



FINANCE AND RESOURCES COMMITTEE

Terms of Reference

The Finance and Resources Committee (the "**Committee**") is a Committee of the Board established under the terms of clause 4 of the Articles of Government.

OBJECTIVE

The scope of the Committee's work includes working to continuously improve the effectiveness of the Board's approach to financial monitoring and oversight.

The Finance and Resources Committee has overall responsibility, on behalf of the Board, for the conduct of the Group's financial affairs and for any other matters delegated by the Board.

The Committee's advice and decisions shall be directed to the protection and enhancement of the Group's assets, the best use of its income to meet the objects of the Group and to ensure the solvency of the College.

1. MEMBERSHIP

The Committee shall consist of a minimum of four members appointed by the Board.

The Finance and Resources Committee must include individuals with an appropriate mix of skills and experience to allow the Committee to discharge its duties effectively. Collectively, members of the Committee should have recent, relevant financial, human resources and estates knowledge and experience and practice in a senior position. The abilities of the membership of the Finance and Resources Committee should reflect the needs of the Board and should extend to expertise in all relevant financial and non-financial areas.

2. TERMS OF OFFICE

Terms of office of the members shall be contiguous with their membership of the Board. Membership of Committees is reviewed by the Search, Governance and Remuneration Committee and members may be asked to move to another Committee should this serve the Board more appropriately.

3. APPOINTMENT OF COMMITTEE CHAIR

The Board shall appoint the Committee Chair. In the absence of the Chair, the remaining members present shall elect one of themselves to chair the meeting.

The Chair shall serve for a term of one year and can be eligible for reappointment within the overall conditions of their membership of the Board.

Co-opted members shall not be appointed Chair, except in exceptional circumstances.

4. COMMITTEE PROCEDURES

QUORUM

Quorum will be 40% of the members to include co-opted members with at least three independent members present.

CLERKING

All meetings will be clerked by the Director of Governance. In their absence the Committee will appoint a Clerk.

FREQUENCY OF MEETINGS

The Committee shall meet at least three times a year, at appropriate times during the meetings schedule.

ATTENDANCE AT MEETINGS

The Director of Governance will attend meetings of the Committee.

Other Board members shall have the right of attendance where approved by the Committee.

Senior managers shall attend and speak at a meeting of the Committee where business relevant to them is being discussed or where their attendance has been requested by the Committee.

The Committee may invite the Board's advisors or third parties to attend meetings of the Committee where business relevant to them is being discussed or where their attendance has been requested by the Committee.

Attendees do not have voting rights.

NOTICE OF MEETINGS

Meetings of the Committee shall be convened by the Director of Governance.

The agenda for each meeting shall be approved by the Chair.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, and any person required to attend, no later than seven days before the day of the meeting. Supporting papers shall be sent to Committee Members, and other attendees as appropriate.

MINUTES

The Director of Governance shall minute the proceedings of all meetings of the Committee, including recording the names of those present and in attendance.

Draft minutes of Committee meetings shall be circulated promptly to the Chair for review and then onto Committee members.

The draft minutes of the Committee meetings shall be presented to the next meeting of the Committee for approval and open minutes published on the governance pages of the Group website.

REPORTING PROCEDURES

The Chair of the Committee shall present a summary report of the Committee's agenda at the subsequent Board meeting and the minutes of the meetings will be available to the Board.

5. PURPOSE OF COMMITTEE

The Committee is given authority by the Board and reports to the Board. The Committee shall act in an advisory capacity, making recommendations to the Board in respect of areas within its remit, specifically those set out below.

1. Consider any matters relating to finance and assets/liabilities, including making recommendations to the Board on:
 - Budgets and Forecasts through financial information that enables the Group to manage the business
 - Capital expenditure requirements including, loans, financing and investments
 - Operating within the requirements of [Managing Public Money](#) and the [College Financial handbook](#) and the Group's Financial Regulations
 - Treasury management
 - Subcontracting
 - Pay framework and pay awards for all staff¹
 - The financial implications of major building projects, major repairs and renewal projects, acquisitions and disposals of land and buildings
 - Major variances of income and expenditure
 - Financial forecasts
 - Monitoring of the management accounts
 - Review of the cash flow and forecasts
 - The review of key financial performance indicators

2. Review the audited annual accounts financial statements for the Group and any subsidiary companies and recommend them for approval to the Board

3. To consider, monitor and advise the Board on all aspects of the Board's finances, financial policies, controls and strategy ensuring the efficient use of resources, the solvency of the institution and the safeguarding its assets

¹ Senior Post Holder pay awards are delegated for discussion by the Search, Governance and Remuneration Committee

4. To review any prospective increase to the net expenditure total or any major shift in resources required by changing circumstances. The Committee shall decide on any report required to the Board
5. Review procurement activity in line with budgetary planned savings
6. To review, periodically, the Group's Estates Strategy to ensure consistency with the Group's Strategic Plan and to advise the Board on its property holdings including acquisitions and disposals of sites and buildings
7. To consider and advise on capital investment proposals, evaluate financial appraisals on items referred to it and review and make recommendations to the Board regarding investment and borrowing programmes
8. To advise and make recommendations to the Board on the procurement, where needed, of external specialist services relating to the management of the Group's physical assets with due regard to the Financial Regulations
9. Health and Safety
 - To consider, monitor and advise the Board on all matters connected with Health and Safety
 - To receive, review and monitor the annual report on Health and Safety
10. Human Resources
 - To consider, monitor and advise the Board on all matters connected with Human Resources
 - To monitor the staff voice through reports and survey results
 - To receive, review and monitor the HR Strategy
 - To receive statutory reporting implications, including the Gender Pay Gap report
11. IT (including cyber security)
 - To consider, monitor and advise the Board on all matters connected with IT
 - To receive, review and monitor the IT Strategy
12. Environment and Sustainability
 - To consider, monitor and advise the Board on all matters connected with environment and sustainability

- To receive, review and monitor the Environment and Sustainability Strategy
13. To regularly review and monitor the Group’s performance in line with the KPI targets set in the Group’s strategic plans and national and provider benchmarks
 14. To have ownership and oversight of the risks relating to finance and resources and contribute to the Group’s Strategic Risk Register
 15. Annually to review and recommend for approval, the Financial Regulations, Tuition Fees and any other policies in line with the Board’s Policy Framework

6. AUTHORITY

The Committee is authorised by the Board to obtain outside legal or other independent professional advice at the expense of the Group, and to secure the attendance of outsiders with the relevant experience and expertise if it considers necessary.

7. REVIEW

The Committee shall conduct an annual self-assessment to assess its contribution and effectiveness in fulfilling its terms of reference.

The Committee shall review annually its terms of reference to ensure that it is operating at maximum effectiveness recommending any changes to the Board for approval.

Date	Version	Summary of changes	Changes made by
02/10/2024	Annual review	Updates in line with legislation. Changes made across all terms of reference to align the format and include all areas of the Committee’s remit	Finance and Resources Committee
09/10/2024	Approve		Board