

Meeting / Committee:	Board of Directors	Meeting Date:	26 June, 2012
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This paper is for:	Action/Decision X	Assurance	Information
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Title:	Investment Committee Terms of Reference
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Purpose:	The Board of Directors is asked to ratify revised terms of reference for the Investment Committee.
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Summary:	<p>The Investment Committee on June 13, 2012 considered the need to revise the terms of reference to reflect the need of the trust to clarify and expand the committee's role to oversee the trust's trading and commercial investment activities.</p> <p>The NHS Act permits the trust to establish companies, invest, participate in joint ventures and undertake other commercial activities. In the future the trust is likely to consider and use other trading arrangements to deliver services and to maximise intellectual property and medical advancements. The revised terms of reference reflect the trust's increased powers and opportunities.</p>
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Prepared By:	Caroline Parnell	Presented By:	Deborah Jenkins Trust Chairman
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Recommendation:	The Board of Directors is asked to ratify the revised terms of reference for the Investment Committee
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Implications	Legal X	Financial	Clinical	Strategic X	Risk & Assurance
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1. Name of Committee / Group	Investment Committee
2. Purpose	To conduct independent and objective review and oversight of the trust's trading, commercial investment and financial activities and policies, and financial and commercial strategy issues.
3. Connectivity – reports to and rationale	Board of Directors
4. Connectivity – receives reports from	Individual Corporate Directors and Directors/senior managers of trading companies and/or partnerships and/or investment vehicles.
5. Chair	Trust Chairman
6. Vice Chair	Deputy Chairman
7. Management Lead	Director of Finance
8. Membership NB – The Group may invite other individuals, as appropriate, for discussion on relevant matters	Trust Chairman Deputy Chairman Three non-executive directors Chief Executive Director of Finance Director of Planning Medical Director
9. Quorum	Three non-executive directors and two executive directors.
10. Frequency of meetings	Bi-monthly
11. Secretary servicing committee / group	Company Secretary
12. Review date for Terms of Reference and Membership	June 2013

13. Aims, Objectives and Duties

The Committee's core responsibilities are to:

Investment Policy, Management and Reporting

- a) Oversee and keep under review, on behalf of the Board of Directors, the trust's trading, commercial and investment activities and financial strategy and policies.
- b) Advise upon and monitor the trust's investments, ensuring compliance with the trust's policies and Monitor's requirements.
- c) Review completed business cases to identify whether they have delivered on their original aims and what lessons could be learnt for future investment decisions.
- d) Scrutinise the three year annual plan in advance of the Board of Directors and submission to Monitor.
- e) Receive from trading organisations, for example but not limited to wholly owned subsidiaries, joint ventures and partnerships, and where appropriate approve a statement of the latest projected out turn for the current financial year, the budget for the forthcoming year, and a note on the annual financial statements and, as appropriate, other financial reports together with operational reports, business cases, strategic plans, compliance reports and risk registers, and all other relevant reports for such organisations and investments.

Financial Policy, Management and Reporting

- a) Consider and influence the development of the trust's and any trading entities' medium to long term financial strategy, in relation to both revenue and capital
- b) Review proposals for major business cases and their respective funding sources.
- c) Consider the trust's and any trading entities' tax strategy.
- d) Review commercial opportunities.

Other

- a) Examine other matters referred to the Committee by the Board of Directors.
- b) Review performance indicators relevant to the remit of the Committee.

14. Delegated Authority and Decision Making Powers

The Committee is authorised by the Board to investigate any activity within its terms of reference.

15. Work programme

To be agreed at the first meeting of the Committee and then annually thereafter.

Signed

Dated