



## Schedule 3.4

### BOARD COMMITTEE ARRANGEMENTS

This Schedule forms part of, and shall have effect as if incorporated in the  
NHS Trust Standing Orders

## FINANCE AND PERFORMANCE COMMITTEE

### TERMS OF REFERENCE AND OPERATING ARRANGEMENTS



## FINANCE AND PERFORMANCE COMMITTEE

### TERMS OF REFERENCE AND OPERATING ARRANGEMENTS

#### 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.

#### 2. PURPOSE

2.1 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:

- overall financial position (both capital and revenue) of the Trust and its compliance with statutory financial duties;
- ability of the Trust to deliver on its core objectives as set out in the Integrated Medium Term Plan (IMTP);
- monitoring of the IMTP and ensuring achievement of key milestones;
- robustness of any cost improvement measures and delivery of key strategies and plans;
- ensure delivery of the Trust's strategic aims in relation to value and efficiency, including an increased focus on benchmarking; and
- scrutinise business cases for capital and other investment

#### 3. DELEGATED POWERS AND AUTHORITY

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

##### Finance

- 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;
- 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, including the efficiency review implementation and required savings targets;

- monitor achievement and planning of both in-year and recurring cost improvement plans and efficiencies. The Committee shall review the proposals for future efficiency schemes and make recommendations to the Board as appropriate;
- ensure delivery of core aims in relation to delivering value and development of value based health care in an out of hospital setting
- 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;
- receive, review and ensure mitigation of financial risks of delivery of plans;
- monitor progress against a range of key developments and capital schemes, either in development through the business case process or in implementation, and
- review performance against the relevant Welsh Government financial requirements

## **Performance**

- review performance against targets and standards set by Commissioners and/or Welsh Government for the Trust and, where appropriate, against national ambulance standards;
- monitor and review progress against the Trust's Integrated Medium Term Plan;
- review the effectiveness of the Trust's Performance Management Framework and receive assurance on the value of outcomes produced by the framework;
- monitor progress against Trust wide key performance indicators and ensure the development of robust intelligent targets;
- 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; and
- consider and review all Corporate Risks which relate to those business areas which come under the scope of the Committee.

## **Planning**

- oversee and contribute to the development of the Trust's Long Term Strategy and make recommendations to the Board;
- oversee and contribute to the development of the Trust's Integrated Medium Term Plan and make recommendations to the Board;
- review proposals for corporate objectives and delivery criteria and make recommendations to the Board as appropriate;
- develop and obtain assurance on the effectiveness of commissioning arrangements with the Local Health Boards via the Emergency Ambulance Services Committee;
- review the Trust's strategies and plans and make recommendations to the



Board as appropriate and ensure that the financial considerations complement the business plans (this includes formally receiving all business cases that require approval by the Welsh Government and making recommendations to the Board regarding their annual submission to Welsh Government); and

- review and consider matters relating to demand and capacity including proposals for reviews in this area and recommendations arising from such reviews.

### **Corporate Risks and Audit Recommendation Tracker**

3.2 The Audit Committee has overall responsibility for ensuring that corporate risks are identified and are being properly managed within the Trust. The Audit Committee also has responsibility for ensuring that there are processes in place to address and take forward audit recommendations. Nevertheless, each risk from the corporate risk register, and each recommendation from the audit tracker, will be allocated to an appropriate Board Committee who will be responsible for ensuring that the Trust is managing and progressing each item as planned. Regular reports will be provided to individual Committees on those items for which they have responsibility and overall Trust-wide progress reports will be presented to each Audit Committee.

### **Authority**

3.3 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.

3.4 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.

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

### **Sub-Committees**

3.6 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.

### **Attendees**

4.2 The core membership will be supported routinely by the attendance of the following:

- Director of Finance and Corporate Resources
- Director of Operations
- Director of Strategy, Planning and Performance
- Trade Union Partners (x 2)

4.3 The 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:



- arrange the provision of advice and support to committee members on any aspect related to the conduct of their role; and
- 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 Workforce & Organisational Development.

## **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 no less than quarterly 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 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:

- 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;
- bring to the Board and the Chief Executive (Accountable Officer's) specific attention any significant matter under consideration by the Committee; and
- 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.



GIG  
CYMRU  
NHS  
WALES | Ymddiriedolaeth GIG  
Gwasanaethau Ambwlans Cymru  
Welsh Ambulance Services  
NHS Trust