

Finance & General Purposes Committee Terms of Reference

The Finance and General Purposes Committee is responsible to the University Court and has the following terms of reference.

1. Financial Oversight and Controls

- 1.1 To ensure that statutory requirements relating to the University's financial affairs are adhered to.
- 1.2 To ensure compliance with the Scottish Funding Council Financial Memorandum and related guidance provided by the Scottish Funding Council and the new requirement of Outcome Agreements.
- 1.3 To ensure compliance with the [University's Financial Regulations](#).
- 1.4 To agree action to be taken in relation to financial irregularities.
*[Note – certain aspects of financial regularities fall within the remit of the Audit Committee]
To approve the writing-off of individual debts in excess of £100,000. (The Principal/Executive Board authority is up to a cumulative maximum of up to £750,000 per annum.)*
- 1.5 To approve policies in relation to raising money externally, by any means, domestic or foreign and for any purpose.

2. Budget Setting/Monitoring

- 2.1 To approve financial principles/strategy/key assumptions for the annual budget and strategic plan financial estimates.
- 2.2 To contribute to strategic planning and to propose the University-wide annual budget (capital and revenue) and strategic plan financial forecasts for approval by Court.
- 2.3 To ensure that the process of monitoring spend against budget is being carried out satisfactorily by the Executive Board and reported on by exception. Exception reports to be triggered in the event of:
 - forecasted positive or negative variations of 5% of the total budget
 - adverse variations of 5% in payroll
 - adverse variation of 5% on operating cash flow or planned borrowings
 - Students' Association – adverse variation of 5% of the budget figure
 - Major capital projects adverse variation of 5% on any single project

3. Strategy 2030 Enabling Plans

- 3.1 To monitor the implementation of, and undertake periodic reviews of, the Infrastructure (Estates and Technology) and Finance 2030 Enabling Plans.
- 3.2 To review University Infrastructure plans and recommend approval to Court of any Major Capital Projects (as defined as a project with a value in excess of £1m).
- 3.3 To review and recommend approval to Court of investment in/or disposal of property.

4. *Major Reorganisations

TOR & Composition Agreed F&GP 06.12.21; Approved Court 17.02.22

- 4.1 To consider recommendations from the Principal and, where appropriate, Senate and to submit proposals to Court
**Defined as involving the creation/dissolution of departments or divisions involving more than 30 staff. The Principal is authorised to take executive actions up to 30 posts.*

5. Delegated Authority & Contracts Policy

- 5.1 F&GPC to have locus to authorise various types of contract, transactions and agreements when specific values are exceeded as set out in the [GCU Delegated Authority & Contracts Policy](#).

6. Appointment of Bankers

- 6.1 To appoint the University's bankers.

7. Students' Association

- 7.1 To observe the financial affairs of the Students' Association on the basis of exception reports from the Executive Board.

8. Companies

- 8.1 To approve the formation/dissolution of University companies and to monitor overall performance by exception reports from the Executive Board.

9. Insurance

- 9.1 To ensure that the University is adequately covered in respect of its assets and activities.

10. Major Projects

- 10.1 The Committee may create ad hoc, time limited sub-committees for projects requiring major financial investment.

11. Monitoring Risk

- 11.1 To regularly consider the Corporate Risk Register and monitor those risks which are encompassed in the committee's sphere of responsibility.

12. Committee Membership

- 12.1 To keep the committee membership under review in order to maintain consistently the relevant balance of skills, knowledge and experience and to advise the Court Governance and Nominations Committee accordingly.

13. Committee Objectives

- 13.1 To consider how best to benchmark the Committee's terms of reference and objectives against best practice governance in the sector.

14. Communication between Finance and General Purposes Committee and Audit Committee

14.1 Communication between the Audit Committee and the Finance and General Purposes Committee is facilitated by an exchange of committee papers and minutes between the Committee Chairs and a joint meeting, to which the external auditors are invited, to discuss and recommend to Court, the approval of the Annual Financial Statements.

Composition of Committee

Lay members must form majority membership

No fewer than five lay members of Court

One Student Governor (President of the Students' Association)

The Principal

Chief Operating Officer

One or more Staff Governor

In attendance

University Secretary

DVC Strategy

Director of Finance

Quorum

A quorum comprises no fewer than three members of the Committee, one of whom must be the Chair or Depute Chair, and there must be a lay member majority.