

## **Finance and Risk Committee Terms of Reference**

### **Purpose**

The Finance and Risk Committee has delegated responsibility on behalf of the Board of Trustees, for ensuring that the Union complies with relevant legislation and regulations; acts in accordance with the Union's mission, vision and values; that the Union remains solvent and in sound financial health; and for analysing and managing the Union's overall risk profile.

### **Remit**

1. To review and advise the full Board of any matter that threatens or carries a serious risk to the Union and of any actions necessary to mitigate such risk.
2. To review the risk profile of the Union, approve appropriate risk management policies and procedures, monitor the compilation and implementation of the risk register and resulting action plans.
3. To review the effectiveness of risk management activity in the Union on the basis of audit reports received and the annual report from Director Group.
4. To monitor the performance of existing audit systems and present reports to the full Board in respect of the results of any auditing exercises.
5. To review the terms of reference and scope of the external auditor, oversee the appointment including scrutiny of the audit budget and auditors' fee, and monitor the performance of the external auditor.
6. To approve the Union's annual Budget assumptions, guidelines and process, and to appoint at least one member of the Committee to attend each year the presentations and review of Budget Holders' budgets
7. To review actual capital expenditure compared to the Union's annual capital expenditure budget, and to receive regular reports from the Director of Finance on progress with any major (i.e. over £25,000) capital projects
8. To receive the Union's most recent management accounts and accompanying management report, discuss any variances to budget and agree any actions necessary to improve the Union's financial performance.
9. To offer an ultimate port of call for any urgent or highly sensitive concerns raised under the Union's Whistleblowing Policy in respect of the Union's integrity, financial or otherwise.
10. To make other decisions of a financial nature as delegated by the full Board.

### **Responsibility and Authority**

- The Committee shall endeavour to promote a culture of accountability and transparency throughout the Union's operations and among its staff and officers.
- To call any investigation considered necessary and to call any individual or document relevant to any such investigation in order to meet the objectives and remit detailed above.
- The Committee shall appoint one of its full members (who must be a trustee) as the Chair of the Finance and Risk Committee.
- The quorum shall be at least 3 trustees, one of whom must be the Chair of the Board or the Chair of the Finance and Risk Committee.
- Members of the Committee have the right to ask those 'in attendance' to leave, especially during presentations by, or discussions with, the external auditors

## **Membership**

- Chair of the Board (ex-officio)
- At least four other trustees (appointed by the Board of Trustees)
- One member appointed by the University Deputy Vice-Chancellor (Finance and Commercial Services)

## **In attendance**

- Chief Executive
- Director of Operations
- Director of Finance and Technology
- Governance Support Manager
- HR Manager (where relevant to the meeting)
- Management Accountant (where relevant to meeting)

## **Resources**

- Any financial resources necessary to achieve the Committee's objective
- Any management resources necessary to achieve the Committee's objective
- Appointment of other professional advisors as required to perform its role effectively
- Director of Finance to draft papers and reports for the Committee and to develop the agenda for Board meetings in conjunction with the Chair, Chief Executive and Clerk to the Board
- Executive Assistant & Governance Support Manager to take minutes and collate papers for Board meetings

## **Regularity of Meetings**

Three meetings per annum