



## **DN COLLEGES GROUP**

### **FINANCE AND RESOURCES COMMITTEE**

#### **TERMS OF REFERENCE**

##### **1. Background and Purpose**

- 1.1 The Finance and Resources Committee is formally established by the DN Colleges Group Board, in line with the requirements of its Instrument and Articles of Government;
- 1.2 Overall, the Finance and Resources Committee's role shall be to advise the Corporation with regard to its key statutory functions, in particular:
  - The effective and efficient use of resources, the solvency of the institution and the Corporation and safeguarding their assets; and
  - Approving annual estimates of income and expenditure.

##### **2. Membership and Terms of Appointment**

- 2.1 The membership of the Finance and Resources Committee shall be up to 6 members appointed by the Corporation;
- 2.2 Members shall normally serve for a period of two College years and, subject to consideration by the Search and Governance Committee, shall be eligible for re-appointment by the Corporation;
- 2.3 The Finance and Resources Committee should include individuals with an appropriate mix of skills and experience to allow it to discharge its duties effectively; collectively, Committee Members should have recent, relevant experience in financial management / accountancy, resources management (human resources, IT, estates / property), legal services, and risk management (gained in both the public and private sectors);
- 2.4 The Clerk to the Corporation (or a nominee) shall act as clerk for all meetings;
- 2.5 Members of the Senior Leadership team (SLT) shall attend meetings, as appropriate;
- 2.6 Other Members of the DN Colleges Group Board and appropriate staff may attend meetings by arrangement / agreement with the Clerk and the Chair of the Finance and Resources Committee but shall not have a vote or count towards the quorum.

##### **3. Election of Chair and Vice Chair**

- 3.1 The Chair of the Finance and Resources Committee shall be elected for a two-year term;
- 3.2 The Vice Chair of the Finance and Resources Committee shall be elected for a two-year term;
- 3.3 Only External Governor Members (non-Staff and non-Students) are eligible for appointment as Chair and Vice Chair.

3.4 The Chief Executive is not eligible for appointment as Chair or Vice-Chair.

#### **4. Frequency and Conduct of Meetings**

4.1 The Finance and Resources Committee shall meet at least once per term (scheduled annually in advance) to align with timely reporting to meetings of the DN Colleges Group Board;

4.2 Finance and Resources Committee meetings will be conducted in accordance with the Instrument and Articles of Government, Corporation Standing Orders, and these Terms of Reference;

#### **5. Quorum**

5.1 The quorum for meetings of the Finance and Resources Committee shall be 40% of committee membership, at least 3 of whom should be External Governors.

#### **6. Responsibilities of the Finance and Resources Committee**

6.1 To make recommendations to the Corporation on annual estimates of income and expenditure, major variations of expenditure and capital expenditure requirements including loans;

6.2 To review arrangements for ensuring solvency, safeguarding assets and securing value for money;

6.3 To approve material virement between budget heads and budget changes within delegated approval limits (as set out in the Group's Financial Regulations);

6.4 To approve expenditure within delegated approval limits (as set out in the Group's Financial Regulations);

6.5 To monitor capital expenditure within the approved programme;

6.6 To review

- The Financial Regulations;
- Finance policies, and
- Accounting policies

6.7 To review and make recommendations to the Corporation on Tuition fees and policies;

6.8 To review and advise the Corporation on investment and borrowing policies, including leasing and hire purchase;

6.9 To make recommendations to the Corporation for the appointment of bankers and other professional advisers;

6.10 To oversee insurance arrangements;

6.11 To monitor the financial health of the Group and to recommend the financial statements to the Board for approval (jointly with the Audit Committee);

6.12 To monitor the financial health of the Group's subsidiary companies and to report

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regularly to the Board on the financial performance of those companies;

- 6.13 To review and advise the Corporation on the Group's digital strategy;
- 6.14 To review and advise on the Group's property strategy;
- 6.15 To review and advise on the Group's sustainability strategy
- 6.16 To provide oversight and risk management of risks that are delegated to the committee by the Corporation Board.
- 6.17 To determine, implement and evaluate an annual work plan to achieve the responsibilities of the Committee;
- 6.18 To conduct an annual review of its performance against these terms of reference and the annual work plan;
- 6.19 To participate in related training and development activities in order to fulfil its remit effectively.

## **7. Powers**

- 7.1 The Finance and Resources Committee shall have the powers shown in the table at **Annex A**, as set out within the Scheme of Delegation.

## **8. Reporting to the DN Colleges Group Board**

- 8.1 Draft minutes of Finance and Resources Committee meetings (agreed by the Chair) shall be submitted for information to the subsequent meeting of the DN Colleges Group Board.
  - 8.2 Any items recommended by the Committee for approval, shall be the subject of a report to the Board.
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## SUMMARY OF THE COMMITTEE'S RESPONSIBILITIES

STRATEGY / POLICY / PROCEDURE	APPROVED BY THE COMMITTEE	REVIEW AND / OR RECOMMEND TO THE BOARD FOR APPROVAL
Make recommendations to the Corporation on annual estimates of income and expenditure, major variations of expenditure and capital expenditure requirements including loans		✓
Financial Regulations	✓	
Finance Policies	✓	
Accounting Policies	✓	
Tuition Fees and Policy		✓
Treasury Management Policy	✓	
Investment and borrowing policies, including leasing and hire purchase		✓
Reserves Policy	✓	
Appointment of bankers and other professional advisers		✓
Committee Terms of Reference and annual cycle of business		✓
Financial statements (joint with Audit & Risk Committee)		✓
Digital Strategy		✓
Property / Estates Strategy		✓
Sustainability Strategy		✓
Estates Capital Projects	✓	