



## Finance Committee Terms of Reference

### Constitution and Purpose

1. The Norland Board of Directors is responsible for the statutory oversight of Norland to ensure it meets the standards of both a company limited by shares and of a higher education institution which has access to public funds.
2. Reporting to the Board of Directors, the remit of the Finance Committee is to oversee the financial strategy and financial management of Norland to ensure that it meets the needs of students and enables the enhancement of the learning experience and the maintenance of academic standards.
3. The Finance Committee also receives reports from the Executive and the Senior Leadership Team regarding Norland's estates including maintenance and insurance and on matters relating to health and safety.

### Membership:

4. Members of the Committee (including the Chair of the Committee) are appointed by the Board of Directors. The membership will include:
  - The Chair of the Board
  - Directors (no fewer than 2)
  - The Principal

#### *In attendance:*

- Chief Financial Officer
- Head of HR, Resources and Compliance
- Senior Administrator

### Attendance:

5. The Finance Committee is to meet at least 3 times per year in advance of the termly meeting of the Board of Directors and at such other time or place as may be determined by the Chair of the Committee.
6. The Committee will be quorate when three members, including two Directors, are present. If fewer than three members are present, the business may still take place but any decision will require ratification by the Board of Directors.

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7. To consider and advise the Board of Directors on all aspects, including risk, of Norland finances, financial policies, controls and strategy as well as Gift Aid and Going Concern / Scenario Planning and review these periodically.
8. To give consideration and recommend to, the Board of Directors the annual budget for revenue income and expenditure and any associated capital expenditure.
9. Review and recommend approval of capital projects (including construction, acquisition, refurbishment and leasing of properties relating to those projects).
10. Review acquisition and disposal of property (land and including leasing and licensing)
11. To review the period management accounts of Norland and recommend to the Board of Directors any in-year budget adjustments.
12. To review and recommend for approval any returns to regulatory bodies such as OfS and HEFCW.
13. To monitor the cash flow position of Norland and ensure that action is taken to maintain this at an acceptable level.
14. To oversee overall College pay policy and pay banding.
15. To monitor and keep under review new projects in which Norland wishes to engage.
16. To review the annual financial statements of Norland and recommend them to the Board of Directors for approval.
17. To consider and make recommendations to the Board of Directors on the solvency of Norland and the safeguarding of its assets.
18. To periodically review the arrangements for insurance.
19. To periodically review and approve Norland investments, borrowing and treasury management policies.
20. To review and recommend for approval the annual write off of bad debts and to consider short term and long term debt financing.
21. To consider episodes of financial irregularity, including theft, fraud, collusion or corruption.
22. To consider and recommend to the Board of Directors the establishment of any subsidiary companies and keep under review the financial position of any such companies on at least an annual basis.
23. To determine Norland tuition fees and bursary policy, subject to an annual review, for consideration by the Board of Directors.
24. To keep under review the capital needs of Norland and ensure that appropriate financial provision is made for capital expenditure.

25. To monitor the planning, implementation and progress against plan of approved major capital expenditure projects in excess of £50,000.
26. To review Norland Financial Regulations and Procedures periodically and approve any amendments that become necessary from time to time.
27. To review external financial reports and make recommendation to the Board for their approval.
28. To review matters relating to Norland's estates and amenities including maintenance, insurance and disposal of company assets (land and buildings) and to make recommendations on these matters to the Board of Directors.
29. To review and recommend college banking arrangements e.g. changing bank accounts, setting up new accounts, etc.
30. Review and recommend approval of new staffing posts.
31. Support the enhancement of Norland's provision by supporting initiatives for improvement.

#### **Chair's Action**

32. The Chair is to have delegated authority to act between meetings, following appropriate consultation with members, to deal with matters of urgency or in exceptional circumstances. Details of any action taken shall be reported to the next meeting of the Board.

#### **Minutes of Meetings**

33. A summary of the minutes of Finance Committee meetings will be circulated to all Board members.

<b>Document Control Information</b>	
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