



FINANCE AND ESTATES COMMITTEE

Purpose

The Finance and Estates Committee is a standing committee of Council. It is responsible for the governance of finance and estates matters, in accordance with the authority delegated to it by Council.

The Committee's remit covers the activities of the School and, where applicable, its interests and activities in subsidiary companies, joint ventures and commercial partnerships.

Terms of reference

1. To ensure and oversee the delivery of the School's strategic objectives concerning finance and the estate, including ongoing sustainability, providing expert advice to Council.
2. To consider and make recommendations to Council on financial and estates matters, for which Council has authority. To subsequently oversee the implementation and/or performance of these activities where relevant. This includes in particular:
 - 2.1. strategic planning and/or proposals for finance and estates matters, including:
 - a. the School's Annual Financial Plan, including any significant in-year revisions due to exceptional circumstances
 - b. the School's Funding Principles
 - c. medium and long-term funding strategies
 - d. borrowing money or mortgage or charge of any part of the School's property
 - e. the estates strategy
 - f. purchase, lease, disposal or redevelopment of freehold or leasehold

- property
 - g. infrastructure investment
 - h. establishment or disestablishment of subsidiary companies, joint ventures or commercial partnerships
 - i. other major initiatives with significant resource implications
- 2.2. via the Audit Committee, the financial elements of the annual financial statements for the School and associated bodies
- 2.3. major changes to the financial regulations in consultation with the Audit Committee
- 2.4. any other relevant matter for which Council requires advice or drawing to its attention
3. On behalf of Council to undertake actions for which it has delegated authority, including:
- 3.1. to regularly review the School's financial position compared with the current Financial Plan
 - 3.2. to approve new nominations agreements for student residences
 - 3.3. to approve other proposals, expenditure or projects in line with delegated authority
 - 3.4. to approve items of strategy, policy and procedure explicitly requiring governance approval, but not specifically reserved for Council
 - 3.5. to approve any external reports for which Council has delegated authority
 - 3.6. to keep under review the School's Tax Strategy, pension schemes and insurance arrangements
 - 3.7. to have strategic oversight, management and governance of all School investments including funds held for working capital, capital projects, endowments and long-term investment (School fund), including: i) to keep under direct review the School's liquidity/working capital and capital project investment portfolios; ii) to delegate responsibility for the School's Endowment & School Fund investment portfolios to the Investments Sub-Committee; iii).

to approve the School's Investment Mandate and Policy, significant amendments to the Investment Strategy, and the Annual Investment Review

- 3.8. to receive reports from relevant committees on activities for example Investments Sub-Committee, Finance Management Board (FMB), Estates Management Board (EMB), Academic Planning and Resources Committee (APRC)
- 3.9. to receive reports on the School's fundraising performance
4. To keep under review, and report to the Audit Committee and Council as appropriate on, all matters within the Committee's remit, across the range of activities and systems, including that they remain fit for purpose to support the sustainability of the School, that risk is identified and value for money delivered.
5. To monitor the financial sustainability and annual accounts of the LSE Students' Union.

Committee membership composition

- Four Independent Council members, one of whom will be Chair
- Two additional members who are Independent Council members and/or External members
- Two Academic Council members
- Chair of the Investments Sub Committee
- General Secretary of the Students' Union
- President & Vice-Chancellor
- Vice President & Pro-Vice Chancellor (Planning & Resources)

Meeting attendees

- Chief Financial Officer
- Chief Operating Officer
- Director of Estates
- School Secretary
- Committee secretary (from Governance Services)

(Other individuals may be invited to attend the meetings as business requires)

Reporting

The Finance and Estates Committee reports to Council.

Investments Sub-committee reports to the Finance and Estates Committee.

Quorum

At least half of the appointed membership (i.e. of those in post) with a minimum of two Independent Council members.

Frequency of meetings

The Committee normally meets four times per year.

Approved by Council on 21 November 2023

Due for review Autumn Term 2024