



FINANCE AND OPERATIONS COMMITTEE
Terms of Reference

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Tier:	1
Relevant documentation to read in conjunction:	

Finance and Operations Committee Terms of Reference

1. Constitution

- 1.1. The Finance and Operations Committee (“F&OC”) has been convened under the authority of the Board of Directors (a Tier 1 Governance meeting of Torbay and South Devon NHS Foundation Trust (the “Trust”)); to whom F&OC shall remain accountable as a Board Sub-Committee.
- 1.2. The Board of Directors retain the authority to disband F&OC at any time in the best interests of the Trust.
- 1.3. This is a Tier 1 governance meeting in accordance with the Trust’s governance framework.
- 1.4. F&OC will adhere to, and be cognisant of the Trust values at all times.
- 1.5. These Terms of Reference shall be published on the Trust’s intranet and public website.

2. Powers

- 2.1. In accordance with the delegated authority outlined above, F&OC is authorised to seek any information it requires from any member of staff, who shall be under a positive obligation to co-operate with any request made by the Committee.
- 2.2. F&OC may request the attendance of individuals and authorities from outside the Trust with relevant experience and expertise if it considers this necessary in the best interests of the Trust.
- 2.3. F&OC derives its power from the Board of Directors and has no powers, other than those specifically delegated in these terms of reference.

3. Purpose

- 3.1. The purpose of F&OC is to provide assurance to the Board on:
 - 3.1.1. Financial performance, management and transformation;
 - 3.1.2. Operational performance, productivity and sustainability;
 - 3.1.3. The performance of the Trust in delivering the current financial and operational plan in year; and
 - 3.1.4. Recommend the draft annual (financial and operational) plan as well as any relevant strategies for implementation, for approval to the Trust Board of Directors.
- 3.2. F&OC will promote local level responsibility and accountability.

4. Duties and Responsibilities

- 4.1. The duties of the F&OC are to:
 - a) Receive thematic reports and provide an assurance report to the Board, in the prescribed form and using the assurance methodology prescribed by the Trust, as issued from time to time (including but not limited to the Board Assurance Framework), as relates to the Committees purpose, that:
 - a) Performance is being measured in a way that is appropriate and assess actual performance against those metrics; aligned to the Trust’s

escalation reporting contained within the balanced score card and Integrated Quality and Performance Report;

- b) Effective financial management, transformation and operational strategies, governance, and controls are in place;
- c) The operational plan is being delivered on trajectory, assessing any risk arising to delivery and reporting to the Board;
- d) Effective risk management is in place with regard to the application of the Trust's risk management framework;
- e) Maintain oversight of the development of the Trust's Digital Strategy; updates on its delivery; support digital innovation and oversee realisation of benefits associated with digital investments including the electronic patient record.
- f) There is alignment with the relevant overarching NHS strategies, operational, planning, oversight and Integrated Care System (ICS) plans/guidance;
- g) Ensure compliance with legal, regulatory, and national standards; and
- h) Receive necessary or desirable (statutory, regulatory or other) reports, aligned to the Committee's purpose, on behalf of the Board of Directors.

Oversee in year Delivery

- a) By exception - delivery of in-year financial performance against plan including risk and mitigation issues for exception reporting;
- b) By exception - delivery of activity against plan and trajectory of performance;
- c) Overview of the cost improvement programme in year and future years;
- d) Overview of performance against 104ww, 78ww and 62day cancer trajectories;
- e) Overview of delivery by Care Group (including productivity, innovation and improvement);
- f) Overview of delivery of and all related policies and procedures related to emergency preparedness;.
- g) Overview of management of the estate aligned to sustainability and the Trust's green plan;
- h) By exception - delivery of capital programme;
- i) Review of cash flow forecasting, exception reports related to cash;
- j) Group and approval of capital cash support requests to NHS England;
- k) recommendation to the Board for Devon ICS cash support requests; and
- l) By exception - review of ICS in year delivery and receipt of ICS updates on financial framework and governance

Oversee annual Planning Assurance

- m) Oversight of annual operational and financial plan;
- n) Review of achievement against national planning expectations;
- o) Alignment of workforce assumptions;
- p) Review of capital plan;
- q) Review of cash requirements and forecasting;
- r) Review of Devon ICS plan position and Trust contribution;
- s) Financial Strategy Assurance;
- t) Development of Financial Strategy;
- u) Review of Long-Term Financial model underpinning the strategy (including the allocation of financial resources – capital and revenue);
- v) Alignment to Trust strategy;
- w) Alignment to NHS long term plan and financial recovery

Board Assurance Framework & Risk Management: the Committee will:

- a) Assure the Board that effective risk management is in place with regard to the application of the Trust's risk management framework;and
- b) Review of assigned BAF objectives, risks and mitigations to manage risks within a target tolerable risk level

5. Membership and attendance

5.1. F&OC's membership shall reflect those individuals outlined in Appendix 1.

5.2. The Chair will be appointed by the Board.

5.3. Other Non-Executive Directors, staff of the Trust or professional advisers appointed by the Trust may be invited by the Chair to attend all or part of any meeting.

5.4. A Governor representative may be invited to attend as an observer.

6. Attendance

6.1. A register of attendance will be maintained and the Chair of F&OC will follow up any issues related to the unexplained non-attendance of members. Should continuing non-attendance of a member jeopardise the functioning of F&OC, the Chair will discuss the matter with the member and, if necessary, select a substitute or replacement.

7. Administration

7.1. F&OC shall be supported by a nominated Secretary whose duties in this respect will include:

- a) In consultation with the Chair, develop and maintain an annual reporting schedule to F&OC;
- b) Collation of papers and drafting of the agenda for agreement by the Chair of F&OC;

- c) Taking the notes of the meeting and keeping a record of matters arising and issues to be carried forward;
- d) Advising on scheduled agenda items;
- e) Agreeing and circulating the action schedule following each meeting;
- f) Maintaining a record of attendance.

8. Meetings

8.1. Meetings will be held on the following basis:

- a) Meetings will be monthly.
- b) In the absence of the Chair, a Non-Executive Director shall be nominated to act as Chair;
- c) Items for the agenda must be sent to the meeting administrator a minimum of 7 days prior to the meeting: urgent items may be raised under another business;
- d) The agenda will be sent out 5 days prior to the meeting date, together with the action schedule and other associated papers;
- e) An action schedule will be circulated to members following each meeting and must be duly completed and returned to the meeting administrator for circulation with the following meeting's agenda and associated papers.
- f) Notwithstanding the above, a meeting may be duly convened at short notice by the Secretary at the request of the Chair to meet Trust requirements; in such event provisions 8.1c – d may be disapplied.

9. Reporting

9.1. F&OC will provide a report in the form of a prescribed template to the Board of Directors to demonstrate that the work undertaken fulfills the purpose for which F&OC was constituted.

9.2. F&OC will receive reports as per the meeting work plan.

10. Quorum

10.1. The quorum necessary for the transaction of business shall be 3; with a minimum of two Non-Executive and one Executive members present.

10.2. A duly convened meeting at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by F&OC

10.3. Deputies will not count towards the quorum.

11. Review

11.1. The Terms of Reference shall be reviewed on an annual basis and ratified by the Board of Directors.

12. Monitoring Effectiveness

12.1. In order that F&OC can be assured that it is operating effectively in discharging its responsibilities as set out in these terms of reference and, if necessary, to recommend any changes to the Terms of Reference, the Chair will ensure that

once a year a review of the following is undertaken and reported to the next meeting of F&OC.

12.1.1. The purpose and duties, as prescribed above, were fulfilled.

12.1.2. Appropriate level of attendance by members to ensure effective meetings was achieved.

Appendix 1
MEMBERS AND ATTENDEES

Membership
NON-EXECUTIVE DIRECTOR (CHAIR)
NON-EXECUTIVE DIRECTOR
NON-EXECUTIVE DIRECTOR
NON-EXECUTIVE DIRECTOR
CHIEF FINANCE OFFICER
CHIEF OPERATING OFFICER
CHIEF STRATEGY AND PLANNING OFFICER
Attendance
DIRECTOR OF CORPORATE GOVERNANCE & TRUST SECRETARY
DEPUTY CHIEF OPERATING OFFICER
DEPUTY CHIEF FINANCE OFFICER