



**HOPWOOD HALL COLLEGE CORPORATION
EMPLOYMENT & FINANCE COMMITTEE TERMS
OF REFERENCE**

1. Introduction.

The Hopwood Hall College Further Education Corporation hereby resolves to adopt the following terms of reference for the Employment & Finance Committee.

2. Objective

- 2.1 The Committee shall monitor the financial position of the College and any subsidiaries to assist the Corporation Board in fulfilling their statutory responsibilities with regard to the solvency of the College and the Corporation, the safeguarding of their assets and the approval of annual estimates of income and expenditure.
- 2.2 The Committee shall advise the Corporation on the appropriateness of the College Financial Plan, Human Resources Strategy, IT Strategy and Property Strategy in relation to the delivery of the overall College Strategic Plan.
- 2.3 The Committee shall advise the Corporation on the determination of the College's employment, E&D, health, safety and welfare and industrial relations policies.

3. Membership & Quoracy

- 3.1 The Committee shall be appointed by the Corporation and shall comprise of up to five Members of the Corporation, which shall normally include the Principal & Chief Executive (unless he/she has chosen not to be a Member of the Corporation).
Up to 2 Co-opted members who are not Governors.
- 3.2 Student Members of the Corporation and Members of the Audit Committee are excluded from membership of the Employment & Finance Committee.
- 3.3 A quorum shall be three Members of the Committee.
- 3.4 The Chair of the Committee shall be appointed by the Corporation save that the Principal & Chief Executive and any Staff Members shall not be appointed as Chair.
- 3.5 If the Chair is absent from any meeting of the Committee, the Members present shall elect one of their number to act as Chair for the meeting save that the Principal & Chief Executive and any Staff Members shall not be eligible to be so elected.
- 3.6 The terms of office of Members of the Committee shall be determined by the Corporation except that the term of office of any Member of the Committee shall not exceed four years.
- 3.7 Members who reach the end of their term of their office shall be eligible for re-appointment to the Committee.

4. Attendance at Meetings

- 4.1 The Principal & Chief Executive (if he/she has chosen not to be a Member of the Corporation), the Executive Director Finance, Estates & Risk Management, the Executive Director Business & Student Support, and the Executive Director of Planning & Performance shall normally attend meetings at the invitation of the Committee. The Committee may invite other senior managers or other persons as may be desirable and necessary to attend meetings.

4.2 Other Corporation Members shall also have the right of attendance as observers.

5. Frequency of Meetings

5.1 Meetings shall be held not less than three times in each academic year.

5.2 A Special Meeting may be convened by the Clerk at the requested of the Chair of the Employment & Finance Committee and at such meetings the Agenda shall normally be limited to consideration of a single, or related items. Standing items shall not be included in the Agenda for a Special Meeting.

5.3 In accordance with provisions in the Instrument & Articles of Government of the College, “meeting” includes a virtual meeting at which the members attending are present in more than one room, provided that by use of video or telephone conferencing facilities and/or electronic communication, it is possible for every person present at the meeting to communicate with each other.

6. Authority

6.1 The Employment & Finance Committee is authorised by the Corporation to investigate any activity within its terms of reference. The Committee is also authorised to seek any information it requires from any employee of the College and its subsidiaries and all employees of the College and its subsidiaries are directed to co-operate with any request for information made by the Committee.

6.2 The Employment & Finance Committee is authorised by the Corporation to obtain outside independent professional advice and to secure the attendance of outsiders with the relevant experience and expertise if it considers this necessary, provided that the Committee may not incur direct expenditure in this respect in excess of £5,000 (plus VAT) in any College financial year without the prior approval of the Corporation.

7. Duties

7.1 The Employment & Finance Committee shall consider and make recommendations to the Corporation on:

- the College two-year Financial Plan, incorporating the annual estimates of income and expenditure;
- major variations of income and/or expenditure against plan;
- capital expenditure requirements, including loans, if any;
- College Financial Regulations and any revisions thereto;
- the statutory annual financial statements;
- the financial health of the College;
- the solvency of the College and the Corporation and the safeguarding of their assets;
- the policy and framework for the appointment, pay and conditions of service of members of staff, other than the holders of designated Senior Posts;
- the Property Strategy, including accommodation-related issues including refurbishment and planned maintenance programmes and major capital developments;
- the College’s resource and space utilisation having regard to effectiveness, appropriateness and value for money;

7.2 The Employment & Finance Committee shall be responsible for:

- monitoring the College budget and the receipt of monthly management accounts;
- reviewing arrangements for securing value for money, solvency and safeguarding of assets;

- ensuring financial influences are considered in decision-making;
- approving virements between various budget headings greater than £50,000 up to £100,000 within the approved Revenue budget set for the year;
- approving the awarding of all contracts greater than £250,000
- approving the write off of individual debts greater than £5,000
- determining tuition and other fees;
- reviewing the regulations governing management of finances and capital assets, including the College Financial Regulations, and making recommendations to the Corporation on any necessary amendments;
- determining the College investment and borrowing policies including monitoring College banking arrangements and reviews of the Treasury Policy;
- ensuring that the College's investment and borrowing policies align with HM Treasury's Managing Public Money Requirements
- monitoring all capital projects, including the Property Strategy;
- monitoring the financial performance of College subsidiaries;
- determining, within the amount included in the approved budget for staff costs, the annual pay reviews for staff other than holders of designated Senior Posts;
- oversight of insurance arrangements;
- the development of policy and procedures in respect of Health and Safety, equal opportunities, pay structures and other employment matters;
- arrangements for the recognition of trade unions and other forms of employee representation.

7.3 HM Treasury Managing Public Money Requirements

In accordance with HM Treasury's Managing Public Money Requirements, the Committee will ensure that consent will be sought from the DfE for:

7.3.1 Write-Offs

- write-offs which exceed 1% of annual income or £45k individually (whichever is smaller),
- or write-offs which take the college's cumulative total write-offs for the academic year beyond 5% of its annual income or £250k (whichever is the smaller)

7.3.2 Indemnities, Letters of Comfort, Guarantees

Indemnities not arising in the normal course of business, for letters of comfort and for guarantees where:

- the case exceeds 1% of annual income or £45k individually (whichever is smaller); or
- the case takes the college's cumulative total of such contingent liabilities for the academic year beyond 5% of annual income or £250k (whichever is the smaller)

7.3.3 Novel, contentious and repercussive transactions

- for any transaction that is considered novel, contentious or repercussive.

7.3.4 Asset Disposals

- the proceeds from an asset disposal which are to be used for working capital to avoid insolvency, or for any other purpose beyond the permissions outlined by the DfE

8. **Reporting Procedures**

8.1 The Clerk to the Corporation shall act as Clerk to the Employment & Finance Committee and shall circulate the minutes of the meetings of the Committee to all Corporation Members.

Approved by the Corporation Board on 29th June 2023