

ANNEX G OF STANDING ORDERS: FINANCE COMMITTEE TERMS OF REFERENCE

1. Purpose

Responsibility for oversight of all aspects of the College's finances, financial policies, controls and strategy.

2. Responsibilities of the Committee

- a) To establish, recommend to the Board and monitor progress with relevant College Key Performance Indicators as they apply to the responsibilities of this committee.
- b) Within its area of responsibility to monitor the management and control of risk.

2.1. Finance

- a) To consider, monitor and advise the Board on all aspects of the finances, financial policies, controls and strategies of the College and any subsidiary companies.
- b) To consider and advise the Board on the annual estimates and budgets of revenue and capital income and expenditure and other budgets.
- c) To recommend to the Board annually the financial plan and one- year revenue, cash flow and capital budgets and to monitor and review College performance against them by receiving the previous month's Management Accounts at each meeting.
- d) To monitor performance against key contracts e.g Apprenticeships and Adult Education Budget
- e) To consider and review key drivers of financial performance including income (student recruitment) and expenditure (pay and non-pay).
- f) To review the annual financial statements prior to Audit Committee approval.
- g) To consider, review and report on the other key financial reports of the College, including financial recovery plans and the IFM.
- h) To consider and advise the Board about the solvency of the College and the safeguarding of its assets.
- i) To consider advice on taxation matters and, where appropriate, report this advice and its implications to the Board.
- j) To advise the Board generally on investments and borrowings and to seek advice from external sources when necessary.
- k) To monitor the financial aspects of the College's partnership activities.
- l) To receive and consider information about enrolments and income forecasts.

- m) To provide guidance to the Board on the financial implications of significant capital projects, developments or changes.
- n) To annually review and recommend the Financial Regulations for Board approval.
- o) To annually review and recommend the principles upon which the College sets Tuition Fees in line with agreed strategic aims and objectives.
- p) To annually review the Estates Strategy.

2.2. Resources

- a) To receive and consider information and reports about the planning and utilisation of resources (e.g. staff utilisation, room or space utilisation, utilisation of IT equipment, energy, procurement etc).

3. Membership

- The Committee membership will comprise a minimum of three independent governors plus the CEO.
- The Board has powers to appoint up to two co-opted members to meet its skill needs, these individuals may not hold the position of Chair.
- The COO will be in attendance at all meetings of the Committee.
- The Chair of the Board will be an ex officio member of the Committee.
- The Committee shall have the power to invite such other persons to attend meetings as may be desirable and necessary. This will normally include the relevant senior managers (they will not have voting rights).
- Members of the Finance Committee will not be eligible to serve on the Audit Committee.
- The membership of the Committee for each new College year will be confirmed at the last meeting of the Board of Governors in the preceding College year.
- The Committee may invite the Board's advisers or other third parties to attend meetings of the Committee as appropriate. Such people shall not have a vote but shall be entitled to speak at the meeting.

4. Quorum

- Two independent governors must be in attendance for the meeting to be quorate.

5. Frequency of Meetings

- The Finance Committee shall meet at least once per term.

6. Appointment of Chair

- The Chair of the Board will recommend a Chair and Vice-Chair of the Finance Committee to the Board for approval. These roles will be confirmed at the last meeting of the Board of Governors in the preceding College year.

7. Clerking of the Committee

- The Governance Manager shall act as Clerk to the Committee.

8. Reporting to the Board

- The key issues from the Finance Committee shall be reported to the subsequent meeting of the Board and minutes shall be made available.

Approval Date:	27 July 2020 Board Meeting
Review Date:	July 2021 Finance Committee Meeting Board Meeting