

INVESTMENT COMMITTEE

TERMS OF REFERENCE

1. OVERVIEW

- 1.1 The Committee is responsible for evaluating and recommending for approval to the Strategy, Policy, Finance and Resources Committee a strategy for investment of University funds.
- 1.2 The Committee is responsible to the Board of Governors, via the decisions taken by the Board of Trustees of a separate charity established to provide governance and oversight of a permanent endowment held to support the Opportunity Fund, to ensure that it creates returns that can be utilised to fund activities that improve outcomes for students from widening participation backgrounds (“the Purpose”).

2. DUTIES OF THE COMMITTEE

General

- 2.1 To monitor management of the long-term investment portfolio for University funds against established benchmarks, agreed objectives and targets.
- 2.2 To appoint and monitor the performance of Investment Managers responsible for the custody and management of the University’s long term investment funds.
- 2.3 To appoint and liaise with specialist investment advisors as appropriate.
- 2.4 To consider and recommend to the Strategy, Policy, Finance and Resources Committee the treasury management policy and monitor management of short-term investments against the policy.

Endowment Fund

- 2.5 To recommend to the Strategy, Policy, Finance and Resources Committee, via decisions taken by the separate Board of Trustees referred to in paragraph 1.2 above, an investment policy that determines the strategic allocation of funds, target returns, ethical considerations, performance targets and risk tolerance such that the Purpose can be achieved.
- 2.6 To monitor and report to the Strategy, Policy, Finance and Resources Committee on the performance of the endowment and that of the Investment Managers (appointed by the separate Board of Trustees referred to in paragraph 1.2 above) against established benchmarks, agreed objectives and targets).

3. REPORTING PROCEDURES

- 3.1 The minutes of meetings of the Committee and the separate Board of Trustees established to oversee the endowment will be circulated to all members of the Board of Governors and to the Strategy, Policy, Finance and Resources Committee.
- 3.2 The Investment Committee will receive a report annually from the separate Board of Trustees on the performance of the Endowment and will share this report with the University Executive Team for inclusion within an Annual Report referred to at point 3.3 below.

- 3.3 The University Executive Team will prepare an annual report on the performance of the Opportunity Fund including the performance of the Endowment. This will cover the impact that the Opportunity Fund has had in improving outcomes for students from widening participation backgrounds and will be shared with the Board of Governors.

4. CLERKING ARRANGEMENTS

- 4.1 The clerk to the Committee shall be the clerk to the Board of Governors (or other appropriate independent individual).

5. MEMBERSHIP

- 5.1 Three non-executive members of the Committee shall be drawn from the membership of the Board of Governors.

- 5.2 The Director of Finance will be an ex-officio member of the Committee.

- 5.3 At least one member should have recent and relevant experience in finance, accounting, investment practice or auditing.

- 5.4 The Committee will co-opt at least one non-governor member with investment management expertise.

- 5.5 The Chair of the Committee shall be an Independent Governor unless approved otherwise by the Board of Governors.

- 5.6 The quorum for meetings shall be three. The quorum should include two non-executive members (one of whom will be designated as chair in the absence of the Committee Chair) and the Director of Finance (or the Deputy Director of Finance as their representative).

6. ATTENDANCE AT MEETINGS

- 6.1 Senior officers within the University may be requested to attend where business relevant to them is to be discussed.

7. FREQUENCY OF MEETINGS

- 7.1 Meetings shall normally be held at least twice each financial year.

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