

## POWERS OF COUNCIL AND FINANCE AND RESOURCES COMMITTEE, AND FINANCIAL LIMITS

The table below sets out the existing Reserved Powers of Council (Statement of Primary Responsibilities), mapped to the corresponding clauses in the terms of reference of Finance and Resources Committee and the Financial Limits for officers of the College and for Finance and Resources Committee. The text *below* the table lists the Reserved Powers of Council in areas not dealt with by Finance and Resources Committee.

The specific limit of £500k for the sale, purchase and lease of College land, above which Council permission is required, overrides the other, higher limits set for other categories of transaction. This means that the other limits are for transactions *not* involving land.

GENERAL TOPIC	POWERS OF SPECIFIED OFFICERS/SIGNATORIES	FINANCE AND RESOURCES COMMITTEE CURRENT TERMS OF REFERENCE	COUNCIL RESERVED POWERS CORRESPONDING TO FINANCE AND RESOURCES COMMITTEE TERMS OF REFERENCE
<b>STRATEGIC PLANNING</b>		<p>1 To consider strategic planning and policy development matters relating to financial management, and in other areas with major resource implications, and to make recommendations Council as appropriate.</p> <p>2 To monitor the delivery of aspects of approved College strategy relating to financial management, and to the overall management and administration of the College.</p>	<p>to approve the Strategic Plan, and Key Performance Indicators to be used to monitor the performance of the College as a whole;</p> <p>to monitor the College's delivery against the Strategic Plan and Key Performance Indicators;</p>
<b>BUDGET-RELATED: GENERAL</b>		<p>3 To maintain an overview of the College's arrangements for financial management, and in particular:</p>	<p>to approve the annual budget;</p> <p>to ensure that funds provided by the Higher Education Funding Council for England (HEFCE) are used in accordance with the Financial Memorandum, and that the conditions of funding of any other funding bodies, including the Teaching Agency (TD) and the Skills Funding Agency (SFA) are similarly met;</p> <p>to ensure that the College complies appropriately with other regulatory documents from the Higher Education Funding Council for England which are for the time being in force;</p>

		i to advise Council on any major new implications for the College arising from the College's Financial Memorandum with HEFCE or any successor body, or from similar framework agreements with other funding bodies	
		ii to recommend the annual budget to Council for approval	
		iii to monitor delivery against the previously approved annual budget	
	<p><b>VARIATIONS IN APPROVED BUDGET</b>  <i>(ie variations which would involve use of the contingency allocation or an increase in overall deficit)</i></p> <p>For sums below £75K: SMT.</p>	<p>iv to authorise variations in the approved Annual Budget up to a level to be agreed from time to time by Council</p> <p><b>Variations up £250k may be approved by Finance and Resources Committee.</b></p>	
<b>BUDGET-RELATED: SPECIFIC</b>	<p><b>BORROWING, LOANS OR INVESTMENTS</b></p> <p><i>Borrowing and Loans:</i> approval within the committee system always required.</p> <p><i>Investments (excluding day-to-day cash management):</i> One authorised signature for items below £10k and two authorised signatures for items above £10k, as per the banking mandate.</p>	<p>v to approve borrowing, loans or investments up to a sum to be agreed from time to time by Council</p> <p><b>This sum is currently £3.0m, but for investments there is a lower limit of 1.5m below which officer action is permitted without committee involvement.</b></p>	<p>to approve borrowing or loans above an agreed value;</p> <p><b>This value is currently £3.0m.</b></p>

<p><b>GRANTS AND GIFTS</b></p> <p>All applications for routine research funding should be approved by the Pro-Warden (Research) after financial appraisal by the Director of Finance. All other applications should be approved by the Director of Finance.</p> <p>Any proposed grant application or gift where acceptance could raise issues falling within the purview of the Ethical Committee for the Acceptance of Gifts should be referred to the Warden.</p>		<p>Council will consider serious matters referred to it by the Ethical Committee for the Acceptance of Gifts, in line with the terms of reference of that body.</p>
<p><b>GENERAL PROVISIONS FOR AUTHORISING EXPENDITURE/PURCHASE ORDERS</b></p> <p>Up to £5k: Authorised departmental signatory £5k to £40k: Director of Finance/Authorised Finance Department staff £40k to £500k: Director of Finance or in his/her absence the Registrar &amp; Secretary £500k to £1.5m: Director of Finance plus Warden. In the absence of the Director of Finance the Registrar &amp; Secretary acts instead, and in the absence of the Warden the Senior Pro-Warden.</p>	<p>vi to authorise expenditure up to a level to be agreed from time to time by Council, and to report to Council on major items of expenditure approved</p> <p><b>This sum is currently up to £3.0m for a single item, but see separate limits on officer action for sums below 1.5m.</b></p>	<p><i>By virtue of the operation of the Financial Limit on Finance and Resources Committee, Council must approve any expenditure <b>over 3.0m</b>, although this is not a specified Reserved Power.</i></p>

<p><b>CONTRACTS</b> (see also <b>BUILDING PROJECTS</b> below)</p> <p><i>Note that these are the authority limits for checking the scope and wording of a contract, defined by the contract value. The limits for authorisation of expenditure are separate, and are set out under the sections above concerning Variations in Budget and Authorising Expenditure.</i></p> <p>Up to a contract value of £30k, the authority limits are the same as for expenditure (see section above on authorising expenditure). Non-building contracts up to a value of £150k may be authorised by the Director of Finance or in his /her absence the Registrar &amp; Secretary. Non-building contracts with a value in excess of £150k, other than those relating to routine research grants, must be authorised by the Registrar &amp; Secretary. Those in excess of £500k must be authorised by SMT, with an upper limit of £1.5m.</p>	<p>vii to approve contractual commitments up to a value to be approved by Council from time to time</p> <p><b>This value is currently £3.0m for any single item, but see separate limits on officer action for sums below £1.5m.</b></p>	<p>to approve contractual commitments over an agreed value and authorise College signatories;</p> <p><b>This value is currently £3.0m.</b></p>
	<p>viii to receive the Accounts section of the Financial Statements of the College and refer any matters of concern to Audit Committee before it recommends to Council approval of the Financial Statements</p>	
	<p>ix to receive the annual Financial Statements of the Students' Union</p>	
	<p>x to authorise changes in banking arrangements on behalf of Council, where the rules of operation of the bank concerned require a decision by a formal committee.</p>	

RISK		<i>[The Committee of Council responsible for this is now Audit Committee]</i>	to approve policies and strategies designed to ensure good financial and risk management, and to monitor the College's arrangements for risk management in ways which Council shall from time to time determine;
HEALTH AND SAFETY		4 To consider the financial implications of developments needed to enable the College to meet its Health and Safety obligations, and any other Health and Safety matters at the request of Council.	to approve the College's Health and Safety Policy and Procedures and to monitor their implementation;
ESTATE		5 To consider the financial implications of the management of the College's Estate, and in particular:	
	<b>SALE, PURCHASE AND LEASE OF COLLEGE LAND</b>	<p>i to approve the sale, purchase and lease of College land within a framework to be agreed from time to time by Council</p> <p><b>There is a limit of £500k for the sale, purchase and lease of College land, which overrides the higher limits set for other, more generic categories of transaction. This means that the other limits are for transactions not involving land.</b></p>	<p>to approve the sale, purchase and lease of College land over an agreed value and/or an agreed period of time;</p> <p><b>This value is currently £500k (total transaction value); no period of time is currently specified generically.</b></p>

	<p><b>CONTRACTS FOR BUILDING PROJECTS</b> (see also <b>CONTRACTS</b> above)</p> <p><i>Note that these are the authority limits for checking the scope and wording of a contract, defined by the contract value. It is assumed that a specific allocation has already been made in the budget during the preceding year's planning round.</i></p> <p><i>If this is not the case (ie where the contracts are small enough to be funded from general recurrent budgets, or where a variation in budget is required), the relevant generic (ie non-building-specific) limits above for both expenditure and contracts apply.</i></p> <p>Building contracts up to a value of £500k may be authorised by the Director of Finance or in his/her absence the Registrar &amp; Secretary. Building contracts with a value in excess of £500k must be authorised by the Registrar &amp; Secretary, and those in excess of £1.0m by SMT as a whole. The upper limit is £1.5m.</p>	<p>ii to approve building projects up to a value to be agreed by time to time by Council</p> <p><b>This value is currently £3.0m, with a lower limit of 1.5m below which officer action is permitted without committee involvement.</b></p>	<p>to approve building projects over an agreed value and monitor their progress;</p> <p><b>This value is currently £3.0m.</b></p>
<p><b>STAFFING ESTABLISHMENT</b></p>		<p>6 to consider any significant resource implications of policies proposed within the College relating to employment and staff development</p>	
<p><b>COMPANIES</b></p>		<p>7 To maintain an overview of the College's commercial activities and the activities of any College-owned companies or legal entities in which the College has a legal interest, to report to Council as appropriate, and in particular to make recommendations to Council on the approval or otherwise of any proposals for the establishment and termination of College companies or of any other legal entities in which the College has a legal interest.</p>	<p>To approve the establishment and termination of College companies, or of the College's acquisition of legal interest in a jointly-owned company (or voluntary termination of such an interest), and to ensure that appropriate arrangements are in place to monitor the College's existing interests in companies.</p>

**The following Primary Responsibilities of Council have no corresponding Finance and Resources Committee terms of reference and are not included in the above chart.**

- to ensure high standards of corporate governance to include integrity, objectivity, openness and transparency;
- to ensure that an appropriate framework exists to manage the quality of learning and teaching and to maintain academic standards;
- to be generally responsible for the welfare of students and staff;
- to approve the Financial Statements and accompanying annual reports, including the Corporate Governance Statement;
- to approve the appointment of the College's bankers, and internal and external auditors;
- to approve the Articles of Governance of the Goldsmiths Students' Union, the Memorandum of Understanding between the College and the Union, and procedures designed to ensure that the College complies with its legal responsibilities in relation to the Union's conduct of its affairs;
- to be the employing authority for all staff in the institution, approve employment policies and strategies to ensure compliance with employment legislation and guidance, and to monitor their implementation;
- to approve recommendations made by a properly-constituted Redundancy Committee to make academic and academic-related staff redundancies;
- to approve procedures for handling internal grievances and for managing conflicts of interest;
- to appoint the Warden, the Registrar and Secretary and the Director of Finance, and to approve recommendations for the appointment of Pro-Wardens, including the Deputy Warden;
- to appoint the Secretary to Council;
- to ensure compliance with all legislation affecting the College;
- to act as appropriate in relation to the role of Council as trustees, and to ensure that the College complies with charity law, and with the requirements of HEFCE in its role as Principal Regulator;
- to agree proposed changes to the College's Statutes, Ordinances, General Regulations and Financial Regulations;
- to establish process to evaluate the performance and effectiveness of Council itself.

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*Financial limits approved by Council, 29 June 2006; revised 14 December 2006 and 28 June 2007, with further amendments by Chair's Action in July 2007. Amendments inserted consequential upon revision of the terms of reference of Finance and Resources Committee from 1 September 2009, and consequential upon revisions of the Primary Responsibilities of Council approved by Council on 29 June 2010. Further revisions approved on behalf of Council, Summer term 2013, implementing decisions by Council 20 March 2013 concerning Primary Responsibilities, as well as revision of Financial Limits for officer action..*