



**North East and  
North Cumbria**

## **Contracting Subcommittee**

**Version 1.0**

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## Establishment

The Contracting subcommittee is a subcommittee established by the Executive Committee, in accordance with the NHS North East and North Cumbria's (hereafter referred to as the ICB) Scheme of Reservation and Delegation (SoRD) and Constitution.

### Terms of reference:

**Definition of terms:** The terms of reference are defined by the ICB.

**Amendment:** The terms of reference may be amended in accordance with the provisions set out in this SOP (Establishing Subcommittees and groups).

**Publication:** The terms of reference will be published in the ICB's Governance Handbook which is accessible here: <https://northeastnorthcumbria.nhs.uk/about-us/corporate-information/governance/>

### Purpose

The purpose of the subcommittee is to support the Executive Committee to discharge its duties relating to the delivery of the annual contracting and procurement work programme.

The Subcommittee will provide assurance and oversight of the contracting and procurement function.

## Roles and responsibilities

This section describes the subcommittee's duties, authority, accountability and reporting.

### Duties

The subcommittee's duties are as follows:

- To coordinate the ICB's contracting and procurement directorate's activities and provide a clear link to Executive Committee for decision making and risk awareness and management.
- To propose an annual work programme to Executive Committee for approval and provide subsequent monthly highlight reports on delivery progress.

Furthermore, detailed duties include but are not limited to ensuring the delivery of the following by the contracting and procurement directorate:

- To review, discuss, interpret, and coordinate all aspects of NHS contract guidance and deliver a planning and contracting process (by provider type) to ensure that all ICB contracts are signed in line with national deadlines.
- To interpret and co-ordinate ICB Commissioning decisions into provider-specific contract intentions by provider/theme type with the aim of a uniform approach to contract development where appropriate.

- In conjunction with finance colleagues to produce ICB contract mandates by provider type for approval by ICB decision makers to gain authority to co-ordinate contract production.
- Co-ordinate the development of contract schedules with input from relevant subject matter expert within the ICB to ensure consistency of content wherever possible across all ICB contracts.
- Ensure all terms, conditions and schedules of the NHS Standard Contract are fully utilised to the benefit of the ICB's wide ranging priorities, including areas such as the green agenda, population health management and equality and diversity
- In line with delegated authority make recommendations on the agreement and implementation of common contract schedules by provider type where appropriate.
- In line with delegated authority review and approve procurement and evaluation strategies and recommended bidder reports.
- Dependent on delegated authority, negotiate contracts with providers using ICB negotiation mandates and/or co-ordinate and implement into contracts the outcome of negotiated contract positions. (Including contracts delegated from NHSE).
- To discuss and agree variations to common contract approaches where applicable and document evidence as to reason for variation for escalation to ICB decision makers (dependent on contract type).
- To identifying opportunities to work more effectively (e.g., around consolidation of multiple contracts with the same provider). To identify an annual work plan to review the opportunity to consolidate contracting arrangements by provider.
- To be an information and problem-solving forum for issues raised in relation to contracting and commissioning queries across the ICB.
- To receive and consider issues, information, and reports from across the ICB to take decisions and/or make recommendations as required on issues relating to commissioning and contracting and ongoing contract management and monitoring.
- In line with delegated authority provide a forum to consider issues arising from ongoing contract management processes across the ICB.
- Ensure compliance with the ICB's procurement policy and single tender waiver policy, when offering new contracts, taking advice from procurement experts as required.
- Development and oversight of the ICB's procurement pipeline and to carry scrutiny and decision making that is formally delegated from Executive Committee.
- Provide assurance to the ICB Executive Committee on progress towards achieving formal contract sign off and on in year operational contract issues which may arise.
- To escalate any issues requiring ICB decision via the Chief Contracting and Procurement Officer who will direct queries to the most appropriate forum.

## Authority

| The subcommittee is authorised to: |   |
|------------------------------------|---|
| <b>Investigate</b>                 | Investigate any activity within its terms of reference.   |
| <b>Seek information</b>            | Seek any information it requires within its remit, from any employee or member of the Board.  |
| <b>Investigate</b>                 | <p>Commission reports required to help fulfil its obligations from NECS.</p> <p>Commission reports required to help fulfil its obligations from Audit One or the ICB's external auditors, in consultation with the Chief Finance Officer.</p> <p>Commission other external reports required to help fulfil its obligations, subject to the financial limits of the most senior member of the subcommittee.</p>  |
| <b>Obtain advice</b>               | Obtain independent professional advice and secure the attendance of advisors with relevant expertise to fulfil its functions. In doing so, the subcommittee must follow any procedures put in place by the ICB for obtaining professional advice.   |
| <b>Create Groups</b>               | Groups may be established by the subcommittee, but they have no formal status. They do not have any delegated authority from the Board. Their decision making is restricted to decisions and limits of individuals as set out in the ICB's Financial Limits and Financial Delegations. These may not be aggregated and therefore the limits are those of the most senior member present at any meeting of the group. Groups may be permanent or task and finish groups. |

## Delegation by Scheme of Reservation & Delegation (SoRD)

| Decisions Delegated by the Scheme of Reservation & Delegation   |
|---|
| <ul style="list-style-type: none"><li>• Approve arrangements for complying with the NHS Provider Selection Regime</li><li>• Review and approve procurement and evaluation strategies and recommended bidder reports</li><li>• Approval of new contracts and variations to programme contracts up to delegated limits of those present at the meeting</li><li>• Approval of new contracts and variations to non-programme contracts up to delegated limits of those present at the meeting</li><li>• Monitor provider performance against contract and report material exceptions to the Executive Committee</li></ul> |

## Accountability and reporting

The subcommittee is accountable to its parent committee and reports to its parent committee on how it discharges its responsibilities.

| Accountabilities                      | Description   |
|---------------------------------------|---|
| <b>Draft minutes and reports</b>      | <p>The secretary formally records the minutes of each meeting.</p> <p>An action log will be maintained alongside each meeting.</p> <p>The chair of the subcommittee reports to its parent committee after each meeting and provides a report on assurances received, escalating any concerns, where necessary.</p>  |
| <b>Monitor attendance</b>             | <p>Attendance is monitored and profiled as part of the agenda at each subcommittee meeting.</p> <p>Members should aim to attend 100% of meetings and must attend at least 75% of meetings and read all papers beforehand.</p>   |
| <b>Draft annual work plans</b>        | <p>The subcommittee produces an annual work plan in consultation with its parent committee.</p>   |
| <b>Conduct annual self-assessment</b> | <p>The subcommittee undertakes an annual self-assessment of its performance against the annual plan and terms of reference.</p> <p>Any resulting proposed changes to the terms of reference are submitted to the parent committee for agreement and action as the 'Establishing Subcommittees' SoP.</p> <p>The subcommittee utilises a continuous improvement approach in its delegation.</p> <p>Members review the effectiveness of the meeting at each sitting.</p> |

## Committee meetings

This section sets out meeting:

- Composition and quoracy
- Frequency and formats
- Procedures

## Composition and quoracy

This section sets out the meeting composition and quoracy requirements.

| Composition/ quoracy | Description of expectations   |
|----------------------|---|
| <b>Chair</b>         | Appointed for their specific knowledge skills and experience and suitability. (Note: does not need to be a member of the ICB board) |

| Composition/<br>quoracy                            | Description of expectations   |
|--|---|
| <b>Deputy Chair</b>                                | Subcommittee members may appoint a vice chair from amongst the members.   |
| <b>Absence of<br/>Chair or<br/>Vice Chair</b>      | In the absence of the chair, or vice chair, the remaining members present elects one of their number to Chair the meeting.  |
| <b>Membership</b>                                  | <p>The membership will include the following or their nominated deputies as agreed with the Chair:</p> <ul style="list-style-type: none"> <li>• Chief Contracting and Procurement Officer (Chair)</li> <li>• Director of Contracting and Oversight (North) (Vice Chair)</li> <li>• Director of Contracting and Oversight (South) (Vice Chair)</li> <li>• Director of Finance (North)</li> <li>• Deputy Director of Contracting and Oversight</li> <li>• Strategic Head of Contracting and Oversight</li> <li>• Strategic Head of Procurement</li> <li>• Strategic Head of General Medical Contracting</li> <li>• Strategic Head of Pharmacy &amp; Optometry Contracting</li> <li>• Strategic Head of Dental Contracting</li> <li>• Deputy Director of Nursing – Quality</li> <li>• Work programme leads (Invited to Part B of the meeting).</li> <li>• Invites will also be extended to members from other directorates (medical. Nursing etc) to attend as required and ensure cross-directorate working.</li> </ul> <p>A representative from the performance, nursing, digital, medical and communications and engagement directorates will be included on the circulation of papers and will attend meetings as required.</p> <p>Deputies as agreed by the Chair have the same voting rights as those that they are deputising for.</p> <p><b>EDI:</b> When determining the membership of the group, consideration will be given to diversity and equality.</p> <p><b>Involvement:</b> In determining membership consideration will be given to the need for a patient and public involvement member.</p> <p><b>ICS:</b> Membership may be from across the Integrated Care System. However, the balance of membership must sit with the ICB.</p> <p><b>Conflicts:</b> Consideration must be given to material conflicts in the appointment of members.</p> |
| <b>Attendees and<br/>procedure for<br/>absence</b> | <p>Only members have the right to attend meetings.</p> <p>Other attendees: The chair may elect to co-opt additional attendees, where it is in the interests of the activities to do so.</p> <p><b>Procedure for absence:</b></p>  |

| Composition/<br>quoracy                    | Description of expectations  |
|--|--|
|  | <p>Where a member or any regular attendee of the subcommittee is unable to attend a meeting, a suitable alternative may be agreed with the chair.</p> <p>The chair may ask any or all of those who normally attend to withdraw to facilitate open and frank discussion of particular matters.</p>  |
| <b>Quoracy and Procedure for Inquoracy</b> | <p><b>Threshold:</b> A minimum of half the membership and where the ICB members present exceeds the other members present and must include:</p> <ul style="list-style-type: none"> <li>• Chief Contracting and Procurement Officer (Chair)</li> <li>• Director of Contracting and Oversight (Vice Chair)</li> <li>• Director of Finance (North)</li> </ul> <p><b>Absence:</b> Where members are unable to attend, they should agree this with the chair.</p> <p><b>Disqualification:</b> If any member of the subcommittee 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.</p> <p><b>Inquoracy:</b> If the quorum is not reached, the meeting may proceed if those members attending agree, but no decisions may be taken.</p> |

## Frequency and formats

This section on Subcommittee meetings describes the meeting frequency and formats.

| Frequency/<br>format                                | Description  |
|---|--|
| <b>Meeting frequency</b>                            | <p>The subcommittee will meet monthly.</p> <p>Additional meetings may be convened on an exceptional basis at the discretion of the subcommittee chair.</p> <p>The parent committee chair may ask the subcommittee to convene further meetings to discuss particular issues on which they want the subcommittee's advice.</p> |
| <b>Public vs closed</b>                             | <p>Meetings will be held in private.</p> <p>External Audit, Internal Audit and Local Counter Fraud representatives will have full and unrestricted rights of access to the subcommittee.</p>   |
| <b>Virtual meetings and extra-ordinary meetings</b> | <p>In accordance with the Standing Orders, the subcommittee may meet virtually when necessary and members attending using electronic means will be counted towards the quorum.</p>   |



## Procedures

| Procedure                    | Description of rules and expectations:   |
|------------------------------|--|
| <b>Agenda</b>                | <p>The chair is responsible for agreeing the agenda and ensuring matters discussed meet the objectives as set out in these terms of reference.</p> <p>Members are expected to identify agenda items for consideration to the chair and any meeting papers using the prescribed format at least 5 working days before the meeting.</p>  |
| <b>Conflicts of interest</b> | <p><b>Declarations:</b> All members and those in attendance must declare any actual, potential, or perceived conflicts of interest. This is recorded in the minutes.</p> <p><b>Exclusions:</b> The subcommittee will follow and apply the ICB's Standards of Business Conduct with regards to the management of conflicts of interest. This means that the chair will consider the exclusion of members and / or attendees from discussion and / or decision-making if individuals have a relevant material or perceived interest in a matter under consideration.</p> |
| <b>Decision-making</b>       | <p><b>Decisions:</b> Decisions are taken in accordance with the Standing Orders and are arrived at by consensus.</p>   |
| <b>Conduct</b>               | <p>The subcommittee's conducts its business in accordance with relevant codes of conduct / good governance practice, including the Nolan principles of public life, the ICB Standards of Business Conduct Policy, and other relevant policies / guidance on good and proper meeting conduct for NHS organisations</p>  |

## Secretariat and administration

This section describes the functions of the secretariat whose role is to support the subcommittee in the following ways:

| Functions                 | Description   |
|---------------------------|---|
| <b>Distribute papers</b>  | Prepare and distribute the agenda and papers in accordance with the Standing Orders following their agreement by the chair with the support of the relevant executive lead. |
| <b>Monitor attendance</b> | Monitor the attendance of those invited to each meeting and highlight to the chair those that are not meeting the minimum attendance requirements.                          |
| <b>Maintain records</b>   | Record conflicts of interest, members' appointments and renewal dates. Provide prompts to renew membership and to identify new members where necessary.                     |

| Functions                                | Description   |
|--|---|
| <b>Minute Taking</b>                     | Take good quality minutes and agree them with the chair. Keep a record of matters arising, action points and issues to be carried forward.                                |
| <b>Support for Chair &amp; Committee</b> | Support the chair in preparing and delivering reports to the parent committee.<br>Take forward action points between meetings and monitor progress against those actions. |
| <b>Provide updates</b>                   | Update the subcommittee on pertinent issues/ areas of interest/ policy developments.  |
| <b>Governance advice</b>                 | Provide easy access to governance advice for subcommittee members   |

## Appendix 1: Approval History

| Version | Date           | Approved by         | Status      |
|---------|----------------|---------------------|-------------|
| V1.0    | 13 August 2024 | Executive Committee | First Issue |
|         |                |                     |             |
|         |                |                     |             |
|         |                |                     |             |

## Appendix 2: Review History

| Version | Date | Reviewed by | Changes Required Y/N? | Summary of changes (once changes are approved Appendix 1 should be updated) |
|---------|------|-------------|-----------------------|---|
| V1.0    | xxx  | xxx         | N                     |   |
|         |      |             |                       |   |
|         |      |             |                       |   |
|         |      |             |                       |   |

**Review date:** June 2025

**Contact:** Chief Contracting and Procurement Officer

**Document control**

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