

# The Place (Contemporary Dance Trust Limited)

## Finance and General Purposes Committee

### Terms of Reference October 2024

#### 1. Membership

The Finance and General Purposes Committee will be a committee of the Board, appointed by the Board of Governors.

The committee will consist of four Board members and **the quorum for a meeting will be two members**. The Chair of the Audit Committee is invited to attend as an observer.

The Chief Executive and Chief Financial Officer will attend all meetings, and the Artistic Director, Director of Dance Studies, Director of Development, Head of Operations, Executive Producer, and Head of HR may be invited to attend relevant sections of the meeting.

No employee of The Place will attend any section of the meeting involving the discussion of their own salary or remuneration package.

#### 2. Meetings

The Committee will usually meet four times a year. Minutes of each meeting will be sent to Board meetings accompanied by a verbal report by the F&GP Chair. The role of the Finance and General Purposes Committee and its membership will be reviewed annually. The Committee will report the frequency of committee meetings, and attendance by members, in the annual report.

#### 3. Remit

##### Part 1 – Finance

The Finance and General Purposes Committee will give assurance to the Board of Governors on the suitability and appropriateness of The Place's financial strategy and policies as follows:

- Review the **annual income and expenditure budget** for the forthcoming year, the actual income and expenditure, long-term forecasts of income and expenditure (recurrent and capital).
- Review the **budgeted cash flow and actual cash flow**.
- Review the **projected financial outturn for the year** compared with budget.
- Review the **annual financial statements and annual report** and consider the statutory reporting of the Chief Executive's salary.

- Consider **reports on developments** that may result in additional future financial commitments.
- **Review and approve any capital programme of works** that provides the context for the consideration of capital project proposals. Consider the financial implications of capital projects.
- **Consider for approval** other orders, contracts and financial commitments between £40,000 and £65,000.
- **Review fundraising activity** annually, including the income received from donations.
- **Review student recruitment, conversion and retention** rates for both LCDS and CAT.

The committee will consider and take action on the following matters:

#### **Income and investments:**

- Policy relating to The Place's **banking arrangements**, including:
  - i) the appointment of bankers and of any other officers or agents and
  - ii) the bank mandate and overdraft facilities.
- Ensuring that **appropriate funding** is in place, including arrangements for short-term and long-term borrowings.
- Review and approve The Place's **long- and short-term investments**, on advice from the Chief Financial Officer.

#### **Expenditure and losses:**

- Consider the outcome for any **tendering process** where the financial commitments exceed £65,000
- **Writing off losses or deficiencies** in money, irrecoverable debts or overpayments, and disposal of obsolete equipment.
- **Other relevant financial matters** including loans and advances; guarantees involving a material financial liability of over £100k.

#### **Monitoring and reporting:**

- The setting of **tuition fees**, on the advice of the Director of Dance Studies, in the context of benchmarking against other dance schools.
- **Review and approve the 5-year plan** as submitted to the Office for Students as Part of the Annual Financial Review.
- **Receive and consider reports from Office for Students and Arts Council England**, as they affect The Place's business, and monitor adherence to any regulatory requirements alongside the Audit Committee.
- Review and approve **policies and action plans related to student recruitment and retention** (including the LCDS Access and Participation Plan) and other policies required by the Office for Students

### **Financial risk management:**

- **Consider the financial risks to The Place**, together with the financial implications of non-financial risks, and monitor performance against the associated risk management plans.
- **Liaise where appropriate with the Audit Committee** on financial controls and risk management.

It is acknowledged that some responsibility for financial decision making may be delegated by the Board of Governors to a particular working group, established to enable quick decision making on an urgent matter.

With regard to employee salaries and benefits, the Finance and General Purposes Committee will:

- **Agree the policy framework for remuneration** across The Place and make a recommendation to the Board. The annual review will include pay scales and the proposal and underpinning rationale for any global change to salary rates or hourly pay levels and pending budgetary approval.
- Be aware of and **advise on any major changes in employee benefit structures**.
- **Make recommendations to the Board on staff pensions arrangements** and monitor the implementation of such arrangements.
- Review the proposal and underpinning rationale for any **global change to salary rates** or hourly pay levels and approve for implementation pending budgetary approval.
- Ensure that **contractual terms on termination**, and any payments made, are fair to the individual and The Place, that failure is not rewarded and that the duty to mitigate loss is fully recognised.
- Consider policy frameworks for **severance arrangements**.
- **Be aware of employee relations** throughout the organization.
- **Be aware of developments** with the University College Union.

Please also see the separate Remuneration Committee Terms of Reference document for consideration of salary issues outside the scope of the above.

### **Part 2 – General Purposes**

In addition to financial responsibilities, the Finance and General Purposes Committee will offer recommendations to the Board of Governors on the following items:

#### **Human Resources:**

- Ensure **strategic HR matters** are considered in the business planning.
- Ensure there is a **fair and consistent approach to human resources management**.
- Provide strategic guidance on a new **People Strategy**.

- **Review and approve existing employment and personnel policies** and, where appropriate, review, revise and agree new ones.

#### **Operations and Estate Management**

- **Monitor estate management** and consider proposals for capital projects.
- **Review The Place's insurance provision** annually.
- **Review IT and security provision** and receive information on significant projects and issues.
- Review and approve policies and action plans related to **environmental sustainability**
- **Ensure that The Place complies with health and safety guidance** and escalates matters to the Board where necessary.
- Monitor and analyse trends in the **customer feedback log** at least annually.

#### **Other General Purposes:**

- Review the **organisation's risk register** annually.
- **Monitor safeguarding and Prevent procedures** and ensure that The Place meets its responsibilities.

**Lise Smith, Head of Governance, and Caroline Busby, Chief Financial Officer**

October 2024