**FINANCE COMMITTEE**

**TERMS OF REFERENCE: Version 2020 1**

**RATIFIED BY THE CORPORATION BOARD ON: July 6th, 2020**

**NEXT REVIEW DUE: July 2021**

1. **CONSTITUTION**

1.1 The Corporation Board hereby resolves to establish a Committee of the Corporation Board to be known as the Finance Committee. The Finance Committee has no executive powers, other than those specifically delegated in these Terms of Reference.

1. **PURPOSE**
   1. The Finance Committee is responsible for all matters relating to the financial affairs of the School encompassing the areas of strategic financial planning, resource management, financial monitoring and policy related issues and to provide timely advice to Corporation Board on areas within its remit
   2. The Finance Committee is authorised by the Corporation Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Finance Committee. The Finance Committee is authorised by the Corporation Board to obtain outside legal or independent advice and to see the attendance of outsiders with relevant experience and expertise if it considers necessary.
2. **MEMBERSHIP**

3.1 Members of the Committee shall be appointed by the Corporation Board and shall include:

* Two Independent Members (with relevant up to date financial experience)
* The Principal;
* The Vice Principal Resources;

3.2 The Chair of the Corporation Board may be a member of the Finance Committee.

3.3 One of the Independent members will be appointed Chair of the Committee by the Board.

1. **ATTENDANCE**
   1. It is expected that each member attends a minimum of 75% of meetings and performance will be reported for each member in terms of attendance at the end of each financial year.
2. **QUORUM**

6.1 A quorum shall be 3 members including 2 Independent Members and the Principal or Vice Principal Resources.

1. **FREQUENCY OF MEETINGS**

7.1 The Committee will meet 6 times a year additional meetings may be arranged as required. Meetings will be expected to last no more than 1 hour routinely.

1. **CHANGES TO TERMS OF REFERENCE**

8.1 Changes to the terms of reference including changes to the Chair or membership of the Finance Committee are a matter reserved to the Corporation Board.

1. **ADMINISTRATIVE ARRANGEMENTS**
   1. The Chair of the Finance Committee will agree the agenda for each meeting with the Head of Governance and the Vice Principal Resources. The Committee shall be supported administratively by the Head of Governance Advisor whose duties in this respect will include:

* Agreement of agenda with Chair and attendees and collation of papers
* Taking the minutes
* Keeping a record of matters arising and issues to be carried forward
* Advising the committee on pertinent issues / areas
* Enabling the development and training of Committee members

9.2 All papers presented to the Finance Committee should be prefaced by a summary of key issues and clear recommendations setting out what is required of the Finance Committee.

1. **ANNUAL CYCLE OF BUSINESS**

10.1 The Finance Committee will develop an annual cycle of business for approval by the Corporation Board meeting at its first meeting of the financial year. The Finance Committee work plans informs the standing agenda items as described within the terms of reference, to ensure that all regulatory and legislative items are adequately reviewed and acted upon.

1. **REPORTING TO THE CORPORATION BOARD**
   1. The Chair of the Finance Committee will provide a verbal report at each Corporation Board outlining key actions taken with regard to the issues, key risks identified and key levels of assurance given.
2. **STATUS OF THE MEETING**

12.1 All Committees of the Corporation Board will meet in private. Matters discussed at the meeting should not be communicated outside the meeting without prior approval of the Chair of the Finance Committee.

1. **DUTIES**

To consider and **recommend** to the Corporation Board:

* Financial implications of the School’s strategic plan
* School finance strategy
* Draft financial statements of the School
* Annual budget and medium-term financial forecast
* School borrowing strategy
  + Financial implications and risks relating to the School’s corporate risk register
  + Budget, financial implications and expenditure on the Capital programme
  + Financial assessments in respect of any projects with very significant budgetary or strategic implications, as determined by the Corporation Board
* Quarterly forecasts (to discuss)
* The School's Scheme of Delegation

To **consider**:

* Resource allocation mechanisms

To **monitor**:

* In-year financial performance against budget of the School (on a quarterly basis)
* Updated forecast for the year (with reporting of significant variances)
* Medium and long-term financial outlook
* Financial performance against the capital programme
* Draft financial statements for the School pension scheme and other pension arrangements
* Financial performance of the Student's Union

To **receive**:

* Financial risk register
* School financial regulations

**Version Control:**

Version 2020 1

Adopted by Corporation Board on July 6th, 2020

Next review due July 2021

**Members**

The Group membership is as follows:

Patrick Smith – Chair

Tim Bailey - Independent Member

Sarah Fawcett - Independent Member

David Hughes - Independent Member

Martin Raby - Principal

Stuart Slorach – Vice Principal Resources