

Finance and Resources Committee – Terms of Reference

1. Purpose

- 1.1. IHE's Finance and Resources Committee supports the IHE Board and Honorary Treasurer in their responsibilities for the good financial stewardship of IHE, and to support the financial, HR and operational planning activities of the Chief Executive including the preparation of an annual budget, the presentation of management information to the Board, and advising on any developments during the year which will have a material impact on resources, such as taking on new staff or projects.

2. Membership

- 2.1. The Committee shall comprise at least two Board Members, and at least one authorised representative of an IHE member institution who is not also a Board Member.
- 2.2. The members of the Committee shall not include the Chair of the Board or any member of the Governance and Nominations Committee.
- 2.3. Appointments to the Committee are made by the Board and shall be for a period of up to three years, which may be extended for further periods of up to three years, provided the person still meets the criteria for membership of the Committee.
- 2.4. The Committee may co-opt additional members for the benefit of their particular expertise, subject to ratification by the Board.
- 2.5. The Board shall appoint the Committee chair who should be a Board Member. In the absence of the Committee chair and/or an appointed Vice Chair, the remaining members present shall elect one of themselves to chair the meeting from those who would qualify under these terms of reference to be appointed to that position by the Board.
- 2.6. A person will cease to be a member of the Committee if:
 - 2.6.1. the member institution which employs them ceases to be a member of IHE (where relevant);
 - 2.6.2. their employment at a member institution ceases (where relevant);
 - 2.6.3. they are also a Board Member, and their membership of the Board ceases (by whatever means);
 - 2.6.4. they are absent without reasonable explanation from three consecutive meetings of the Committee or from all Committee meetings held within a period of six consecutive months and that the Board resolve that their membership of the Committee should cease.

3. Secretary

- 3.1. The Chief Executive or a nominee thereof shall act as the Secretary of the Committee.

4. Quorum

- 4.1. The quorum necessary for the transaction of business shall be three, at least one of whom must be a Board Member.

5. Meetings

- 5.1. The Committee will normally meet at least twice a year. The chair of the Committee may convene additional meetings as they deem necessary.

- 5.2. Meetings of the Committee shall be called by the Secretary of the Committee at the request of the Committee chair.
- 5.3. Only members of the Committee and the Chief Executive (and the Secretary, if different) have the right to attend Committee meetings. However, other individuals such as senior staff and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- 5.4. The Committee may ask any or all of those who normally attend but who are not members to withdraw to facilitate open and frank discussion of particular matters.
- 5.5. Where there is a disagreement on an agenda item that calls for a Committee decision, the Chair of the committee shall have the casting vote, or at their discretion, may request that the Board make a final decision.
- 5.6. The Secretary shall maintain a register of interests of members of the Board and its Committees. The Secretary and Chair of GNC will review the register on a regular basis and advise the Chief Executive and Chair of the FRC if an issue is likely to arise, or has arisen. Where the Chief Executive or Chair is conflicted, another member of the Committee who is also a Board member will be advised.
- 5.7. At the start of the agenda of each meeting of the Committee, there will be a standing item "Declarations of conflict of interest". Members of the Committee shall declare any conflict and offer to remove themselves from discussion of the relevant item. The Chair may also record any conflict that is not otherwise volunteered.
- 5.8. The Chair will decide if the conflict merits the removal of the Committee member for the relevant item. If the Committee member is removed for the relevant item, they must not attempt to influence discussions by any other means.
- 5.9. In the event the Chair is conflicted, then another member of the Committee who is also a Board member will assume the Chair for consideration of that item. If no eligible Board member is available, the item will be carried to the next meeting.

6. Reporting

- 6.1. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 6.2. Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee.
- 6.3. The Committee will formally report in writing to the Board after each meeting, including the minutes of the meeting, notwithstanding reserved items or items that the committee (by a vote of a quorate majority) determines should be redacted from the minutes for reasons of sensitivity or confidentiality. Any such redacted item should be shared with the Chair and/or the Vice-Chair of the Board who will make a final decision on whether it may be shared with the full Board.

7. Annual General Meeting (AGM)

- 7.1. The Committee chair or a nominee thereof should attend the AGM to answer any member questions on the Committee's activities.

8. Duties

The Committee shall have responsibility for the following duties:

- 8.1. agreeing the financial timetable of the company;

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- 8.2. monitoring the financial and resourcing elements of the risk register;
- 8.3. keeping under review and recommending to the Board any changes to subscription fees;
- 8.4. preparing an annual budget for Board approval;
- 8.5. providing management information to each meeting of the Board;
- 8.6. preparing the annual report and accounts for external examination and Board approval;
- 8.7. ensuring that IHE has the resources in place to deliver its strategic and operational plans;
- 8.8. ensuring compliance with all relevant financial requirements and legal obligations;
- 8.9. approving relevant HR policies and procedures on behalf of the Board;
- 8.10. monitoring all pension arrangements for IHE's staff.