

FINANCE AND PERFORMANCE COMMITTEE

TERMS OF REFERENCE AND OPERATING ARRANGEMENTS 2024/25

1. INTRODUCTION

- 1.1. The Trust's Standing Orders provide that *"The Board may and, where directed by the Welsh Government must, appoint Committees of the Trust either to undertake specific functions on the Board's behalf or to provide advice and assurance to the Board in the exercise of its functions. The Board's commitment to openness and transparency in the conduct of all its business extends equally to the work carried out on its behalf by committees"*.
- 1.2. In line with Standing Orders and the Trust's Scheme of Delegation, the Board shall nominate annually a committee to be known as the **Finance and Performance Committee**. The detailed terms of reference and operating arrangements set by the Board in respect of this committee are set out below.
- 1.3. The Board Committees play an important role in supporting the Board in fulfilling its responsibilities by:
- providing advice on strategic development and performance within the terms of reference;
 - undertaking scrutiny and gaining assurance on key aspects of organisational performance, and supporting achievement of the Trust's strategic goals;
 - carrying out specific responsibilities on the Board's behalf; and
 - providing a forum where ideas can be explored in greater detail than Board meetings are able to allow, providing time and space to consider issues in greater depth.

Regular and timely reporting and escalations to the Board on the issues within the Committee's remit allow for more focused discussions by the Board.

2. PURPOSE

The purpose of the Finance and Performance Committee (the Committee) is to enable scrutiny and review of the Trust's arrangements in respect of the:

- 2.1 overall financial position (both capital and revenue) of the Trust and its compliance with statutory financial duties;
- 2.2 ability of the Trust to deliver on its core objectives as set out in the Integrated Medium Term Plan (IMTP);
- 2.3 monitoring of the IMTP and ensuring achievement of key milestones;
- 2.4 robustness of any cost improvement measures and delivery of key strategies and plans;
- 2.5 ensure development of the long term strategy and delivery of the Trust's strategic aims in relation to value and efficiency, including an increased focus on benchmarking;
- 2.6 scrutinise business cases for capital and other investment;
- 2.7 oversight of the development and implementation of the digital, estates, fleet, and environmental strategies;
- 2.8 information governance and information security; and
- 2.9 business continuity including emergency preparedness, resilience and response, cyber security, and cyber resilience.

- 2.10 The committee shall, in carrying out its functions and responsibilities, consider how their decisions secure an improvement in the quality of health services (the duty of quality) as outlined in The Health and Social Care (Quality and Engagement) (Wales) Act 2020. This includes but is not limited to ensuring the provision of high-quality, safe, and effective healthcare services that meet the needs of patients, service users, and their families.

- 2.11 The committee shall demonstrate the duty of quality through its own operating arrangements, ensuring that its processes, procedures, and decision-making mechanisms uphold the highest standards of transparency, accountability, and governance. It shall regularly review and refine its operating procedures to align with best practices and legal requirements, fostering an environment of continuous improvement. Furthermore, the committee shall monitor, assess, and report on the implementation of Health and Care Quality Standards, outcomes, and performance indicators where relevant within their remit.

3. DELEGATED POWERS AND AUTHORITY

With regard to its role in providing advice and assurance to the Board, the Committee will specifically:

Finance

- 3.1 Oversee and contribute to the medium and long term financial strategy, in relation to both revenue and capital;
- 3.2 Monitor the Trust's in-year and forecast revenue financial position against budget and review and make appropriate recommendations for corrective action to address imbalances;
- 3.3 Review progress against the Trust's annual operating framework and make recommendations to the Board in relation to development of the annual financial plan and budget setting and long term financial strategy and financial sustainability programmes, efficiency review implementation and required savings targets;
- 3.4 Monitor progress against the Trust's capital programme, scrutinise, approve or recommend for approval (where appropriate) business cases for capital investment. This will include those then submitted to Welsh Government for approval via Trust Board;
- 3.5 Receive assurance that a business case post implementation review is in place and is effective; review post implementation reviews on specific business cases and capital investment schemes from time to time;
- 3.6 Receive, review and ensure mitigation of financial risks of delivery of plans;
- 3.7 Monitor progress against a range of key developments and capital schemes, either in development through the business case process or in implementation;
- 3.8 Review performance against the relevant Welsh Government financial requirements;

Value Based Healthcare

- 3.9 Receive assurance on delivery of core aims in relation to delivering value and development of value based health care in an out of hospital setting;

Performance

- 3.10 Review performance against targets and standards set by Commissioners and/or Welsh Government for the Trust and, where appropriate, against national ambulance quality indicators;
- 3.11 Monitor and review progress against the Trust's Integrated Medium Term Plan and obtain assurance on the efficient management and delivery of corporate projects and those associated within the agreed strategic transformation programme and its associated work streams;
- 3.12 Review the effectiveness of the Trust's Quality and Performance Management Framework and receive assurance on the value of outcomes produced by the framework, noting that in 2024/25 the Audit Committee will receive assurance on the implementation of the framework;
- 3.13 Endorse and monitor progress against Trust wide key performance indicators and ensure the development of robust intelligent targets;
- 3.14 Monitor and review plans to recover areas of underperformance, reviewing where appropriate associated KPIs as part of any deep dives, and providing assurance to the Board and escalating as required;

Planning

- 3.15 oversee and contribute to the development of the Trust's long term strategy '[Delivering Excellence: Our vision for 2030](#)', and make recommendations to the Board for its approval/amendment;
- 3.16 Oversee and contribute to the development of the Trust's Integrated Medium Term Plan (IMTP) and ensure alignment of that plan with Delivering Excellence: Our vision for 2030;
- 3.17 Monitor the effectiveness of commissioning arrangements with the Local Health Boards via the appropriate commissioning forums;
- 3.18 Hold a central overview of all service or directorate specific long term plans that align to the long term strategy. These plans will be reviewed for alignment by the relevant Committee first and their implementation will be guided by the IMTP or relevant local directorate plans;
- 3.19 Review and consider matters relating to demand and capacity including proposals for reviews in this area and recommendations arising from such reviews.

Estates and Fleet

- 3.20 Oversee, contribute to, and receive assurance on the implementation of, the Estate Plan.
- 3.21 Oversee, contribute to, and receive assurance on the implementation of, the Fleet Plan.
- 3.22 Review proposals for acquisition, disposal, and change of use of land/buildings.

Environmental and Sustainability

- 3.23 Oversee, contribute to, and receive assurance on the implementation of the Environmental Strategy
- 3.24 Receive assurance on compliance with environmental regulations and national targets

Digital Systems and Strategy

- 3.25 Oversee, contribute to, and receive assurance on the implementation of, the Digital Plan;
- 3.26 Review projects and monitor implementation and delivery of benefits of major digital and information/reporting projects.

Business Continuity and Cyber

- 3.27 Oversight and scrutiny of the Major Incident Plan and Business Continuity Plan and receive assurance that such plans are effective.
- 3.28 Oversight and scrutiny of cyber resilience including assurance on awareness and training of WAST staff and volunteers; maintenance of upgrades/updates of systems, and replacement of legacy/high-risk systems; and
- 3.29 Oversight and scrutiny of cyber security including assurance of regular monitoring of risks and threats, business continuity planning and engagement with national cyber centres and stakeholders.

Information Governance and Information Security

- 3.30 Receive assurance the information governance and information security arrangements are appropriately designed and operating effectively to ensure the reliability, integrity, safety, and security of information to support the delivery of high quality, safe healthcare across the organisation.

- 3.31 Review progress of measures to improve information security and adherence to Caldicott principles against the Information Governance Toolkit, Network and Information Systems (NIS) Directive (2018), Data Protection Act (2018), and receive assurance on compliance with relevant standards, legislation and regulations.
- 3.32 Receive assurance on, and review effectiveness of the Trust's information security protocols.
- 3.33 Review performance of the Trust in relation to statutory and mandatory information requests and reporting requirements including but not limited to freedom of information requests, data breaches, police requests and subject access requests.

Policies

- 3.34 Approval of policies within the remit of the Committee

Corporate Risks and Audit

- 3.35 The Committee will monitor the principal risks relevant to its remit and consider the controls and mitigations of related risks and provide assurance to the Board that such risks are being effectively controlled and managed.
- 3.36 The Committee will receive and gain assurance from internal and external audits in their remit. It will also monitor management actions to address recommendations via the audit tracker and where appropriate scrutinise the impact of actions in response to audit recommendations.

Authority

- 3.37 The Committee is authorised by the Trust Board to investigate, or have investigated, any activity within its terms of reference. In doing so, it will have the right to seek any information it requires from any employee or inspect any books, records, or documents relevant to its remit, ensuring patient/client and staff confidentiality as appropriate. All employees are directed to cooperate with any reasonable request made by the Committee.
- 3.38 The Committee is authorised by the Board to obtain outside legal advice or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers it necessary, in accordance with the Trust's procurement, budgetary and other requirements.

3.39 The Committee is authorised to approve Trust wide policies in accordance with the policy for the Review, Development and Approval of Policies.

Chair's Action

- 3.2 There may, occasionally, be circumstances where decisions which would normally be made by the Committee need to be taken between scheduled meetings, and it is not practicable to call a meeting of the Committee. This is most likely, but not exclusively, to arise with respect to approval of policies particularly given the current backlog.
- 3.3 In these circumstances, the Chair, and the Lead Executive, supported by the Board Secretary as appropriate, may deal with the matter on behalf of the Committee after first consulting with at least two other Members (Non-Executive Directors).
- 3.4 The Board Secretary must ensure that any such action is formally recorded and reported to the next meeting of the Committee for consideration and ratification.

Sub-Committees

- 3.40 The Committee may establish sub-committees or task and finish groups to carry out on its behalf specific aspects of Committee business. Formal sub-committees may only be established with the agreement of the Board.

4. MEMBERSHIP

Members

- 4.1 The membership of the Committee should include at least one member of the Trust's Audit Committee and will comprise:

Chair	Non-Executive Director
Members	Three further Non Executive Directors of the Board.

Prescribed Attendees

- 4.2 The membership will be supported routinely by the following core attendees:
- Executive Director of Finance and Corporate Resources (Joint Committee Lead)
 - Executive Director of Strategy, Planning and Performance (Joint Committee Lead)
 - Executive Director of Operations
 - Executive Director of Quality and Nursing
 - Director of People and Culture
 - Director of Digital
 - Trade Union Partners (x 2)
 - Board Secretary
 - Chairs of Sub-Committees (if any)
- 4.3 The Trust Board Chair and Chief Executive will have a permanent standing invite to attend the Committee.
- 4.4 The Committee Chair may extend invitations to attend committee meetings to other Directors and/or Senior Managers, and to officials from within or outside the organisation to attend all or part of the meeting to assist with its discussions on any particular matter.
- 4.5 Members may send deputies in their absence who will act with their full authority. To instigate a substitution arrangement, the member of the Committee must notify the Board Secretary before the day of the meeting that he/she is unable to attend and the name of the member who will attend as the substitute.

Member Appointments

- 4.6 The membership of the Committee shall be determined by the Board, based on the recommendation of the Trust Chair, taking account of the balance of skills and expertise necessary to deliver the committee's remit, and, subject to any specific requirements or directions made by the Welsh Government.
- 4.7 Non Executive Members shall be appointed to hold office for a period of one year at a time, (Membership being reviewed by the Chairman of the Board on an annual basis) up to a maximum of their term of office. During this time a member may resign or be removed by the Board.

- 4.8 Terms and conditions of appointment, (including any remuneration and reimbursement) in respect of co-opted independent external members are determined by the Board, based upon the recommendation of the Trust Chair and, where appropriate, on the basis of advice from the Trust's Remuneration Committee.

Secretariat and Support to Committee Members

- 4.9 The Board Secretary, on behalf of the Committee Chair, shall:
- (a) arrange the provision of advice and support to committee members on any aspect related to the conduct of their role; and
 - (b) ensure the provision of a programme of organisational development for committee members, as part of the Trust's overall board development programme developed by the Director of People and Culture.

5. COMMITTEE MEETINGS

Quorum

- 5.1 At least two of the four members of the Committee must be present to achieve a quorum. In the absence of the Committee Chair, one of those in attendance must be designated as Chair of the meeting.

Frequency of Meetings

- 5.2 Meetings shall be held bi-monthly or otherwise as the Chair of the Committee deems necessary, consistent with the Trust's annual plan of Board Business. Meeting agendas, papers and minutes shall be circulated no less than seven days prior to each meeting.

Withdrawal of individuals in attendance

- 5.3 The Committee may ask any member or individual who is normally in attendance but who is not a member to withdraw to facilitate open and frank discussion of any particular matter.

6. RELATIONSHIP & ACCOUNTABILITIES WITH THE BOARD AND ITS COMMITTEES/ GROUPS

- 6.1 The Committee is directly accountable to the Board for its performance in exercising the functions set out in these terms of reference.
- 6.2 The Committee, through its Chair and members, shall work closely with the Board's other committees and groups to provide advice and assurance to the Board through the:
- joint planning and co-ordination of Board and Committee business; and
 - sharing of appropriate information;
- in doing so, contributing to the integration of good governance across the organisation, ensuring that all sources of assurance are incorporated into the Board's overall assurance framework.
- 6.3 The Committee will consider the assurance provided through the work of the Board's other committees and sub-groups to meet its responsibilities for advising the Board on the adequacy of the Trust's overall framework of assurance.
- 6.4 The Committee shall embed the Trust's corporate standards, priorities, and requirements, e.g. equality and human rights through the conduct of its business.

7. REPORTING AND ASSURANCE ARRANGEMENTS

- 7.1 The Committee Chair shall:
- (a) report formally, regularly and on a timely basis to the Board and the Chief Executive (Accountable Officer) on the Committee's activities. This includes verbal updates on activity, the submission of Committee minutes and written reports where appropriate throughout the year;
 - (b) bring to the Board and the Chief Executive (Accountable Officer's) specific attention any significant matter under consideration by the Committee; and

- (c) ensure appropriate escalation arrangements are in place to alert the Trust Chair, Chief Executive (and Accountable Officer) or Chairs of other relevant committees of any urgent/critical matters that may affect the operation and/or reputation of the Trust.

7.2 The Board Secretary, on behalf of the Board, shall oversee a process of regular and rigorous self-assessment and evaluation of the Committee's performance and operation including that of any sub committees established.

8. APPLICABILITY OF STANDING ORDERS TO COMMITTEE BUSINESS

8.1 The requirements for the conduct of business as set out in the Trust's Standing Orders are equally applicable to the operation of the Committee, except in the following areas:

- Quorum (as set out in section 5)

9. REVIEW

9.1 These terms of reference and operating arrangements shall be reviewed at least annually but more frequently if required.