

SWANSEA UNIVERSITY
FINANCE AND STRATEGY COMMITTEE
TERMS OF REFERENCE

1. Reporting

The Finance and Strategy Committee reports to the Council.

2. Occurrence

The Committee should meet at least four times a year with the expectation that the Committee will meet up to six times a year. Special meetings may be called by the Chair of the Committee. The Committee shall use email circulation or telephone/video conferencing as appropriate to progress its business effectively.

3. Composition

The Committee membership should consist of:

- The Treasurer (Chair);
- Pro-Chancellor and Chair of Council;
- The Vice-Chancellor;
- Three Lay members of Council;
- Up to three co-opted Lay members;
- A staff member of Council;
- A student member of Council.

Additional members with particular expertise may be co-opted via recommendation to Council via the Governance and Nominations Committee.

Co-opted members are not members of Council, and therefore are not Trustees of the University. However, they are full members of the Committee on which they sit and make a pivotal contribution to the business of the committee.

Co-opted members of Council sub-committees are independent, lay individuals, appointed to bring specialist advice and input to the business of the sub-committees. The purpose of the role-holders is to provide additional expert advice within the corporate governance framework of the University, without increasing the number of lay members on Council.

No member of the Finance Committee may also serve as a member of the Audit, Assurance and Risk Committee.

Lay Committee Members should not have any significant financial interests in the University.

There should be 'due regard' to the provisions of the Equality Act 2010.

4. Privileged Communications with Members and co-opted members of Council Committees and Sub-Committees

Privilege allows individuals and entities to resist disclosure of confidential material in the context of legal advice, arbitration, litigation, and investigations. Privilege can apply to legal advice and litigation matters and includes discussions, decisions, instructions, and receipt of legal advice (written and oral). There are strict rules on when privilege applies, and privilege can be lost by circulating privileged material without adequate safeguards.

It is anticipated that it will be necessary for all Committee and Sub-Committee Members, during their term of office, to be party to privileged communications/information and they must act in accordance with the University Council's Code of Practice for Members and the Regulations for the Conduct of Meetings in such matters.

5. Conduct of Meetings

Meetings will be conducted in line with best practice as set out in the University's Regulations for the Conduct of Meetings.

6. Terms of Office

Members shall be appointed for 4 years in the first instance, with the possibility of appointment for a second term of no more than 4 years.

7. Attendance

The Registrar and Chief Operating Officer, Provost, and Chief Financial Officer should normally attend all meetings.

At the discretion of the Chair other University officers, as may be appropriate, shall be invited to attend meetings. The Secretary to Council or appropriate delegate should be secretary to the committee.

8. Quorum

Four members of the Committee will form a quorum, subject to there being a lay member majority.

9. Purpose

The purpose of the Finance and Strategy Committee is to monitor the financial health of the University on behalf of Council.

10. Terms of Reference

The duties of the Committee shall be:

1. To consider and **recommend** to Council:
 - (i) the University's Financial Strategy;

- (ii) the financial implications of the University's Strategic Plan;
- (iii) the Estates Strategy and adequate management of the University's estate in order to discharge the objects of the University;
- (iv) the preparation of the University's annual Financial Statements, including assuring Council that the University is meeting the conditions of funding as set by regulators, funding bodies and other major institutional funders and to make recommendations for their approval to Council;
- (v) the review of the financial performance, statements and accounts of University subsidiaries or other companies/entities in which the University has a direct equity holding, other stake or management role, for consideration in relation to the approval of the University's annual Financial Statements;
- (vi) the annual and medium to long-term financial forecasts, including the underlying financial assumptions, estimates of income and expenditure, and budgets (capital and revenue) and the allocation of funds for strategic investment;
- (vii) new and or revised borrowing arrangements and any related security provisions;
- (viii) financial assessments and viability in respect of any major projects with significant budgetary or strategic implications (capital or revenue);
- (ix) expenditure, investments, student accommodation arrangements and third-party contracts in accordance with the University's Financial Scheme of Delegation;
- (x) the financial implications of all pension schemes offered by the University as an employer in accordance with the University's Financial Scheme of Delegation and to make recommendations for Trustee appointments of active Pension Schemes;
- (xi) the sale, purchase, exchange, lease and acceptance of leases of property including recommendations to Council concerning the financial arrangements for the sale or acquisition of property or land including Leases with a liability (liability relating to monetary value only) for the life of the commitment (refer to the Schedule of Delegation for value limits);
- (xii) any decisions required in relation to Council's role as trustees for University property, legacy, endowment, bequest or gift;
- (xiii) the University's Financial Scheme of Delegation to govern and regulate the finances, accounts, investments, property, business and affairs of the University;
- (xiv) the establishment of associated companies and wholly owned subsidiaries, ensuring that effective governance and risk management arrangements are in place;
- (xv) the appointment of University bankers, investment managers and financial advisers as necessary to govern and regulate the finances, accounts, investments, property, business and affairs of the University (other than auditors);
- (xvi) any other matters as set out in the Financial Regulations.

2. To consider and **approve**:
 - (i) the Financial Regulations and Policies relating to the Committee's remit to ensure the University operates a robust system of internal financial control;
 - (ii) the annual Transparent Approach to Costing (TRAC) Governance & Assurance Report;
 - (iii) investments in subsidiary companies, in accordance with the thresholds specified in the University's Financial Scheme of Delegation;
 - (iv) writing off bad debt in accordance with the thresholds specified in the University's Financial Scheme of Delegation;
 - (v) establish and dis-establish any sub-committees or task and finish groups deemed appropriate and necessary by the Committee and to receive reports from such bodies.

3. To monitor performance and compliance, receive information on and advise Council where necessary in relation to:
 - (i) the financial position of the University;
 - (ii) the medium and long-term financial sustainability of the University;
 - (iii) key performance indicators and other metrics to monitor financial and institutional performance of the University's Strategic Plan and other relevant strategies;
 - (iv) adherence to the financial regulations and compliance with the Financial Memorandum and to initiate corrective action where necessary;
 - (v) the delivery of the estates strategy
 - (vi) financial plans from subsidiary companies;
 - (vii) the Students' Union is accountable for its finances and operates in a financially sustainable manner;
 - (viii) the University's Risk Register as they relate to the Committee's remit;
 - (ix) performance of financial investments.

Review Dates:
Approved by Council on 29 November 2021
Reviewed by the Finance and Strategy Committee: 11 October 2022
Approved by Council: 28 November 2022
Amendments approved by Council: 27 March 2023
Reviewed by the Finance and Strategy Committee: 28 September 2023
Approved by Council: 9 October 2023
Reviewed by the Finance and Strategy Committee: 19 September 2024
Approved by Council: 25 November 2024