u>
<u>ICB Board following oversight by the relevant Board committees with a specific responsibility for the service being contracted.</u>	<u>>£5m</u>	<u>>£20m</u>

- >£5k and <£100k Lead Chief Officer and CFO or deputy CFO
- >£100k and <£1m As above plus Chief Finance Officer and Chief Executive Officer
- >£1m As above plus Chief Executive Officer
- >£5m As above plus ICB Board

8.148.7 Disposals (cross reference to SFI 14.2)

8.14.18.7.1 Where competitive tendering or quotation procedures shall not apply to the disposal of:

- a. any matter in respect of which a fair price can be obtained only by negotiation or sale by auction as determined (or pre-determined in a reserve) by the Chief Executive Officer or their nominated officer;
- b. obsolete or condemned articles and stores, which may be disposed of in accordance with the supplies policy of the ICB;
- c. items to be disposed of with an estimated sale value of less than £1,000;
- d. items arising from works of construction, demolition or site clearance, which should be dealt with in accordance with the relevant contract;
- e. land or buildings concerning which Department of Health and Social Care guidance has been issued but subject to compliance with such guidance.

8.158.8 Personnel, agency, or temporary staff contracts

~~8.15.18.8.1~~ The Chief Executive Officer shall ensure compliance with instructions issued by Department of Health and Social Care and NHS England. The Chief Executive Officer shall nominate officers with delegated authority to enter into contracts of employment, regarding staff, agency staff or temporary staff service contracts and put in place any necessary arrangements in relation to vacancy control before recruitment and to manage risks associated with organisational change.

~~8.15.28.8.2~~ Where a role is as a Board Member or senior official, these must be in line with the 2012 HMT Review of Tax Arrangements for Public Sector Appointees, the HMT guidance “Managing Public Money” instructions from the Department of Health and Social Care for the reimbursement of Board members and senior officials, and the ICB Constitution.

~~8.15.38.8.3~~ Board appointments will be made in accordance with the Fit and Proper Person (FPP) test requirements.

8.168.9 Authorisation of contracts and grants

~~8.9.1~~ Providing all the conditions and circumstances set out in these Standing Financial Instructions have been fully complied with the formal authorisation and awarding of a contract or grant agreement is delegated to the following staff within +/- 10 percent of the authorised tender value as follows (~~contract life cycle excluding recoverable~~ VAT):

<u>Approval level</u>	<u>Annual value</u>	<u>Total lifecycle value</u>
<u>Designated Budget Holders with Associate Director of Finance</u>	<u>£100k</u>	<u><£400k</u>
<u>Lead Chief Officer</u>	<u><£1m</u>	<u><£4m</u>
<u>Chief Finance Officer or Chief Executive Officer</u>	<u><£5m</u>	<u><£20m</u>
<u>ICB Board</u>	<u>>£5m</u>	<u>>£20m</u>

- ~~<£100k~~ ————— ~~Designated Budget Holders with Associate CFO~~
- ~~>£100k and <£1m~~ ————— ~~Lead Chief Officer~~
- ~~>£1m and <£5m~~ ————— ~~Chief Executive Officer or Chief Finance Officer~~
- ~~>£5m~~ ————— ~~ICB Board~~

All tenders that will be, or are forecast to be, greater than, the authorised tender value by +/- 10 percent or exceed the designated budget holder shall be escalated to the next level.

8.178.10 Signing of contracts and grant agreements

8.10.1 Providing all the conditions and circumstances set out in these Standing Financial Instructions, including the authorisation and awarding of contracts and grant agreements in section 8, have been fully complied with the formal signing of a contract is delegated as follows:

<u>Approval level</u>	<u>Annual value</u>	<u>Total lifecycle value</u>
<u>Designated Budget Holders with Associate Director of Finance</u>	<u>£100k</u>	<u><£400k</u>
<u>Lead Chief Officer</u>	<u><£1m</u>	<u><£4m</u>
<u>Chief Finance Officer or Chief Executive Officer</u>	<u><£500m</u>	<u><£2,000m</u>
<u>Chief Finance Officer and Chief Executive Officer</u>	<u>>£500m</u>	<u>>£2,000m</u>

- ~~<£100k~~ ————— ~~Designated budget holders with ACFO~~
- ~~>£100k and <£1m~~ ————— ~~Lead Chief Officer~~
- ~~>£1m and <£500m~~ ————— ~~Chief Executive Officer or the Chief Finance Officer. Formal authorisation must be put in writing.~~
- ~~>£500m~~ ————— ~~Chief Executive Officer and Chief Finance Officer~~

8.17.108.10.2 All signed contracts and grant agreements must be recorded in the ICB's contracts register in line with the ICB contract management Standard operating procedure.

8.188.11 Contract variations

8.11.1 All contract variations and all supporting documents must be signed by the delegated officer roles who signed the original contract or the budget holder with appropriate level of sign-off for the size of the variation from which the variation is being funded (for example, service-level variations within an overarching contract with an NHS Provider system partner).

8-198.12 Compliance requirements for all contracts and grant agreements

8-19-18.12.1 The Board and delegated officers may only enter into contracts or grant agreements on behalf of the ICB within the statutory powers delegated to it by the Secretary of State and shall comply with:

- a. the ICB's Constitution and Standing Financial Instructions;
- b. directives and other statutory provisions, so long as they continue to apply as a matter of law;
- c. such as part of the NHS Act 2006 the NHS Standard Contract Conditions, section 75 agreements, General Medical Services and Alternative Primary Medical Services as are applicable;
- d. Care Quality Commission guidance;
- e. contracts with foundation trusts must be in a form compliant with appropriate NHS guidance;
- f. where appropriate contracts shall be in or embody the same terms and conditions of contract as was the basis on which tenders or quotations were invited;
- g. in all contracts and grant agreements made by the ICB, the Board shall endeavour to obtain best value for money by use of all systems in place. The Chief Executive Officer shall nominate an officer who shall oversee and manage each contract and grant agreement on behalf of the ICB.

8-208.13 Healthcare Service Agreements (cross reference with SFI 8.2.4 and 8.5.2)

8-20-18.13.1 Service agreements with NHS providers for the supply of healthcare services shall be drawn up in accordance with current legislation and guidance and administered by the ICB. Service agreements are not contracts in law and are not enforceable by the courts. However, a contract with a Foundation Trust, being a Performance Based Contracts, is a legal document and is enforceable in law.

8-20-28.13.2 The Chief Executive Officer shall nominate officers to commission service agreements with providers of healthcare in line with a commissioning plan approved by the Board.

9. Contracting/Tendering Procedure

9.1 Invitation to tender

- 9.1.1 Invitation to tender should be undertaken in conjunction with the procurement team and the relevant legislation, as referenced in section 8.1.
- 9.1.2 Where e-tendering is not used, all invitations to tender shall state the date and time as being the latest time for the receipt of tenders.
- 9.1.3 All invitations to tender shall state that no tender will be accepted unless
- submitted in a plain sealed package or envelope bearing a pre-printed label supplied by the ICB (or the word "tender" followed by the subject to which it related) and by the latest date and time for the receipt of such tender addressed to the Chief Executive Officer or nominated manager;
 - that tender envelopes/ packages shall not bear any names or marks indicating the sender. The use of courier/postal services must not identify the sender on the envelope or on any receipt so required by the deliverer.
- 9.1.4 Where an e-tendering software package is used the supplier's response will be completed on-line and uploaded to a secure mailbox until the opening time.
- 9.1.5 Every tender for goods, materials, services or disposals shall embody such elements of the NHS Standard Contract Conditions as are applicable. This will also include services procured collaboratively with local authorities and other partners. Recognising services may be contracted under a local authority's contract.
- 9.1.6 Every tender must have given, or give a written undertaking, not to engage in collusive tendering or other restrictive practices.

9.2 Receipt and safe custody of tenders

- 9.2.1 The Chief Executive Officer or their nominated representative will be responsible for the receipt, endorsement and safe custody of tenders received until the time appointed for their opening.
- 9.2.2 The date and time of receipt of each tender shall be endorsed on the tender envelope/package.

9.2.3 An audit log within the e-tendering system will record the date and time the offer documents are received.

9.3 Opening tenders and register of tenders

9.3.1 Where e-tendering is **not** used:

- a. As soon as practicable after the date and time stated as being the latest time for the receipt of tenders, they shall be opened by two senior officers/managers designated by the Chief Executive Officer and not from the originating department.
- b. The originating department will be taken to mean the department sponsoring or commissioning the tender.
- c. A member of the ICB Executive team will be required to be one of the two approved persons present for the opening of tenders estimated above £500k (contract life cycle). The rules relating to the opening of tenders will need to be read in conjunction with any delegated authority set out in the ICB's Scheme of Reservation and Delegation.
- d. The involvement of finance staff in the preparation of a tender proposal will not preclude the Chief Finance Officer or any approved senior manager from the finance team from serving as one of the two senior managers to open tenders.
- e. The Executive team will be authorised to open tenders regardless of whether they are from the originating department provided that the other authorised person opening the tenders with them is not from the originating department.
- f. The ICB's Company Secretary or equivalent role will count as a ~~Director~~director for the purposes of opening tenders.
- g. Every tender received shall be marked with the date of opening and initialled by those present at the opening. Where an electronic tendering package is used the details of the persons opening the documents will be recorded in the audit trail together with the date and time of the document opening.
- h. A register shall be maintained by the Chief Executive Officer, or a person authorised by them, to show for each set of competitive tender invitations dispatched:
 - the name of all firms or individuals invited;
 - the names of firms or individuals from which tenders have been received;
 - the date the tenders were received and opened;
 - the persons present at the opening;
 - the price shown on each tender;

- a note where price alterations have been made on the tender and suitably initialled.

Each entry to this register shall be signed by those present. A note shall be made in the register if any one tender price has had so many alterations that it cannot be easily read or understood.

Incomplete tenders, i.e., those from which information necessary for the adjudication of the tender is missing, and amended tenders i.e., those amended by the tenderer upon their own initiative either orally or in writing after the due time for receipt, but prior to the opening of other tenders, should be dealt with in the same way as late tenders (section 9.5 below).

9.4 Admissibility

9.4.1 If for any reason the designated officers are of the opinion that the tenders received are not strictly competitive (for example, because their numbers are insufficient or any are amended, incomplete or qualified) no contract shall be awarded without the approval of the Chief Executive Officer.

9.4.2 Where only one tender is sought and/or received, the Chief Executive Officer and Chief Finance Officer shall, as far practicable, ensure that the price to be paid is fair and reasonable and will ensure value for money for the ICB.

9.5 Late tenders

9.5.1 Tenders received after the due time and date, but prior to the opening of the other tenders, may be considered only if the Chief Executive Officer or nominated officer decides that there are exceptional circumstances i.e. dispatched in good time but delayed through no fault of the tenderer.

9.5.2 Only in the most exceptional circumstances will a tender be considered which is received after the opening of the other tenders and only then if the tenders that have been duly opened have not left the custody of the Chief Executive Officer or their nominated officer or if the process of evaluation and adjudication has not started.

9.5.3 While decisions as to the admissibility of late, incomplete or amended tenders are under consideration, the tender documents shall be kept strictly confidential, recorded, and held in safe custody by the Chief Executive Officer or their nominated officer.

9.5.4 Accepted late tenders will be reported to the Board.

9.6 Acceptance of formal tenders

9.6.1 Any discussions with a tenderer which are deemed necessary to clarify technical aspects of their tender before the award of a contract will not disqualify the tender. [Any discussions must be managed via the ICB or the SW regional procurement team \(whoever is leading the procurement process\)](#)

9.6.2 The most economically advantageous tender, if payment is to be made by the ICB, or the highest, if payment is to be received by the ICB, shall be accepted unless there are good and sufficient reasons to the contrary. Such reasons shall be set out in either the contract file, or other appropriate record. It is accepted that for professional services such as management consultancy, the lowest price does not always represent the best value for money. Other factors affecting the success of a project will be included in the criteria section of the invitation to tenders and may include:

- experience and qualifications of team members;
- understanding of client's needs;
- feasibility and credibility of proposed approach;
- ability to complete the project on time.

9.6.3 Where other factors are taken into account in selecting a tenderer, these must be clearly recorded and documented in the contract file, and the reason(s) for not accepting the lowest tender clearly stated.

9.6.4 No tender shall be accepted which will commit expenditure in excess of that which has been allocated by the ICB (section 8.2) and which is not in accordance with these instructions except with the authorisation of the Chief Executive Officer.

9.6.5 The use of these procedures must demonstrate that the award of the contract was:

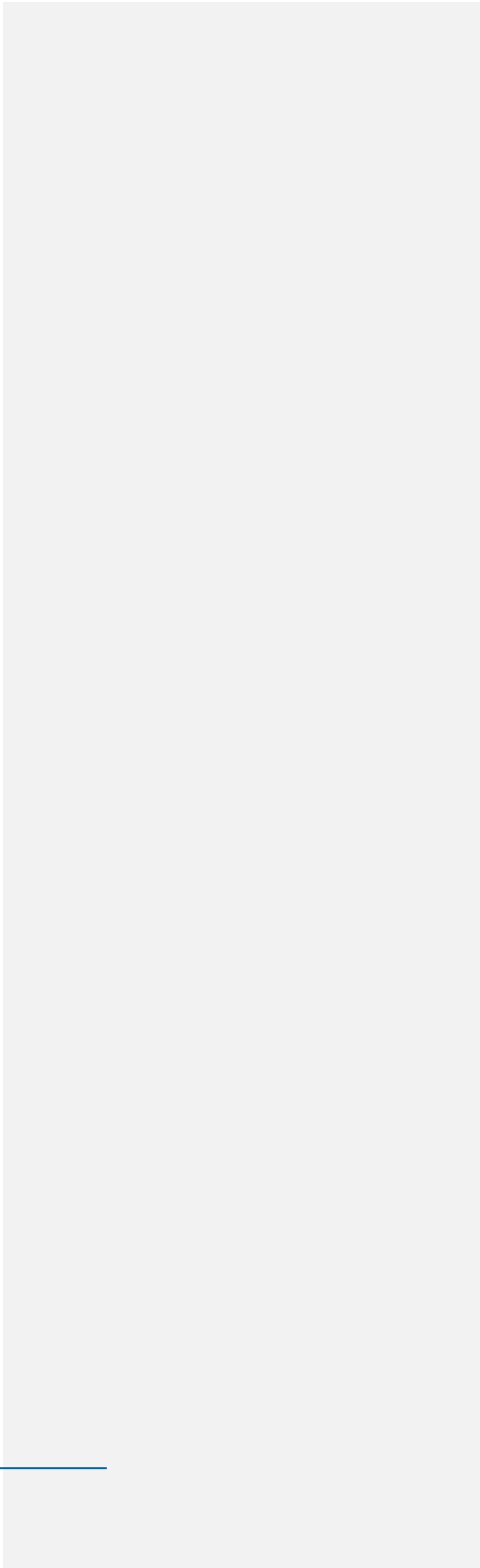
- not in excess of the going market rate / price current at the time the contract was awarded;
- that best value for money was achieved.

9.6.6 All tenders should be treated as confidential and should be retained for inspection.

9.7 Tender reports to the ICB Board

9.7.1 Reports to the Board will be made on an exceptional circumstance basis only.

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10. Staff costs and staff related non pay expenditure

10.1 Remuneration and terms of service

10.1.1 In accordance with ICB Constitution the Board shall establish a Remuneration and Terms of Service Committee, with clearly defined terms of reference, specifying which posts fall within its area of responsibility, its composition, and the arrangements for reporting. (See NHS guidance contained in the [Higgs report](#)).

10.1.2 The Committee will operate within the scheme of delegation agreed and agreed terms of reference:

10.2 Funded establishment

10.2.1 The staffing plans incorporated within the annual budget will form the funded establishment.

10.2.2 The funded establishment of any department may not be varied without the approval of the Chief Executive Officer or their nominated deputy.

10.3 Staff appointments

10.3.1 No officer or member of the Board or employee may engage, re-engage, or re-grade employees, either on a permanent or temporary nature, or hire agency staff, or agree to changes in any aspect of remuneration:

- a. Without approval from the ICB vacancy control panel, and
- b. unless it's within the limit of their approved budget and funded establishment.

10.3.2 The Joint Remuneration Committee will approve policies presented by the Chief People Officer for the determination of commencing pay rates, condition of service, etc. for employees.

10.4 Processing payroll

10.4.1 The Chief Finance Officer is responsible for:

- a. agreeing with HR policies for the final determination of pay;

- b. making payment on agreed dates;
- c. agreeing methods of payment;

10.4.2 The Chief Finance Officer will ensure that the payroll system has adequate internal controls and suitable arrangements for processing deductions and exceptional payments The Chief Finance Officer will issue instructions regarding authority to release payroll data under the provisions of the Data Protection Act;

10.4.3 Appropriately nominated managers have delegated responsibility for:

- a. submitting time records, and other notifications in accordance with agreed timetables;
- b. completing time records and other notifications in accordance with the Chief Finance Officer's instructions;
- c. submitting termination forms in the prescribed format immediately upon knowing the effective date of an employees or officer's resignation, termination or retirement. Where an employee fails to report for duty or to fulfil obligations in circumstances that suggest they have left without notice, the Chief Finance Officer must be informed immediately;

10.5 Contracts of employment

10.5.1 The Board shall delegate responsibility to the relevant Chief Officer for:

- a. ensuring that all employees are issued with a contract of employment in a form approved by the Board and which complies with employment legislation; and
- b. dealing with variations to, or termination of, contracts of employment. This includes cases subject to disciplinary rules and procedure and where suspension is under review in line with the delegation of authority as detailed in the Disciplinary policy. Where necessary, the Remuneration Committee will be involved.

11. Non pay expenditure

11.1 Delegation of Authority

11.1.1 The Board will approve the level of non-pay expenditure on an annual ~~basis~~basis, and the Chief Finance Officer will determine the level of delegation to budget managers.

11.1.2 The Chief Finance Officer will set out:

- (a) the authorised managers who are authorised to place requisitions for the supply of goods and services;
- (b) the maximum level of each requisition and the system for authorisation above that level.

11.1.3 The Chief Finance Officer shall set out procedures on the seeking of professional advice regarding the supply of goods and services in accordance with NHS England guidance.

11.2 Choice, Requisitioning, Ordering, Receipt and Payment for Goods *(see overlay with SFI 8 and 9)*

11.2.1 Requisitioning

Providing all the conditions and circumstances set out in these Standing Financial Instructions have been fully complied the requisitioner, in choosing the item to be supplied (or the service to be performed) shall always obtain the best value for money for the ICB (please refer to section 8 for thresholds, tendering, quotations, contracts and waivers and section 9 for tendering procedures).

11.2.2 In so doing, the requisitioner will seek expert from the lead in the ICB. Where this advice is not acceptable to the requisitioner the Chief Finance Officer or the Chief Executive Officer shall be consulted, in line with section 9.6.4.

11.2.3 System of Payment and Payment Verification

The Chief Finance Officer shall be responsible for the prompt payment of accounts and claims. Payment of contract invoices shall be in accordance with contract terms, or otherwise, in accordance with national guidance.

The operational Scheme of Reservation and Delegation sets out levels of delegated authority for payment authorisation in the following instances:

- a. Budget already approved by the Board e.g. payments to NHS bodies arising from agreement of NHS Contracts.

- b. Payments to NHS bodies where there is no contract in place.

11.2.4 The Chief Finance Officer will:

- a. prepare procedural instructions or guidance within the Scheme of Delegation on the obtaining of goods, works and services incorporating the thresholds;
- b. be responsible for the prompt payment of all properly authorised accounts and claims;
- c. be responsible for designing and maintaining a system of verification, recording and payment of all amounts payable;
- d. be responsible for ensuring that payment for goods and services is only made once the goods and services are received. The only exceptions are set out in 11.2.5 below.

11.2.5 Duties of Managers and Officers

Managers and officers must ensure that they comply with all the conditions and circumstances set out in these Standing Financial Instructions (specifically the delegations and processes set out in sections 8 and 9) no requisition/order is placed for any item or items for which there is no budget provision unless authorised by the Chief Finance Officer on behalf of the Chief Executive Officer;

- a. all goods, services, or works are ordered via the Oracle I-Procurement Purchase to Pay system or on an official order except works and services executed in accordance with a contract and purchases from petty cash or cash equivalent;
- b. verbal orders must only be issued by exception - by an employee designated by the Chief Executive Officer and only in cases of emergency or urgent necessity. These must be confirmed by an official order and clearly marked "Confirmation Order";
- c. orders are not split or otherwise placed in a manner devised so as to avoid the financial thresholds;
 - goods are not taken on trial or loan in circumstances that could commit the ICB to a future uncompetitive purchase;
 - changes to the list of members/employees and officers authorised to certify invoices are notified to the Chief Finance Officer;
- d. where consultancy advice is being obtained, the procurement of such advice must be in accordance with guidance issued by NHS England SW Region and the Department of Health and Social Care;
- e. no order shall be issued for any item or items to any firm which has made an offer of gifts, reward or benefit to the Chief Executive Officer or employees, other than:

- isolated gifts of a trivial character or inexpensive seasonal gifts, such as calendars;
- conventional hospitality, such as lunches in the course of working visits.

This provision needs to be read in conjunction with Section 6 of the ICB Constitution and the principles outlined in the national guidance contained in HSG 93(5) "Standards of Business Conduct for NHS Staff"; the Code of Conduct for NHS Managers 2002; and the ABPI Code of Professional Conduct relating to hospitality/gifts from pharmaceutical/external industry; the Bribery Act 2010 and the relevant ICB policies.

- f. purchases from petty cash are restricted in value and by type of purchase in accordance with instructions issued by the Chief Finance Officer;
- g. petty cash records are maintained in a form as determined by the Chief Finance Officer.

11.2.6 Prepayments

Prepayments are only permitted where exceptional circumstances apply. In such instances:

- a. the financial advantages outweigh the disadvantages. Prepayments will constitute payments made in advance for periods greater than one month;
- b. the appropriate officer member of the ICB must provide, in the form of a written report, a case setting out all relevant circumstances of the purchase. The report must set out the effects on the ICB if the supplier is at some time during the course of the prepayment agreement unable to meet its commitments;
- c. the Chief Finance Officer will need to be satisfied with the proposed arrangements before contractual arrangements proceed (taking into account the EU public procurement rules, so long as they continue to apply as a matter of law, where the contract is above a stipulated financial threshold);
- d. the budget holder is responsible for ensuring that all items due under a prepayment contract are received and they must immediately inform the appropriate Chief Officer or Chief Executive Officer if problems are encountered.

The finance team will assess all prepayments and take a judgement on monthly adjustments based on a de minimis value of £100k.

11.2.7 Official Orders

Official orders must be made via the Oracle I-Procurement Purchase to Pay system. Where paper-based ordering systems are retained, they must:

- be consecutively numbered;
- be in a form approved by the Chief Finance Officer;
- state the ICB's terms and conditions of trade;

- only be issued to, and used by, those duly authorised by the Chief Finance Officer.

11.3 Joint Finance Arrangements with Local Authorities and Voluntary Bodies

11.3.1 Payments to local authorities and voluntary organisations made under the powers of section 75 or 256 of the NHS Act 2006, as amended, shall comply with procedures laid down by the Chief Finance Officer which shall be in accordance with that Act.

11.3.2 Section 75 and 256 agreements are authorised by the Chief Finance Officer.

12. Research and development

12.1 Objective

12.1.1 To provide specific instruction to research and development and reference to general financial instructions and processes governing this area.

12.2 General

12.2.1 The undertaking of commercial or NIHR-funded research and disbursement of by associated Research Capability Funding by ICB employees (substantive or honorary) shall be strictly in accordance with the ICB's policies and strategies on research management and governance and shall be subject to approval accordingly.

12.2.2 The Standing Financial Instructions apply equally when undertaking externally funded research activity within the ICB, particularly:

- Section 6 Planning, Budgets and Budgetary Control
- Section 7 Income, banking arrangements and debt recovery
- Section 8 Procurement and purchasing
- Section 9 Contract Tendering Procedure
- Section 10 Staff costs and staff related non pay expenditure
- Section 11 Non pay expenditure
- Section 14 Fraud, bribery and corruption
- Section 16 Gifts and donations
- Section 17 Retention of Documents
- Section 18 Risk Management, legal and insurance.

12.2.3 The principles governing probity and public accountability shall apply equally to work undertaken through externally funded research.

12.3 Research Applications

12.3.1 All applications for research funding and disbursement of Research Capability Funding, including entering into RCF Collaboration Agreements require approval from the Chief Finance Officer or a designated deputy. This applies to applications to both NHS funders and to non-NHS organisations, such as charitable bodies and research councils.

12.3.2 All other documents* relating to research will require approval from the Chief Medical Officer or a designated deputy, once all the necessary checks have been carried out, including finance checks where applicable, and advice from the appropriate advisory body and the relevant ICB Committee.

**other documents include research contracts with funding bodies, grant collaboration agreements, commercial research contracts, site agreements, sub-contracts with participating organisations, contract variations and contract amendments.*

12.4 Intellectual Property

12.4.1 The agreement covering any undertaking of research shall recognise the ICB's policies governing Intellectual Property rights. Where there is any lack of clarity this shall be resolved prior to undertaking the project.

13. Capital Investments, security of assets and grants

13.1 Capital investment

13.1.1 The Chief Finance Officer is responsible for:

- ensuring that at the commencement of each financial year, the ICB and its partner NHS trusts and NHS foundation trusts prepare a plan setting out their planned capital resource use;
- ensuring that the ICB and its partner NHS trusts and NHS foundation trusts exercise their functions with a view to ensuring that, in respect of each financial year local capital resource use does not exceed the limit specified in a direction by NHS England;
- ensuring that there is an effective appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon business plans;
- ensuring that there are processes in place for the management of all stages of ICB capital schemes, that will ensure schemes are delivered on time and to cost;
- ensuring that capital investment is not authorised without evidence of availability of resources to finance all revenue consequences; and
- for every ICB capital expenditure proposal, the Chief Finance Officer is responsible for ensuring there are processes in place to ensure that a business case is produced.
- the accountability of ICB property assets and for managing property.

13.1.2 The ICB shall ensure there is a property governance and management framework, which

- confirms the ICB asset portfolio supports its business objectives; and
- complies with NHS England policies and directives and with this standard.

13.1.3 Capital commitments typically cover land, buildings, equipment, capital grants to third parties and IT, including:

- authority to spend capital or make a capital grant;
- authority to enter into leasing arrangements.

13.1.4 Advice should be sought from the Chief Finance Officer or nominated officer if there is any doubt as to whether any proposal is a capital commitment requiring formal approval.

13.1.5 The approval of a capital programme shall not constitute approval for expenditure on any scheme. Providing all the conditions and circumstances set out in these Standing Financial Instructions have been fully complied with approval of capital schemes may be given by the following staff to the total value of (contract life cycle excl. VAT):

- <£500k Chief Finance Officer.
- >£500k and <£5m Chief Executive Officer and the Chief Finance Officer.
- >£5m the Board.

13.1.6 Disposals of surplus assets should be made in accordance with published guidance and should be supported by a business case which should contain an appraisal of the options and benefits of the disposal in the context of the wider public sector and to secure value for money. (see section 14.2).

13.2 Asset registers

13.2.1 The Chief Executive Officer is responsible for the maintenance of registers of assets, taking account of the advice of the Chief Finance Officer concerning the form of any register and the method of updating, and arranging for a physical check of assets against the asset register to be conducted once a year.

13.2.2 The ICB shall maintain an asset register recording fixed assets. The minimum data set to be held within these registers shall be as specified in the Capital Accounting Manual as issued by the Department of Health and Social Care.

13.2.3 Additions to the fixed asset register must be clearly identified to an appropriate budget holder and be validated by reference to:

- a. properly authorised and approved agreements, architect's certificates, supplier's invoices and other documentary evidence in respect of purchases from third parties;
- b. stores, requisitions and wages records for own materials and labour including appropriate overheads;
- c. lease agreements in respect of assets held under a finance lease and capitalised.

13.2.4 Where capital assets are sold, scrapped, lost or otherwise disposed of, their value must be removed from the accounting records and each disposal must be validated by reference to authorisation documents and invoices (where appropriate).

13.2.5 The Chief Finance Officer shall approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.

13.2.6 The value of each asset shall be depreciated using methods and rates as specified in the Capital Accounting Manual issued by the Department of Health and Social Care.

13.3 Security of assets

13.3.1 The overall control of fixed assets is the responsibility of the Chief Finance Officer.

13.3.2 Asset control procedures (including fixed assets, cash, cheques and negotiable instruments, and also including donated assets) must be approved by the Chief Finance Officer. This procedure shall make provision for:

- a. recording managerial responsibility for each asset;
- b. identification of additions and disposals;
- c. identification of all repairs and maintenance expenses;
- d. physical security of assets;
- e. periodic verification of the existence of, condition of, and title to, assets recorded;
- f. identification and reporting of all costs associated with the retention of an asset;
- g. reporting
- h. Line managers are responsible for arranging the return of assets from individuals at the end of their engagement or employment with the ICB, this includes taking the necessary steps to secure information assets and restrict unauthorised access

13.3.3 . All discrepancies revealed by verification of physical assets to fixed asset register shall be notified to the Chief Finance Officer.

13.3.4 Whilst each employee and officer have a responsibility for the security of property of the ICB, it is the responsibility of the Board and senior employees in all disciplines to apply such appropriate routine security practices in relation to NHS property as may be determined by the Board. Any breach of agreed security practices must be reported in accordance with agreed procedures.

13.3.5 Any damage to the ICB's premises and equipment, or any loss of equipment, stores or supplies must be reported in accordance with the procedure for reporting losses.

13.3.6 Where practical, assets should be marked as ICB property.

13.4 Grant agreements

13.4.1 The Chief Finance Officer is responsible for providing robust management, governance and assurance to the ICB with regards to the use of specific powers under which it can make capital or revenue grants available to;

- any of its partner NHS trusts or NHS foundation trusts; and
- to a Local Authority or voluntary organisation, by way of a grant or loan.

- 13.4.2 The ICB can award grant funding to a voluntary organisation where the ICB supports the activities of that organisation because they complement the services that the ICB commissions (for example, grant funding to contribute to a hospice) or align to the ICB's statutory functions and strategies.
- 13.4.3 By awarding a grant agreement the ICB is not commissioning services from the organisation but supporting the activities of that organisation: the grant agreement is not a contract for services, and so grant funding does not oblige the recipient to provide services to the ICB and the ICB cannot, through grant funding, compel a body to provide services.
- 13.4.4 A grant agreement should not be granted on an unconditional basis. The ICB must be assured that any funding will be used strictly for the purposes for which it was given, and that the activities provided by the recipient to those who benefit from its activities are appropriate to receive public funds and is an economic and effective use of resources.
- 13.4.5 The overall responsibility of the grant agreement is delegated to approved budget holders (section 6). The delegated budget holder must ensure grant agreements are established in line with NHS England guidance on the use of model grant agreements as set out in the ICB's Grant Agreement arrangements.

14. Losses, special payments and disposals

14.1 Losses and Special Payments

- 14.1.1 HM Treasury approval is required if a transaction exceeds the delegated authority, or if transactions will set a precedent, are novel, contentious or could cause repercussions elsewhere in the public sector.
- 14.1.2 The Chief Finance Officer will support a strong culture of public accountability, probity, and governance, ensuring that appropriate and compliant structures, systems, and process are in place to minimise risks from losses and special payments.
- 14.1.3 The ICB must act in accordance with the guidance and delegated limits in relation to losses and special payments, as set out in NHS England guidance.
- 14.1.4 NHS England has the statutory power to require an integrated care board to provide NHS England with information. The information, is not limited to losses and special payments, must be provided in such form, and at such time or within such period, as NHS England may require.
- 14.1.5 As part of the compliance and control procedures, ICBs must submit an annual assurance statement confirming the following:
- details of all exit packages (including special severance payments) that have been agreed and/or made during the year;
 - that NHS England and HMT approvals have been obtained before any offers, whether verbally or in writing, are made; and
 - adherence to the special severance payments guidance as published by NHS England.
- 14.1.6 All losses and special payments (including special severance payments) must be reported to the ICB Audit Committee and NHS England noting that ICBs do not have a delegated limit to approve special payments.

- 14.1.7 For detailed operational guidance on losses and special payments, please refer to the ICB losses and special payment guide.
- 14.1.8 Any employee or officer discovering or suspecting a loss of any kind must either immediately inform their Chief Officer who must immediately inform the Chief Executive Officer and the Chief Finance Officer or inform an officer charged with responsibility for responding to concerns involving loss. This officer will then appropriately inform the Chief Finance Officer and/or Chief Executive Officer.
- 14.1.9 Where a criminal offence is suspected, the Chief Finance Officer must immediately inform the police if theft or arson is involved. In cases of fraud and corruption or of anomalies which may indicate fraud or corruption, the Chief Finance Officer must inform the relevant LCFS and Operational Fraud Team (OFT) in accordance with Secretary of State for Health and Social Care's Directions.

14.2 Disposals

- 14.2.1 The Chief Finance Officer must prepare detailed procedures for the disposal of assets including condemnations and ensure that these are notified to managers.
- 14.2.2 When it is decided to dispose of a ICB asset, their Chief Officer or authorised deputy will determine and advise the Chief Finance Officer of the estimated market value of the item, taking account of professional advice where appropriate.
- 14.2.3 All unserviceable articles shall be condemned or otherwise disposed of by those duly authorised for that purpose by the Chief Finance Officer.
- 14.2.4 The Condemning Officer shall satisfy themselves as to whether there is evidence of negligence in use and shall report any such evidence to the Chief Finance Officer who will take the appropriate action.
- 14.2.5 All property or land disposals will require approval by the Board

15. Fraud, bribery and corruption (Economic crime)

15.1 Overview

15.1.1 The ICB is committed to identifying, investigating and preventing economic crime.

15.1.2 The ICB Chief Finance Officer is responsible for ensuring appropriate arrangements are in place to provide adequate counter fraud provision which should include reporting requirements to the Board and audit committee, and defined roles and accountabilities for those involved as part of the process of providing assurance to the Board. These arrangements should comply with the NHS Requirements the [Government Functional Standard 013 Counter Fraud](#) as issued by NHS Counter Fraud Authority and any guidance issued by NHS England and NHS Improvement.

15.1.3 The CFO shall nominate a suitable person to carry out the duties of the Local Counter Fraud Specialist (LCFS) as specified by the NHS Counter Fraud Authority guidance

15.2 Suspected fraud

15.2.1 The Chief Finance Officer must notify the NHS Counter Fraud Authority (NHS CFA), normally via the Local Counter Fraud Specialist (LCFS) and the External Auditor of all frauds.

15.2.2 For losses apparently caused by theft, arson, neglect of duty or gross carelessness, except if trivial, the Chief Finance Officer must immediately notify:

- a. the Board, and
- b. the External Auditor.

15.2.3 Within limits delegated to it by the Department of Health and Social Care, the Board shall approve the writing-off of losses.

15.2.4 The Chief Finance Officer shall be authorised to take any necessary steps to safeguard the ICB's interests in bankruptcies and company liquidations.

15.2.5 A Losses and Special Payments Register will be maintained in which write-off action is recorded.

15.2.6 All losses and special payments must be reported to the Audit Committee at every meeting.

16. Digital Financial data

16.1 Responsibilities and duties of the Chief Finance Officer

16.1.1 The Chief Finance Officer is responsible for the confidentiality, accuracy and security of the computerised financial data of the ICB whether this is in house or hosted in an outsourced arrangement, and shall:

- a. devise and implement any necessary procedures to ensure protection of the ICB's data, programs and computer hardware for which the Chief Finance Officer is responsible from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for the UK Data Protection legislation (Data Protection Act 2018 and UK GDPR);
- b. ensure that users are adequately trained on finance systems
- c. ensure that reasonable controls exist over data entry, processing, storage, transmission and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;
- d. ensure that adequate controls exist such that the computer operation is separated from development, maintenance and amendment;
- e. ensure that an adequate management (audit) trail exists through the computerised system and that such computer audit reviews as the Chief Finance Officer may consider necessary are undertaken.

Please also refer to section 5 – Financial systems and processes.

16.1.2 The Chief Finance Officer shall ensure that new financial systems and amendments to current financial systems are developed in a controlled manner. Information Governance assurance is confirmed, and the system is thoroughly tested prior to implementation. Where this is undertaken by another organisation, assurances of adequacy must be obtained from them prior to implementation.

16.1.3 The Corporate Services Department shall publish and maintain a Freedom of Information (FOI) publication scheme or adopt a model publication scheme approved by the Information Commissioner. A publication scheme is a complete guide to the information routinely published by a public authority. It describes the classes or types of information about the ICB that are made publicly available.

16.2 Responsibilities and duties of other Chief Officers and Officers in relation to computer systems of a general application

16.2.1 In the case of computer systems which are proposed General Applications (*i.e. normally those applications which the majority of ICBs in the Region wish to sponsor jointly*) all responsible Chief Officers and employees will send to the Deputy Director responsible for Digital matters

- a. details of the outline design of the system including Information Governance and security and Data Protection Impact Assessment (DPIA) considerations;
- b. in the case of packages acquired either from a commercial organisation, from the NHS, or from another public sector organisation, the operational requirement.

16.3 Contracts for digital services for financial applications with other health bodies or outside agencies

16.3.1 The Chief Finance Officer shall ensure that contracts for computer services for financial applications with another health organisation or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes.

16.3.2 The Chief Financial Officer will ensure the necessary due diligence checks are undertaken to ensure the third-party provider is compliant with Data Protection laws and National Data Guardian standards.

16.3.3 Where another health organisation or any other agency provides a computer service for financial applications, the Chief Finance Officer shall periodically seek assurances that adequate controls are in operation.

16.4 Requirements for computer systems which have an impact on corporate financial systems

16.4.1 Where computer systems have an impact on corporate financial systems the Chief Finance Officer shall need to be satisfied that:

- a. systems acquisition, development and maintenance are in line with corporate policies such as an Information Technology Strategy;
- b. data produced for use with financial systems is adequate, relevant, accurate, complete and timely, and that a management (audit) trail exists;
- c. only relevant staff have access to such data;
- d. such computer audit reviews as are considered necessary are being carried out.

17. Gifts and donations

17.1 Acceptance of Gifts

17.1.1 The Chief Finance Officer shall ensure that all staff are made aware of the ICB policy on acceptance of gifts and other benefits in kind by staff which will be in line with the Bribery Act 2010.

17.1.2 This policy follows the guidance contained in the NHS England Policy for Managing Conflicts of Interest 2017; the Code of Conduct for NHS Managers 2002; and the ABPI Code of Professional Conduct relating to hospitality/gifts from pharmaceutical/external industry and is also deemed to be an integral part of these ICB Constitution and Standing Financial Instructions.

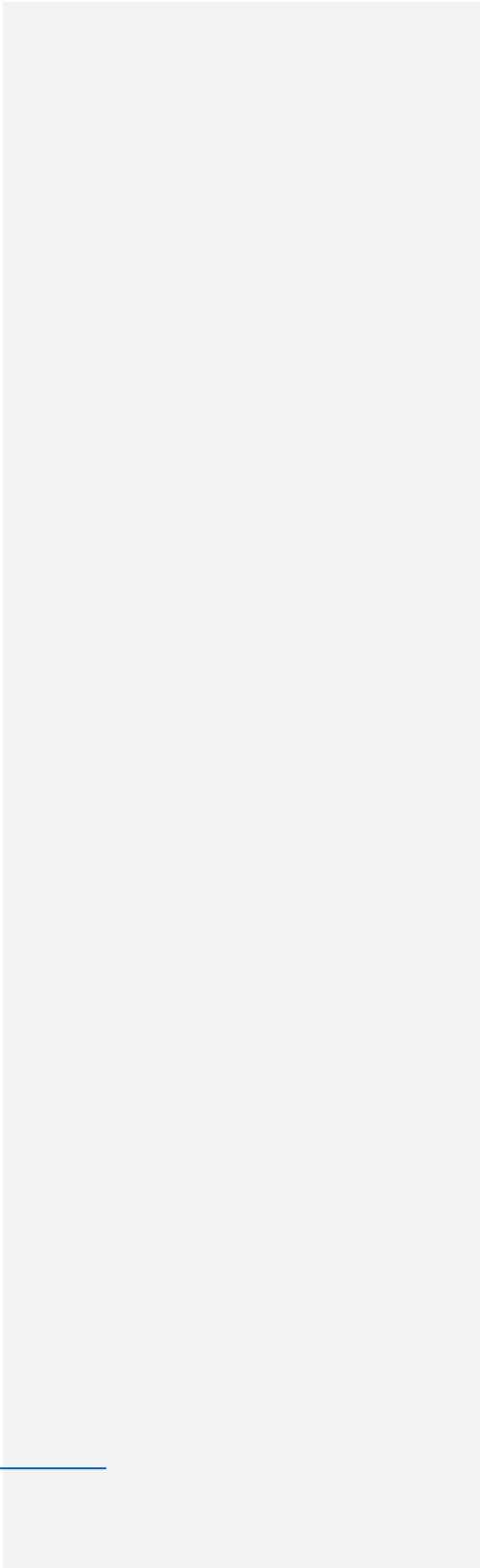
17.1.3 Further details can be found in the in the ICB's Gifts and Hospitality policies and the ICB Constitutions.

17.2 Granting of Gifts

17.2.1 The ICB will not present gifts to third parties without the consent of the Chief Executive Officer, as this does not fall within the functions of the ICB as set out in the ICB Constitution.

17.3 Donations

17.3.1 The ICB do not hold charitable funds and are therefore unable to accept monetary donations.



18. Retention of records

18.1 Overview

- 18.1.1 The Chief Executive Officer shall be responsible for maintaining archives for all records required to be retained in accordance with Records Management Code of Practice for Health and Social Care 2023.
- 18.1.2 The records held in archives shall be capable of retrieval by authorised persons.
- 18.1.3 Records held in accordance with NHS Code of Practice - Records Management 2006, shall only be destroyed at the express instigation of the Chief Executive Officer. Detail shall be maintained of records so destroyed
- 18.1.4 Further details can be found in the Records Management policies.

19. Risk Management, legal and insurance

19.1 Risk management

- 19.1.1 The Chief Executive Officer shall ensure that the ICB has a programme of risk management, in accordance with current Department of Health and Social Care assurance framework requirements, which must be approved and monitored by the Board. The programme of risk management shall include:
- a. process for identifying and quantifying risks and potential liabilities;
 - b. engendering among all levels of staff a positive attitude towards the control of risk;
 - c. management processes to ensure all significant risks and potential liabilities are addressed including effective systems of internal control, cost effective insurance cover, and decisions on the acceptable level of retained risk;
 - d. contingency plans to offset the impact of adverse events;

- e. audit arrangements including; internal audit, clinical audit, health and safety review;
- f. any necessary insurance (see section 19.3);
- g. arrangements to review the risk management programme.

19.1.2 The existence, integration and evaluation of the above elements will assist in providing a basis to make a statement on the effectiveness of internal control within the Annual Report and Accounts as required by current Department of Health and Social Care guidance.

19.2 Legal

19.2.1 This section applies to any legal cases threatened or instituted by or against the ICB. The ICB should have arrangements and procedures detailing:

- engagement of solicitors / legal advisors;
- approval and signing of documents which will be necessary in legal proceedings; and
- Officers who can commit or spend ICB revenue resources in relation to settling legal matters.

19.2.2 Claims will be approved for defence documents and or offers of settlement in line with legal advice and NHS Resolution advice as per delegated amounts.

- Under the value of £50k the Associate Director of Corporate Governance or delegated deputy.
- Over £50k and less than £500k the Chief Finance Officer and relevant Chief Officer.
- Over the value of £500k up to £1 million the Chief Finance Officer or Chief Executive Officer.
- Over the value of £1 million the Chief Executive Officer, Chief Finance Officer and with the advice of the Chair of Audit Committee-

19.3 Insurance

19.3.1 The Board shall decide if the ICB will insure through the risk pooling schemes administered by the NHS Resolution or self-insure for some or all of the risks covered by the risk pooling schemes. If the Board decides not to use the risk pooling schemes for any of the risk areas (clinical, property and employers/third party liability) covered by the scheme this decision shall be reviewed annually.

19.3.2 ICBs are advised not to buy commercial insurance to protect against risk unless it is part of a risk management strategy that is approved by the Chief Executive. However, the exceptions when ICBs may enter into insurance arrangements are;

- a. insuring motor vehicles owned by the ICB including insuring third party liability arising from their use;
- b. where the ICB is involved with a consortium in a Private Finance Initiative contract and the other consortium members require that commercial insurance arrangements are entered into;
- c. where income generation activities take place. Income generation activities should normally be insured against all risks using commercial insurance. If the income generation activity is also an activity normally carried out by the ICB for a NHS purpose the activity may be covered in the risk pool. Confirmation of coverage in the risk pool must be obtained from the NHS Resolution. In any case of doubt concerning a ICB's powers to enter into commercial insurance arrangements the Chief Financial Officer should consult the Department of Health and Social Care.

- 19.3.3 Where the Board decides to use the risk pooling schemes administered by the NHS Resolution the Chief Finance Officer shall ensure that the arrangements entered into are appropriate and complementary to the risk management programme. The Chief Finance Officer shall ensure that documented procedures cover these arrangements.
- 19.3.4 Where the Board decides not to use the risk pooling schemes administered by the NHS Resolution for one or other of the risks covered by the schemes, the Chief Finance Officer shall ensure that the Board is informed of the nature and extent of the risks that are self-insured as a result of this decision. The Chief Finance Officer will draw up formal documented procedures for the management of any claims arising from third parties and payments in respect of losses which will not be reimbursed.
- 19.3.5 All the risk pooling schemes require Scheme members to make some contribution to the settlement of claims (the 'deductible'). The Chief Financial Officer should ensure documented procedures also cover the management of claims and payments below the deductible in each case.