



**North East and  
North Cumbria**

**North East and North Cumbria Integrated Care Board  
Extraordinary Audit Committee**

**Minutes of the meeting held on Wednesday 26 February 2025 at 11:00 a.m.  
via MS Teams**

**Present:** David Stout, (Chair), Non-Executive Director, ICB  
Eileen Kaner, Non-Executive Director, ICB

**In Attendance:** David Chandler, Chief Finance Officer, ICB  
Neil Hawkins, Strategic Head of Corporate Governance, ICB  
Joanne Leadbitter, Executive Assistant, ICB (minutes)

**AC/2024-25/113 Welcome and introductions**

The Chair welcomed all those present to the meeting.

**AC/2024-25/114 Apologies for Absence**

Apologies for absence were received from Jon Rush, Non-Executive Director, ICB, Paul Turner, Director of Contracting (South), ICB, Lynne Walton, Director of Finance (Central & South), ICB, Deb Cornell, Director of Corporate Governance and Board Secretary, ICB, Lynda Hutchinson, Head of Corporate Governance, ICB.

**AC/2024-25/115 Confirmation of Quoracy**

For the meeting to be quorate, a minimum of two independent non-executive members were required, including either the Chair or Vice-Chair.

It was confirmed the meeting was quorate.

**AC/2024-25/116 Declarations of Interest**

A declaration of interest was raised from Eileen Kaner, Non-Executive Director in relation to matched funding for ARC (NHR Applied Research Collaboration) which part funds NECS to provide research support one day a week. It was confirmed that this declaration would be noted but it would not impact on the item of business for discussion at the meeting.

**AC/2024-25/117 Governance Handbook – Amendments to the Scheme of Reservation and Delegation (SoRD), Financial Limits and Financial Delegation Documents**

The Strategic Head of Corporate Governance introduced the Amendments to the Scheme of Reservation and Delegation (SoRD), Financial Limits and Financial Delegation report.

It was advised that following the ICB Board's approval of the intention to accept specialised commissioning delegation from 1 April 2025, the report proposed minor amendments to the ICB's Scheme of Reservation and Delegation (SoRD) and financial limits documents to allow appropriate delegation to the soon to be established specialised commissioning subcommittee.

The report proposed minor amends to the financial delegation document within the Governance Handbook in two areas where responsibility would more appropriately sit with Executive Committee rather than Finance, Performance and Investment Committee (FPIC).

Since ICB Board's approval in October, considerable additional due diligence and development work had been undertaken within the ICB to consider how specialised commissioning decision making and operations could integrate effectively within the ICB.

A proposal had been made for the establishment of a subcommittee of the Executive Committee to ensure the required focus from the ICB on this significant area of additional responsibility.

It was envisaged that specialised commissioning plans, budgets and contracts were approved at the start of the year via the Executive Committee and ICB Board as appropriate. The specialised commissioning subcommittee would monitor in-year delivery and make decisions in line with delegated limits, with reporting arrangements to Executive Committee established with decision making on matters outside of the subcommittee delegated limits escalated as required.

The draft terms of reference for the specialised commissioning subcommittee had been considered by the shadow specialised commissioning subcommittee and would be presented to the Executive Committee for final approval in March.

Minor changes to both SoRD and financial limits documents were required to allow appropriate delegation to the proposed specialised commissioning subcommittee. Those changes were being presented to Audit Committee for consideration and recommendation to Board for final approval in March 2025.

A question was raised on the decision-making around delegating NHSE staff to South Yorkshire ICB. The Chief Finance Officer commented that it was common for specialised commissioning to be hosted by an organisation as it was not typically large enough to be its own entity. It was acknowledged that although NENC ICB was the largest, it could not host everything, and South Yorkshire ICB had offered to be the host organisation.

Highlight was made to the two changes within the financial delegation document where responsibility would move from FPIC to the Executive Committee. A suggestion was made for the Strategic Head of Corporate Governance to speak with the Chair of the FPIC to ensure they were aware of these changes and comfortable with the approach.

**ACTION:** The Strategic Head of Corporate Governance to speak with the Chair of the Finance, Performance and Investment Committee to ensure they were aware of the two changes in the financial delegation document where responsibility would move from FPIC to the Executive Committee.

The Chief Finance Officer referenced the following key changes: -

- The specialised commissioning subcommittee would have delegated authority up to £5m.
- Delegated authority previously given to NECS was no longer necessary since NECS would be in-housed to the ICB from 1 April 2025.
- FPIC was initially assigned responsibility for approving losses and special payments, which was not typical for a Finance Committee. Traditionally, this would fall under the Audit Committee or Executive Committee.
- Budget virements over £1m should go to the ICB exec for approval, and not FPIC.
- Capital approvals would follow the existing process where the provider collaborative would develop a plan for the FPIC to review and approval by the Board.

The Chair expressed a concern in relation to alignment issues in the financial delegation section on Appendix C of the report. Other colleagues confirmed these issues were specific to the Chair's device (iPad) and the data in the document was correctly aligned.

The Chief Finance Officer highlighted section 9.1 of Appendix C in relation to the approval of special payments. It was suggested that special payments should be approved by NHS England, regardless of the sum, and the suggestion was made for this to be clarified with the Director of Finance (Corporate), and NHS Financial Controller (if necessary) for accuracy.

**ACTION:** The Strategic Head of Corporate Governance to speak with the Director of Finance (Corporate) to clarify whether the approval of special payments by NHSE applied to all, regardless of the sum, or whether NHSE approval was only required for special payments over £95k.

**RESOLVED:**


The Audit Committee **RECOMMENDED** to Board the minor amends to Scheme of Reservation and Delegation and also the financial limits and delegations documents as outlined in the report, to take effect from 1 April 2025, subject to completion of the two actions highlighted above.

**AC/2024-25/118 Date and Time of Next Meeting**

The next meeting of the Audit Committee was scheduled to take place on Thursday 10 April 2025, 10:00 a.m. to 12:00 noon, Joseph Swan meeting room, Pemberton House.

*Meeting Closed: 11:32 a.m.*

**Signed:**

A handwritten signature in black ink, appearing to read 'G. A. Stood', is written over a horizontal line.

**Position:**

Audit Committee Chair

**Date:**

12 June 2025