

## **FARNBOROUGH COLLEGE OF TECHNOLOGY**

### **FINANCE AND GENERAL PURPOSES COMMITTEE TERMS OF REFERENCE**

#### **1. MEMBERSHIP**

- i. The committee shall comprise no more than **seven** members of the Corporation, including the Vice-Chair of the Corporation and the Principal but excluding members of the Audit Committee. The committee may invite the Corporation's advisers or other third parties to attend meetings of the committee as appropriate. Such persons shall be entitled to speak at meetings but not have a vote.
- ii. The Chair and Deputy Chair of the committee shall be selected by the committee.
- iii. Senior Management Team shall normally be invited to attend the committee's meetings. The committee may also invite other post holders to attend meetings as appropriate. Members of staff who are invited to attend meetings shall be entitled to speak but not have a vote.
- iv. The quorum for meetings of the committee shall be three members.
- v. The Clerk to the Corporation shall act as clerk to the committee.
- vi. The committee shall meet at least once in each term and, after each meeting, shall report to the next meeting of the Corporation Board.

#### **2. TERMS OF REFERENCE**

##### **FINANCE**

- ai. To consider and advise the Corporation on all aspects of the Corporation's finances, financial policies, controls and strategy.
- aii. To consider and advise the Corporation on the Corporation's annual financial statements.
- aiii. To consider and advise the Corporation on the Corporation's business strategy, including understanding the financial implications of strategic alternatives.
- aiv. To consider and make recommendations to the Corporation on the annual estimates and budgets of revenue and capital income and expenditure and other budgets.
- av. To consider, review and report on the periodic management accounts of the Corporation and of any subsidiary trading companies or other joint ventures.
- avi. To consider any proposed capital projects and to advise the Corporation on their financial implications.
- avii. Recognising that it remains the Corporation's responsibility to approve the annual estimates of income and expenditure, ensure the solvency of the Corporation, and safeguard its assets, to consider and make recommendations to the Corporation on such matters.

- aviii. To advise the Corporation generally on investments and borrowings and to seek appropriate advice from external sources.
- aix. To consider and make recommendations to the Corporation on any amendments to the Financial Regulations.
- ax. To discharge the specific powers, functions and responsibilities of the committee as set out in the Financial Regulations.
- axi. To consider and advise the Corporation on pay awards for the staff of the College with the exception of Senior Post Holders.
- axii To consider and review the treasury function of the Corporation. This review is to ensure the most effective use of cash resource (capital and revenue) consistent with effective risk management.
- axiii Corporation Board has delegated authority to the committee to:
  - approve the writing off of bad debts
  - approve a Treasury Management policy
  - approve the use of purchasing cards by staff
  - establish procedures to deal with any patents accruing to the College from inventions and discoveries.

### **GENERAL PURPOSES**

- bi. To consider and advise the Corporation on strategic matters relating to premises and estates.
- bii. To consider and advise the Corporation on all matters connected with the staffing of the college, including current and projected staffing needs and recruitment policy.
- biii. To receive and consider termly and annual health and safety reports, and to receive and consider the Health & Safety Policy for recommendation to the Board.
- biv. To consider and advise the Corporation as the Corporation may ask it to on such matters of general purpose which are not the remit of any other Committee of the Corporation.
- bv. To monitor the effective management of and compliance with all aspects of information governance.
- bvi. To review the Committee's Terms of Reference annually and recommend them to the Board.

### **STATEMENT OF FINANCIAL OVERSIGHT**

The F&GP Committee ensures that it fulfils its oversight of the financial sustainability of the College by:

- budgeting for surplus – recommending an annual surplus setting budget to the Corporation Board
- monitoring the highest rated financial risks from the College's risk register
- reviewing the long-term financial sustainability of the College by receiving financial health dashboard information from the ESFA and expenditure projections and learner number data to support the College's Sustainable Transformations Strategy growth targets
- scrutinising the monthly management accounts
- reviewing the financial forecast and accompanying management commentary

- reviewing the audited financial statements and report on the external audit process
- overseeing the performance and management of the College's Treasury Management policy
- monitoring the financial implications of the College's pension provision
- reviewing major and minor capital project expenditure
- reviewing the College's financial policies such as its Financial Regulations, Annual Fees Policy, Supply Chain Fees Policy and College Refunds and Withdrawals Policy.

Reviewed by Finance & General Purposes Committee - 23 November 2023  
Approved by Corporation Board – 7 December 2023