



FINANCE & INVESTMENT COMMITTEE
TERMS OF REFERENCE

1. PURPOSE

- 1.1 The Finance and Investment Committee will undertake objective scrutiny of the Trust's financial performance, financial and commercial plans, investment policy and major investment decisions.

2. CONSTITUTION

- 2.1 The Finance and Investment Committee is constituted as a standing Committee of the Trust Board.
- 2.2 The Committee in its workings will be required to adhere to the Constitution of Yorkshire Ambulance Service NHS Foundation Trust when this is established and to the Terms of Authorisation and Code of Governance issued by the Independent Regulator for NHS Foundation Trusts.
- 2.3 As a Committee of the Board of Directors, the Standing Orders of the Trust shall apply to the conduct of the working of the Finance and Investment Committee.

3. RELATIONSHIPS

- 3.1 The Committee will seek the views of Executive Directors, specialist managers, management groups, Internal and external Audit as required to inform its scrutiny.
- 3.2 The Committee may establish working groups or sub-committees to support its function as required.

4. MEMBERSHIP

4.1 The membership of the Committee shall comprise:-

- A minimum of 3 Non-Executive Directors, including the Chairman of the Quality Committee (one of whom will Chair the meeting)
- Executive Director of Finance
- Chief Executive
- Executive Director of Operations
- Executive Director of People & Engagement
- ~~Associate Director of Finance~~

N.B. The Chairs of the Quality and Finance and Investment Committees are each members of the other Committee, to support alignment and cross-reference of key business.

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4.2 The following are also required to be in attendance:

- ~~Associate Director of Finance~~

4.3 Other personnel may be invited to attend as necessary to support the discussion of specific agenda items.

4.4 Members are expected to attend all meetings. If unavailable, a deputy may be nominated with prior agreement of the Chair.

4.5 Other Board members and senior managers may attend the Committee as observers, to support the delivery of their roles, with prior agreement of the Committee Chairman.

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5. AUTHORITY

5.1 The Committee is authorised by the Board to investigate any activity within its Terms of Reference, and to make decisions on issues and developments within its terms of reference on behalf of the Trust Board, subject to Standing Orders and Standing Financial Instructions (SFIs). –Any decisions of the

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Committee shall be taken on a majority basis. The Chairman shall have a casting vote in the event of equality of voting.

5.2 The Committee has delegated authority from the Trust Board for oversight and assurance in relation to key organisational risks related to the activities of the Committee as indicated in the Trust Board Assurance Framework.

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5.3 The Committee is authorised to seek external legal or professional advice as appropriate to support its function subject to Standing Orders and SFIs.

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6. RESPONSIBILITIES

Financial Policy, Management and Reporting

6.1 To consider the Trust's medium term financial strategy, in relation to both revenue and capital.

6.2 To review the setting of annual budgets including the capital programme.

6.3 To monitor in-year financial performance and in particular to scrutinise any significant variances from budget.

6.4 To review proposals for all major business cases and tenders above £500k in line with Standing Orders and SFIs, and make appropriate recommendations to Board. Business cases and tenders between £250k and £500k which meet the criteria set out in Standing Orders and SFIs may be reviewed by the Committee on an exceptional basis with prior agreement between the Director of Finance and Chairman of F&IC.

6.5 To review and approve recommend to the Trust Board the approval of the Commercial Strategy.

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~~6.6 To review reports about compliance with external finance standards including those relevant to commercial activity by NHS Trusts, and relevant formal Trust disclosure statements prior to endorsement by the Trust Board.~~

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Investment Policy, Management and Reporting

6.66 To approve and keep under review the Trust's Treasury Management Policy.

6.77 To receive and consider Trust Business and Investment Plans in line with Standing Orders and SFIs,

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~~with a value greater than £500k and maintain an oversight of the Trust's investments, ensuring compliance with Trust policy of Standing Orders & Standing Financial Instruction and Monitor's requirements.~~

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6.88 To review and make recommendations to the Board about any commercial or investment activity e.g. proposed joint ventures.

6.99 To monitor compliance with treasury procedures.

Other Duties

6.4010 To monitor and make recommendations to the Trust Board as necessary on the adequacy of the Trust's financial performance reporting.

6.411 To review progress and key risks in relation to delivery of the Trust CQUIN schemes and other contractual requirements. To scrutinise the content and delivery of the Trust cost improvement and CQUINS programmes.

6.12 To review progress and key risks in relation to delivery of the Trust Cost Improvement Programme (CIP).

6.4213 To make arrangements as necessary, to ensure that all members of the Board and senior officers of the Trust are provided with an appropriate level of knowledge of key financial issues affecting the Trust.

6.4314 To examine any other matter referred to the Committee by the Board of Directors.

6.4415 To review performance indicators relevant to the remit of the Committee.

- 6.16 To scrutinise key financial risks and mitigations for the organisation.
- 6.17 To review relevant internal and external reports, reviews and guidance, in order to support the development of Service Line Management (SLM) within the Trust.
- 6.18 To scrutinise key risks relating to the remit of the Committee and mitigations for the organisation. To report to the Audit Committee and provide assurance to the Trust Board on the adequacy of control and mitigation against such risks.
- 6.19 To make recommendations to the Audit Committee concerning the annual programme of Internal Audit work and to work with the Audit Committee to ensure effective scrutiny of the risks and systems of internal control related to matters of finance and commercial activity.

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7. ATTENDANCE

- 7.1 The members of the Committee are expected to attend each meeting unless prior agreement is obtained from the Chairman of the Committee.
- 7.2 The Director of Finance is the Executive Director lead. Other members of the Trust Board shall be entitled to attend and to receive papers to be considered by the Committee.
- 7.3 Other managers/staff may be invited to attend meetings depending upon issues under discussion e.g. Commercial Director, Head of Business Development and Head of Procurement.
- 7.4 A quorum shall be three members, which shall include two Non-Executive Directors and the Executive Director of Finance or his/her deputy. ~~A quorum shall be three members, two of whom must be Non-Executive Directors.~~
- 7.5 Committee attendance will recorded by the Committee Services Manager and this information will be passed to the F&IC Chairman for review.

7.6 In the event of the Chairman being unavailable to chair the Committee, a Non-Executive Director will deputise.

8. REPORTING

8.1 The ~~Committee Chairman Finance and Investment Committee~~ will report to the Board of Directors following each meeting and approved minutes of the Committee will be circulated to all Trust Board members for information.

8.2 The Chairman of the Committee will draw to the attention of the Board any issues which require disclosure to the full Board, including those that affect the financial or commercial strategies of the Trust or require executive action.

8.3 To report to the Audit Committee and provide assurance to the Trust Board on the adequacy of control and mitigation against such risks.

8.4 The Chairman of the Committee will also provide a report to each meeting of the Audit Committee, focussed on the management of key risks within its terms of reference.

9. ADMINISTRATION

9.1 The Personal Assistant to the Director of Finance and Performance will support the administrative function of the Committee, including:

- Agreement of the Agenda with the Chairman and attendees and collation of papers.
- Ensuring support for minute taking and for tracking of actions and issues to be taken forward.
- Advising the Ceommittee on pertinent areas.

9.2 The Trust Secretary shall, upon request, provide advice and support to the Chairman and Committee members.

10. FREQUENCY

- 10.1 The Finance and Investment Committee will meet five times per annum plus additional joint meetings with the Quality Committee and any extraordinary meetings.
- 10.2 Additional meetings will be convened by the Committee Chairman as necessary. The Committee Chairman will ensure that, if an additional meeting(s) are held virtually, these must be recorded and the minutes reviewed and approved by the Trust Board.

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11. MONITORING AND REVIEW

- 11.1 The Committee will review its compliance with these terms of reference through its annual report to the Board and annual self-evaluation workshop.
- 11.2 The Terms of Reference of the Committee shall be reviewed by the Committee and submitted for approval by the Board of Directors annually.

Author: Director of Standards and Compliance

Date: ~~June 2014~~ July 2015

Updated by: Trust Secretary, Executive Director of Finance & Performance and ~~Elaine Bond~~ Mary Wareing, Non-Executive Director

Date approved at Trust Board meeting: ~~XX~~ 28 July 2015

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