

**FINANCE AND GENERAL PURPOSES COMMITTEE**  
**A SUBCOMMITTEE OF THE BBC BOARD OF GOVERNORS**  
**TERMS OF REFERENCE**

**1. Constitution**

- 1.1 The Board of Governors ('the Board') has established a subcommittee known as the Finance and General Purposes Committee ('the Committee'). The purpose of the Committee is to assist and make recommendations to the Board, and to consider, review, monitor, supervise and scrutinise certain financial and other matters as provided for by these terms of reference.
- 1.2 The Committee is a supervisory and advisory body. Approval of recommendations is required from the Board.
- 1.3 The BBC's Audit Committee remains the authority by which the Corporation determines satisfactory compliance with internal control and risk management.

**2. Membership and Attendance**

- 2.1 The Committee is appointed by the Board and comprises four governors - one to be designated as the chairman and three committee members.
- 2.2 At least one member of the Committee should also be a member of the Governors' Audit Committee.
- 2.3 The Committee shall seek such advice and/or assistance as it considers appropriate including (but not limited to) from the following employees of the Corporation:
- Director-General
  - Chief Operating Officer
  - Group Finance Director
- And from the Governance Unit:
- Director of Governance
  - Head of Compliance and Value for Money
- 2.4 Those named in 2.3 above shall attend all meetings except where the Committee wishes to meet in private.
- 2.5 The Director of Governance shall be the Secretary of the Committee.

### **3. Quorum**

- 3.1 The quorum necessary for the transaction of business is two Governors. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable.

### **4. Frequency of Meetings**

- 4.1 The Committee meets monthly, and at other times as required.

### **5. Notice of Meetings**

- 5.1 Meetings of the Committee are summoned by the Secretary of the Committee at the request of any member thereof.
- 5.2 Unless otherwise agreed, Notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no fewer than five days prior to the date of the meeting.

### **6. Minutes of Meetings**

- 6.1 The Secretary, or a nominated deputy, shall minute the proceedings and resolutions of all meetings of the Committee, including recording the names of those present and in attendance.
- 6.2 The Secretary should ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.
- 6.3 Minutes of the Committee meetings shall be circulated promptly to all members of the Committee and to the Chairman.
- 6.4 A summary of the Committee meetings shall be circulated to all members of the Board.

### **7. Authority**

- 7.1 The Committee is authorised by the Board to:
- investigate any activity within its terms of reference;
  - seek any information that it requires from any employee of the Corporation and all employees are directed to cooperate with any request made by the Committee; and
  - obtain legal or other professional advice as required, including from outside the Corporation. Such advisors may attend meetings as necessary.

## **8. Scope**

The Committee's authority extends to the following areas:

- 8.1 Scrutinising and making recommendations to the Board on the adoption of the annual budget of the Corporation.
- 8.2 Scrutinising and making recommendations to the Board on investment cases requiring the Board's approval under the BBC Investment Guidelines, including projects in excess of £20m, new services, joint ventures, novel or contentious projects being proposed by BBC management.
- 8.3 Making recommendations to the Board on other financial and compliance proposals from management, other than those within the remit of the Audit Committee or the Fair Trading and Compliance Committee.
- 8.4 Reviewing progress against the BBC's property strategy and monitoring major or significant property projects within the agreed property strategy.  
  
Ensuring that significant findings and recommendations made by the BBC's internal auditors, or its external auditors, in respect of major property projects or BBC Property, are resolved appropriately.
- 8.5 Undertaking such reviews as required by the Department for Culture, Media and Sport (DCMS), including terms of approval for property projects or partnerships.
- 8.6 Scrutinising proposals and strategies where prior consideration may assist deliberations of the full Board.
- 8.7 Conducting an annual review of the Committee's work and these terms of reference.
- 8.8 Undertaking any other task that the Board may determine from time to time.

Approved by the Board of Governors: 27 April 2005