
FINANCE & RISK SUB-COMMITTEE

TERMS OF REFERENCE

Purpose

The Finance & Risk Committee has delegated responsibility from the Board of Trustees for ensuring 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 analysing and managing the Union's overall risk profile.

The Committee will ensure that an updated risk register is reviewed in line with the Risk Management Policy and recommendations made to the Board of Trustees. The Committee is also responsible for ensuring that the Union's reward package is effective at attracting, retaining and motivating talented staff and officers, whilst paying due regard for utilising the Union's limited resources as effectively as possible. In particular, the Committee will focus on the reward package of the sabbatical trustees and Chief Executive Officer.

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 effectiveness of risk management activity in the Union on the basis of audit reports received from relevant managers and the Chief Executive Officer.
3. Review the Risk Register and the risk profile of the Union.
4. To actively monitor the Union's compliance with legislation and governing documents, and compliance with data legislation in particular.
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 auditors.
6. To receive and scrutinise the annual audited accounts, before recommending these to the full Board of Trustees.
7. To review the Union's annual budget assumptions, guidelines, and process before recommending these to the full Board of Trustees.
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 make decisions of a financial nature as delegated by the full Board.
10. To review the reward package of the sabbatical trustees, paying regard to benchmarking reports against other students' unions.
11. To review the reward package for the Chief Executive Officer, paying regard to benchmarking reports against other students' unions, charities, and public sector organisations.
12. To receive and review an annual report from management about staff reward, including the total cost to the Union, relevant results from the staff satisfaction survey and major changes in reward.

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 quorum shall be 3 voting members, one of whom must be the Chair of the Finance & 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.
- The Committee shall scrutinise and review the areas of work within its remit and make final recommendations to the Board, which shall normally be taken as read.

Membership

- Chair of the Finance & Risk Committee (a Community Trustee)
- The Students' Union President
- At least two other trustees (appointed by the Board of Trustees)
- Chief Executive Officer (in attendance)
- Head of Business & Development (in attendance)
- University finance representative (in attendance)

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.

Regularity of the Committee

- At least four meetings per annum – usually two weeks before the Board of Trustees.

Committee Administration

- Meetings will be Chaired by the appointed Chair.
- The Agenda will be drafted by the Head of Business & Development with input from all members, and shall follow the agreed Planning & Governance Calendar.
- Minutes and Actions Log will be taken and updated by a person appointed by the Chair.