

THE SCOUT ASSOCIATION (TSA) FINANCE COMMITTEE TERMS OF REFERENCE

Members

The Committee shall have between 7 and 11 members, including

- The Treasurer (who will normally be the Chair of the Committee)
- At least 2 more members of TSA's Board of Trustees (**Board**) with relevant financial experience
- At least 2 persons aged 24 or under¹
- At least 1 independent² member with relevant financial skills and experience The Chief Financial Officer

1. Members of the Committee shall be appointed by the Nominations and Governance Committee, in consultation with the Chair of the Committee.
2. Appointments to the Committee shall be for a period of up to 3 years (or, if shorter, until end of term as member of the Board), subject to appraisal, and extendable by no more than one additional 3 year period, so long as (where relevant) the Committee member continues to be aged 24 or under or independent
3. The Board shall appoint the Committee Chair, who will normally be the Treasurer. In the absence of the Committee Chair, the remaining members present shall elect one of themselves to chair the meeting.

Quorum

1. 50% of the membership (subject to declaration of any conflict of interest) including at least one Member of the Board not in an ex officio capacity.
2. In accordance with the regulations for Committee decision-making passed by the Board on 11 July 2015, Committee members participate in a meeting and (subject to declaration of any conflict of interest) are included in the quorum for the meeting provided that:
 - the meeting has been properly called in accordance with TSA's practice and procedures; and
 - each Committee member can communicate to the others (for example, by teleconference or video-conference) any information or opinions they have on any particular item of business of the meeting.

Frequency

At least four meetings per annum

Voting

The Committee will strive for consensus around matters which require a decision. In the absence of consensus, matters arising at any meeting shall be decided by a majority of votes of those present (see Quorum above). In case of any equality of votes, the Chair shall not have a second or casting vote. Instead, the motion must be deemed not to have been carried.

¹ Ideally the Committee should have on it the same proportion of members aged 24 and under as the Board does at the time. (As at July 2016: 15.8 %.) The Committee Chair is encouraged to take more young members than provided for in these Terms of Reference should Nominations and Governance Committee recommend that there is an appropriate opportunity to do so. Typically, these members will be aged 18-24 years, but Committee members aged 16-17 years are permissible where there is an appropriate candidate of that age.

² Independent means someone who is not at date of appointment, or at any time during his/her term of office, a member of the Board of Trustees, SLT or Team UK.

Rights of attendance

1. The Chair and all Members of the Board, the UK Chief Commissioner, the UK Youth Commissioner and the Chief Executive have right of attendance in a non-voting capacity.
2. Any others, by prior notice to and with the permission of the Committee Chair, may also attend in a non-voting capacity.

Remit

The Finance Committee's remit extends to TSA and all TSA's wholly-owned subsidiary companies from time to time (together with TSA, "**the Group**").

The Finance Committee is responsible to the Board for:

Policy and Planning

1. Recommending to the Board the Group's policies on all financial and associated matters, including the reserves policy, investment policy and financial controls such as expenses policy.
2. Reviewing and monitoring all such policies, making recommendations to the Board as appropriate.
3. Recommending to the Board an annual budget and financial plan for the Group and the level of the Headquarters Membership Subscription.
4. Regularly reviewing performance against budget and plan and generally taking responsibility on behalf of the Board for overseeing all financial aspects of the Group's operations so as to ensure short- and long-term viability.
5. Contributing to the development of, recommending to the Board and monitoring performance and compliance against, the Group's long term financial plan and its Commercial Strategy.
6. Reviewing and approving the strategy, business plans and budgets of the trading subsidiaries, including Scout Shops Ltd and Scout Insurance Services Ltd, and monitoring and appraising their performance.

Investments

7. Recommending to the Board the Group's investment policy and approving the strategy and asset allocation of the Group's investments, monitoring the performance of the investment managers and periodically reviewing their appointment based on the advice of an expert investment advisory group.

Property

8. Recommending to the Board a rolling five-year strategy for all property and land owned or occupied by the Group.
9. Receiving from the Chief Financial Officer an annual report concerning the security, maintenance and operation of property and land owned or occupied by the Group and making recommendations to the Board as appropriate.

Other Strategic Matters

10. Reviewing and recommending to the Board all proposals for disposal or significant change of use of property and land owned or occupied by the Group.
11. Recommending to the Board investment strategies and plans for the development and operation of all National Centres and monitoring financial and asset-management related performance of the National Centres.

12. Contributing to the development of and approving TSA's Fundraising Strategy and monitoring performance and compliance against that Strategy, all based on the advice of an expert Fundraising Advisory Group.
13. [Recommending to the Board the Group's Digital, and Digital Technology, Strategies and monitoring financial and deliverable performance against those Strategies, all based on the advice of the Portfolio Management Group and Digital Advisory Group.

External Audit

14. Recommending to the Board the appointment of external auditors (**auditors**) and the appointment of other finance related professional advisers, such as bankers and actuaries, as required.
15. Undertaking a detailed review of the Group's statutory accounts, including review and approval of the statement to be included in the annual report re internal controls and risk management, and debating these with the auditors.
16. Meeting the auditors to agree audit plan and fees.
17. Giving the auditors the opportunity to share thoughts and concerns and raise issues and vice versa both with the management present and absent.
18. Meeting the auditors to discuss key findings from the audit and review and sign off the auditors' management letter.

Other

19. Considering, and (where appropriate and within the Committee's delegated authority) approving, all decisions and recommendations made by other Committees of the Board or the Senior Leadership Team which involve substantial expenditure outwith approved budget limits by reference to the list of authorities decided by the Board from time to time.
20. Monitoring (at least every six months), reviewing and taking action in relation to risks allocated to the Committee by the Risk Committee and reporting to the Risk Committee accordingly.
21. Approving loans to local Scout groups.
22. Monitoring the financial impacts of TSA Pension Schemes, the Development Grants Board and other TSA funds and making recommendations to the Board where necessary.
23. Monitoring the Group's insurance arrangements and approving any significant policy changes.
24. Undertaking other work delegated to it by the Board.

Reporting

Minutes of all Committee meetings (or a summary of the Minutes approved by the Committee Chair) will be circulated to the Board.

Authority

The Committee is authorised:

1. To seek any information it requires from any Group employee or volunteer in order to perform its duties; and
2. To require the attendance of any Group employee or volunteer at a meeting of the Committee (or at a meeting of any part of the Committee arranged for a specific purpose) as and when required.

Approved by the Board of Trustees 9 July 2016