

Integrated Care Board

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| Date of meeting | 13 November 2024 |
| Title of paper | Review of the Scheme of Reservation and Delegation and associated governance documents |
| Presented by | Sam Proffitt Chief Finance Officer Professor Sarah O'Brien Chief Nursing Officer |
| Authors | Debra Atkinson Director Corporate Governance/Company Secretary Katherine Disley Director Operational Finance Claire Moore Head of Risk, Assurance and Delivery Sarah Mattocks Head of Governance |
| Agenda item | 20 |
| Confidential | No |

Executive summary

Further to the Board approving amendments to the ICB's Constitution at its last meeting on 11 September, this paper provides an update on the submission of the revised constitution to NHS England.

The ICB's constitution is supported by a number of associated documents which provide further details on how governance arrangements in the ICB operate.

The ICB's Governance Handbook brings together all of these documents, including the Scheme of Reservation and Delegation (Incorporating the Operational Scheme of Delegation) and the Handbook and the documents within it may be amended at any time, with approval from the Board. The Handbook is published on the ICB website for transparency and ease of access.

The Handbook has been reviewed to include updates in line with the Fit and Proper Persons Test, revised governance guidance on Board roles, and, subject to approval of establish a joint committee for the Shaping Care Together programme (agenda Item 11), the handbook has also been updated to include the terms of reference of this joint committee.

The ICB's Scheme of Reservation and Delegation (SoRD) has been reviewed and updated to reflect clarity regarding Board approval of the financial plan and budgets, and to reflect the implementation of the Provider Selection Regime.

The Operational Scheme of Delegation (OSoD) has also been reviewed and updated to reflect greater clarity and detail around 'within plan' and 'outside of plan' approval routes and also to reflect the implementation of the Provider Selection Regime.

The ICB's Standing Financial Instructions have been reviewed and updated to reflect current ICB arrangements including the establishment of the Provider Selection Regime.

Following the recent publication of NHS England's updated guidance for Managing Conflicts of Interests in the NHS, the ICB's policy for Managing Conflicts of Interests (including gifts and hospitality) has been reviewed and updated. The key changes summarised within this report were reviewed and endorsed by the Audit Committee at its meeting in September.

Recommendations

The Board are asked to:

- **Note** that NHS England have approved the updated Constitution
- **Approve** the updates to the governance handbook
- **Approve** the amendments to the Scheme of Reservation and Delegation
- **Approve** the amendments to the Operational Scheme of Delegation
- **Approve** the updates to the Standard Financial Instructions
- **Approve** the Managing Conflicts of Interest Policy
- **Note** that a procurement policy reflective of the Board approval of the updated SORD will be submitted to the Finance and Performance Committee for approval; at a subsequent meeting

| Which Strategic Objective/s does the report relate to: | | Tick |
|--|--|------|
| SO1 | Improve quality, including safety, clinical outcomes, and patient experience | |
| SO2 | To equalise opportunities and clinical outcomes across the area | |
| SO3 | Make working in Lancashire and South Cumbria an attractive and desirable option for existing and potential employees | |
| SO4 | Meet financial targets and deliver improved productivity | |
| SO5 | Meet national and locally determined performance standards and targets | |
| SO6 | To develop and implement ambitious, deliverable strategies | |

Implications

| | Yes | No | N/A | Comments |
|---|-----|----|-----|----------|
| Associated risks | | X | | |
| Are associated risks detailed on the ICB Risk Register? | | | X | |
| Financial Implications | | X | | |

Where paper has been discussed (list other committees/forums that have discussed this paper)

| Meeting | Date | Outcomes |
|----------------|------|----------|
| Not applicable | | |

Conflicts of interest associated with this report

Not applicable

Impact assessments

| | Yes | No | N/A | Comments |
|--------------------------------------|-----|----|-----|----------|
| Quality impact assessment completed | | | X | |
| Equality impact assessment completed | | | X | |

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|--|--|--|---|--|
| Data privacy impact assessment completed | | | X | |
|--|--|--|---|--|

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| Report authorised by: | Sam Proffitt Chief Finance Officer |
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Integrated Care Board – 13 November 2024

Review of the Scheme of Reservation and Delegation and Associated Governance Documents

1. Introduction

- 1.1 The ICB's constitution is supported by a number of associated documents which provide further details on how governance arrangements in the ICB will operate.
- 1.2 The ICB's Governance Handbook brings together all of the associated documents, and the Handbook and all the documents referred to within it are published on the ICB website for transparency and ease of access. Included within this paper is a revised handbook, updated Scheme of Reservation and Delegation including the Operational Scheme of Delegation, updated Standard Financial Instructions, and updated managing conflicts of interest policy.

2 Constitution

- 2.1 Further to support from the Board at its last meeting, the revised constitution has been submitted to NHS England for approval. NHS England have now formally confirmed approval of the amendments and the updated version has been published on the ICB Website.

3 Governance handbook

- 3.1 The governance handbook was last received by the Board in November 2023. Since this time there have been a number of updates to governance arrangements in the ICB which are now included in the handbook. Specifically, the handbook has been updated to incorporate the ICB Fit and Proper Persons Test: Policy and Framework as approved by the Remuneration Committee in February 2024. Updates have also been included to reflect the changes made to the constitution in respect of specifying the roles of the Deputy Chair and Senior Non-executive Member, as per the updated governance guidance from NHS England (NHSE).
- 3.2 Subject to approval of establish a joint committee for the Shaping Care Together programme (agenda Item 11), the handbook has also been updated to include the terms of reference of this joint committee.
 - The updated governance handbook can be viewed here [LSC ICB Governance Handbook V5.pdf](#)

4 Scheme of Reservation and Delegation

- 4.1 The ICB's Scheme of Reservation and Delegation has been reviewed and updated to reflect clarity regarding Board approval of the financial plan and budgets and to reflect the implementation of the Provider Selection Regime (PSR).

5 Operational Scheme of Delegation

- 5.1 The ICB's Operational Scheme of Delegation has been reviewed and updated to reflect greater clarity and detail around within plan and outside of plan approval routes with 'business as usual expenditure' now identified with associated delegated limits.
- 5.2 To support this, the ICB Board will be provided with additional plan detail at the point of approval, clearly outlining expected annual contract values for material contracts in each programme expenditure area. A summary will also be provided of all contracts with an expected annual value of greater than £10.0m.
- 5.3 Updates have also been made to reflect the establishment of the Provider Selection Regime and what this means for procurement and award of contract. An additional procurement policy is being developed to support this which will subsequently be submitted to a Finance and Performance Committee for approval.
- 5.4 The updated Scheme of Reservation and Delegation incorporating the Operational Scheme of Delegation can be viewed here [ICB SoRD v3.pdf](#)

6 Standing Financial Instructions

- 6.1 The ICB's Standing Financial Instructions have been reviewed and updated to reflect current ICB arrangements including the establishment of the Provider Selection Regime and extended definition of financial controls in respect of Strategy, Budgetary Control and Monitoring. This includes greater detail on the responsibilities of the ICB Chief Finance Officer.
- 6.2 The updated Standing Financial Instructions can be viewed here: [SFIs v2.pdf](#)

7 Updated Conflicts of Interest guidance

- 7.1 NHSE have published updated guidance on the management of conflicts of interests in the NHS which replaces the guidance previously issued in 2017. Further to this, a full review of the ICB's policy for Managing Conflicts of Interest (including gifts and hospitality) has been undertaken.

7.2 The revised guidance has been updated to take into account learning from early reviews of the management of conflicts of interests within ICBs, and the PSR which came into effect on 1 January 2024.

7.3 All updates are included within the policy document control table and the key changes are summarised below:

- The principles underpinning the policy have been updated to require staff in decision making roles to declare **all directorships** held regardless of their nature.
- The scope of the policy has been strengthened to require externally employed staff in decision making roles e.g. commissioning support embedded staff to adhere to the principles and requirements of both their own, and the ICB's policies for managing conflicts of interests and declare those interests accordingly.
- Reference to the management of conflicts of interest in the procurement process as set out in the PSR regulations has been included, with signposting to the new Procurement Policy (currently in development).

7.4 The updated Managing Conflicts of Interest Policy can be viewed here: [CORP34 Conflict of Interest Policy V3 Draft.pdf](#)

8. Recommendations

8.1 The Board are asked to:

- **Note** that NHS England have approved the updated Constitution and its publication
- **Approve** the updates to the governance handbook
- **Approve** the amendments to the Scheme of Reservation and Delegation
- **Approve** the amendments to the Operational Scheme of Delegation
- **Approve** the updates to the Standard Financial Instructions
- **Approve** the Managing Conflicts of Interest Policy
- **Note** that a procurement policy reflective of the Board approval of the updated SORD will be submitted to the Finance and Performance Committee for approval; at a subsequent meeting

Debra Atkinson Director Corporate Governance/Company Secretary

Katherine Disley Director Operational Finance

30 October 2024