



## 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. medium and long-term funding strategies and the estates strategy
    - b. borrowing money or mortgage or charge of any part of the School's property
    - c. purchase, lease, disposal or redevelopment of freehold or leasehold property
    - d. infrastructure investment
    - e. establishment or disestablishment of subsidiary companies, joint ventures or commercial partnerships

- f. other major initiatives with significant resource implications
- 2.2. the annual Financial Plan and budget, including in-year proposals for revisions as a result of significant change being required, and the School's Funding Principles
- 2.3. via the Audit Committee, the financial elements of the annual financial statements for LSE and associated bodies
- 2.4. major changes to the financial regulations in consultation with the Audit Committee
- 2.5. 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 approve expenditure or projects
  - 3.2. to approve any external reports for which Council has delegated authority
  - 3.3. to keep under review the School's Tax Strategy, pension schemes and insurance arrangements
  - 3.4. to keep under review the School's investments through receiving regular reports from the Investments Committee, including approving the School's Investment Mandate and Policy, significant amendments to the Investment Strategy, and the Annual Investment Review
  - 3.5. 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)
  - 3.6. to receive reports on the Funding Implementation Plan
  - 3.7. 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**

- Three Independent Council members, one of who will be Chair
- Two members who are further Independent Council members or External members
- Two Academic Council members
- General Secretary of the Students' Union
- Director
- Pro-Director 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

### **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 23 November 2021

Due for review Michaelmas Term 2022