

Public Trust Board P

Meeting title:	Public Trust Board				
Date of the meeting:	8 February 2024				
Title:	Finance and Investment Committee (FIC) – annual review of Committee terms of reference				
Report presented by:	Becky Cassidy Director of Corporate and Legal Affairs				
Report written by:	Helen Stokes, Head of Corporate Governance				
Action – this paper is for:	Decision/Approval	x	Assurance		Update
Where this report has been discussed previously	FIC 26 January 2024				

Purpose of the Report

The report provides the Trust Board with updated draft terms of reference for the Finance and Investment Committee, for approval. All Committees of the Board 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. FIC’s terms of reference were also updated in-year in June 2023, to reflect the Trust Board’s wish to move core responsibility and oversight for IT Digital transformation and strategy to the Our Future Hospitals and Transformation Committee. IMT contract performance continues to be overseen through FIC. Updates made in January 2024 include a quarterly report on shared workforce and finance reporting, and increased oversight of the annual operational planning process.

Recommendation

The Board is asked to:

- review and support the updated FIC terms of reference.

Summary

The terms of reference for the Finance and Investment Committee have been reviewed as part of the annual cycle, to ensure that the Committee’s role and functionality remain fit for purpose.

FIC reviewed the updated draft at its January 2024 meeting, and the attached iteration reflects that discussion. The reference to Associate Non-Executive Directors has also been removed.

Supporting documentation

Appendix 1 – updated FIC 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 Trust Board (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.

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
- 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 (Financial Services)
- Deputy Director of Finance (Financial Management)
- Deputy Director of Finance (Strategic Finance and Planning)
- Chief People Officer (also to specifically attend for the quarterly update on shared workforce and finance reporting, and for discussion re: the annual operational planning cycle)
- 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 of whom 1 must be the Chief Financial Officer or their representative.

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
- 6.5 Receive a quarterly update on shared workforce and finance reporting – the same report will also be submitted to the People and Culture Committee to enhance visibility and enable an appropriate deep dive by both groups
- 6.6 Receive reports providing oversight on overall operational annual planning

Financial Recovery and Improvement

- 6.7 Receive updates on the progress to delivering financial sustainability
- 6.8 The Committee will receive assurance there are improvements to continue to strengthen the culture within financial services across the organisation via 6-monthly reporting against agreed KPIs

Contracting and Procurement

- 6.9 Receive monthly updates and assurance report from the Procurement Contracts Committee, including recommended contracts awards requiring Trust Board sign off

IT Contract Performance

- 6.10 The Committee will monitor the performance of the IM&T managed business partner Contract (oversight of strategic IM&T issues being through the Our Future Hospitals and Transformation Committee).

Estates and Facilities

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

Core responsibilities and sub group reporting

- 6.12 To review and support the Trust's core strategies associated within the Committee's remit
- 6.13 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
- 6.14 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
- 6.15 To escalate issues of concern requiring Board attention
- 6.16 To develop and maintain an annual work programme to reflect and enable assurance in relation to the above duties

- 6.17 Annually review the Committee terms of reference to ensure they remain fit for purpose and align with annual work programme
- 6.18 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 (including risks on the Board Assurance Framework) 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:

Most recently updated and reviewed by: Finance and Investment Committee

Date: 26 January 2024

Ratified by: Trust Board

Date: 8 February 2024