

Foreword

The governing body has clear responsibility for an institution's finances, but often delegates specific powers to committees. Monitoring and planning for the institution's financial position and financial control systems is normally undertaken by a finance committee (or a finance and general purposes, an employment and finance or a resources committee). Although not mandatory, this is regarded as best practice. Effective governance and financial management depend on good quality, timely and relevant information forming the basis for decision making, scrutiny and action planning. The role of the finance committee is key to ensuring that the governing body discharges its financial responsibilities correctly and that the institution remains financially viable at all times.

This publication provides a practical source of guidance and advice for finance committee members in academies and further and higher education institutions. It is also for other governing body members who retain ultimate financial responsibility, and other interested parties. It describes finance committee members' roles and responsibilities in detail and provides the context in which such committees operate. Users of this guide are recommended to read the key financial documents in use in their own institutions, such as the financial agreement or financial memorandum and audit code of practice.

This new edition includes academies and takes account of recent changes to the sectors, including changes to the funding regime in higher education and the updated Statements of Recommended Practice (SORPs).

There is emphasis throughout the guide on 'questions to ask' to help committee members to assess the effectiveness of their own committee and to guide improvements in the future.



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