FINANCE AND DEVELOPMENT COMMITTEE
TERMS OF REFERENCE

PARENT BODY: Council

PURPOSE

Finance and Development Committee has oversight of the Executive Team's planning and management of finance, investments and assets of the London School of Hygiene and Tropical Medicine (LSHTM) in their widest sense.

Finance and Development Committee (FDC) has a particular remit in relation to providing advice and recommendations to Council or reviewing/monitoring and approving on behalf of Council the following:

1. Financial Strategy and Policy

1.1. To recommend to Council a financial strategy for LSHTM including appropriate KPIs in order to meet the objectives of the LSHTM Strategy and to ensure the financial stability of LSHTM.

1.2. To approve policies on investments in respect of general and specific funds and other funds of which the Council acts as Trustee, within such powers as are granted by the Charter.

1.3. To approve LSHTM's strategy for achieving value for money, review its performance against the strategy and advise Audit and Risk Committee accordingly.

1.4. To monitor performance against a fundraising strategy determined by the Executive Team and advise Council accordingly.

1.5. To approve accounting policy and recommend to Council the Financial Regulations (and Annex A/the Delegated Financial Authority Schedule therein).

2. Budget-Setting and Financial Forecasting

2.1. To recommend to Council the annual budgets and the financial forecasts.

2.2. To recommend to Council overdraft facilities and borrowings.

2.3. To approve or recommend to Council changes to the annual budget and increasing or decreasing the annual budget surplus/deficit during the year in line with the authority and limits sets out in the Delegated Financial Authority Schedule (Annex A of the Financial Regulations).

3. Financial Performance

3.1 Through an agreed reporting process from the Executive Team, to monitor the financial situation of LSHTM, both capital and revenue, and to ensure that appropriate actions are taken to safeguard the financial viability of LSHTM in the short

and long term.

3.2 To approve the write-off of bad debt in line with the Financial Regulations.

3.3 To review on an annual basis the consolidated Financial Statements of LSHTM, which have been subject to external audit and prior to consideration by Audit and Risk Committee and approval by Council.

3.4 To receive and monitor on behalf of the Council the financial reports and accounts of the subsidiary and associated companies, entities, trusts and joint ventures.

3.5 To monitor and, as appropriate, undertake an assessment of the impact of LSHTM's contingent liabilities and their potential financial impact.

4. Capital Projects

4.1 To recommend to Council the annual capital expenditure plan.

4.2 To approve or recommend to Council variations to the annual capital expenditure plan in line with the Financial Regulations.

4.3 To approve or recommend to Council business cases for capital projects in line with the Financial Regulations.

4.4 To monitor the financial performance of the capital programme and receive reports from the Capital Project Steering Group.

5. Companies, Entities, Trusts and Joint Ventures

5.1 To recommend to Council the establishment and liquidation of any companies, entities, trusts and joint ventures by LSHTM, the LSHTM/MRC Units and LSHTM's subsidiaries.

5.2 To appoint directors and/or trustees of companies, entities, trusts and joint ventures wholly or partly owned by LSHTM.

5.3 To monitor the performance of these companies, entities, trusts and joint ventures.

5.4 To approve or recommend to Council any loan, investment, increase or decrease in share capital in any joint venture or other LSHTM company, entity or trust in line with the Financial Regulations.

5.5 To approve any expenditure or capital reduction for any LSHTM trust fund in line with the Financial Regulations.

6. Assets

6.1 To consider proposals affecting major assets, in particular the estate, and to approve or recommend to Council as appropriate in line with the Financial Regulations.

6.2 Through an agreed reporting process from the Executive Team, to monitor estates projects and other estates maters, including planned works and maintenance schedules.

6.3 To have oversight of LSHTM's intellectual property assets and make any necessary decisions to maximise the benefits that can accrue from them.

6.4 To review LSHTM's insurance arrangements at regular intervals.

7. Investment and Treasury Management

7.1 To approve the appointment of bankers and the provisions of the bank mandate.

7.2 To approve a strategy for borrowing, investment of funds and raising of monies, in line with any provisions of the Charter, Ordinances and Financial Regulations.

7.3 To appoint and terminate the appointment of investment managers and advisers on the recommendation of the Investment Working Group and review their performance on a periodic basis against agreed targets and benchmarks.

8. Equity, Diversity and Inclusion (EDI)

8.1. To ensure that EDI considerations – including public sector equality responsibilities – are integrated into all aspects of Finance and Development Committee business.

9. Committee Evaluation

9.1. To review annually the Finance and Development Committee's effectiveness and the suitability of its Terms of Reference.

COMPOSITION

Membership

All members of the Finance and Development Committee and its Chair shall be appointed by Council from among its own members and, with the exception of the Director, must consist of members with no executive responsibility for the management of LSHTM. The Committee may, if it considers it necessary or desirable, co-opt members with relevant expertise.

There shall be:

- Four independent members of Council (one who will be the Chair of the Committee);
- The Director (ex-officio);
- Up to five independent co-opted members who are external to LSHTM and have relevant expertise; and
- An elected staff member of Council.

The quorum is:

- At least two independent members of Council; and
- A majority of independent members (including co-opted members) should be in attendance.

The Chair of Council will not be the Chair of the Finance and Development Committee. Members should not have significant interests in LSHTM.

The Chair will ensure the Committee membership reflects the skills and abilities required and that appropriate training is provided.

In Attendance
Members of the Executive Team, the University Secretary, the Chief Financial Officer and Deputy Chief Financial Officer normally attend meetings of the Committee, and other LSHTM officers as requested by the Chair.

MODE OF OPERATION

Finance and Development Committee meets at least four times per year.

The Committee reports to Council through submission of the Annual Financial Statements and accompanying report, the minutes of each of its meetings with a cover sheet highlighting the key decisions and discussions, and through an oral report by the Committee Chair. Specific proposals requiring Council consideration and approval are identified in the Terms of Reference.

Where appropriate, the Committee may form task and finish groups to explore specific areas of interest/risk/strategic relevance.

The Finance and Development Committee Terms of Reference were approved by Council on 26 March 2026.