

TERMS OF REFERENCE OF STANDING COMMITTEES of BATH COLLEGE CORPORATION

- 1 **Audit Committee**
- 2 **Governance & Search Committee**
- 3 **Remuneration Committee**
- 4 **Quality and Curriculum Committee**
- 5 **Finance and Resources Committee**

AUDIT COMMITTEE

TERMS OF REFERENCE

Purpose

The Audit Committee advises the Corporation on matters relating to the College's internal financial control and risk management and oversees its external and internal audit arrangements. It advises and supports the Corporation in explaining, in its annual accounts, the fair and reasonable measures taken to ensure it has fulfilled its statutory and regulatory responsibilities.

It must not adopt an executive role.

The Instrument and Articles of Government require the Corporation to have an Audit Committee. It is also a condition of funding that the Corporation establishes an Audit Committee.

Membership

- 1.0 The membership of the Audit Committee shall be four (4) members (plus up to two Associate or Co-opted Members).
- 1.1 Members shall serve for a period of one academic year and shall be eligible for re-appointment.
- 1.2 Individual members should have an appropriate mix of skills and experience to allow the committee to discharge its duties effectively. Collectively members should have recent relevant experience in risk management, finance and assurance. The abilities of the membership should reflect the needs of the Corporation and should extend to expertise in all relevant financial and non-financial areas.
- 1.3 Membership of the Committee shall be determined at the final meeting of the Board in that academic year.
- 1.4 The Chair of the Board and the Principal/CEO cannot be members of the Audit Committee.

Quorum

- 2.1 The quorum for the meeting shall be 50% or at least three (3) members.

Frequency of Meetings

- 3.1 The Committee shall meet at least three times per annum. Where this is not the case, an explanation must be provided within the Committee's annual report.

Responsibilities of the Committee

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- 4.1 To scrutinise any activity within its terms of reference, which may involve engaging a third party to assist.
- 4.2 To access all the information and explanations it considers necessary, from whatever sources, to fulfil its remit.
- 4.3 To assess and advise the Corporation on the adequacy and effectiveness of the Corporation's assurance arrangements, framework of governance, which may include the Board's assurance framework, risk management and control processes, for the effective and efficient use of resources, solvency of the institution and the safeguarding of its assets. A holistic and risk-based view should be applied with all aspects and systems, financial and non-financial, being in scope depending on their impact and effect on the Corporation.
- 4.4 To consider the development of members and put in place appropriate training to ensure their skills and knowledge are up to date. Where there is a gap in the existing skillset, training and development should be provided to address this in the first instance.
- 4.5 To advise the Corporation on the appointment, reappointment, dismissal and remuneration of the external auditor, reporting accountant, internal auditor and other assurance providers and establish that all such providers adhere to relevant professional standards.
- 4.6 To advise the Corporation on the scope and objectives of the work of internal audit, the external auditor and other assurance providers (as applicable)
- 4.7 To inform the Corporation of any additional services provided by internal audit, the external auditor, reporting accountant and other assurance providers and to explain how independence and objectivity are safeguarded.
- 4.8 To consider and advise the Corporation on the audit strategy and annual internal audit plans for the internal auditor
- 4.9 To review and consider the reports of internal audit, the external auditor and other assurance providers (as applicable) and monitor the implementation of recommendations to agreed timescales.
- 4.10 To consider and advise the Corporation on relevant reports by the National Audit Office, the ESFA and other funding bodies, and where appropriate management's response to these.
- 4.11 To establish, in conjunction with the executive management, relevant annual performance measures and indicators, and to monitor the effectiveness of the internal and external auditors through these measures and indicators and decide, based on this review, whether a competition for price and quality of the audit service is appropriate.

- 4.12 To produce an annual report for the Corporation summarising the Committee's activities relating to the financial year under review, including:
- a summary of work undertaken by the committee during the year, including any significant issues arising up to the date of preparation of the report and any significant matters of internal control included in the reports of audit or other assurance providers.
 - the number of the meetings held in the year, and attendance records for each Committee member.
 - details of the date of appointment of the external and internal auditors and the remaining term of the contract
 - the committee's view of its own effectiveness and how it has fulfilled its terms of reference
 - the Committee's opinion on the adequacy and effectiveness of the Corporation's assurance arrangements, assurance over subcontracting, framework of governance, risk management and control processes for the effective and efficient use of resources, solvency and the safeguarding of assets

The annual report to the Corporation must be submitted to the Corporation before the statement of corporate governance and internal control in the annual accounts is signed.

In all other respects the report must meet the requirements of the ESFA and OfS as set out in the post-16 Audit Code of Practice.

- 4.13 To oversee the Corporation's policies on, and processes around fraud, irregularity, impropriety and whistleblowing, and ensure:
- the proper, proportionate and independent investigation of all allegations and instances of fraud and irregularity
 - that investigation outcomes are reported to the committee.
 - that the external (and internal auditor if applicable) are informed of investigation outcomes and other matters of fraud, irregularity and impropriety, and that appropriate follow-up action has been planned/actioned.
 - that all significant cases of fraud or suspected fraud, theft, bribery, corruption, irregularity, major weakness or breakdown in the accounting or other control framework are reported to the ESFA and other relevant funding authority as soon as practicable.
 - Risks around fraud have been identified and controls put in place to mitigate them.
- 4.14 To receive monitoring report on information governance compliance.
- 4.15 To oversee the Financial Regulations and to undertake an annual review of the same, with recommendation to the Board for approval.
- 4.15 To notify ESFA immediately of the resignation of auditors, or where the Corporation removes the auditors, before the expiry of their term of office.

- 4.16 To ensure there is a policy in place for regular retendering of the external audit service, which should happen at least every five (5) years.

Election of Chair

- 5.1 The Chair shall be elected by the Committee at the first meeting of the Committee in the academic year.

Terms of Reference

- 6.1 The Committee shall review its terms of reference on an annual basis.

Committee Secretariat

- 7.1 The Head of Governance will service the Committee.

Reporting to the Corporation

- 8.1 The minutes of the Audit Committee are to be presented to the next meeting of the Corporation.
- 8.2 The Chair of the Committee will provide a summary report to the Corporation as required.

GOVERNANCE & SEARCH COMMITTEE

Terms of Reference

Purpose

The Committee is responsible for upholding the highest standards of governance practice, for monitoring and reviewing governance practices and policies and for the recruitment and development of governors. Responsibility is devolved by the Corporation to the Governance and Search Committee to undertake the duties below on its behalf.

Membership

- 1.1 The membership of the Governance & Search Committee shall be five (5) members (4 external governors plus Chief Executive & Principal).
Up to two co-opted or Associate members may also be appointed.
- 1.2 The Members shall be determined at the final meeting of the Corporation in the college year.
- 1.3 Members shall serve for a period of one College year and shall be eligible for reappointment

Election of Chair

- 2.1 The Chair shall be elected by the Committee at the first meeting of the Governance & Search Committee in each academic year.

Quorum

- 3.1 The quorum for meetings of the Governance & Search Committee shall be 50% or at least three (3)

Frequency of meetings

The Governance & Search Committee shall meet at least once per term.

Responsibilities of the Committee

- 4.1 The Committee shall consider and advise the Corporation Board on:

The constitution and effectiveness of the Board, including:

- The total number of members of the Board
- The number of members in each membership category
- The blend of skills required on the Board
- The procedure for the selection of new governors, Associate members and Co-opted Members
- The power to advertise to select members for vacant positions (delegated by the Board)
- The criteria and procedure for removal of existing governors
- Governors' terms of office
- The code of conduct for governors
- The register of governors' interests

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- Governor training
- Board and individual governor performance evaluation
- The membership of committees of the Board
- The appointment and appraisal of the Clerk to the Corporation

4.2 In providing their advice, the Committee shall take into account the requirements of the Code of Good Governance for English Colleges.

4.3 In pursuit of it's the function, the Committee will have the power to employ the services of such external advisors as they deem necessary to fulfil their responsibilities*

4.4 To establish the framework for a self-assessment of governance by the Board and to oversee any action plans for the improvement of governance practices

4.5 To review the Board's governance policies and procedures and make recommendations to the Board for approval.

Terms of Reference

5.1 The Committee shall review its terms of reference and work plan annually

Servicing the Committee

6.1 The Head of Governance will service the committee

Reporting to the Corporation

7.1 The minutes of the Governance and Search Committee will be presented to the next meeting of the Governing Body.

7.2 The Chair of the Committee will provide a summary report to the Corporation as required.

*Delegated from the Board

REMUNERATION COMMITTEE

Terms of Reference

Purpose

The Committee is responsible for considering the terms, conditions, performance and pay of the Principal and CEO, any other designated Senior Postholder and the Clerk to the Corporation if that post is not designated a Senior Postholder, and to make recommendations to the Corporation as appropriate.

Membership

- 1.1 The membership of the Committee shall be a minimum of three (3) members
- 1.2 The membership shall include the Chair of Governors, Vice Chairs of Governors and the Chair of Audit Committee along with other such Governors as required. An independent Associate member may be invited to attend as appropriate.
- 1.3 The Chief Executive & Principal, Staff nor Student Governors, will not be eligible to be members of the Committee.
- 1.4 Members shall serve for a period of one year and be eligible for re-appointment. Membership should automatically include the Chair and Vice-Chair(s) of the Corporation.
- 1.5 Membership shall be determined at the final meeting of the Corporation in the academic year.

Quorum

- 2.1 The quorum for the meeting shall be three members.

Frequency of Meetings

- 3.1 The Committee shall meet as required in the proper performance of its duties but shall meet at least twice in any calendar year.

Responsibilities of the Committee

- 4.1 To consider the terms, conditions, performance and pay of the Principal and CEO, any other designated Senior Postholder and the Clerk to the Corporation if that post is not designated a Senior Postholder, and to make recommendations to the Corporation as appropriate.
- 4.2 The Committee shall:
 - Make recommendations, as appropriate, to the Corporation on the appointment, suspension, dismissal and levels of salary and benefits payable to SPHs
 - Recommend to the Corporation approval of SPHs' annual performance targets.

- Ensure that annual appraisals are carried out effectively and the extent to which performance targets have been met are monitored
 - Recommend to the Corporation the remuneration of SPHs in accordance with SPH Remuneration Code and having regard to comparative data from the Association of Colleges and/or any other relevant organisations for benchmarking purposes
 - Recommend to the Corporation the policies/revised policies for the conduct, discipline, grievance, and dismissal of SPHs
 - In accordance with the SPH Remuneration Code provide an Annual Report on the activities of the Remuneration Committee to the Corporation
 - Recommend to the Corporation the designation of senior postholders.
- 4.3 To evaluate annually the specific senior staff employment packages of the Chief Executive & Principal and other senior post-holders including the Head of Governance. The availability of the outcome of appraisal meetings and relevant data regarding senior staff employment will be used to inform consideration of specific senior staff employment packages.
- 4.4 To advise the Corporation on any compensation (including augmentation of pension benefits) which may be payable in the event of the early termination of the employment of the Chief Executive & Principal or any other senior post-holders, including the Head of Governance, with the aim of avoiding rewarding poor performance and dealing fairly with cases where early senior staff employment is not due to poor performance
- (The Corporation will report all aspects relating to the senior staff employment of the Chief Executive & Principal and other senior post-holders in its published accounts using established and best reporting practice).

Terms of Reference & Membership

- 5.1 To review its terms of reference, membership and work plan on an annual basis for recommendation to the Corporation.

Election of Chair

- 6.1 The Chair will be elected by the Committee at the first meeting of the Committee in each Academic Year. The Chair would normally be one of the Vice-Chairs of the Corporation. The Chair should not be the Chair of the Corporation.
- 6.2 In the absence of the Chair, the members attending the meeting shall select one of their number to 'Chair' that meeting.

Committee Secretariat

- 7.1 The Head of Governance will service the committee (except where matters related to the Head of Governance are under consideration).

Reporting to the Corporation

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- 8.1 The minutes or summary of the key recommendations of the Committee will be reported to the next meeting of the Corporation. These are usually confidential.
- 8.2 The Chair of the Committee will provide a summary report to the Corporation as required.

Quality and Curriculum Committee

Terms of Reference

Purpose

The Committee is responsible for upholding the highest standards of quality of learning provision and a curriculum which is responsive to the needs of industry and the learner

Responsibility is devolved by the Corporation to the Quality and Curriculum Committee to undertake the duties below on its behalf.

Membership

- 1.1 The membership of the Committee shall be a minimum of four Governors including the Principal/Chief Executive, and up to 2 Associate Governors.
- 1.2 Staff and Student governors are eligible to be members.
- 1.3 Membership shall be determined at the final meeting of the Corporation in the academic year.
- 1.4 Members shall serve for a period of one College year and shall be eligible for reappointment.

Quorum

- 2.1 The quorum for meetings of the Quality and Curriculum Committee shall be 50% or at least three (3)

Election of Chair

- 3.1 The Chair will be elected by the Committee at the first meeting of the Committee in the Academic Year.
- 3.2 In the absence of the Chair, the members attending the meeting shall select one of their number to 'Chair' that meeting.

Frequency of meetings

- 4.1 The Quality and Curriculum Committee shall meet at least once per term.

Responsibilities of the Committee

- 5.1 To advise the Corporation on arrangements for assuring the quality and standards of all educational activities in the College, delivery partners and subcontractors.
- 5.2 Monitor the effectiveness of Safeguarding and Prevent policies.
- 5.3 Monitor the College's commitment to Equality, Diversity and Inclusion and the effectiveness of policies and processes.
- 5.4 Monitor the College's performance at a strategic level in relation to teaching & learning activity, student retention, achievement, attendance,

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destinations and value added and recommend to the Corporation annual targets and key performance indicators in these areas, and monitor the College's progress towards achieving them. Including consideration of external agencies judgements and data.

5.5 Monitor the College's performance at a strategic level in relation to the continued professional development of all College Staff.

5.6 To receive the Curriculum Strategy and planned programme developments and to review and recommend for approval to the Finance & Resources Committee and the Corporation for such developments to be included in the financial forecasts and College Strategy.

5.7 To receive and review the College's Annual Self-Assessment report and Business Plans and to recommend its approval to Corporation including reviewing the effectiveness of the College's Self-Assessment procedures and the effectiveness of the actions taken to improve standards.

5.8 To receive and review the College's Risk Reports and to recommend its approval to Corporation including reviewing the effectiveness of the actions taken to improve Quality and Curriculum and monitor and review risk management for those areas that are the responsibility of the Committee.

5.9 Review and assess the College's facilities and infrastructures that affect the teaching and learning experience and make recommendations to the appropriate committee for improvement and investment.

5.10 Review College Strategies that relate to Curriculum and Quality issues.

5.11 To consider any other specific issues referred by the Corporation and report their findings and recommendations back to the Corporation.

Terms of Reference & Membership

6.1 The Committee will review its terms of reference, membership and work plan on an annual basis for recommendation to the Corporation.

Committee Secretariat

7.1 The Head of Governance will service the committee.

Reporting to the Corporation

8.1 The minutes or summary of the key recommendations of the Committee will be reported to the next meeting of the Corporation.

8.2 The Chair of the Committee will provide a summary report to the Corporation as appropriate.

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FINANCE & RESOURCES COMMITTEE

Terms of Reference

Purpose

The Corporation is responsible for the approval of the annual estimates of income and expenditure ensuring solvency of the Corporation and safeguarding its assets.

Responsibility is devolved by the Corporation to the Finance and Resources Committee to undertake the duties below on its behalf.

Membership

- 1.1 The membership of the Committee shall be not fewer than four External members of the Corporation plus the Principal/Chief Executive, and up to 2 Associate Governors.
- 1.2 Staff and Student governors are eligible to be members.
- 1.3 Membership shall be determined at the final meeting of the Corporation in the academic year.
- 1.4 Members shall serve for a period of one College year and shall be eligible for reappointment.

Quorum

- 2.1 The quorum for meetings of the Finance and Resources Committee shall be 50% or at least three (3)

Election of Chair

- 3.1 The Chair will be elected by the Committee at the first meeting of the Committee in the Academic Year.
- 3.2 In the absence of the Chair, the members attending the meeting shall select one of their number to 'Chair' that meeting.

Frequency of meetings

- 4.1 The Finance and Resources Committee shall meet at least once per term.

Responsibilities of the Committee

- 5.1 The Committee shall consider and advise the Corporation Board on:

5.2 Financial performance

- The annual estimates of income and expenditure and cashflow forecasts.
- Revised forecasts throughout the year and on any revisions to budget required as a result

- The periodic management accounts of the Corporation and of any subsidiary trading companies or joint ventures.
- Key balance sheet indicators.
- ESFA Financial Health Assessment

5.3 Financial reporting

- Year-end accounts of the College. A recommendation from this committee on the accounts, based on the review and reconciliation against the July management accounts, will be made to the Audit Committee, ahead of that committee's review and recommendation to Board on the approval of the Annual Statements and Accounts.
- Accounting policies – to review and recommend to the Board changes to the accounting policies taking account of any recommendations received from the Audit Committee based on their review of the previous application and adherence to these policies.
- Any relevant taxation issues.
- The financial position of the Students' Union and its annual accounts (where these are not amalgamated)

5.4 Funding

- The College's reserves and strategic re-investment policy.
- Investments and borrowings, seeking appropriate advice from external sources as appropriate.
- Banking arrangements and any appropriate credit arrangements over the short and long term.

5.5 Capital Investment

- The strategic framework for capital expenditure.
- The progress of delivery of current capital projects.

5.6 Risk

The financial elements of the risk management policies in the College, including insurances.

5.7 Value

- The College's arrangements for securing value for money, its solvency and the safeguarding of its assets.
- The providers with which the College proposes to enter into franchise and direct contracts.
- The policy by which the tuition and other fees payable to the Corporation are determined (subject to any terms and conditions attached to grants, loans or other payments paid or made by the ESFA or any successor body).

5.8 Estates and Sustainability

- The College's Property Strategy and associated strategic issues arising from use of the College's estate.
- The schedule of works under the Planned Maintenance Programme.
- The progress of delivery and usage against the estates and sustainability delivery plan.

5.9 Health and Safety

Monitoring of Health and Safety at appropriate intervals receiving reports from the Health and Safety Committee and annual reporting on this to the Corporation, making recommendations when required.

5.10 IT and MIS

Reviewing the College's IT Strategy and the implementation of any action plans as well as the College's Management Information System

5.11 Workforce Development

- To review the workforce development plan, the impact it is having and alignment with the College Strategic Plan
- To monitor Equality, Diversity and Inclusion, reviewing the strategy and overseeing implementation on behalf of the Corporation.
- Making recommendations to the Quality and Curriculum Committee as necessary for student and curriculum matters.
- To monitor the effectiveness of all policies relating to the college workforce. Also to recommend associated new or amended policies to the Board of Governors for approval
- To receive reports on staffing matters and contracts entered into by the HR and Workforce Department.
- To monitor employment issues raised by the Trade Unions.