

Finance and Estates Committee Terms of Reference

Introduction

The Higher Education Code of Governance stipulates that the Governing Council is the principal financial and business authority of the University, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for the institution's assets, property and estate. Since the Code makes clear this is the responsibility of the Governing Council, the Finance and Estates Committee (the "Committee") seeks to assist the Governing Council with its decision-making processes.

In the context of the University, we use the term "governor" to also mean the responsibilities and accountabilities as directors and trustees of the company and charity respectively.

Membership

The Committee shall comprise at least three Independent Governors.

The Governing Council shall appoint the Committee Chair upon the recommendation of the Nominations Committee. In the absence of the Committee Chair and/or an appointed deputy at a Committee meeting, the remaining members present shall elect one of themselves to chair the meeting.

Independent Governors may serve for up to three years, and are eligible for re-appointment for up to two further three-year terms (maximum nine years). All appointments and re-appointments are subject to approval by Nominations Committee, with limits of service in accordance with normal Council time limits. The Committee may, if it considers it necessary or desirable, co-opt members with particular expertise provided they have been suitably approved by the Nominations Committee. Co-optees may serve for a maximum of five years consistent with the same time limits applied to Co-optees of Governing Council.

In attendance

The Vice-Chancellor, Finance Director, a member of the University Secretary's office, and others, including external consultants, by invitation, may attend for all or part of any meeting, as and when appropriate and necessary.

Secretary

Secretariat support will be provided by the Governance Office.

Quorum

The quorum necessary for the transaction of business shall be two Independent Governors.

Frequency of meetings

The Committee shall meet four times a year and otherwise as required. Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee Chair.

Reporting to

The Committee reports to the Governing Council. The Committee Chair shall report to the Council on its proceedings after each meeting on all matters within its duties and responsibilities.

Key purpose / overview of role of the Committee

The Committee is responsible for overseeing the development and implementation of the University's financial and estate strategies and to report thereon to the Governing Council, making clear recommendations where appropriate.

Duties

The Committee should carry out the duties below for the University and shall:

1. Monitor financial and estates KPIs together with the monthly financial performance of the University against budget, the OfS 5-Year Plan and applicable internal plans.
2. Monitor the management of cash and investments and review regularly the investment policy and performance.
3. Review any borrowing requirements and recommend financing arrangements to the Governing Council.
4. Review and monitor the programme of capital projects and expenditure.
5. Ensure an effective budget setting process to review and recommend capital, revenue budgets and 10-year forecasts.
6. Review and recommend the use of the University's reserves.
7. Advise the Governing Council on the appointment of financial and estates professional advisors (but not including internal and external auditors) and review their performance periodically.
8. Monitor the University's trading activities and recommend financial arrangements to the Governing Council.
9. Review the annual accounts of the University, to maintain oversight of its financial health.

10. Review both the financial and estates strategies and annual estates plan, taking into account the University's Strategic Plan.
11. Provide challenge and scrutiny to finance-related projects, including major funding bids, property disposals, major building projects, including plans and costings, making recommendations to Council as appropriate.
12. In accordance with the Code of Governance, ensure financial and estates recommendations to Council are sustainable.
13. Review and recommend strategies for the management of the pension funds and monitor and make recommendations on the performance of the funds and the impact on the University's financial position.
14. Monitor and consider data included in financial and estates regulatory returns.
15. Provide oversight of all significant estates matters including planning requirements, leases, condition, utilisation, health and safety and OfS reporting requirements.

Authority

The Committee is authorised by the Governing Council to engage and instruct, at the University's expense, external professional advisors on any matters within its terms of reference.

Approved by Finance and Estates Committee

Date 1 November 2023

Approved by Governing Council

Date 22 November 2023