

## **RTPI Finance Committee Terms of Reference, came into place February 2020, and as amended in October 2020**

### **Duties and Responsibilities of the Committee**

The RTPI Finance Committee is responsible to the Board of Trustees (BOT) for monitoring and planning the institutes financial position and financial strategy. It takes on the responsibilities of the Major Project Scrutiny Committee and the Investment Working Group. The role of the committee is to ensure the BOT discharges its financial responsibilities correctly and the institute remains financially viable at all times. This involves the following:

- **Financial Performance** – To review the management accounts against budgets and operational plans and recommend any necessary actions including approving changes to the budget up to the delegated level.
- **Investment Management** – Receiving reports from the institutes investment advisors, monitoring performance against the investment policy and determine the strategy for the management of RTPI investments ensuring appropriate reserve levels and the generation of adequate returns. Assessing the performance of the Institute's investment managers regularly and making recommendations to the board.
- **New Reserves Funding** – Evaluate business cases for new projects and proposals for new reserves funding and if appropriate make funding recommendations to the BOT.
- **Monitoring Reserves Funding and Major Projects** – Receive updates on the status of authorised reserves funded projects ensuring adequate budgetary control and the realisation of anticipated benefits. Review proposals for all major projects and monitor project implementation against budget and delivery of benefits.
- **Business Planning** – Scrutinising the annual budget and operational plan prepared by SET and advising the BOT on adoption.
- **Subscriptions** – Consider proposals for changes to membership subscriptions and make recommendations to the BOT.
- **Long Term Financial Sustainability** – Reviewing the long-term financial strategy and financial sustainability and reporting the BOT.
- **BOT Reporting** – Making whatever recommendations to the BOT it deems appropriate, on any area within the committees remit where action or improvement is needed.

### **Constitution of the Committee**

The RTPI Finance Committee will be appointed by the Board of Trustees and comprise of:

Up to six members three of whom should be independent members with experience in relevant financial matters including financial control and investment.

- The RTPI Honorary Treasurer (Chair)
- Three other RTPI Trustees including the Independent Trustee with responsibility for financial matters
- An independent member who is also a chartered member of the institute preferably with experience in financial / investment management
- An independent member who is not a member of the institute but has a chartered qualification in financial management

The Chair of BOT will be an ex-officio member of the Finance Committee

#### **In attendance:**

The Chief Executive

The Director of Finance  
The Director of Commercial and Corporate Services

**Secretariat:**  
The Governance Team

**Quoracy:**  
A quorum will be three members, of which two must be trustees.

## **Proceedings of the Committee**

- The RTPI Finance Committee will meet in November every year to review the SET's proposals for budget and operational plan and make recommendations to the December BOT meeting on their adoption.
- The Finance Committee will meet on at least three other occasions in the year and on other occasions as may be required.
- Finance Committee meetings may be held in person or by appropriate electronic means agreed by members of the committee as suitable to ensure all committee members can effectively contribute.
- Minutes of the proceedings of the Finance Committee meetings will be made available to committee members following approval by the Chair.
- The Chair of the Finance Committee will report to the Chair of the BOT and to trustees at each meeting of the BOT in a written report.

The RTPI Finance Committee will have access to sufficient resources in order to carry out its duties including:

- A copy of the monthly management accounts circulated no later than ten working days from each month end.
- The annual report of the accounts for the institute following completion of the annual audit.
- An annual budget and operational plan proposal circulated before the end of October each year for consideration at a meeting in November.
- Agenda's and papers no later than five working days before each meeting of the Finance Committee.
- Appropriate training, both in the form of an induction programme for new members of the Finance Committee and ongoing training for members as appropriate.

## **Delegated Budget Responsibility of the Committee**

The BOT delegates to the RTPI Finance Committee the responsibility for agreeing changes to the operating plan up to the value of £100,000 in any one financial year.

## **Criteria for Investment Proposals**