

**FINANCE AND GOVERNANCE SUB-COMMITTEE
TERMS OF REFERENCE**

1. Objectives

- a. Support the Board to ensure the financial stability and future growth of the Cotswolds Conservation Board.
- b. Provide oversight of the finances and investments, financial strategy, income generation, innovation, financial objectives, plans and policies.
- c. Review the financial performance of the Cotswolds Conservation Board quarterly and advise the Board accordingly.
- d. Monitor the integrity of the financial statements of the Cotswolds Conservation Board and review and report on any significant financial reporting issues and judgements which those statements contain having regard to matters communicated to it by the external auditors.
- e. Review the Annual Governance and Accountability Return (AGAR) and recommend to the Board for approval.
- f. Review and recommend the annual budget to the Board for approval.
- g. Provide assurance to the Board on the adequacy and effectiveness of the internal control systems of the Cotswolds Conservation Board including reporting on matters communicated by the internal auditors.
- h. Review the internal controls and assurances against relevant risks on the risk register and make recommendations for improvements where appropriate.
- i. Provide assurance to the Board that appropriate governance mechanisms are in place and effective throughout the organisation.
- j. Provide oversight on governance best practice, changes in statutory requirements and emerging issues and advise the Board accordingly.

2. Remit

The Finance and Governance Committee will recommend actions to the Board of Cotswolds Conservation Board, seeking their formal approval/ adoption.

Financial matters

- a. To consider the income, expenditure, cash flows, cash and investments of the Cotswold's Conservation Board on a quarterly basis and to review vs. adequacy and budget and advise the Board accordingly.

- b. To consider the forecast income streams and planned expenditure (including items of significant non-recurring expenditure and proposed major fundraising initiatives) for the annual budget setting process and to advise the Board accordingly.
- c. To consider the levels of anticipated income, expenditure and reserves over a three year period and advise the Board on the financial consequences of current and future three-year business plans.
- d. To review the annual financial statements and AGAR ensuring compliance with accounting standards, statutory requirements and guidance.
- e. To recommend the financial statements and AGAR to the Board once satisfied, within the time limits required.
- f. To consider the external auditor's response and to ensure timely and appropriate action is taken as required.
- g. To carry out an annual review the salaries of the employee team, including recruitment of new employees, against budgeted costs and report variances to the Board.

Reserves and Investments

- h. To ensure that reserves held are in accordance with the Reserves Policy.
- i. To ensure that investment of the total reserves of the Cotswolds Conservation Board is managed in accordance with the Investment Policy.
- j. To carry out an annual review of the Investment Policy and recommend any changes to the Board.

Internal Audit

- k. To agree the annual work programme of the internal auditors.
- l. To review the annual internal audit report, including areas of concern raised by the auditors (in the absence of management where necessary), to recommend the report to the Board and to monitor implementation of action plans.
- m. To review the performance of the internal auditors and to decide the frequency of tendering.
- n. To recommend the appointment of the internal auditors and the internal audit fee to the Board.

Governance and Risk Management

- o. To oversee the integration of all aspects of corporate governance, internal control and risk management.
- p. To ensure that the Articles of Association and other key documents, including the Board Members declarations of interests, are fit for purpose and up to date.
- q. To ensure that the overall risk management systems are in place and are effective.

- r. To review the financial aspects of the Risk Register and to report to the Board on financial risks on an exception basis or every six months on significant risks or changes.
- s. To be advised of any instance discovered within the organisation, or affecting the organisation, of fraud or financial misdemeanor and obtain reassurance that satisfactory management action has been taken.
- t. To review the organisation's arrangements for its employees to raise concerns, in confidence, about possible wrong doing, in financial reporting or other matters and to ensure that these are appropriately investigated and followed up.

3. Membership

- a. The Chair of the Board.
- b. One Board Member who is a qualified Accountant. This Committee Member shall act as the Committee Chair.
- c. At least one other Board Member with experience in at least one of the following relevant areas financial, investment, governance and audit. If there is no Board member who is a qualified accountant a Board member with relevant experience shall assume the role of Chair of the Committee.
- d. An independent Advisor if specialist skills are required.
- e. The Chief Executive Officer and the Head of Finance will be in attendance. Other Officers may be invited to attend when appropriate.
- f. The internal auditors will be invited to attend, as appropriate, and at least part of one meeting a year will be without officers present.

4. Quorum and voting

- a. A quorum shall be not less than two Board Members.
- b. All Board Members and Advisors shall each have a vote.

5. Frequency of meetings

Quarterly.

6. Notice of meetings

Agenda and papers for each meeting will be sent out at least 5 working days beforehand.

7. Reporting

- a. Draft meeting minutes will be circulated to the members of the committee within 10 working days of the meeting.
- b. The Committee will report to the Board through minutes or reports as required.

8. Confidentiality

In cases relating to the conduct, capability or other personally sensitive information the Committee may choose to consider such matters in “closed” session and restrict attendance to only those who need to be present.

9. Financial Considerations

Where the operations, recommendations or decision of this committee have significant financial implications they will be subject to ratification by the Board.

10. Policies

The Committee shall be responsible for the review of the following policies:

- Counter Fraud and Corruption Policy
- Treasury Management Strategy (Investment Policy)
- Reserves Policy
- Risk Management Policy

11. Review

The Board will review these Terms of Reference every three years or as required to ensure that the Committee remains fit for purpose. The next scheduled review is due in 2024.