

Meeting of the Board of Directors - **Public**

Thursday 9 September 2021

Paper title:	Ratification of Terms of Reference for Finance Business and Investment Committee	Agenda Item 17.1
Presented by:	Maz Ahmed, Non-Executive Director (Chair of the Committee)	
Prepared by:	Claire Risdon, Deputy Director of Finance	

Purpose of the report		
<p>Good governance stipulates that there will be an annual review of the terms of reference that support group and committees. In line with this, the terms of reference for the Finance Business and Investment Committee we discussed and approved at their meeting on 29 July 2021.</p> <p>They are now presented to the Board of Directors for ratification</p>	For approval	X
	For discussion	
	For information	

Executive summary		
<p>The proposed amendments to the Committee terms of reference are:</p> <ul style="list-style-type: none"> • Inclusion of Committee oversight of Place and ICS financial plans, including in-year risks and associated mitigations; • Removal of Workforce Committee responsibilities that have no impact on the financial position for the Trust; • Removal of Ethics Committee; • Updated job titles; and • Minor updates to reflect current terminology of escalation reporting <p>These proposed amendments are highlighted in red below. Workforce items suggested to be removed are shown in yellow highlights.</p>		
Do the recommendations in this paper have any impact upon the requirements of the protected groups identified by the Equality Act?	<p style="text-align: center;">State below 'Yes' or 'No'</p> <p style="text-align: center;">No</p>	If yes please set out what action has been taken to address this in your paper

Recommendation

The Board of Directors is asked to:

- Ratify the Terms of Reference for the Finance, Business & Investment Committee.

Strategic vision				
Please mark those that apply with an X				
Providing excellent quality services and seamless access	Creating the best place to work	Supporting people to live to their fullest potential	Financial sustainability growth and innovation	Governance and well-led
			X	X

Care Quality Commission domains				
Please mark those that apply with an X				
Safe	Effective	Responsive	Caring	Well Led
				X

Relationship to the Board Assurance Framework (BAF)	<p>The work contained with this report links to the following strategic risk(s) as identified in the BAF:</p> <ul style="list-style-type: none"> • SO6: To make effective use of our resources to ensure that services are clinically, environmentally, and financially sustainable • SO5: To value partnership ensuring that we collaborate to deliver maximum impact on health inequalities
Links to the Supporting Organisational Risk Register (SORR)	<p>The work contained with this report links to the following corporate risk(s) as identified in the SORR:</p> <ul style="list-style-type: none"> • 1826 - If the Trust (and WY STP) does not present a convincing case for investment in Mental Health that demonstrates whole systems benefits and that is clearly referenced in the Bradford and Airedale MH Strategy (and WY STP). • 2383 - Risk that our financial sustainability will be impacted if we are not able to deliver/restore financial control and meet Financial Improvement Trajectory, especially if incident extends beyond 31.7.20 COVID-19 cost recovery period.

	<ul style="list-style-type: none"> • 1821 - If the Trust fails to accurately forecast and fully mitigate in-year pressures to deliver key business and finance milestones. • 2418 - Potential that 0-19 contract is under resourced due to financial settlement, which may impact on quality of services • 1825 - If current volatility in the care home sector and LA budget reductions continue to reduce care packages and support to individuals.
<p>Compliance and regulatory implications</p>	<p>The following compliance and regulatory implications have been identified as a result of the work outlined in this report:</p> <ul style="list-style-type: none"> • n/a •

Meeting of the Finance, Business and Investment Committee

Thursday 29 July 2021

Terms of Reference

1 Name of group / committee

Finance Business and Investment Committee (Committee).

2 Composition of the Committee

Members: full rights

Title	Role in the group / committee
Non-executive Director	Committee Chair
Non-executive Director	Additional non-executive member
Non-executive Director	Additional non-executive member
Chief Executive	Accountable Officer for the Trust
Director of Finance, Contracting and Estates	Executive lead for financial resources within the Trust. Assurance and escalation provider to the Finance and Business and Investment Committee.
Chief Operating Officer	Executive lead with day-to-day responsibility for operational delivery of services. Assurance and escalation provider to the Finance and Business and Investment Committee.
Director of Human Resources and Organisational Development	Executive lead for workforce development. Assurance and escalation provider to the Finance and Business and Investment Committee. Attendance at meetings will be dependent on the agenda items being discussed.
Chief Information Officer	Executive lead for informatics.

The Deputy Director of Finance will attend all meetings. In addition to anyone listed above, the Chair of the Committee may also request individuals to attend on an ad-hoc basis to provide advice and support for specific items from its work plan when these are discussed in the meetings.

2.1 Governor Observers

The Committee welcomes and encourages governors to attend its meetings. The role of a governor at Board sub-committee meetings is to observe the work of the Committee. The governor observes Board sub-committee meetings in order to get a better understanding of the work of the Trust and to observe non-executive directors appropriately challenging the executive directors for the operational performance of

the Trust. At the meeting the governor observer(s) will be required to declare any interest they may have in respect of any of the items to be discussed.

3 Quoracy

Number: The minimum number of members for a meeting to be quorate is three, two of whom must be non-executive directors. Attendees do not count towards quoracy.

If the Chair is unable to attend the meeting, and if otherwise quorate, the meeting will be chaired by one of the other non-executive directors.

Deputies: Where appropriate members may nominate deputies to represent them at a meeting. Deputies do not count towards the calculation of whether the meeting is quorate except if the deputy is representing the member under formal “acting up” arrangements. A schedule of deputies, attached at appendix 1a, should be reviewed at least annually to ensure adequate cover exists.

Non-quorate meeting: Non-quorate meetings may go ahead unless the Chair decides not to proceed. Any decisions made by the non-quorate meeting must be **approved virtually by full rights members and formally** reviewed at the next quorate meeting.

4 Meetings of the committee

Frequency: Six weekly to deliver eight Committee meetings per year.

Urgent meeting: Any member of the Committee may request an urgent meeting.

Minutes: The Committee Secretariat will be provided by the Executive Support Team.

Alert, Advice, Assure Escalation Reporting: The Chair of the Committee will provide an update of key issues arising from the meeting to the next Board of Directors meeting.

5 Authority

Establishment: The Committee is a sub-committee of the Board of Directors and has been formally established by the Board.

Powers: Its powers, in addition to the powers vested in the executive members in their own right, are detailed in the Trust’s Scheme of Delegation.

Cessation: The Committee is a standing Board sub-committee in that its responsibilities and purpose are not time limited. However, the Committee has a responsibility to review its effectiveness annually.

6 Role of the committee

6.1 Purpose of the committee

The purpose of the Finance Business and Investment Committee is to support the Board's strategic direction and stewardship of the Trust's finances, investments and sustainability.

In particular, the Committee is to provide the Board with assurance concerning aspects of finance relating to the provision of care and services in support of getting the best clinical outcomes and experience for service users and carers. It will seek assurance that there is adequate organisational oversight of the financial, workforce, estates (including health and safety, and environmental), and informatics risks to the Trust's ability to achieve its strategic objectives.

6.2 Guiding principles for members (and attendees) when carrying out the duties of the Committee

In carrying out their duties members of the Committee and any attendees must ensure that they act in accordance with the values of the Trust, which are:

- we care
- we listen
- we deliver.

a. Duties of the Committee

The Committee's key objectives are to:

- monitor financial performance of the Trust against plan and provide assurance to the Board on the delivery of key financial targets;
- identify the key financial risks and drivers to achievement of financial targets, investigate significant variances and report any proposed remedial action to the Board as necessary;
- receive assurance on delivery of the Trust's workforce; estates (including health and safety, and environmental); and informatics strategies;
- provide an oversight of the development and implementation of financial systems across the Trust; and
- **provide an oversight of financial performance and key risks across the Bradford Place and wider ICS.**

The Committee will:

1) Finance

- scrutinise the Trust's in-year financial performance, delivery of Cost Improvement Plans and other key financial targets;
- review the annual budget, regulator targets, and regulator information requests prior to recommendation to the Board of Directors;
- review the development of the Trust's five-year financial plan, ensuring it is aligned with clinical, estates, workforce, informatics and other business strategies;
- **review the financial risks and mitigations of the ICP/ ICS;**
- review development and implementations of the business strategies that drive the financial planning and performance of the organisation;

- maintain an oversight of, and receive assurances on the robustness of the Trust's key income sources and contractual safeguards;
- review internal and external corporate benchmarking reports;
- consider and recommend to Board proposals for investment in commercial business cases; and
- review the process for determining capital expenditure projects and their monitoring, including post-implementation reviews.

2) Workforce issues affecting the Trust's financial strategy

- receive assurance on progress made against the Workforce Strategy;
- consider the control and mitigation of workforce related risks and provide assurance to the Board that such risks are effectively controlled and managed;
- receive reports on the delivery of other Trust strategies and initiatives that interlink with the workforce and organisational development workstream; and
- receive assurance on statutory workforce standards such as **diversity, equality, and agenda for change.**
- **receive assurance on progress made on talent management and workforce transformation to support delivery of the 'Best Place to Work' campaign.**

3) Procurement issues affecting the Trust's financial strategy

- receiving assurance that the Trust's plan is increasing efficiencies; and
- review operational reports to monitor compliance with effective procurement procedures and policies.

4) Estate issues (including environmental and health and safety) affecting the Trust's financial strategy

- receiving assurance on delivery of the Trust's estate's strategy;
- **receiving assurance on the Bradford place estate's strategy;**
- receiving assurance on statutory health and safety requirements; and
- reports on the Trust's proactive approach to health and safety management, and environmental issues.

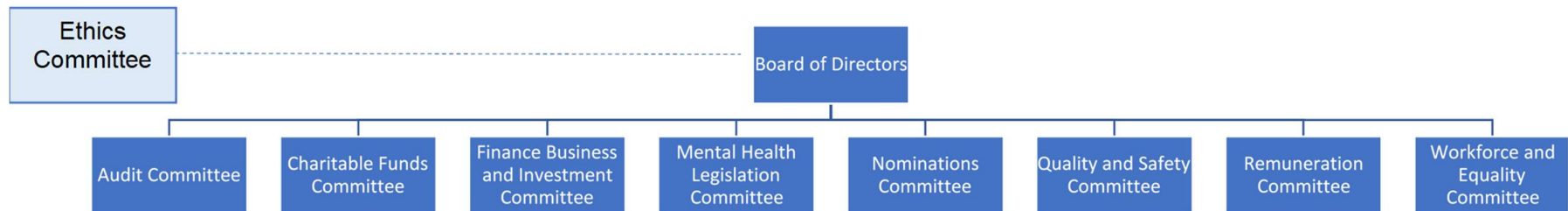
5) Informatic issues affecting the Trust's financial strategy

- receive progress updates on delivery of the Trust's digital strategy;
- receive assurance on the Trust's preparedness to support appropriate cyber security; and
- assurance against statutory data requirements and compliance with requirements set by the Information Commissioners Office.

6) System-wide partnership working

- As required, receive assurance on the governance arrangements that support system-wide partnership working.

7 Relationships with other groups and committees



The Committee does not have any sub-committees. It is linked to the Trust’s operational groups as an assurance receiver and provides a route of escalation to the Board of Directors.

Remove Ethics Committee from structure chart upon agreement of ToR revisions.

8 Duties of the Chair

The Chair of the Committee shall be responsible for:

- agreeing the agenda in partnership with the Director of Finance, Contracting and **Estates**;
- directing the meeting ensuring it operates in accordance with the Trust's values whilst ensuring all attendees have an opportunity to contribute to the discussion;
- giving direction to the secretariat and checking the draft minutes;
- ensuring the agenda is balanced and discussion is productive; and
- ensuring sufficient information is presented to the Board of Directors in respect of the work of the Committee.

9 Reviews of the terms of reference and effectiveness

The terms of reference shall be reviewed by the Committee at least annually and be presented to the Board of Directors for ratification.

It will be the responsibility of the Chair of the Committee to ensure that it carries out an assessment of effectiveness annually, and ensure the outcome is reported to the Board of Directors along with any remedial action to address weaknesses. The Chair will also be responsible for ensuring that the actions to address any areas of weakness are completed.

Schedule of deputies

It may not be necessary or appropriate for all members (or attendees) to have a deputy attend in their absence. If this is the case please state below “no deputy required”.

Full member (by job title)	Deputy (by job title)
Non-executive Director Chair	Another Non-executive Director
Non-executive Director	Another Non-executive Director
Non-executive Director	Another Non-executive Director
Chief Executive	Nominated Executive Director
Director of Finance Contracting and Estates	Deputy Director of Finance
Chief Operating Officer	General Manager
Director of Human Resources and Organisational Development	Deputy Director of Human Resources
Chief Information Officer	Head of Informatics

Attendee (by job title)	Deputy (by job title)
Deputy Director of Finance	Head of Finance