

# **Finance Committee**

## **1. Constitution**

- 1.1 The Governing Body has established a Committee of the Governing Body known as the Finance Committee.

## **2. Scope**

- 2.1 It is the role of the Finance Committee to oversee the University's financial strategic direction and the implementation of the Estates Strategy and ensure the University's financial sustainability.

## **3. Membership**

- 3.1 All members of the Finance Committee and its Chair shall be appointed by the Governing Body. There shall be no fewer than five members and not more than seven members, comprising:

- An Independent Governor who is not the Chair of the Governing Body (to act as Chair);
- The Vice-Chancellor;
- Between three and five other Governors.

No member of the Committee may also be a member of the Audit and Risk Committee. The Chair of the Governing Body shall not normally be a member of the Committee but has the right to attend meetings. A quorum shall be at least three members.

- 3.2 Members of the Committee shall normally be appointed to the Committee for a term of three years and are eligible for re-appointment. Membership shall cease on expiry of the member's term of office on the Governing Body.

## **4. Attendance at meetings**

- 4.1 The Chief Financial Officer, the Chief Operating Officer, the Deputy Vice-Chancellors, the Executive Director of Estates and Facilities and the University Secretary shall normally attend meetings but are not members of the Committee. Other staff may be invited to attend for specific items where their attendance can inform and support the Committee.

## **5. Frequency and format of meetings**

- 5.1 Meetings shall normally be held at least four times each financial year. Additional meetings may be called by the Chair of the Committee as required.
- 5.2 The Committee may meet in person, by virtual means or through a combination of in person and virtual attendance. The Committee may also decide matters by email circulation. In between meetings of the Committee, the Chair of the Committee is empowered to decide matters falling within the Committee's remit by chair's action; matters decided by chair's action shall be reported to the next meeting of the Committee.

## 6. Delegated authority

Under the Governing Body Delegation Framework, the Committee is authorised by the Governing Body to approve:

- 6.1 The University's Treasury Management Policy and Long Term Investment Policy;
- 6.2 The appointment of the University's bankers and investment managers;
- 6.3 Short-term working capital loans/overdrafts;
- 6.4 Charitable trusts or other charitable legal entities;
- 6.5 The formation and dissolution of subsidiary companies and their relationship with the University. Make decisions that fall to the University, e.g. nominating directors;
- 6.6 The Estates masterplan;
- 6.7 The granting of interests in land or property by way of licences, easements or wayleaves;
- 6.8 Within the limits specified in the Governing Body Delegation Framework, approve or recommend to the Governing Body:
  - 6.8.1 In year budget increases or virements;
  - 6.8.2 The University acting as trustee or manager for and in relation to endowments, legacies or gifts;
  - 6.8.3 The sale/purchase of shareholding in or a loan to or guarantee or grant in respect of a University subsidiary company or spin out company;
  - 6.8.4 Gifts from one source whether financial or in kind;
  - 6.8.5 The writing off of debts;
  - 6.8.6 The procurement or sale of goods or services;
  - 6.8.7 The disposal of assets other than land or buildings;
  - 6.8.8 Individual research or knowledge exchange contracts at the signing stage;
  - 6.8.9 Business cases and capital projects planned for in the capital budget;
  - 6.8.10 New business cases and capital projects not planned for in the capital budget;
  - 6.8.11 Capital cost overruns.

## 7. Other duties

The other duties of the Committee shall be to:

- 7.1 Oversee the University's financial strategic direction and implementation of the Estates Strategy and recommend any changes to the Governing Body;
- 7.2 Ensure the University's financial viability and sustainability in compliance with Condition D of the OfS Regulatory Framework;
- 7.3 Review and make recommendations to the Governing Body on:
  - 7.3.1 The requirements of funding bodies and regulators, including the approval of the Financial Return to the Office for Students (OfS);
  - 7.3.2 The annual budget of the University including the University's capital budget;
  - 7.3.3 Funding for Greenwich Students' Union (GSU) included in the University's annual budget;

- 7.3.4 The University's annual Report and Financial Statements;
  - 7.3.5 The University's five year financial plan supporting the OfS Financial Return;
  - 7.3.6 The acquisition or disposal of any land or property including leases;
  - 7.3.7 Capital finance/borrowing including decisions to mortgage or charge assets and any ancillary or incidental financial instruments;
  - 7.3.8 The long-term capital plan;
  - 7.3.9 Pension schemes and material changes to pension schemes;
  - 7.3.10 The giving of guarantees.
- 7.4 Monitor the University's financial performance against budgets and review the quarterly financial outlook, including assessment of risks and opportunities;
  - 7.5 Monitor the capital plan and the cash/liquidity impact;
  - 7.6 Monitor the University's banking covenants;
  - 7.7 Monitor the levels of non-regulatory tuition fees and accommodation fees payable by students;
  - 7.8 Monitor the financial aspects of the pension schemes available to University staff;
  - 7.9 Monitor the finances of GSU and review its audited annual report and accounts;
  - 7.10 Monitor the subsidiary companies of the University;
  - 7.11 Monitor investments held by the University and the returns thereon;
  - 7.12 Monitor the insurance arranged to cover the University's property and liabilities.

## **8. Reporting procedures**

- 8.1 The minutes of the Committee will be circulated to all members of the Governing Body.

## **9. Secretarial arrangements**

- 9.1 The secretary to the Committee will be the University Secretary or their nominee.

## **10. Review**

- 10.1 The Committee will review its terms of reference annually and as necessary and recommend any changes to the Governing Body, having liaised with the Nominations, Staffing and Governance Committee over any significant changes.
- 10.2 The Committee will review its own effectiveness annually and in greater depth at a minimum of every three years. Reviews may be performed as part of a wider governance effectiveness review.

Approved by Governing Body on 27 June 2023