**Finance and Investment Committee: Terms of reference**

The Finance and Investment Committee has delegated responsibility from the Trustee Board.

***Overall purpose***

The Trustee Board delegates authority for efficient & effective resource planning, risk management and scrutiny & challenge of financial performance to the Finance and Investment Committee to ensure the College can achieve its strategy and priorities. In so doing the Committee will:

* 1. Ensure there is good visibility and transparency of the medium-term financial plans that are aligned with agreed policy priorities and operational requirements.
  2. manage risk at a strategic level.
  3. provide scrutiny and challenge to financial plans, projects, and operational activity.
  4. ensures that the requirements of the Charity Commission and the Royal Charter for effective governance of resources and business planning are fully met.

**Planning**

1. Review, scrutinise and challenge, with a view to recommending for approval, a forward resource plan, that meets the medium-term goals of the Trustee Board.
2. Review and where appropriate recommend the annual budget for approval by the Trustee Board.
3. Periodically review the structure and levels of subscriptions, fees and charges levied by the College including proposals to introduce any significant new fees or charges ensuring that they align with RCR policies and comply with the law in regard to equality and diversity.

**Performance**

1. Review and scrutinise the management accounts on behalf of the Trustee Board.
2. Review the performance of the investment manager and conduct the process to appoint and appointing a successor investment manager when necessary.

**Audit & Statutory reporting**

1. Ensure that the external audit process works effectively undertaking periodic market testing of the provision of audit services.
2. Review the reports of the external auditor and where appropriate recommend approval of the statutory accounts to the Trustee Board.

**Risk Management & controls**

1. Agree and implement effective and proportionate risk review and risk management processes for the College.
2. Periodically review and where appropriate recommend for approval the College’s:
3. Pricing strategy
4. Reserves policy
5. Investment policy
6. Review and where appropriate approve the College’s:
   1. Travel and expenses policy
   2. Other financial or business-related policies or procedures.

**Strategic financial management**

1. Ensure there are sustainable and suitably diverse sources of income.
2. Ensure there are appropriate governance arrangements in place in respect of major projects.
3. When authorised by the Trustee board, exercise the delegated authority to maintain or close any subsidiary body and ensure there is effective financial planning, management, and governance of those subsidiary organisations consistent with the standards and needs of the RCR.

**Membership**

1. The membership will comprise:
2. The Treasurer of the RCR, who is also a member of the Trustee Board.
3. The President, two Vice-Presidents and the Medical Director, Membership and Business all *ex-officio*.
4. Up to two lay members who will be appointed following an open process against a suitable role description.
5. One other member of the Trustee Board may be coopted to bring additional skills and experience to the Finance Committee.

***Chair***

1. The Board will be chaired by the Treasurer.
2. The duties of the Chair include –

* Chairing all meetings.
* Ensuring that the purpose and terms of reference are observed.
* Engaging all members of the Committee in the work being done.
* Ensuring regular reports are made to the Trustee Board.

***Operation***

1. The Committee will usually meet four times per year on dates to be agreed.
2. The Chief Executive Officer and Executive Director for Business and Resources will usually attend all meetings.
3. Meetings may be held by virtual means/remote attendance.
4. Committee members may be called upon to consider or determine matters electronically between meetings and are expected to contribute to such considerations or decisions as part of their duties as Committee members.
5. The Committee may establish subsidiary bodies to carry out aspects of its work either on a continuing or time-limited basis and will do so with clear delegated terms of reference and reporting/accountability arrangements.
6. Committee members will not speak on or behalf of the College unless authorised to do so.
7. Committee members will abide by any stated or implied confidentiality that attaches to the work of the Committeeduring or after any period of membership.
8. Committee members will comply with the provisions of the Data Protection Act 2018 (and any successor legislation).
9. At meetings of the Committee, three members including at least two Officers eligible to attend shall form a quorum.
10. In the absence of the Treasurer, the Medical Director Membership and Business will chair the meeting.

**Approved by Trustee Board 22 September 2023**

Review date: September 2024