

## Finance Committee

### Terms of Reference

#### **Purpose**

To formulate guidelines for and oversee the discharge of the College's responsibilities for the proper management of the finances of the College.

#### **Responsibilities**

1. To oversee the College's application of, and to make decisions and/or recommendations in accordance with, any relevant financial regulations;
2. To review and recommend to the Corporation the adoption of financial policies at the required intervals;
3. To consider and review the periodic management accounts including cash flow and Key Performance Indicators;
4. To seek assurance that the necessary returns to the ESFA and other funding bodies are timely and accurate
5. To review the College's draft and audited Annual Report and Financial Statements and to make recommendations to the Corporation;
6. To consider the financial implications of any proposals made regarding changes to pay policies for staff;
7. To recommend the formal budget plan to the Corporation for approval;
8. To consider the solvency of the Corporation and the safeguarding of its assets (including the disposal of assets) and make recommendations to the Corporation where required;
9. To consider and advise the Corporation on any relevant taxation issues, seeking advice from external sources;
10. To advise the Corporation generally on investments and borrowings, seeking advice from external sources and to review and approve the Trust's Treasury Management Policy annually;
11. To undertake an annual review of the charges made by and delivered to related parties and assess whether they represent value for money;
12. To consider and oversee the arrangements of the sub-contracted provision of the College, approving the sum proposed to fund; subcontractors to engage with and/or the total subcontracted fund value for the academic year;

#### **Delegated Authorities**

#### **Policies/Reports to scrutinise and recommend to the Corporation:**

1. Financial Regulations
2. Annual budget and three-year forecast
3. Financial Statements

#### **Membership**

The Committee shall comprise up to seven members, to include *ex officio* the Chair of the Corporation and the CEO.

The Committee may invite the College's advisers or other third parties to attend meetings of the Committee as appropriate (such persons shall be entitled to speak at the meeting, but not to vote).

There shall be a standing invitation for members of the Senior Executive Team and Finance Teams to attend meetings of the Committee. Other members of staff may also attend on specific invitation from the Committee Chair.

**Finance Committee**



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The quorum for meetings of the Committee shall be four.

**Chair**

The Corporation will appoint a Governor (but not the CEO of the College) as the Committee Chair through its standard processes for a term of one year, renewable, at its meeting in July for the following academic year.

**Vice-Chair**

The Corporation will appoint a Governor (but not the CEO of the College) as the Committee Vice-Chair through its standard processes for a term of one year, renewable, at its meeting in July for the following academic year.

**Clerk**

The Clerk to the Corporation shall act as Clerk to the Committee

**Frequency of Meetings**

The Committee will meet not less than six times a year.

**Term of Office**

Appointments of members of the Committee will cease at the end of their term of office as a Governor; unless members opt to terminate their membership by issuing notice of resignation to the Clerk.

**Powers**

This Committee is advisory to the Corporation, apart from the specific powers delegated above and any additional powers as delegated by the Corporation, from time to time.