

**Finance & Resources Committee - Terms of Reference**

*Serviced by: Governance Officer*

*Reports to: Board of Governors*

**1. Constitution**

- 1.1 The Board of Governors has established a committee known as the Finance & Resources Committee.

**2. Membership and Quorum**

- 2.1 Members, a minimum of 4, are nominated by the Governance & Nominations Committee, approved by the Board of Governors and include:
- No fewer than four members or Co-opted members (inclusive of the Chair of the Committee) provided that the majority of members are Governors.

In attendance:

- Finance Director
- University Secretary
- Governance Officer

- 2.2 The Committee's Chair shall be a member of the Board of Governors and be appointed by the Board of Governors on the recommendation of the Governance & Nominations Committee.
- 2.3 An Elected Governor may be a member of the Committee, or may attend meetings (without being a member) at the invitation of the Committee Chair (under Article 27.4 of the Articles of Association). Other senior staff attend, where appropriate, by invitation of the Committee Chair.
- 2.4 Pursuant to Article 27.8 the Board of Governors may appoint someone who is not a Governor to serve on the Committee, however the majority of Committee members must be Governors.

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- 2.5 Under OfS rules, CUC guidance and pursuant to Article 27.5, members of the Finance & Resources Committee may not be members of the Audit Committee and vice versa.
- 2.6 The Finance & Resources Committee must include one member with recent and relevant experience in finance, accounting or auditing.
- 2.7 A quorum exists when no fewer than three members are present. The majority must be Governors.

**3. Frequency of meetings**

- 3.1 The Finance & Resources Committee shall meet at least four times per year.

**4. Authority**

- 4.1 Subject to 4.2 below, the Board of Governors has delegated authority to the Finance & Resources Committee to determine on behalf of the Board, or where necessary advise the Board, on matters relating to finance, marketing and estates.
- 4.2 The Finance & Resources Committee is not empowered to approve annual estimates of income and expenditure or the annual financial accounts because these matters are the responsibility of the Board of Governors. The Committee shall, however, ensure that these matters are adequately monitored, that the information provided to the Board is accurate and complete, and advise the Board on these matters.
- 4.3 In addition, the Finance & Resources Committee will:
- approve budget revisions and cash flow management;
  - review the draft statutory accounts for recommendation to the Board of Governors;
  - approve debts to be written off in line with the Financial Regulations;
  - approve all proposals for individual items of expenditure where the net implication exceeds £250,000, other than those items approved as part of the annual revenue and capital budgets;

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- receive the Estates, Marketing and Finance Strategies, monitoring progress through receipt of regular reports;
- monitor and approve investments;
- regularly review the student recruitment position;
- call for reports on issues of interest;
- approve OfS TRAC (Transparent Approach to Costing) returns and annual capital returns.

**5. Duties**

- 5.1 The committee will advise the Board of Governors on all financial and resource matters;
- 5.2 Consider the draft budget before approval by the Board of Governors and review the actual budget against outturn through regular monitoring of forecasts of income, expenditure and cash flow;
- 5.3 Consider proposals that would have a significant impact on the University's forward planning or financial resources as set out in the current Financial Regulations;
- 5.4 Receive and review on a regular basis the latest reports on the University's investments and compare results to date with agreed investment objectives, performance indicators and comparative indices. The Committee will also review an annual report from the fund managers which compares overall activity to benchmarks and plan;
- 5.5 Examine and recommend to the Board of Governors proposals for increasing the University's borrowing or for the changing or restructuring of borrowings, supported by an appropriately documented business or investment plan;
- 5.6 Monitor the implementation of major estates and facilities projects, ensuring compliance with all relevant legal, value for money and good practice criteria;
- 5.7 Receive or obtain assurance that the Health and Safety issues are pro-actively managed in line with Health and Safety policy and relevant legislation through an annual report and periodic exception reports as appropriate;
- 5.8 Receive reports relevant to the institutional Annual Business Planning Process;

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- 5.9 Receive reports to monitor progress against designated KPIs from the Strategic Plan, including those related to the areas of responsibilities of the Committee;
- 5.10 Ensure risk management systems used in all risks falling within the responsibility of the Committee, in particular financial risks, as identified in the Strategic Risk Register;
- 5.11 Receive reports on any fraudulent and whistleblowing activities;
- 5.12 Receive and act on the behalf of the Board of Governors on financial and resource issues arising at, and delegated from, the Board of Governors meetings (and all such other matters as may be deemed important from time to time).

**6. Reporting procedures**

- 6.1 The minutes of the Committee will be circulated to the Board of Governors.