

NHSBT Finance Committee

Terms of Reference

1 AUTHORITY

- 1.1 The Finance Committee (the Committee) is constituted as a standing committee of the NHSBT Board. The Committee is a non-executive committee and has no executive powers, other than those specifically delegated to it through these Terms of Reference. The Terms of Reference can only be amended with the approval of the NHSBT Board.
- 1.2 The Committee is authorised by the NHSBT Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any member of staff and all members of staff are directed to cooperate with any request made by the Committee.
- 1.3 The Committee is authorised by the NHSBT Board to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

2 PURPOSE OF THE COMMITTEE

- 2.1 The Committee is responsible for scrutinising NHSBT financial and planning reports, making recommendations to the NHSBT Board on financial performance, planning and pricing issues and supporting the Board with its financial and investment decisions.

3 MEMBERSHIP

- 3.1 The membership of the Committee shall be composed of the following core members:
 - 3 Non-Executive Directors (one of whom will be the Chair of the Committee)
 - 3 Executive Directors (one of whom will be the Finance Director)
- 3.2 All Board members outside the core membership have an open invitation to attend any meeting if they wish to do so.

4 ATTENDANCE AND QUORUM

- 4.1 The quorum for any meeting of the Committee shall be attendance of a minimum of four members of which two will be Non-Executive Directors.
- 4.2. It is expected that all members will attend at least 4 out of 5 committee meetings per financial year. An attendance record will be held for each meeting and an annual register of attendance will be included in the annual report of the committee to the Board.

4.3. If Executive Directors are unable to attend a meeting they should nominate a deputy subject to agreement with the Committee Chair. Deputies will be counted for the purpose of the quorum.

4.4. The Chair may request attendance by relevant staff at any meeting.

5 FREQUENCY OF MEETINGS

5.1 Meetings of the Committee shall be five times per year, in the month between Board (excluding August). Meetings may also be required at such other times as the Chairman of the Committee shall identify, subject to agreement with the Chair and the Chief Executive of NHSBT.

5.2. The Committee Chair may at any time convene additional meetings of the Committee to consider business that requires urgent attention.

5.3. Meetings of the Committee shall be set at the start of the calendar year.

6 SPECIFIC DUTIES OF THE COMMITTEE

6.1 The specific responsibilities of the Committee are to:

- Review the financial performance of NHBST and its constituent Divisions/Businesses.
- Provide overview and scrutiny in any other areas of financial performance referred to the Committee by the NHBST Board.
- Review the development of the budget and subsequent performance against the budget.
- Consider the impact of operational performance on financial outcomes and flag performance issues to the NHSBT Board as necessary.
- Review the Annual Report and Accounts and flag to the Board and GAC in case of any concerns or observations thereto.
- Review and scrutinise the Divisional five-year plans and flag to the Board any concerns with regard to funding gaps and/or pricing strategies.
- Review the in-year delivery of annual efficiency savings programmes (cost and benefits).
- Monitor the assumptions and initiatives / projects assumed with in the five-year plans, consider options and scenario analysis and flag the risks to pricing strategies to the Board.
- Review the performance indicators relevant to the remit of the Committee
- Identify annual objectives of the Committee, produce an annual work plan to any agreed NHSBT format, measure performance at the end of the year and produce an annual report.
- Consider any relevant risks as they relate to the remit of the Committee and report any areas of significant concern to the Governance and Audit Committee or the Board as appropriate.
- Undertake any other responsibilities as delegated by the NHSBT Board.

7 ADMINISTRATIVE SUPPORT

7.1 The Committee will be supported by the Finance Director as the nominated lead Executive Director. The Committee will be supported administratively by a member of the Finance Director's team whose duties in this respect will include:

- Agreement of the agenda with the Finance Director and the Committee Chair, collation and distribution of papers at least five working days

before each meeting.

- Taking the minutes and keeping a record of matters arising and issues to be carried forward.
- Providing support to the Chair and members as required.

8 ACCOUNTABILITY AND REPORTING ARRANGEMENTS

8.1. The Committee shall be directly accountable to the NHSBT Board.

8.2. The Committee shall refer to the Board any issues of concern it has with regard to any lack of assurance in respect of any financial or operational performance. The Chair of the Committee shall prepare a summary report or set of minutes for the Board detailing items discussed, actions agreed and issues to be referred to the Board. The Chair of the Committee is also required to inform the Board on any exceptions to the annual work plan or strategy. The Chair will report any specific issues on the risk register to the Governance and Audit Committee.

8.3. The minutes of the Committee meetings shall be formally recorded and submitted to the next meeting of the Board (Private session) following the production of the minutes.

8.4 For the avoidance of doubt:

- Approval of the budget, pricing proposals and five-year plans remains with the NHSBT Board;
- Approval of the NHSBT Annual Report and Accounts and Standing Orders (including the Standing Financial Instructions and the Scheme of Delegation) remains with the GAC;
- Approval of projects / financial commitments remains with the NHSBT Board (as described by the Scheme of Delegation);
- It is intended that the Committee will enable scrutiny by the Board to be more focussed rather than reduced

9 MONITORING, EFFECTIVENESS AND COMPLIANCE WITH TERMS OF REFERENCE

9.1. The Committee will carry out an annual review of its effectiveness and provide an annual report to the Board on its work in discharging its responsibilities, delivering its objectives and complying with its terms of reference. relevant regulatory frameworks.

10. REVIEW OF TERMS OF REFERENCE

10.1 The Terms of Reference of the committee shall be reviewed at least annually by the committee and approved by the NHSBT Board.

Approved by the NHSBT Board: May 2018

Finance and Performance Committee Membership 2018/19

Non-Executive Director (Chair)
Non-Executive Director
Non-Executive Director

Charles St John
Jeremy Monroe
Paresh Vyas

Finance Director
Medical & Research Director
People Director

Rob Bradburn
Gail Robinson
Katherine Robinson