

FINANCE COMMITTEE 2018/2019**CONSTITUTION, MEMBERSHIP AND TERMS OF REFERENCE**

Agreed at Finance Committee held 18 September 2018, (Min 5 refers).

Terms last received at the Board of Governors on 10 October 2018, (Min 3.4.iii refers)

CONSTITUTION

The constitution is normally 8-10 members with the power to co-opt. The Chair and Deputy Chair are elected by the Committee from among the external Governor members annually (maximum five years in office).

Staff and student Governors are ineligible to be members of Finance Committee (in accord with the Articles of Government, article 5.2). Those present in attendance have the right to speak but not to vote.

MEMBERSHIP AS AT 1 AUGUST 2018**Governor Members (who are eligible to vote)**

Governors appointed by and from the Board of Governors

Bishop Christopher Foster
Jenny Crighton
Baldev Laly
Anne Lambert (Deputy Chair)
Mark Readman (Chair)
Ingmar Rinck
David Willan

Chair of the Board of Governors (*ex officio*)

Jane Hoskins

Vice-Chancellor (*ex officio*)

Professor Graham Galbraith

In attendance (who are not eligible to vote)

President of Students' Union (*ex-officio*)

Violet Karapaseva

Staff Governor nominated by Academic Council

Dr Jenny Walden (up to 31 July 2019)

Staff Representative

Giorgio Bondoni (up to 31 July 2021)

Director of Finance (*ex officio*)

Emma Woollard

Deputy Director (s) of Finance (*ex officio*)
(Jan 2018 onwards, either to attend as necessary)

Dr Liz Bartle /Mark Carter

TERMS OF REFERENCE

“The Board is responsible for ensuring the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, clear procedures for... managing conflicts of interest; for the effective and efficient use of resources, the solvency of the University and the Corporation and for safeguarding their assets; for approving annual estimates of income and expenditure and for approving annual actuals of income and expenditure” (Statement of Primary Responsibilities, para 6)

“The Board is to take such steps as are reasonably practicable to ensure that the Students’ Union... is accountable for its finances. (Education Act 1994)” (Statement of Primary Responsibilities, para 11)

Committee Purpose

The Committee is responsible for the following broad themes within the University, in the context of the Strategic Plan and the University’s Risk Register:

- 1 The monitoring of the use of the University’s resources against agreed plans.
- 2 The stewardship of University assets to ensure that their ownership is protected, their utility maintained, and the financial and operational benefits accruing from the assets is appropriate to their costs.
- 3 Ensuring that the financial resources are being properly applied to the University’s strategic objectives and that the strategic objectives are commensurate with the financial resources.

Committee Responsibilities

- 1 To keep under REVIEW the financial status of the University and the arrangements for the control and management of the University’s financial affairs, and to ADVISE the Board of Governors as necessary.
- 2 To REVIEW the annual accounts of the University.
- 3 To keep under REVIEW policies relating to tuition fees and residential fees. (Financial Regulations 15.1)
- 4 To PROPOSE to the Board the annual revenue budget of the University and its internal allocation; and to MONITOR performance against budget.
- 5 To PROPOSE to the Board an annual capital budget including capital building costs in accordance with the approved Estates Masterplan and Strategy with any agreed updates; and to ADVISE the Board on the affordability of the capital expenditure plan and monitor performance against budget.
- 6 To RECOMMEND to the Board the methods of funding for major capital projects.

- 7 To RECOMMEND to the Board the terms of disposal of properties as appropriate.
- 8 To ADVISE the Board on strategic financial planning.
- 9 To REVIEW and APPROVE the University's Financial Regulations and to make recommendations as appropriate.
- 10 To APPROVE a treasury management policy for the University and to MONITOR its implementation. (Financial Regulations 32.1)
- 11 To REVIEW borrowing policies, both long and short term, and to ENSURE that appropriate banking and insurance arrangements are in place.
- 12 To MONITOR the operation and effectiveness of quality assurance processes in respect of all financial matters.
- 13 The Committee will ASSURE itself that the risks that fall within its remit are being effectively managed and addressed.

Annex: Extract from Schedule of Delegated Responsibilities

SECTION THREE: PLANNING AND BUDGETTING

3.2 Approval of Budgets and Resources

	POWER	AUTHORITY	REGULATION/POLICY
3.2.1	Approval of the annual accounts	Board of Governors via recommendations from the Finance and Audit and Quality Committees	Para 13.2, Articles of Government
3.2.2	Approval of the University's annual budget	Board of Governors via recommendation from the Finance Committee	Para 3.1, Articles of Government Para 11.3, Financial Regulations
3.2.3	Approval of the Students' Union budget	Board of Governors in the course of the annual agreement of University budgets via recommendation from the Finance Committee	Para 36, Financial Regulations

SECTION FOUR: MANAGEMENT AND CONTROL OF FINANCIAL RESOURCES

4.1 Financial Regulations

	POWER	AUTHORITY	REGULATION/POLICY
4.1.1	Approval of the Financial Regulations and any changes	Finance Committee	Terms of Reference of the Finance Committee

4.2 Treasury Management

	POWER	AUTHORITY	REGULATION/POLICY
4.2.1	Approval of the Treasury Management Policy	Finance Committee	Para 32.1, Financial Regulations

4.3 Income (Credit Control and Debtors)

	POWER	AUTHORITY	REGULATION/POLICY
4.3.2	Approval of contract and funding arrangements for the receipt of funds by the University	Up to £1k: Head of Department Up to £10k: Deputy Director of Finance Up to £100k: Director of Finance Over £500km: Finance Committee	Para 2.2.5, Credit Control Policy (Policy and limits currently under review)
4.3.6	Authorisation to write off bad debts	Up to £5k: Financial Controller Up to £20k: Director of Finance Up to £50k: Vice Chancellor Over £50k: Finance Committee	Para 17.4 to 17.7, Financial Regulations (last reviewed 2013/14)

4.4 Execution of Contracts

	POWER	AUTHORITY	REGULATION/POLICY
4.4.1	Entering a contract for the provision of goods or services to a value greater than £1m (including VAT) in any one year	Finance Committee	Para 16.5, Financial Regulations

4.6 Banking

	POWER	AUTHORITY	REGULATION/POLICY
4.6.1	Appointment of the University's bankers	Board of Governors on recommendation of the Finance Committee	Para 14.1, Financial Regulations
4.6.2	Opening or closing University sterling bank accounts and advising the Finance Committee appropriately	Director of Finance and Vice Chancellor acting together if prior approval has not been given by Finance Committee. In such cases retrospective approval must be sought from Finance Committee Director of Finance and Financial Controller acting together if Finance Committee has approved the counter party	Para 14.2, Financial Regulations
4.6.3	Opening or closing of non-sterling bank accounts	Finance Committee	Para 11.7, Treasury Management Policy

4.9 Investments

	POWER	AUTHORITY	REGULATION/POLICY
4.9.1	Policies on investment	Finance Committee	Treasury Management Policy
4.9.2	Control and investment of endowment funds	Finance Committee	Para 33, Financial Regulations

4.11 Long-Term Borrowing

	POWER	AUTHORITY	REGULATION/POLICY
4.11.1	Long-term borrowing and changes to the terms of existing long-term borrowing	All borrowing limits are set and reviewed by the Finance Committee	Para 12.2, Treasury Management Policy

4.13 Related Companies

	POWER	AUTHORITY	REGULATION/POLICY
4.13.2	Establishment of spin-out companies	Board of Governors Finance Committee	Para 29, Financial Regulations. Section 6 – Spin-Out Company Formation – Knowledge Transfer Guidance Document

SECTION 5: FEES AND GRANTS

5.2 Setting Tuition Fees

	POWER	AUTHORITY	REGULATION/POLICY
5.2.1	Approval of tuition fees	Board of Governors on recommendation of the Finance Committee	Para 13.1, Articles of Government
5.2.2	Approval to vary tuition fees	Board of Governors on recommendation of the Finance Committee	Para 15.1, Financial Regulations

5.3 Setting Other Student Fees

	POWER	AUTHORITY	REGULATION/POLICY
5.3.1	Approval of student residential fees	Board of Governors on recommendation from Finance Committee	Para 13.1, Articles of Government

SECTION 7: STUDENTS

7.1 Students' Union

	POWER	AUTHORITY	REGULATION/POLICY
7.1.3	Receiving the Students' Union accounts each year	Finance Committee	Para 12.1, Articles of Government

SECTION 8: CAPITAL PROJECTS, ESTATES AND PROPERTY

8.1 Approval of Capital Projects

	POWER	AUTHORITY	REGULATION/POLICY
8.8.1	Approval of capital projects	Between £1m and £3m: University Executive Board Over £3m: Board of Governors, on advice from the Estate and IT Committee and Finance Committee	Terms of Reference, Estates and IT Committee Para 22.6, Financial Regulations

	POWER	AUTHORITY	REGULATION/POLICY
8.8.2	Exceeding a capital project budget on completion of the tendering process	Up to £50k: Finance Department 50k to £250k: University Executive Board Over £250k: Finance Committee	Para 22.9, Financial Regulations

8.2 Approval to Purchase Property

	POWER	AUTHORITY	REGULATION/POLICY
8.2.1	Purchase of buildings or land	Board of Governors on recommendation of the Estates and IT and Finance Committee	Para 23.1, Financial Regulations
8.2.2	Disposal of buildings or land	Board of Governors on recommendation of the Estates and IT and Finance Committee	Para 23.2, Financial Regulations, Finance Committee Terms of Reference

8.3 Approval of Leases

	POWER	AUTHORITY	REGULATION/POLICY
8.3.1	Approval to lease land or buildings from another party	Finance Committee	Para 23.1, Financial Regulations
8.3.2	Approval to lease land or buildings to another party	Finance Committee	Para 23.1, Financial Regulations

SECTION 10: DATA RETURNS

		AUTHORITY	REGULATION/POLICY
10.1.2	Approval of financial forecasts for submission to Office for Students.	Board of Governors via recommendation from the Finance Committee	OFS Terms and conditions of funding for higher education institutions for period to 31 July 2019.