



MidKent College

GOVERNING BODY

FINANCE AND RESOURCES COMMITTEE

TERMS OF REFERENCE

Membership

- 1 The membership of the Committee shall comprise a maximum of seven members including:
 - The Chair of the Committee to be appointed by the Governing Body
 - The Principal and Chief Executive (ex-officio)
 - Up to five other members to be appointed by the Governing Body
 - FEC stated that Boards of Governors should include two financially qualified members, who are able to offer support and challenge to the Principal/CEO and FD
 - Co-opted Governors as required.
- 2 A term of office shall be for a period of four years in line with the term on the Board.
- 3 With the exception of the Principal and Chief Executive, members will normally serve on the Committee for no more than two terms. An extension can be approved by the Governing Body if deemed appropriate.
- 4 The Committee may invite other persons to attend meetings in order to provide advice and evidence to the Committee on matters relating to the College's finances, estates and environment, HR and facilities, Student numbers & funding and Information and Communications Technology (ICT). Such persons shall not have a vote but shall be entitled to speak at the meeting.
- 5 The Committee will require the attendance of the Exec members necessary for the Committee to conduct its programme of business.
- 6 Other Governing Body members shall have a right of attendance.
- 7 The Committee shall be entitled, whenever it is satisfied that it is appropriate to do so, to go into confidential session and, subject to quoracy, exclude any or all participants and observers, except the Clerk to the Committee.

- 8 The Committee may, with permission of the Governing Body, obtain outside legal or other independent professional advice if it considers this to be necessary.
- 9 The quorum for the meetings of the Committee shall be 40% or at least three members, excluding the Principal and Chief Executive.
- 10 Meetings shall be held at least three times a year.
- 11 The Clerk to the Governing Body shall act as clerk to the Committee.
- 12 The standing orders of the Governing Body Committees apply to members of and to meetings of the Finance and General Purposes Committee.

Terms of Reference

To advise the Governing Body, as appropriate, in all aspects of its finances, financial policies and controls.

Specifically, the Committee will:

Strategy

- 1 oversee and monitor the progress of the College's Strategic Plan in relation to Finance, Investment, Resources, Estates, Sustainability and Facilities, ICT and Student numbers and Funding.

Financial Management

- 2 consider and advise the Governing Body, within the framework of the funding regulations determined by the Skills Funding Agency (ESFA) or other relevant bodies.
- 3 determine the levels of delegated authority for the approval of expenditure within regulations agreed by the Governing Body.
- 4 consider, review, report and make recommendations to the Governing Body on:
 - report on ESFA financial returns;
 - periodic management accounts of the College and of any subsidiary trading companies or other joint ventures;
 - major variances to expenditure, and virement between budget heads;
 - student recruitment and funding compared to target.
 - To consider HM Treasury guidance following the ONS reclassification.

- 5 consider and present the annual accounts to a meeting of the Governing Body and, subsequently, to recommend the signing of the annual accounts by the Chair or Vice Chair of the Governing Body and the Chief Executive, under the terms of the 1992 FHE Act so enabling the College auditors to sign the report.
- 6 review arrangements for securing value for money and solvency, (including reviewing banking, accounting and insurance), and make recommendations to the Governing Body, as required.
- 7 consider and recommend to the Governing Body policies and procedures as set out in the College Financial Regulations.
- 8 consider and advise the Governing Body on any relevant taxation issues.
- 9 determine tuition and other fees and charges and present recommendations to the Governing Body for agreement.
- 10 determine and monitor the College's investment policy and borrowing arrangements, seeking appropriate advice from external sources, as necessary, advise the Governing Body generally, and present recommendations to the Governing Body for agreement.
- 11 Committee to receive Group accounts monthly by electronic means to allow for the appropriate level of financial oversight and scrutiny.
- 12 review the accounts, activities and performance of the College's subsidiary companies.
- 13 The committee may decide to designate a Governor who will liaison Governor working with the Agent with regard to investment.

Capital Expenditure and Facilities Management

- 13 approve capital expenditure of £100 - £150k within the approved programme.
- 14 consider funding regulations determined by the ESFA specifically relating to premises and assets.
- 15 within the levels of expenditure of the Estates Strategy and Sustainability Strategy established by the Governing Body, consider, keep under review and make recommendations to the Governing Body on:
 - the development of the estates/sustainability strategy;
 - the development of facilities management;
 - capital expenditure requirements including loans;
 - asset utilisation plans;

- financial requirements and income and expenditure relating to the College's estates strategy;
 - health and safety issues relating to the College's estate.
- 16 approve (or make recommendations relating to):
- major facilities, supply and service contracts;
 - capital expenditure and capital contracts within the approved programme;
 - changes to the estates strategy within the agreed programme.

Human Resources (HR)

- 17 to review and advise on Human Resources (HR) issues considering the following management information on a regular basis:
- Absence
 - Establishment
 - Gender and Ethnicity
 - Disciplinary
 - Grievance
 - Any other statutory or operational element

Data and an interpretation of the data will be presented for each area to inform F&R Committee.

Other Matters

18. consider other topics as determined from time to time by the Governing Body.
19. the responsibilities of the Committee shall not extend to an executive role and shall not require the members of the Committee to offer the Governing Body professional advice.
20. the Committee will be required to approve any policies or other duties as delegated by the Governing Body.

The Governing Body shall remain responsible for the approval of the annual estimates of income and expenditure, ensuring the solvency of the Governing Body and safeguarding its assets.

Reporting Procedures

21. The Clerk to the Committee shall circulate minutes of the meetings of the Committee to all Governing Body members.

Suggested Cycle of Business

1 Items to be considered for every agenda (standing items)

Minutes of previous meeting/Matters Arising (Outstanding Matters Report)

Quarterly Financial Report to include:

- Management Accounts (current year) MKC & MKCTS
- Capital Monitoring Reports
- Student Numbers and Funding Monitoring (current year)

HR Report including MLPs and an agreed theme for focus

Update on any ongoing projects or new Developments/Business Plans costing more than £50k, with reviews Franchise/Partnership Contracts Progress Reports

Estates and Facilities - Termly progress/update

Sustainability Update

Investment Fund Update Quarterly

Deep Dive items as required

Policies approved for recommendation as updates are required

2 September Meeting

Tuition and Other Fee Proposals (following year)

Investment Quarterly Update

All standing items

3 November Meeting (end of month)

Joint meeting with Group Risk & Audit Committee

- Financial Statements and Audit Management Letter (previous year)
- Year End Management Accounts Out-turn Report (previous year)

F&R Committee meeting:

ICT review of Digital Operational Plan (Formerly the ICT Strategy)

Finance

- Student Numbers and Funding Monitoring (previous year)
- Q1 Management Accounts MKC & MKCTS

- Pay Award (for the following pay award)

Estates and Facilities Update

Investment Quarterly Update

Consider Deep Dive items (3 per year)

All standing items

4 March Meeting

Finance

- Q2 Management Accounts MKC & MKCTS

Investment Quarterly Update

Consider Deep Dive items

All standing items

5 May Meeting

Finance

- Provisional Funding Allocations (following year)
- Q3 Management Accounts MKC & MKCTS
- Review of Financial Regulations & Procedures (following year)
- Outline budget (for following year) for MKC & MKCTS

ICT

- Approval of Digital Operational Plan (Formerly the ICT Strategy)

Business Planning Update

Gift and Gratuities Annual Report

Estates and Facilities Update (inc planned maintenance)

Investment Quarterly Update

Deep Dive items (3 per year)

All standing items

6 June Meeting (two weeks before GB)

Finance

- Draft Budget (following year) MKC & MKCTS
- Three Year Financial Forecasts (future years) MKC & MKCTS

Consider Deep Dive items

Investment Quarterly Update (if not presented at the May meeting)

Review of Terms of Reference including membership and quorum

Self-assessment of the Committee

All Standing items

For approval by GB 21 October 2015
F&R reviewed 30 September 2015
Approved by GB 15 October 2014
Agreed by F&R on 24 September 2014
Reviewed by F&R on 2 July 2014
FGP Committee Terms of Ref 22. February 2010
F&R Committee reviewed 6 July 2016
Approved by GB 20 July 2016
Reviewed by F&R 5 July 2017
Approved by GB 19 July 2017
Reviewed by F&R 9 July 2018
For Approval by GB 18 July 2018
Reviewed F&R June 2019
Approved by GB 17 July 2019
Review F&R 6 July 2020
Approved at GB 15 July 2020
Review F&R 23 June 2021
Approved by GB 14 July 2021
Reviewed F&R 23 June 2022
For Approval at GB 14 July 2022
F&R Review 27 June 2023
Approved at GB 13 July 2023