

Finance Committee

Terms of Reference

1. Constitution

The Finance Committee is a standing committee of the Trust Board. Its constitution and terms of reference are as set out below. Any amendment is subject to approval by the Trust Board.

2. Purpose

The Finance Committee shall make recommendations to the Trust Board about those matters detailed below in Section 8, and the effectiveness of related delivery.

3. Membership

The Committee will be chaired by a Non Executive Director, who may be the Chairman of the Trust. Membership will comprise one further Non Executive Director, the Chief Executive, the Director of Finance and the Director of Delivery. A quorum will be 3 members, at least one of whom is a Non Executive Director.

4. Attendance

The Director of Finance will be the Executive Director lead. All other Directors are entitled to attend and to receive papers of the Finance Committee.

The Director of Corporate Affairs will arrange for secretariat services to be provided to each the Committee meeting.

5. Frequency of meetings

The Finance Committee will meet three times a year, with additional meetings as deemed necessary.

A proposed working calendar is included at Appendix 1.

6. Reporting

The Minutes of each meeting will be recorded formally and submitted to the Trust Board.

7. Review

The Terms of Reference will be reviewed no less than annually by the Trust Board.

8. Duties

To consider the Trust's Medium Term Financial Plan.

To consider the Trust's Long Term Financial Model.

To review the strategic parameters for the annual budget.

To maintain an oversight of, and receive assurances from the Director of Finance and the Director for Partnerships on, the robustness of the Trust's key income sources and contractual safeguards.

To commission and receive the results of reviews of key strategic financial issues affecting the Trust.

To maintain a review of the Trust's investment strategy and policy.

To maintain an oversight of the Trust's investments, ensuring compliance with the Trust's policy and the requirements of Monitor.

To monitor the effectiveness of the Trust's financial performance reporting and, where appropriate, make recommendations to the Trust Board.

To examine any other matter referred to the Committee by the Trust Board

To reassure itself that all Trust Board members maintain an appropriate level of knowledge and understanding of key financial issues affecting the Trust.

Agreed by the Trust Board on the.....

To be reviewed by the.....(date no later than 1 year after the date of agreement by the Trust Board)

Appendix 1

Finance Committee Annual Meeting Cycle

Finance Committee Meeting	Main Agenda Items
January	Strategic annual budget parameters. Progress report on implementation of investment strategy, risks and opportunities.
April	Medium Term Financial Plan. Long Term Financial Model. Annual cash, investment and borrowing profile.
October	Half year financial performance and forecast outturn: I & E, Balance Sheet, Cash Flow, Capital Plan, Risk assessment.