

## **FINANCE AND INVESTMENT COMMITTEE TERMS OF REFERENCE**

### **1 Authority**

The Committee will operate as a sub-committee of the Trust Board with the aim of assisting the Board in overseeing financial strategy and planning, financial policy, investment and treasury matters and reviewing and recommending for approval major financial transactions. The Committee will also maintain an oversight of the Trust's financial position, and relevant activity data and productivity metrics.

### **2 Membership**

#### **Chair**

The Board will nominate a Non-Executive Director to act as Chair of the Committee. In their absence, the other Non-Executive Director shall act as Chair.

#### **Regular members**

- Non-Executive Directors x 3 [one of whom shall be the Chair]
- Chief Executive
- Chief Operating Officer
- Chief Finance Officer

#### **In Attendance**

- Deputy Director of Finance

In addition all Trust Board Directors will be entitled to attend the Committee.

Committee members may ask any other Director, Executive, relevant member of senior management or external advisers to attend and address meetings of the Committee either regularly or by invitation, Invitees have no right of attendance.

#### **Secretary**

Secretarial support shall be provided to the Committee to take minutes of the meeting and give appropriate support to the Chair and Committee members

#### **Quorum**

In attendance must be the Chair or nominated deputy, one other NED (if not acting in the capacity of nominated deputy) and two Directors. One of the Directors must be the Chief Finance Officer or if absent, the Deputy Finance Director

### **3 Conduct**

The Committee will develop an annual work plan. The plan will be reviewed on a regular basis to ensure that it supports the aims of Committee as specified above. The effectiveness of the Committee will be assessed annually.

The Agendas, papers and minutes to be distributed not less than 3 working days prior to meetings. Papers to be tabled in exceptional circumstances. Any other business to be notified to the Chair of the meeting in advance.

**Frequency/ Duration of Meetings:** The Committee will meet not less than 4 times a year. Meetings will be scheduled to take into account external and internal financial submission deadlines.

## **4 Responsibilities**

### **Financial**

- Review the Annual and Medium Term financial plans for revenue and capital, and make recommendations to the Board.
- Review progress against key financial and operational targets, including monthly and year end finance and activity reports (including cash flow and balance sheet information) and financial performance ratings (e.g. NHSI metrics).
- Review trends in workforce numbers and costs including temporary staffing costs, in order to ensure resource levels remain within the levels prescribed by the financial plan.
- Review capacity utilisation, productivity and efficiency measures and progress in delivery of the Trust's targets
- Receive reports on the annual commissioner contracting arrangements and review overall performance on contracts.
- Review progress on Service Line Reporting, Patient Level Costing and the Trust's Reference Costs
- Oversee the Trust's Treasury management strategy and borrowings arrangements
- All other matters included in the Trust's scheme of delegation. These include changes in the Trust's corporate structures, investments or acquisitions including significant transactions, material contracts in the ordinary course of business, other contracts not in the ordinary course of business, and transactions which would lead to an increase in the Trust's non NHS income by more than 5%.

### **Capital and revenue investments /service developments**

- Oversight on the financial implications of all major investments and business developments including the Redevelopment programme
- Advise the Board on all proposals/business cases for major capital expenditure over £1 million
- Review the Estates and IT strategies and delivery of those strategies
- Review the Trust's Procurement policies, processes and performance

## **5 Information requirements**

The Committee will receive regular reports on financial performance, workforce and staff costs, delivery of P&E targets, capital investment and relevant productivity metrics

## **6 Reporting**

The Committee will ensure that the minutes of its meetings are formally recorded and submitted to the Board.

The Committee shall make recommendations and report to the Board after every meeting.

The Committee will prepare and submit an annual report on its activities and its effectiveness to the Board of Directors.

## **7 Other Matters**

These Terms of Reference will be reviewed on an annual basis.

**DATE AMENDED:** 25 March 2019

**NEXT REVIEW DATE:** January 2020