

<b>Meeting title:</b>	Boards of Directors of Kettering General Hospital NHS Foundation Trust (KGH), Northampton General Hospital NHS Trust (NGH) (University Hospitals of Northamptonshire NHS Group - UHN) and the University Hospitals of Leicester NHS Trust (UHL) Meeting together (Public)
<b>Date of the meeting:</b>	9 April 2026
<b>Title:</b>	<b>Escalation Report from the Finance and Investment Committee (FIC): 25 March 2026</b>
<b>Report presented by:</b>	Andrew Inchley, FIC Non-Executive Director Chair
<b>Report written by:</b>	Andrew Inchley, FIC Non-Executive Director Chair

<b>Action – this paper is for:</b>	Decision/Approval	X	Assurance	x	Update	
<b>Where this report has been discussed previously</b>	Not applicable					
<b>To your knowledge, does the report provide assurance or mitigate any significant risks? If yes, please detail which</b>						
BAF Risk (03) Finance Short and Long Term BAF Risk (05 Estate 01)						
<b>Impact assessment</b>						
N/A						

### **Purpose of the Report**

To provide assurance to the Trust Board on the work of the Trust's Finance and Investment Committee (FIC).

### **Summary**

Finance and Investment Committee met on 25 March 2026 and was quorate. The attached escalation report identifies any issues which the Committee either needs to recommend, or wishes to highlight, to the Trust Board, and sets out the FIC's level of assurance.

This escalation report follows the new quadrant template, focusing on assurance levels and aiming to provide an 'at a glance' report from the Board Committees. The template covers: **key escalations; actions to take outside the Committee; positive assurances, and decisions taken.**

The Committee recommends approval of revised terms of reference which are appended.

The escalation report also sets out any items recommended for Trust Board approval, and any items referred to other Committees.

The report is not intended to be a narrative account of all issues discussed at the meeting.

Key escalations to notify the Board	Actions to take outside of the committee
None to report	None to report
Positive Assurance taken	Decisions taken
<p><b>BAF Risk (03 Finance – short term &amp; long term)</b></p> <ul style="list-style-type: none"> <li>• BAF risk for short term financials will reset to 2026/27 financial year from April FIC, score likely to remain high given level of CIP in plan.</li> <li>• M11 finances – (i) remain aligned with projected year end close outlook, (ii) expect to achieve planned capital spend for the year, (iii) continue to monitor and manage projected cash requirements – moderate assurance</li> <li>• RDO report – continue to monitor planned 2025/26 activities, but focus very much on planning for 2026/27, including detailed activities required to support CIP target – moderate assurance.</li> <li>• Investment dashboard – reviewed proposed enhancements to business case monitoring / tracking processes, to be piloted from April – moderate assurance</li> </ul> <p><b>BAF Risk (05 Estate 01)</b></p> <ul style="list-style-type: none"> <li>• Estates &amp; facilities quarterly report – detailed CAFM review remains on track for June 2026, will result in updates to action plan and priority investments required to reduce BAF risk score – moderate assurance on process, noting the need for investment to reduce substantive risk.</li> </ul>	None to report
<b>Items recommended for Board approval:</b>	
FIC Terms of Reference – updated to add Commercial Director to committee members, with quarterly report on commercial matters. Appended to this escalation report for approval.	
<b>Items referred to other committees:</b>	
None to report	

<b>SIGNIFICANT ASSURANCE</b>	Clear understanding of the issues with a robust, deliverable plan which will achieve the required outcomes. Only insignificant residual risk. There may be external evidence to corroborate this view
<b>MODERATE ASSURANCE</b>	Good understanding of the issues, a clear plan with timescales that are credible and deliverable but some action still required. The residual risk is more than insignificant
<b>LIMITED ASSURANCE</b>	Recognised material weaknesses which may be incomplete understanding of the issues or an action plan which is not comprehensive, credible or deliverable. A significant amount of residual risk remains
<b>NO ASSURANCE</b>	A fundamental failure to understand the issues. An action plan is inadequate with fundamental gaps, weaknesses or breakdown in compliance. A significant of residual risk remains and immediate action is required

## Finance and Investment Committee Terms of Reference

### 1. Constitution

The University Hospitals of Leicester NHS Trust hereby resolves to establish a Committee of the Trust Board (hereafter referred to as “the Board”) to be known as the Finance and Investment Committee (hereafter referred to as “the Committee”).

The Committee shall have terms of reference conferring delegated authority from the Board and will be subject to conditions such as reporting its activities of the Board, as the Board shall decide and act in accordance with any legislation, regulation or direction issued by regulators or statutory bodies.

Aligned with the scheme of delegation, the Finance and Investment committee have delegated authority to approve revenue and capital expenditure between £2,000,000 and £4,999,999.

### 2. Purpose

The purpose of the Committee is to seek and receive assurance on the stewardship of the Trust’s finances and investments; including planning, financial performance, capital expenditure, and the delivery of the financial plan and annual capital programme. The Committee is also responsible for holding to account the delivery of the Estates and Facilities Strategy.

### 3. Membership

The Committee shall comprise:

#### Core Members

- 3 x Non-Executive Directors (not including the Trust Chair) one of whom will chair the Committee
- Chief Financial Officer
- Group Chief Digital Information Officer
- Director of Estates and Facilities
- Deputy Chief Executive
- Chief Operating Officer
- Medical Director
- Chief People Officer

#### Additional Attendance

- Colleagues will be asked to attend to present and discuss relevant topics as is appropriate

A standing invitation to attend the Committee will be extended to the following:

- Chief Executive
- Trust Chair
- Other Non-Executive Directors
- Representatives of Internal and External Audit
- Director of Corporate and Legal Affairs
- Deputy Director of Finance (Financial Services)
- Deputy Director of Finance (Financial Management)
- Deputy Director of Finance (Strategic Finance and Planning)
- Head of Procurement
- Head of Risk and Assurance
- Commercial Director

The secretary and administrative support to the Committee shall be provided through the Corporate and Committee Services Team.

A deputy shall be nominated to attend a meeting of the Committee when the absence of one of the members (detailed above) would prevent an item of business being addressed. The deputy attending shall count towards meeting quorum, but not to the attendance record of the Committee member him / herself.

All members shall attend a minimum of 75% of meetings of the Committee on a rolling 12 month basis.

#### **4. Quorum**

Quorum shall be 4 members to include 2 Non-Executive Directors (one of which will chair if the chair is unable to attend), and 2 Executive Directors of whom 1 must be the Chief Financial Officer or their representative.

#### **5. Meetings**

The Committee shall meet monthly. Additional ad hoc meetings may be convened as and when required.

The chair of the committee shall consider items for approval and discussion to be taken within the open and closed sessions of the committee. The closed session is for core members of the committees and additional attendance will be by invitation of the chair only.

#### **6. Duties**

##### **Financial planning and performance**

- 6.1 The Committee will review and monitor the following, receiving assurance on the progress against each plan and where it is off plan understand the controls and mitigations in place to manage any risk:
  - 6.1.1 Trust's annual financial plan
  - 6.1.2 Trust's medium term financial plan and underlying financial position
  - 6.1.3 The Capital annual and longer term plan
  - 6.1.4 Cost Improvement Programme
  - 6.1.5 Performance against the KPIs of the Trust's subsidiary
- 6.2 Receive and scrutinise the Trust financial forecasting
- 6.3 The Committee will review and support all business cases valued over £2m, ensuring the outcomes and benefits are clearly defined, before recommending any case over £5m to the Trust Board for approval
- 6.4 Receive updates on ICS wide finances, risks and opportunities
- 6.5 Receive a quarterly update on shared workforce and finance reporting – the same report will also be submitted to the People and Culture Committee to enhance visibility and enable an appropriate deep dive by both groups
- 6.6 Receive reports providing oversight on overall operational annual planning
- 6.7 Receive quarterly reports on commercial matters

### **Financial Recovery and Improvement**

- 6.8 Receive updates on the progress to delivering financial sustainability
- 6.9 The Committee will receive assurance there are improvements to continue to strengthen the culture within financial services across the organisation via 6-monthly reporting against agreed KPIs

### **Contracting and Procurement**

- 6.10 Receive monthly updates and assurance report from the Procurement Contracts Committee, including recommended contracts awards requiring Trust Board sign off

### **IT Contract Performance**

- 6.11 The Committee will monitor the performance of the IM&T managed business partner Contract (oversight of strategic IM&T issues being through the Our Future Hospitals and Transformation Committee).

### **Estates and Facilities**

- 6.12 The Committee will monitor progress against the delivery of the Trust's Estates and Facilities strategy.

### **Core responsibilities and sub group reporting**

- 6.13 To review and support the Trust's core strategies associated within the Committee's remit
- 6.14 To monitor, review and assess the level of assurance received on the finance risks and infrastructure related risks, controls and governance processes identified in the Board Assurance Framework delegated to the committee by the Board, providing reports to the Board of Directors and/or Audit Committee when requested

- 6.15 To review the reporting subcommittee structure to ensure both efficiency and effectiveness of reporting, including any addition of new sub groups or working groups as required
- 6.16 To escalate issues of concern requiring Board attention
- 6.17 To develop and maintain an annual work programme to reflect and enable assurance in relation to the above duties
- 6.18 Annually review the Committee terms of reference to ensure they remain fit for purpose and align with annual work programme
- 6.19 The Committee will produce an annual report incorporating its effectiveness to adhere to the duties placed upon it

## **7 Reporting and Governance Procedures**

The Committee shall produce minutes of its meetings which will be formally ratified at the following meeting. A written summary of each meeting shall be submitted to the next scheduled meeting of the Board. The summary will focus on items of escalations, items which have been approved and specific items connected to strategic risks (including risks on the Board Assurance Framework) and strategic direction. The Chair of the Committee will present this report.

An annual report will be produced setting out the Committee's compliance with its terms of reference, performance of its duties and strategic priorities for the next 12 months. This will be informed by an annual self-assessment conducted by the Committee, ensuring its work and responsibilities are reflective of the changing environment within which the committee functions. The Board will receive and approve the annual report.

## **8 Review**

The Committee will continually review the effectiveness, and where appropriate, revise the Committee membership and terms of reference at least annually. Ratification will be by the Board.

## **9 Ratification:**

**Most recently updated and reviewed by:** Finance and Investment Committee

**Date:** 25 March 2026

**Ratified by:** UHL Board

**Date:** April 2026