



Terms of Reference, Membership and Effectiveness Review

Outcome requested:	<p>The Committee is asked to:</p> <ul style="list-style-type: none"> a) Discuss the findings of the annual review of Committee effectiveness and any implications for its future terms of reference, membership and mode of operation; b) Note its terms of reference and membership for 2023–24.
Executive Summary:	<p>[a] The Committee is required to review its effectiveness and the suitability of its terms of reference annually.</p> <p>[b] This paper summarises the outcomes of the recent effectiveness survey involving Committee members and attendees. No changes to the Committee’s terms of reference are proposed as a result.</p>
QMUL Strategy:	The effective management of the university’s governance arrangements underpins the ability to achieve the strategic aims.
Internal/External regulatory/statutory reference points:	<p>Charter and Ordinances</p> <p>Finance and Investment Committee Terms of Reference</p> <p>CUC HE Code of Governance</p>
Strategic Risks:	N/A
Equality Impact Assessment:	No equality or diversity issues are raised by this paper.
Subject to prior and onward consideration by:	By committee only.
Confidential paper under FOIA/DPA:	No.
Timing:	The Committee reviews its terms of reference, membership and effectiveness annually.
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Date:	07 September 2023
Senior Management/External Sponsor:	Isabelle Jenkins, Chair of Finance and Investment Committee

Review of Committee Effectiveness

1. The Committee is required to review its effectiveness and the suitability of its terms of reference annually. This paper summarises the outcomes of the recent effectiveness survey circulated to Committee members and attendees over the summer.
2. *Membership.* Respondents said that the Committee has the right mix of skills and experience among its ordinary and co-opted members. With the departure of Ben O'Neill from the Committee, respondents said that the addition of a co-opted member with expertise in property should be a priority.
3. *Preparedness for roles and provision of information.* Members responded that they felt sufficiently prepared for their roles. Generally, papers were good quality and the level of information was sufficient to enable the Committee to have substantive discussions and make informed decisions. The infrastructure business cases in the past year have been of variable quality but the recent improvements in governance in this area should provide greater clarity and enable stronger investment cases to come to the Committee.
4. *Meeting arrangements and dynamics.* The continued use of hybrid meetings has enhanced attendance but the quality of discussion is better and the Committee is more effective when most members can attend in person.
5. *Meeting dynamics.* Members felt that the meetings encouraged transparency, challenge and debate. Challenge was welcomed and responded to with openness and a willingness to debate.
6. *The Chair.* Members felt that the Chair steered the meetings effectively. The Chair allowed time for debate and challenge, but was able to bring the meeting back into focus when it strayed outside of its remit.
7. *Outcomes and added value.* Overall, members said that the Committee fulfilled its role effectively and discharged its responsibilities as per the terms of reference. The Committee could have a stronger oversight of financial forecasting in the context of performance against budget as a means of ensuring there is learning to feed into the annual budgets and longer-term financial plans. The Committee would also value a focused discussion on the longer-term financial strategy to achieve the 2030 strategy and opportunities to have deep dives into the financial reporting.

**Finance and Investment Committee
Membership 2023–24**

Chair

Treasurer

Isabelle Jenkins

Ex-Officio members

President and Principal
QMSU President

Professor Colin Bailey
Serena Al Jabbar

Three external members of Council

Gil Baldwin
Alix Pryde

Up to three co-opted members¹

Anne Barnard
Tim Harris

In attendance

Chief Governance Officer and University Secretary
Chief Financial Officer
Chief Operations Officer

Jonathan Morgan
Karen Kröger
Dr Sharon Ellis

Secretariat

Head of Secretariat

Dr Nadine Lewycky

Papers circulated for information to:

Archivist
Chair of Audit and Risk Committee

Kate Ormerod
Peter Thompson

¹ Not members of Council, but co-opted on the basis of expertise in a specific area.

Finance and Investment Committee Terms of Reference 2023–24

Finance and Investment Committee is a committee of Council focusing on oversight of the Executive's planning and management of finance, investments and assets of Queen Mary University of London (QMUL) in their widest sense. Finance and Investment Committee has a particular remit in relation to providing advice and recommendations to Council, or reviewing/monitoring and approving on behalf of Council, in respect of the following:

1. Financial Strategy and Policy

- 1.1 To recommend to Council a financial strategy for QMUL including appropriate KPIs in order to meet the objectives of the QMUL Strategy and to ensure the financial stability of the institution.
- 1.2 To approve policies on investments in respect of general and specific funds, and other funds of which the Council acts as Trustee, within such powers as are granted by the Charter.
- 1.3 To monitor performance against a fundraising strategy to be determined by the Executive and advise Council accordingly.

2. Budget-setting and financial forecasting

- 2.1 To recommend to Council the annual budgets and the financial forecasts.
- 2.2 To approve accounting policy and recommend to Council the Financial Regulations and Scheme of Delegation of Financial Authority.

3. Financial Performance

- 3.1 Through an agreed reporting process from the Executive, to monitor the financial situation of QMUL, both capital and revenue, and to ensure that appropriate actions are taken to safeguard the financial viability of QMUL in the short and long term.
- 3.2 To review on an annual basis the consolidated Financial Statements of QMUL, which have been subject to external audit and prior to testing by Audit and Risk Committee and adoption by Council.
- 3.3 To receive and monitor on behalf of Council, the financial reports and accounts of the subsidiary and associated companies.
- 3.4 To monitor the financial performance and conduct of the financial affairs of the Students' Union on a periodic basis, taking into account the role played by, and views of the Students' Union Board of Trustees.
- 3.5 To monitor the financial performance of QMUL's overseas operations and partnerships.
- 3.6 To monitor and, as appropriate, undertake an assessment of the impact of QMUL's contingent liabilities and *their potential* financial impact.

4. Capital Projects

- 4.1 To approve the annual capital prioritisation plan.
- 4.2 To approve or recommend to Council business cases for capital projects in line with the Scheme of Delegation of Financial Authority.
- 4.3 To monitor the financial performance of the capital programme.

5. Assets

- 5.1 To consider proposals affecting major assets, in particular the estate, and to decide or recommend to the Council as appropriate.

6. Investment and Treasury Management

- 6.1 To approve the appointment of bankers and the provisions of the bank mandate.
- 6.2 To approve a strategy for borrowing, investment of funds and raising of monies, in line with any provisions of the Charter, Ordinances and Financial Regulations.
- 6.3 To appoint, and terminate the appointment of, investment managers and advisers and review their performance on a periodic basis against agreed targets and benchmarks.

7. Committee evaluation

- 7.1 To review the Committee's effectiveness and the suitability of its terms of reference annually.

Membership of Finance and Investment Committee

- Treasurer (ex-officio) who will be the Chair of the Committee
- Three further external members of Council
- The President and Principal (ex-officio)
- The President of the Queen Mary Students' Union (ex officio)
- Up to three co-opted members who are external to QMUL and have relevant expertise

In attendance

- Chief Governance Officer and University Secretary
- Chief Financial Officer
- Chief Operations Officer
- Investment Managers (as required)

Mode of Operation

1. Finance and Investment Committee meets at least four times per year.
2. The Committee reports to Council through the submission of the minutes of each of its meetings with a coversheet highlighting the key decisions and discussions, and through an oral report by the Treasurer. Specific proposals requiring Council consideration and approval are identified in the terms of reference.