

**Dorset County Hospital NHS Foundation Trust
Finance and Performance Committee-in-Common**

TERMS OF REFERENCE

1. Committees in Common	<ul style="list-style-type: none"> The Dorset County Hospital NHS Foundation Trust has put in place a governance structure, which will enable it to work together with the Dorset HealthCare University NHS Foundation Trust. Each Trust has agreed to establish a committee which shall work in common with the other (Committee in Common or CiC), but which will each take its decisions independently on behalf of its own Trust. Each Trust has decided to adopt terms of reference in substantially the same form, except that the membership of each CiC will be different. The CiC shall meet together with the associated committee from Dorset HealthCare University NHS Foundation Trust as the Dorset Trust Finance and Performance CiCs
2. Duties	<ul style="list-style-type: none"> The Committee-in-Common has been established by the Board of Dorset County NHS Foundation Trust as a committee with these terms of reference, to be known as the Dorset County Hospital Finance and Performance CiC. These terms of reference set out the membership, remit, responsibilities and reporting arrangements of the Dorset County Hospital Finance and Performance CiC. It is supported in its work by other committees established by the Board. The Dorset County Hospital Finance and Performance CiC is authorised to investigate any activity within these 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-in-Common. The Dorset County Hospital Finance and Performance CiC is authorised to obtain external legal or other independent professional advice if it considers this necessary, taking into consideration any issues of confidentiality and the Trust's standing financial instructions. The Dorset County Hospital Finance and Performance CiC is a committee of the Trust and therefore can only make decisions binding Dorset County Hospital NHS Foundation Trust. None of the Trusts other than Dorset County Hospital NHS Foundation Trust can be bound by a decision taken by Dorset County Hospital Finance and Performance CiC. The Dorset County Hospital CiC will form part of a governance structure to support collaborative leadership and relationships with system partners and follow good governance in decision making (as set out in the updated Code of Governance for NHS Provider Trusts). The Dorset County Hospital Finance and Performance CiC will have regard in their decision-making to the triple aim duty of better health and wellbeing for everyone, better quality of health services for all individuals and sustainable use of NHS resources.
Role and Purpose	<ul style="list-style-type: none"> Paragraph 15(2) and (3) of Schedule 7 of the National Health Service Act 2006 allows for any of the functions of a Foundation Trust to be delegated to a committee of directors of the Foundation Trust. This power is enshrined in Dorset County Hospital NHS Foundation Trust's Constitution.

	<ul style="list-style-type: none"> • The Dorset County Hospital Finance and Performance CiC will together with the other Committee in Common advise, support and assure the Board of Dorset HealthCare University NHS Foundation Trust and Dorset County NHS Foundation Trust on matters related to: <ul style="list-style-type: none"> ○ reviewing financial and operational performance. This will include operational performance against both internal and external (agreed local, regional, national, regulatory, commissioning and contractual) indicators and reviewing financial performance and delivery of the Trusts financial efficiency / cost improvement plans. ○ scrutinising and approving enabling strategies, business cases, expenditure, procurement and financial plans in line with the Standing Financial Instructions and Scheme of Delegation. ○ Oversight of compliance in respect of estates, health and safety (including fire and water) and Emergency Preparedness, Response and Resilience, Subsidiary Companies and Joint Ventures.
Responsibilities	<ol style="list-style-type: none"> 1. Operational Performance <ol style="list-style-type: none"> a) Review performance against key national, local and internal targets and indicators. b) Review exception reports and action plans for those targets and indicators where delivery is at risk. c) Review the contractual risk attached to non-achievement of national and local targets. d) Agree the composition of the performance scorecard on an annual basis 2. Financial Planning <ol style="list-style-type: none"> a) Review and recommend to the Board for approval the Trust's Financial Plan, considering alignment with the Trusts strategic ambitions, national requirements, and system plans. b) Review and recommend to the Board for approval the Trust's Budget Setting Policy. c) Consider ad hoc financial issues that arise (e.g. check Private Patient Cap, estate revaluation etc.) 3. Financial Performance <ol style="list-style-type: none"> a) Monitor the financial performance of the Trust, including: <ol style="list-style-type: none"> b) performance against plans; c) delivery of key financial duties; d) any variances against plans, risks to delivery and the adequacy and effectiveness of associated recovery and action plans; e) the development of key financial metrics; and f) the delivery of the Cost Improvement Plan g) Scrutinise arrangements for a working capital facility and other long terms loans if required, and investment of surplus cash. h) Consider such other matters and take such other decisions of a generally financial nature as the Board of Directors shall delegate to it. 4. Capital Planning and Performance <ol style="list-style-type: none"> a) Oversee the development and management of the rolling capital programme including scrutiny of the prioritisation process, forecasting and remedial action, and report to the Board of Directors accordingly. b) Review and recommend to the Board for approval the Capital Plan / Programme prior to submission to the Trust Board for approval. 5. Business Cases and Investments <ol style="list-style-type: none"> a) Review and approve business cases for investment and investment in accordance with the Trust's Standing Financial Instructions and Scheme of Delegation and Reservation of Powers to the Board, ensuring that outcomes and benefits are clearly defined and

	<p>measurable and support achievement of the Trust's objectives and make recommendations to the Board for approval as appropriate.</p> <ul style="list-style-type: none"> b) Periodically assess the benefits realisation of business cases and major projects through post-implementation reviews, ensuring that potential learning is shared for future investment and delivery. c) Approve the Treasury Policy in line with national guidance. d) Scrutinise arrangements for a working capital facility and other long terms loans if required, and investment of surplus cash. <p>6. Procurement</p> <ul style="list-style-type: none"> a) Approval of the Procurement Strategies and Plans. b) Ensure compliance with procurement legislation. c) Maintain oversight of contractual matters and approve contract awards in accordance with the Standing Orders and Standing Financial Instructions. <p>7. Other</p> <ul style="list-style-type: none"> a) Review arrangements in respect of estates, health and safety, fire and water and ensure compliance with regulatory and statutory requirements. b) Maintain oversight of the arrangements in place for Emergency Planning, Response and Resilience, including approval of annual submissions and monitoring of actions required to ensure compliance. c) Where the Trust is the lead provider as part of a provider collaborative receive assurance and provide oversight of matters related to finance and performance d) Where the trust establishes either a subsidiary company or a joint venture, the Finance and Performance Committee will be responsible for maintaining oversight of the activity and governance arrangements surround each respectively. The committee will ensure that the Trust's Standing Financial Instructions and Scheme of Delegation reflect the delegated authorities provided under each arrangement and seek assurances of compliance on behalf of the Board. The committee will require the following after a meeting of any subsidiary company or Joint Venture Board: <ul style="list-style-type: none"> • Summary of activities undertaken and decisions made • A report assuring statutory compliance with applicable regulations and submission of statutory returns • Timely escalation of identified risk and mitigating actions agreed. <p>8. Governance</p> <ul style="list-style-type: none"> a) Seek assurance on behalf of the Trust Board for the response to finance and performance risks which appear on the Board Assurance Framework and Corporate Risk Register b) Receive assurance on the timely review and approval of the policies relevant to the work of the Committee.
Accountability Arrangements	<ul style="list-style-type: none"> • The Dorset County Hospital Finance and Performance CiC is accountable to the Board of Dorset County Hospital NHS Foundation Trust. • The Committee Chair will provide an assurance report following each meeting to the Board of Directors of Dorset County Hospital NHS Foundation Trust. • Dorset County Hospital Finance and Performance CiC shall provide such other reports and communications briefings as requested by Dorset County Hospital NHS Foundation Trust's Board for inclusion on the agenda of Dorset County Hospital NHS Foundation Trust's Board meeting.

Membership / Attendance	<p><u>Non-Executive</u></p> <ul style="list-style-type: none"> • Three Non-Executive Directors (at least one and no more than two may be Joint NEDS across DCH and DHC) and one of whom will either be the Chair or the Vice Chair of the Committee <p><u>Executive</u></p> <ul style="list-style-type: none"> • Joint Chief Finance Officer • Joint Chief Strategy, Transformation and Partnerships Officer • Chief Medical Officer • Chief Operating Officer <p><u>In attendance</u></p> <ul style="list-style-type: none"> • Directors of Operations (or equivalent for each Directorate) • Director of Nursing • Nominated Governor(s) • Other staff of the Trust may be requested to attend for specific matters. • Where a member is unable to attend routinely an appropriate deputy who will attend on a regular basis should be nominated and notified to the Chair.
Chair	<p>When the Dorset County Finance and Performance CiC meets with the associated committee from Dorset HealthCare University NHS Foundation Trust as committees in common (Dorset Trust Finance and Performance CiCs), one Non-Executive Director will be nominated as the Chair and one Non-Executive Director will be the Vice Chair. In nominating to these roles care should be taken to ensure that both trusts are represented.</p>
Quorum	<p>Members of the Dorset County Hospital Finance and Performance CiC have a responsibility for the operation of the Dorset County Hospital Finance and Performance CiC. They will participate in discussion, review evidence and provide objective expert input as part of the Dorset Trust Finance and Performance CiCs to the best of their knowledge and ability, and endeavour to reach a collective view.</p> <p>Each Member of the Dorset County Hospital Finance and Performance CiC shall have one vote. The Dorset County Hospital Finance and Performance CiC shall reach decisions by consensus of the Members present.</p> <p>The quorum shall be three (3) Members. This must include at least two Non-Executive Directors from the Trust (which may include Joint NEDS acting for both Trusts) and an Executive Director.</p> <p>If any Member is disqualified from voting due to a conflict of interest, they shall not count towards the quorum for the purposes of that agenda item.</p>
Administrative Support	<p>Administrative support will be provided by the Executive Assistant to the Joint Chief Finance Officer or Chief Operating Officer. Agenda and papers will be circulated one week prior to the meeting.</p>
Frequency of Meeting	<ul style="list-style-type: none"> • The Dorset County Hospital Finance and Performance CiC shall meet with the associated committee from Dorset HealthCare University NHS Foundation Trust as the Dorset Trust Finance and Performance CiCs and discuss the matters delegated to them in accordance with their respective Terms of References. • Subject to the below, Dorset County Hospital Finance and Performance CiC meetings shall take place bi-monthly. • Any Trust CiC Member may request an extraordinary meeting of the Dorset Trust Finance and Performance CiCs (working in common) on the basis of urgency etc. by informing the Chair. In the event it is identified that an extraordinary meeting is required the Chair shall give five (5) Working Days' notice to the Trusts.

Conflict of Interest	<ul style="list-style-type: none"> Members of the Dorset County Hospital Finance and Performance CiC shall comply with the provisions on conflicts of interest contained in Dorset County Hospital NHS Foundation Trust Constitution/Standing Orders and NHS Conflicts of Interest guidance. For the avoidance of doubt, reference to conflicts of interest in Dorset County Hospital NHS Foundation Trust Constitution/Standing Orders also apply to conflicts which may arise in their position as a Member of the Dorset County Hospital Finance and Performance CiC. All Members of the Dorset County Hospital Finance and Performance CiC shall declare any new interest at the beginning of any Dorset County Hospital Finance and Performance CiC meeting and at any point during a Dorset Trust Finance and Performance CiCs meeting if relevant.
Date Approved	<ul style="list-style-type: none"> Approved by Finance and Performance Committee 29th May 2025 Ratified by Dorset County NHS Foundation Trust Board of Directors 10th June 2025
Date of Next Review	31 March 2026