

**Imperial College Union  
Finance, Audit and Risk Subcommittee / 2<sup>nd</sup> September 2021**

**Terms of Reference & Membership**

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Purpose: To approve the terms of reference and membership of the subcommittee.

**1. Background Context**

Board has made the decision to delegate work to a smaller body / group when the following principles apply:

- i. *Added value*: when doing so is preferable to undertaking the work by the full Board or delegating to key individuals.

This added value should largely be based on one of the follow four principles:

- ii. *Focussed expertise or experience*: in cases where the subject matter requires specific skills or experience to understand and fully engage with the topic being considered.
- iii. *Increased assurance*: in cases where the subject matter requires significant additional time, detail or commitment for assurance to be obtained on behalf of the Board.
- iv. *Increased engagement*: in cases where the involvement of specific key individuals in greater detail or depth (that may or may not be a member of the Board) is beneficial for the organisation.
- v. *Increased agility or speed*: in cases where the Board is required to respond to a specific challenge or deliver a specific piece of work within a compressed timeline.

As with the broader work of the Board, subcommittee business should usually take one of the following four forms of business:

Approve / Recommend	Where the subcommittee has been given delegated responsibility by the Board to approve something. This can also include the decision to 'recommend for approval at Board'.
Consider	Where the subcommittee is being asked to consider a range of relatively well 'worked up' options, with the ability to approve or send the item back for further work.
Consult	Where the subcommittee is being asked to discuss and consider an issue either open ended, or with a range of relatively underdeveloped options.
Note	Where the subcommittee is being updated on an issue.

**2. Terms of Reference**

**2.1 Principal Purpose**

The principal purpose of the Finance, Audit & Risk Committee is to oversee the Union's financial planning, performance and management, to assure the Board of its approach to risk management, and to ensure compliance with relevant legal and regulatory requirements – particularly financial reporting.

**2.2 Specific Objectives, Activities and Powers**

Specific objectives and activities of the committee include:

- Lead the development, approval and scrutiny of the Union's annual budgeting round and associated management account reporting.
- Oversee and ratify the allocation process of grant funding for student groups.
- Lead the development, approval and scrutiny of the Union's strategic risk register and associated policies and procedures.
- Receive the annual audit findings report and College's internal audit report and provide scrutiny over appropriate actions.
- Undertake detailed scrutiny of significant expenditure and contract items.
- To run the appointment process for the Union's statutory auditor.

### 2.3 External Membership

Trustee (Chair) (with the expectation the postholder has a suitable financial qualification)

One External Trustee

Union President

Up to two Deputy Presidents

Up to two Student Trustees

College Appointee (in attendance)

Secretary: Director of Finance & Resources

Assistant Secretary: Governance Officer

### 2.4 Meeting Dates

The committee should meet at least quarterly in conjunction with the wider Board timeline. The 2021/22 meeting dates are:

1 September 2021

17 November 2021

16 March 2022

22 June 2022