

The Royal Surrey County Hospital

TERMS OF REFERENCE FOR THE FINANCE COMMITTEE

1. Authority

- 1.1 The Committee is a standing committee of the Trust's Board (the Board). Its constitution and terms of reference shall be as set out below, subject to amendment at future Board meetings
- 1.2 The Committee is authorised by the Board to act and investigate any activity within its terms of reference. All members of staff are directed to co-operate with any request made by the Committee
- 1.3 The Committee is authorised by the Board to instruct professional advisers and request the attendance of individuals and authorities from outside the Trust with relevant experience and expertise if it considers this necessary or expedient to the exercise of its functions

2. Membership

3 x Non Executive Directors

Chief Executive

Director of Finance & Informatics

The Chair of the Audit committee may not be a member of the F & I committee

In the absence of the Director of Finance & Informatics, the Operational Director of Finance will deputise and, in doing so, be recognised as a member of the Committee – see Quorum

3. In Attendance

The Committee may invite other Trust staff to attend its meetings as required

4. Quorum

2 x Non Executive Directors and 2 x Executive Directors making 4 in total

In the absence of the Committee Chairman, the Trust Secretary will invite one of the non-executive directors to chair the meeting

5. Frequency & notice of Meetings

- 5.1 The Committee will meet monthly prior to the Trust Board
- 5.2 An agenda of items to be discussed will be forwarded to each member of the committee and any other person required to attend, no later than four working days before the date of the meeting. Supporting papers will be sent to Committee members and to other attendees as appropriate, at the same time.
- 5.3 In normal circumstances, a minimum notice period of two weeks must be given for any other meetings of the Committee. Emergency meetings can be arranged, at shorter notice, if this is approved and evidenced as such, by the majority of the members of the Committee.

6. Accountability/Reporting Arrangements

- 6.1 The Committee will have the following reporting responsibilities:
 - a) To ensure that the minutes of its meetings are formally recorded and submitted to the Board of Directors. These minutes shall be accompanied by a summary prepared by the Chair of the meeting outlining the key issues discussed at the meeting and those issues that need to be brought to the attention of the Board of Directors.

- b) To produce those assurance and performance management reports listed in the Committee's annual work programme which has been agreed with, and are required by, the Board of Directors.
- c) Any items of specific concern, or which require the Board of Directors' approval, will be subjected to a separate report.
- d) To provide exception reports to the Board of Director highlighting key developments/achievements or potential issues.
- e) To produce an annual report for the Board of Directors setting out:
 - i. The role and the main responsibilities of the committee
 - ii. Membership of the committee
 - iii. Number of the main activities during the year
 - iv. A completed annual self-assessment (the formal to be approved by the Audit Committee) and the identification of any development needs for the Committee.

7. Duties

- 7.1 To consider the Trust's medium & long term financial strategy, in relation to both revenue and capital
- 7.2 To review the annual financial plan (revenue & capital) submission to NHSI
- 7.3 To review the annual budget, before submission to the Trust Board of Directors
- 7.4 To consider the Trust's annual financial targets and performance against them including efficiency plans
- 7.5 To consider the Trust's financial performance, on a monthly basis (I & E, balance sheet & cash flow)
- 7.6 To review proposals for major business cases in relation to the capital spending plan and their respective funding sources in line with SFI's
- 7.7 To commission and receive the results of in-depth reviews of key financial issues affecting the Trust
- 7.8 To review annually the Trust's SFI's and make appropriate recommendations to the Board of Directors
- 7.9 To maintain an oversight of the Trust's investments, ensuring compliance with the Trust's policy and Monitor's requirements
- 7.10 To make arrangements as necessary to ensure that all Board of Directors members maintain an appropriate level of knowledge and understanding of key financial issues affecting the Trust
- 7.11 To examine any other matter referred to the Committee by the Board of Directors
- 7.12 Monitor the activities and performance of the Trust's subsidiaries

8. Review of effectiveness

- 8.1 The Terms of Reference of the Committee shall be reviewed annually by the Trust Board.
- 8.2 The Committee will review its performance against the Terms of reference and its effectiveness of an annual basis.