

TERMS OF REFERENCE

PERFORMANCE COMMITTEE

Version	Status	Date	Issued / Amended	Summary of Changes	
V3	Approved	July 2023	Corporate Affairs	• No substantial changes	
V4	Approved	July 2023	Corporate Affairs	• Minor changes	
			Review Date	July 2023	

1. AUTHORITY

- 1.1. The Performance Committee (the Committee) is constituted as a standing committee of the Sheffield Children's NHS Foundation Trust's Board of Directors. Its constitution and terms of reference shall be as set out below, subject to amendment at future Board of Directors' meetings.
- 1.2. The Committee is authorised by the Board of Directors to consider 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 of Directors to instruct professional advisors 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 exercise its functions.
- 1.4. The Committee is authorised to obtain such internal information as is necessary and expedient to the fulfilment of its functions.

2. ROLE

- 2.1. The purpose of the Performance Committee is to provide the Board of Directors with in-year assurance concerning the development and delivery of the Trust's Annual Business Plan.
 - 2.1.1. To undertake high-level, exception based monitoring of the delivery of operational and financial performance to ensure that the Trust is operating in line with its annual business plan objectives and, where not, satisfy itself that appropriate action is being taken by Executive Directors;
 - 2.1.2. To ensure that the Trust has an appropriate Improvement Programme in place and provide Board level oversight of its delivery.
 - 2.1.3. To ensure that the Trust has an appropriate Digital strategy;
 - 2.1.4. To ensure that the Trust has an appropriate Estates strategy.
- 2.2. The Committee will also have oversight of the following:

- 2.2.1. Development of long-term strategy and financial plans that address all identified business risks and opportunities, including those deriving from partnership work and movement to a system-wide financial planning regime, and that support the provision of care and services and getting best value for money and use of resources. To recommend to the Board of Directors a long-term strategy relating to the use of financial, estates and Digital resources.
- 2.2.2. The Trust's investment process, and specifically considering all material and significant investments, as defined by the Trust in conjunction with the Council of Governors, to ensure that the Trust is not exposed to unacceptable risk with particular reference to financial return of any proposed investment and the financing strategy (including all alternative forms of funding the investment).
- 2.2.3. Assurance provided to the Board, through consultation with the Risk and Audit Committee, that where there are risks and issues that may jeopardise the Trust's performance in respect of delivery of its annual business plan that these are being managed in a controlled and timely way.

3. DUTIES

3.1 In particular, in respect of business plan delivery and future development

- 3.1.1 To oversee the Trust's business planning process and agree principles and approach for internal budget setting and the development of directorate business plans linked to the Trust's Corporate Objectives and recognising the changing landscape around system working.
- 3.1.2 To review the Trust's Annual Business Plan (Operational Plan), including medium and long term plans required by NHS England, to confirm that the financial plan supports the Trust's wider clinical strategy; to scrutinise assumptions underpinning the financial modelling and advise the Board of Directors accordingly.
- 3.1.3 To take an overview of the Trust's performance against financial and performance objectives (including delivery of improvement plans) ensuring that resources are being appropriately used to deliver effective and efficient services, and the Trust is achieving value for money, receiving advice regarding remedial action being taken as necessary by the Executive Team and ensure regular reports are provided to the Board of Directors.
- 3.1.4 To monitor key financial ratios against current and strategic plans, particularly those required to be achieved by NHS England, and agree any appropriate action.

- 3.1.5 To approve Trust Reference Costs and report any significant implications from variances against national averages or historical trends to the Board of Directors.
- 3.1.6 To routinely consider market share analysis reports and business development opportunities and assess any identified business risks.
- 3.1.7 To confirm that the Trust manages its asset base efficiently and effectively and to confirm capital projects of significant value, whether related to property or other assets, are properly identified, managed and controlled. This definition relates equally to both the acquisition of assets and to their disposal.
- 3.1.8 To approve the Procurement Transformation Plan.

3.2 In respect of operational performance

- 3.2.1 To scrutinise and obtain assurance around the Trust's Integrated Performance Report and other relevant performance information and ensure that the Trust is performing in line with national, local and regulatory expectations.
- 3.2.2 To consider measures to address operational challenges and, where necessary, recommend them to the Board.
- 3.2.3 To consider the implications on the Trust of national operational planning guidance and formulate recommendations to the Board.

3.3 In respect of the Digital Strategy

- 3.3.1 To review the Digital Strategy, its further development and implementation, its links to clinical service and financial strategies and ensure it supports the delivery of efficient and effective healthcare and meets all legislative duties and national targets.
- 3.3.2 To seek assurance on behalf of the Board of Directors that the Trust's IM&T Strategy Board is operating effectively and routinely monitoring the effective delivery of IM&T services. To receive exception reports and, with due explanation, ensure remedial actions are taken as necessary by the Executive Team and regular reports provided to the Board of Directors.
- 3.3.3 To seek assurance on behalf of the Board of Directors around Information Governance (IG) issues through routine reporting from the IG Committee. Approve on behalf of the Board as necessary, the submission of the Trust's Information Governance Toolkit scores and monitor the IG action plan.

- 3.3.4 To make recommendations to the Board of Directors on the level of current and future investment required to deliver IM&T requirements effectively.

3.4 In respect of Estates Strategy

- 3.4.1 To review the Trust's Estates Strategy, its formulation, development and implementation, its links to service and financial strategies and compliance with all legislative duties and national targets and thus ensure that the Trust's capital assets are properly and effectively utilised.
- 3.4.2 To seek assurance on behalf of the Board of Directors that the Estates Strategy is linked to the delivery of the Trust's financial and clinical service objectives; that there is an up to date asset register linked to service provision; there is effective space utilisation and a robust disposal policy for redundant estate.
- 3.4.3 To seek assurance on behalf of the Board of Directors that the Trust has appropriate strategies relating to the environment and sustainability and policies are effectively implemented and monitored.

3.5 In respect of Capital Investment:

- 3.5.1 To scrutinise business cases for all major capital investments (all material and significant investments) to provide assurance to the Board of Directors that in reaching its decision on the business case it has complied with the independent regulator's requirements and that it has considered any other factors which the Committee feels is relevant to the decision.
- 3.5.2 To approve to progression of Invitation to Tender (ITT) stage of strategically significant tenders or tenders requiring the commitment of resources above a limit set in the Trust's Scheme of Delegation.
- 3.5.3 To recommend to the Board of Directors, and, on approval, oversee and regularly review all Trust policies and procedures with respect to capital investment in line with current NHS guidance and relevant accounting standards to ensure the delivery of agreed financial objectives.
- 3.5.4 To agree principles and approach for substantial or material contracts and be a point of referral in negotiations if required.
- 3.5.5 To agree principles and approach for lease arrangements.

3.6 In respect of Cash Management

- 3.6.1 To have oversight of the Trust's cash position to ensure the Trust discharges its responsibilities in respect of payroll and non-pay costs.
- 3.6.2 To review the management of the Trust's cash position in respect of payments, receipts, loan arrangements and treasury management.

3.7 Other Duties:

- 3.7.1 To refer to the Risk and Audit Committee and/or the Executive Team any identified unresolved risks arising within the scope of these terms of reference that require Executive action or that pose significant threats to the operation, resources or reputation of the Trust.
- 3.7.2 To oversee Finance Policy Development within the Trust, reviewing and approving on behalf of the Trust Board policies and procedures that, under the Trust's Standing Orders, require Board approval and fall within the scope of the Committee's terms of reference, otherwise receive assurance from the appropriate management committee around the implementation of a robust process for the review and approval of relevant policies; and
- 3.7.3 To oversee the Trust's insurance arrangements.
- 3.7.4 In respect of the Trust's role as Lead Provider for the CAMHS Provider Collaborative for South Yorkshire and Bassetlaw, to receive regular contract monitoring reports and act as a point of escalation for the LP/Collaborative's governance structure.
- 3.7.5 Once established the Committee may be required to take on additional duties as directed by the Board of Directors.

4. MEMBERSHIP

- 4.1. The membership of the Performance Committee shall consist of:
 - At least three Non-executive Directors, one whom should be appointed Chair of the Committee.
 - Up to three executive directors including the Chief Finance Officer.
- 4.2. The Trust Chair may attend any or all meetings but is not designated as a member of the Committee.

- 4.3. A quorum shall be any three of the Executive and Non-executive Directors, including at least one Non-executive and one Executive Director.
- 4.4. Wherever possible, there should be at least one common Non-executive member with the Risk and Audit, Quality and People and Engagement Committees. This member should act as a conduit of information and assurance across the two committees in support of the Trust's integrated governance approach to the management of performance, financial and people resources.

5. ATTENDANCE

- 5.1. Meetings of the Performance Committee may be attended by:
- Associate Non-executive Director
 - Associate Director of Corporate Affairs (Foundation Trust Secretary)
 - Corporate Affairs Officer
 - A representative of the Council of Governors (observer)
 - Any other person who has been invited to attend a meeting by the Performance Committee so as to assist in deliberations.

6. FREQUENCY OF MEETINGS

- 6.1. The Committee is expected to hold a minimum of eight meetings in a financial year.

7. MINUTES AND ASSURANCE

- 7.1. The minutes of all meetings of the Performance Committee shall be formally recorded by the Associate Director of Corporate Affairs or their nominee.
- 7.2. The Committee will provide assurance to the full Board of Directors after each meeting. The Chair of the Committee will bring to the attention of the Board of Directors any items that the Committee feels that the Board should be aware of.
- 7.3. The Committee will consider matters referred to it for action by the other committees and provide assurance back in writing.

- 7.4. The Committee will, on an exception-basis, provide assurance into the Risk and Audit Committee on any identified unresolved risks arising within the scope of these terms as set out within 3.7.1.

8. REPORTING/PROVIDING ASSURANCE

- 8.1 A number of sub-committees shall provide assurance and performance management reports which have been agreed with, and are required by, this Committee; and any report or briefing requested by this Committee. In doing so they shall provide assurance to the Performance Committee on at least an annual basis. The list of such committees will be held by the Corporate Affairs Office.

9. REVIEW

- 9.1. The Committee will undertake and evidence an annual review of its performance against its annual work and training plans, in order to evaluate the achievement of its duties in terms of Trust efficiency, value improvement and value for money.
- 9.2. The terms of reference of the Committee shall be reviewed annually by the Risk and Audit Committee and approved Board of Directors.

APPROVED BY THE BOARD OF DIRECTORS ON: 25 July 2023