

# Royal College of Nursing

## Business Committee Terms of Reference

### Role of the Committee

- The Committee has a key role in supporting Council to ensure that resources are being used to best effect in the organisation and that value for money is achieved. This requires having oversight of the overall planning framework and the financial planning and budgeting framework that support the organisation achieving its plans and priorities. The Committee will look at financial risks to ensure these are being managed and opportunities to ensure the financial position of the organisation is being maximised. There will be a strategic focus on business development, income generation and cost reduction.

### Key Responsibilities

#### Planning and Performance Management

- To review the process, framework and content for the development and agreement of the 5-year strategic plan.
- To review the annual priorities to be agreed by Council
- To review the annual plan to be agreed by Council

#### Financial Planning and Budgeting

- To review and agree the assumptions and annual update to the finance strategy prior to its submission to Council for approval
- To review the annual revenue budget to be agreed by Council
- To review the annual capital budget to be agreed by Council
- To consider and recommend an appropriate reserves policy to Council

#### Pensions

- To receive performance reports of the performance of The Pensions Trust and agree any action to be taken where issues or concerns are reported.
- To receive and review actuarial valuations of the pension scheme, including:
  - The triennial actuarial valuation
  - The annual updates to the actuarial valuation
  - The accounting (FRS17) valuation to be included in the annual accounts
- To consider any changes that may be required to the pension scheme or other actions necessary, so that the risk posed to the organisation by the deficit is controlled and managed
- To receive reports and consider changes arising from pensions regulations that have an impact on the RCN pension scheme

#### Other Financial

- To review the organisation's financial risks as set out in the corporate risk register and recommend action as appropriate
- To review the RCN's balance sheet and receive update reports to ensure that assets and liabilities are being properly managed and controlled, including (but not limited to)

properties, investments, capital expenditure, membership recruitment and retention and the member indemnity scheme

- To review the tax position of the RCN and its Group entities and ensure that tax issues are properly addressed and reliefs maximised

- 

#### Investment/Treasury Management

To make any decisions on investment/treasury management, as recommended by the Investment Sub-Committee.

#### Commercial Activity

- To review the performance and trading position of the RCN's commercial operations, including subsidiary undertakings
- To consider and recommend new business opportunities (for example how the RCN could promote its services to independent sector organisations and RCN extra)

#### RCN Group Issues

- To ensure that the RCN's relationship with its subsidiary boards, the RCN Foundation and any strategic alliances and partnerships are set down in and managed by clear Memoranda of Agreements, Partnership Agreements and Service Level Agreements

### **Membership**

Chair	One of the 6 Council members
Membership	A minimum of 6 Council Members (including Honorary Treasurer) A minimum of 3 External Advisers
Attendees	Chief Executive & General Secretary Director of Finance & Corporate Services Other Executive Directors and Senior Management Team as required
Professional Advisers (as required)	The Pensions Trust Pensions Advisers Tax Advisers

### **Quorum**

Three, being two Council members and one external adviser

### **Frequency of Meetings**

Quarterly

### **Ways of Working**

To use email to agree any decisions needed between meetings using a standard template which will be ratified and recorded at the next meeting of the Committee.

**Agreed by the Business Committee on 7 October 2011.  
Amended following Business Committee on 11 April 2013.**