

<b>Meeting title:</b>	Trust Board	<b>public paper S2</b>			
<b>Date of the meeting:</b>	1 December 2022				
<b>Title:</b>	Trust Board Committee Terms of Reference: Finance and Investment Committee				
<b>Report presented by:</b>	Becky Cassidy, Director of Corporate and Legal Affairs				
<b>Report written by:</b>	Becky Cassidy, Director of Corporate and Legal Affairs				
<b>Action – this paper is for:</b>	Decision/Approval	x	Assurance		Update
<b>Where this report has been discussed previously</b>					

Acronyms used:

### **Purpose of the Report**

The report seeks Trust Board approval for the updated UHL Finance and Investment Committee (FIC) terms of reference. These were reviewed and supported at the FIC meeting on 24 November 2022. A supporting work plan has also been developed for FIC, based on the Committee’s duties as set out in the attached terms of reference.

### **Recommendation**

The Trust Board is asked to:

- approve the FIC terms of reference as attached.

### **Summary**

The FIC terms of reference and work plan have both been reviewed and updated. This has been done to ensure that the Committee remit and functionality remain fit for purpose.

All sub committees of the Board will have their terms of reference and work plans reviewed as part of the recommendations made in the stage 1 Head of Internal Audit Opinion work. In line with good governance we will continue to review the terms of reference and work plan on an annual basis.

### **Supporting documentation**

Appendix 1 – updated terms of reference, for Trust Board approval.

# Finance and Investment Committee

## Terms of Reference

### 1. Constitution

The University Hospitals of Leicester NHS Trust hereby resolves to establish a Committee of the Board of Directors (hereafter referred to as “the Board”) to be known as the Finance and Investment Committee (hereafter referred to as “the Committee”).

The committee shall have terms of reference conferring delegated authority from the Board and will be subject to conditions such as reporting its activities of the Board, as the Board shall decide and act in accordance with any legislation, regulation or direction issued by regulators or statutory bodies.

### 2. Purpose

The purpose of the Committee is to seek and receive assurance on the stewardship of the Trust’s finances and investments; including planning, financial performance, capital expenditure, and the delivery of the financial plan and annual capital programme. The Committee is also responsible for holding to account the delivery of the Estates and Facilities Strategy, and the IM&T Strategy.

### 3. Membership

The Committee shall comprise:

#### Core Members

- 3 x Non-Executive Directors (not including the Trust Chair) one of whom will chair the Committee
- 2 x Associate Non-Executive Directors
- Chief Financial Officer
- Chief Information Officer
- Director of Estates and Facilities
- Deputy Chief Executive
- Chief Operating Officer
- Medical Director

#### Additional Attendance

- Colleagues will be asked to attend to present and discuss relevant topics as is appropriate

A standing invitation to attend the Committee will be extended to the following:

- Chief Executive
- Trust Chair
- Other Non-Executive Directors
- Representatives of Internal and External Audit
- Director of Corporate and Legal Affairs
- Deputy Director of Finance
- Director of Operational Finance
- Head of Procurement
- Head of Risk and Assurance

The secretary and administrative support to the committee shall be provided through the Corporate and Committee Services Team.

A deputy shall be nominated to attend a meeting of the Committee when the absence of one of the members (detailed above) would prevent an item of business being addressed. The deputy attending shall count towards meeting quorum, but not to the attendance record of the Committee member him / herself.

All members shall attend a minimum of 75% of meetings of the Committee on a rolling 12 month basis.

#### 4. Quorum

Quorum shall be 4 members to include 2 Non-Executive Directors (one of which will chair if the chair is unable to attend) and 2 Executive Directors.

#### 5. Meetings

The Committee shall meet monthly. Additional ad hoc meetings may be convened as and when required.

#### 6. Duties

##### **Financial planning and performance**

- 6.1 The Committee will review and monitor the following, receiving assurance on the progress against each plan and where it is off plan understand the controls and mitigations in place to manage any risk:
  - 6.1.1 Trust's annual financial plan
  - 6.1.2 Trust's medium term financial plan and underlying financial position
  - 6.1.3 The Capital annual and longer term plan
  - 6.1.4 Cost Improvement Programme
  - 6.1.5 Performance against the KPIs of the Trust's subsidiary
- 6.2 Receive and scrutinise the Trust financial forecasting

- 6.3 The Committee will review and support all business cases valued over £1m, ensuring the outcomes and benefits are clearly defined, before recommending to the Trust Board for approval
- 6.4 Receive updates on ICS wide finances, risks and opportunities

### **Financial Recovery and Improvement**

- 6.5 Receive monthly updates on the progress to delivering the RSP roadmap to sustainable financial improvement, ensuring escalations to the Committee if there is a risk the plan is off track to be delivered
- 6.6 The Committee will receive assurance there are improvements to continue to strengthen the culture within financial services across the organisation via quarterly reporting against agreed KPIs

### **Contracting and Procurement**

- 6.7 Receive monthly update and assurance report from the Procurement Contract Committee, including recommended contracts awards requiring Trust Board sign off

### **IT and Digital**

- 6.8 The Committee will monitor progress against the delivery of the Trust's IM&T strategy
- 6.9 Receive regular updates providing assurance on the delivery of the EPR programme via the eHospital Board, noting where any items may be off track and what the controls are in place to manage any risk to delivery

### **Estates and Facilities**

- 6.10 The Committee will monitor progress against the delivery of the Trust's Estates and Facilities strategy

### **Core responsibilities and sub group reporting**

- 6.11 To review and support the Trust's core strategies associated within the committee's remit
- 6.12 To monitor, review and assess the level of assurance received on the finance risks and infrastructure related risks, controls and governance processes identified in the Board Assurance Framework delegated to the committee by the Board, providing reports to the Board of Directors and/or Audit Committee when requested
- 6.13 To review the reporting subcommittee structure to ensure both efficiency and effectiveness of reporting, including any addition of new sub groups or working groups as required
- 6.14 To escalate issues of concern requiring Board attention
- 6.15 To develop and maintain an annual work programme to reflect and enable assurance in relation to the above duties
- 6.16 Annually review the committee terms of reference to ensure they remain fit for purpose and align with annual work programme
- 6.17 The committee will produce an annual report incorporating its effectiveness to adhere to the duties placed upon it

## 7. Reporting and Governance Procedures

The Committee shall produce minutes of its meetings which will be formally ratified at the following meeting. A written summary of each meeting shall be submitted to the next scheduled meeting of the Board. The summary will focus on items of escalations, items which have been approved and specific items connected to strategic risks and strategic direction. The Chair of the Committee will present this report.

An annual report will be produced setting out the Committee's compliance with its terms of reference, performance of its duties and strategic priorities for the next 12 months. This will be informed by an annual self-assessment conducted by the committee, ensuring its work and responsibilities are reflective of the changing environment within which the committee functions. The Board will receive and approve the annual report.

## 8. Review

The committee will continually review the effectiveness, and where appropriate, revise the committee membership and terms of reference at least annually. Ratification will be by the Board.

## 9. Ratification:

**Updated and reviewed by:** Finance and Investment Committee

**Date:** 24 November 2022

**Ratified by:** Trust Board

**Date:** December 2022