

FINANCE, INVESTMENTS AND PERFORMANCE COMMITTEE

TERMS OF REFERENCE

1 CONSTITUTION AND PURPOSE

As part of the Trust's Governance Structure, the Board of Directors has established a committee of the Board to be known as the Finance, Investments and Performance Committee.

The **Purpose** of the Committee is to provide scrutiny and challenge with regard to:

- the Trust's financial and operational planning and performance;
- its achievement of business and operational objectives;
- planning and delivery of capital investments and major projects;
- estates, facilities and digital strategy and implementation

in order to provide assurance and make appropriate reports or recommendations to the Board.

2 AUTHORITY

The Committee has no delegated powers other than those specified in these Terms of Reference or as requested by the Trust Board. The Committee is authorised to investigate any activity within its Terms of Reference and all Trust employees are directed to co-operate with any request made by the Committee.

The Committee is authorised to obtain independent professional advice as it considers necessary in accordance with these Terms of Reference.

3 MEMBERSHIP

Membership of the Committee shall comprise:

- ❖ Three Non-Executive Directors
- ❖ Chief Finance Officer
- ❖ Chief Operating Officer
- ❖ Chief Executive
- ❖ Director of Strategy and Major Projects
- ❖ Chief People Officer
- ❖ Clinical Executive (Medical Director or Chief Nurse)
- ❖ Chief Digital Officer
- ❖ Director of Transformation

The Board of Directors will review membership of the Committee annually to ensure that it meets the evolving needs of the Trust.

4 MEETINGS, ATTENDANCE AND QUORUM

The Committee may invite non-members to attend all or part of its meetings as it considers necessary and appropriate, at the discretion of the Committee Chair. If not already members, the Chairman, Chief Executive or other Board director may be invited to attend any meeting of the Committee, particularly when the Committee is discussing areas of the Trust's operation that are the responsibility of that director.

The Committee may ask any or all of those who normally attend Committee meetings but who are not members to withdraw to facilitate discussion of any particular matters at the discretion of the Chair.

In exceptional circumstances when an executive member cannot attend Committee meetings, they must arrange for a fully briefed deputy of sufficient seniority to attend on their behalf.

Meetings of the Committee shall be Chaired by one of the Non-executive Director members, with another acting as deputy in his/her absence.

Responsibility for calling meetings of the Committee shall rest with the Committee Chair.

To be quorate at least 3 members of the Committee must be present including at least one non-executive director. Attendance at the meeting may be by teleconference or videoconferencing at the discretion of the Committee Chair. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions invested in, or exercised by the Committee.

In accordance with Standing Orders, if it is necessary to resolve an issue at a meeting of the Committee by way of a vote, this shall be determined by a majority of the votes of the Members present and voting and, in the case of any equality of votes, the person presiding shall have a second or casting vote.

5 SUPPORT ARRANGEMENTS

The Board Secretary will be responsible for providing secretarial support to the Committee.

The Committee shall operate as follows:

- The Committee will routinely meet monthly unless agreed otherwise;
- The Committee will establish an annual Work Programme, summarising those items that it expects to consider at forthcoming meetings;
- Agendas for forthcoming meetings will be based on the Work Programme, reviewed by the Committee and agreed with the Committee Chair;
- Unless otherwise agreed, papers for the meeting should be submitted to the Committee secretary a minimum of 6 working days prior to the meeting. Papers on other matters will be put on the agenda only at the request of or with the prior agreement of the Chair;
- Papers will be sent out by the Committee secretary at least 4 days before each meeting unless otherwise agreed;
- To facilitate oversight by the Board of Directors of matters relating to finance, investments and performance, papers for meetings of the Committee will be circulated for information to those members of the Board who are not members of the Committee;
- Minutes will be prepared after each meeting of this Committee within 14 days and circulated to members of the Committee and others as necessary once confirmed by the Chair of the Committee. A record of action points arising from meetings of the Committee shall be made and circulated to its members with the minutes ;
- Following each meeting of the Committee, the Chair of the Committee shall make a report to the next meeting of the Board of Directors highlighting any issues that require its particular attention, or require it to take action;
- The Terms of Reference of the Committee will be reviewed annually and will only be changed with the approval of the Trust Board.

6 DECLARATION OF INTERESTS

All members must declare any actual or potential conflicts of interest relevant to the work of the Committee, which shall be recorded in the Minutes accordingly. Members should exclude themselves from any part of a meeting in which they have a material conflict of interest. The Chair will decide whether a declared interest represents a material conflict.

7 DUTIES

In furtherance of achievement of its Purpose, particular duties of the Committee shall be to provide assurance to the Board in relation to:

Financial Planning & Performance

- 7.1 the Trust's financial strategy and plans, financial planning framework, budgets, cost improvement and income generation programmes and capital investment plans;
- 7.2 delivery of financial performance with respect to the programmes, plans and budgets (as per 7.1 above) as reported in the monthly Integrated Performance Report (IPR) to the Trust Board, noting any trends, exceptions and variances against plans on a Trust-wide and divisional basis and reviewing in detail any major performance variations as appropriate;
- 7.3 monitoring the rolling capital programme, including scrutiny of the prioritisation process and its delivery;

Operational Planning and Performance

- 7.4 delivery of operational performance targets as reported in the Integrated Performance Report (IPR) to the Trust Board, noting any trends, exceptions and variances against plans on a Trust-wide and divisional basis and reviewing in detail any major performance variations as appropriate;
- 7.5 performance within the Trust and Divisions with particular regard to:
 - achievement of key standards and contractual obligations;
 - activity, income, costs and contractual penalties;
 - quality, innovation, productivity and cost improvement plans;
 - commissioning for quality and innovation plans (CQUIN);
 - the Trust's Use of Resources assessment.

Contracts & Business Cases

- 7.6 major contracts, procurement and investment projects and business cases, including the investment appraisal of business cases in accordance with the Trust's Business Case process and thresholds stated within and wider business development opportunities, under direction from the Trust Board;
- 7.7 areas of substantial business collaboration with other organisations (e.g. the Eastern Pathology Alliance; Acute Services Integration);

Estates Planning & Management

- 7.8 development and implementation of the Trust's Estates Strategy, in order to optimise efficiency, facilitate operational performance and achievement of the Trust's Strategic Objectives;
- 7.9 oversight of the Trust's PFI contract at NNUH, including performance monitoring arrangements, significant contractual issues and lifecycle programme;
- 7.10 delivery of the Facilities Management contracts across the Trust's Estate, including oversight of monitoring arrangements and performance against contract;
- 7.11 oversight of procurement and market testing processes for the Facilities Management contracts, including recommendations to the Board for contract renewal / award.
- 7.12 relevant areas of Trust activity such as estates management, including fire safety and compliance with the NHS Premises Assurance Model,

Digital Infrastructure & Maturity

7.13 development and implementation of the Trust's Digital Strategies and Plans, to include cyber security, information governance and data quality

Use of Resources, Productivity, Efficiency, and Regulatory Compliance

7.14 advising the Board on the Trust's disclosure statement confirming compliance with national guidance relating to the National Cost Collection and the underlying process;

7.15 compliance with the Trust's obligations and ambitions concerning energy efficiency, sustainability and the commitment to a Net Zero-Carbon NHS;

7.16 service transformation and system & process optimisation to enhance productivity, cost-effectiveness and patient experience;

7.17 risks and mitigations related to the Trust's financial and operational performance and to review reports or extracts from the Board Assurance Framework and Corporate Risk Register as relevant to the remit of the Committee and in line with the Board's Risk Appetite;

8 RELATIONSHIP WITH OTHER BOARD COMMITTEES

In practice, issues of finance, quality, safety and performance are inextricably linked. Through alignment of the relevant Work Programmes for each of the Board Committees overlap or gaps in their collective assurance function will be avoided. For the avoidance of doubt, it is noted that the following items remain within the area of responsibility of the Audit Committee (as specified in its Terms of Reference):

- Internal and External Audit;
- Local Counter Fraud Specialist work;
- approval of Financial Statements and Quality Accounts;
- oversight of the structures and systems for risk management and the processes in place for identifying and managing key risks including the Risk Register.

9 PROCESS FOR MONITORING COMMITTEE EFFECTIVENESS

The Committee shall submit an Annual Report to the Trust Board, reporting on the work of the Committee, member attendance and the results of its annual review of performance and function.

The Committee will carry out an annual review of its performance and function in satisfaction of these Terms of Reference and report to the Board on any consequent recommendations for change.

10 REPORTING COMMITTEES

There are no standing sub-committees which report to the Finance, Investments and Performance Committee. In order to obtain assurance with regard to the operation of the Trust's financial, business planning and operational performance processes, however, the Committee will receive regular reports from the Capital and Estates Committee, Investment Committee, Divisional Performance Committee, Financial Improvement and Productivity Board and otherwise in accordance with the Board-approved Organisational Governance Framework.

Approved by the Trust Board on: 6 July 2022

Annual Review date: March 2023

