

TERMS OF REFERENCE OF COMMITTEES AND WORKING GROUPS OF THE CORPORATION 2020/21

Audit Committee
Senior Staff Performance & Remuneration Committee
Governance & Search Committee
Corporation Governance Group
Curriculum & Quality Working Group
Finance & Estates Working Group

AUDIT COMMITTEE

Terms of Reference

Purpose

The Audit Committee advises the Corporation on matters relating to the Corporation's audit arrangements and systems of internal control. It advises and supports the Corporation in explaining, in its annual accounts, the 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

- 1.1 The membership of the Audit Committee shall be three (3) members (plus up to two External Co-opted Members).
- 1.2 Members shall serve for a period of one academic year and shall be eligible for re-appointment. Collectively members should have recent relevant experience in risk management, finance and assurance.
- 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 two (2) members.

Frequency of Meetings

- 3.1 The Committee shall meet at least once a term.

Responsibilities of the Committee

- 4.1 To investigate any activity within its terms of reference

- 4.2 To access all the information and explanations it considers necessary, from whatever sources, to fulfil its remit.
- 4.3 To advise the Corporation on the adequacy and effectiveness of the Corporation's assurance arrangements, framework of governance, risk management and control processes, for the effective and efficient use of resources, solvency of the institution and the safeguarding of its assets.
- 4.4 To advise the Corporation on the appointment, reappointment, dismissal and remuneration of the external auditor and other assurance providers including internal auditors and establish that all such providers adhere to relevant professional standards.
- 4.5 To advise the Corporation on the scope and objectives of the work of internal audit, the external auditor and other assurance providers (as applicable)
- 4.6 To inform the Corporation of any additional services provided by internal audit, the external auditor and other assurance providers and to explain how independence and objectivity are safeguarded.
- 4.7 To consider and advise the Corporation on the audit strategy and annual internal audit plans for the internal auditor
- 4.8 To review and consider the reports of internal audit, the external auditor and other assurance providers (as applicable) and advise the Corporation on internal audit reports and annual reports and on control issues.
- 4.9 To monitor within agreed timescales the implementation of recommendations arising from any reports submitted by audit and assurance providers.
- 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 Committee's opinion on the adequacy and effectiveness of the Corporation's assurance arrangements, framework of governance, risk

management and control processes for the effective and efficient use of resources, solvency, and the safeguarding of assets

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

- 4.13 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 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 as soon as possible
 - Risks around fraud have been identified and controls put in place to mitigate them
- 4.14 To recommend the annual financial statements to the Corporation for approval.

Election of Chair

- 5.1 The Chair shall be elected at the last meeting of the Audit Committee in each 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 will be presented to the next meeting of the Corporation.

SENIOR STAFF PERFORMANCE & REMUNERATION COMMITTEE

Terms of Reference

Membership

- 1.1 The membership of the Committee shall be three (3) members
- 1.2 The Principal/CEO shall not be a member of the Committee but may advise the Committee on matters other than their own remuneration. The Committee may invite other senior post-holders to attend where necessary
- 1.3 Members shall serve for a period of one year and be eligible for re-appointment. Membership should automatically include the Chair and Vice-Chair of the Corporation and the Quality stewardship governor.
- 1.4 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 at least once per term.

Responsibilities of the Committee

- 4.1 The Committee shall oversee the employment of the Principal/CEO, Deputy Principal/CEO, Director of Finance & Corporate Services and Head of Governance, with particular focus on:
 - (i) monitoring agreed performance objectives
 - (ii) monitoring professional development
 - (iii) appropriate human resources policies
 - (iv) induction and probationary period arrangements (where relevant)
- 4.2 The Committee shall advise the Corporation on the specific senior staff employment package of (a) the Principal/CEO, (b) the designated senior post-holders and (c) the Head of Governance, and in so doing shall consider the following component elements
 - basic salary
 - benefits in kind
 - pension provisions
 - the main terms and conditions in each senior post-holders contract of employment
- 4.3 The Committee shall evaluate annually the specific senior staff employment packages of the Principal/CEO 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 The Committee shall 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 Principal/CEO or any other senior post-holders, including the Head of Governance, with the aim of
- avoiding rewarding poor performance
 - 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 Principal/CEO and other senior post-holders in its published accounts using established and best reporting practice).

Terms of Reference & Membership

- 5.1 The Committee will 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 at the last meeting of the Committee for the following academic year. The Chair would normally be the Vice-Chair of the Corporation. The Chair should not be the Chair of the Corporation.

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

- 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 Committee shall produce an annual report to evaluate its effectiveness and confirm compliance with its terms of reference.

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

1 Membership

- 1.1 The membership of the Governance & Search Committee shall be four (4) members (3 external governors plus Principal/CEO)
- 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

2 Election of Chair

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

3 Quorum

- 3.1 The quorum for meetings of the Search and Governance Committee shall be three

4 Frequency of meetings

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

5. Responsibilities of the Committee

- 5.1 The Committee shall be responsible for recommending candidates (for approval by the Corporation) to be governors of the Corporation, and for determining the processes whereby candidates are identified. This will also include the co-option of individuals to committees.
- 5.2 The Committee shall, from time to time, consider and make recommendations to the Corporation on the Governing Body's composition and balance, and on the procedures for appointment to the Corporation.
- 5.3 The Committee shall have the power to employ the services of such external advisors as they deem necessary to fulfil their responsibilities*
- 5.4 The Committee shall have the power to advertise to identify persons wishing to serve as Corporation members*
- 5.5 The Committee shall advise on the re-appointment of members of the Corporation
- 5.6 The Committee is responsible for ensuring that a skills audit is completed by all governors to identify the skills gap that needs to be filled

- 5.7 The Committee shall be responsible for advising upon, monitoring and evaluating governor induction arrangements
- 5.8 The Committee shall be responsible for advising upon, monitoring and evaluating governor training and development
- 5.9 The Committee will establish the framework for a self-assessment of governance by the Board and to oversee any action plans for the improvement of governance practices
- 5.10 The Committee will regularly monitor governor attendance and take appropriate action to achieve good attendance by all governors.
- 5.11 The Committee will review the Board's governance policies and procedures and make recommendations to the Board

6 Terms of Reference

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

7. Servicing the Committee

- 7.1 The Head of Governance will service the committee

8. Reporting to the Corporation

- 8.1 The minutes of the Governance and Search Committee will be presented to the next meeting of the Governing Body.
- 8.2 The Committee shall produce an annual report to evaluate its effectiveness and confirm compliance with its terms of reference

*Delegated by the Board

CORPORATION GOVERNANCE GROUP

Terms of Reference

1. Purpose of the Group

A Sub-Group of the Corporation to maintain monitoring and oversight between full Corporation meetings; make recommendations to the Corporation through written resolutions or reports; and take necessary decisions on delegable items, including any necessary emergency measures.

2. Remit

- To maintain monitoring and oversight of Corporation business
- To discuss and recommend action relating to non-delegable items of Corporation responsibility (specified in Article 8 of the Corporation's Articles of government) through written resolution to the Corporation
- To plan or make emergency decisions (via discussion or email) on delegable items of Corporation responsibility for report to the Corporation
- To note that where urgent decisions need to be taken between meetings, under the Corporation's Standing Orders, the Chair of the Corporation is authorised to act or agree action with the Principal on behalf of the Corporation under Chair's Action. Any action taken will be reported to the Corporation's next meeting.

3. Membership

The membership will include the Chair of the Corporation, the Chairs of Committees and Working Groups and the Principal.

This gives a membership of 6.

4. Terms of Office

Members shall serve on the Group from 31 March 2020.

The Group's term will be reviewed in 3 months

5. Appointment of Chair

The Chair of the Committee shall be the Chair of the Corporation.

In the absence of the Corporation Chair, the Vice-Chair shall chair that meeting. In the absence of the Chair and Vice-Chair, members shall select one of their number to chair, excluding the Principal.

6. Quorum

The quorum shall be 3 external members.

7. Secretariat

The Head of Governance shall service the Group.

8. Frequency of Meetings

It is planned that meetings be held at least monthly, and as and when required.

9. Attendance at Meetings

Attendance will be virtual.

Senior managers and other staff shall attend where their attendance has been requested by the Group.

10. Reporting Procedures

Written Resolutions will be sent via email by the Head of Governance to Corporation members for approval alongside delegable decisions made by the Group. Notes of meetings and any relevant papers will be circulated to the Corporation via the portal. Records of decisions will be communicated to members.

CURRICULUM & QUALITY WORKING GROUP

Terms of Reference

Purpose

To provide additional in-depth scrutiny, and assurance to the Corporation, where there are identified areas of significant risk relating to quality and standards.

To monitor overall College and specific performance and to recommend action for improvement to the Board.

Role

- 1.1 To review and monitor performance and the development and progress of action plans in areas of activity identified as high risk of poor quality and standards. Members of the group will use their expertise to add value and support the work of the Executive as necessary. Key responsibilities include:
- To review the Curriculum Plan and to highlight implications
 - To monitor external developments impacting on Curriculum and Quality
 - To review and recommend the annual college self-assessment review, and to monitor progress on the Quality Improvement Plan
 - To take into account, as appropriate, the student voice in relation to teaching, learning and assessment.
 - To recommend, for approval by the Corporation, external regulatory submissions
 - To regularly review the Quality Dashboard including all aspects of college academic activity – apprenticeships, full time 16 to 18, adult, HE, subcontracting, Traineeships, Higher needs provision

Delegated or Expenditure Powers

- 2.1 None

Membership

- 3.1 The membership of the Curriculum & Quality Working Group shall be a minimum of three members plus the Principal/CEO.
- 3.2 Those in attendance are expected to be the Deputy Principal/CEO, Quality Manager, other staff with quality responsibilities, as required and the Head of Governance (secretariat)
- 3.3 The membership will be agreed by the Corporation at its final meeting in the academic year.

Chair

- 4.1 The Chair will be the stewardship governor for this area

Quorum

- 5.1 The quorum is two members

Operation of the Group

- 6.1 Meetings will usually take place up to four times per year. An agreed work plan will be drawn up at the start of the academic year and will link to the Corporation's Strategic Plan. Some business may be circulated between meetings, for example in depth data reports investigations, external reports.

Terms of Reference

- 7.1 The terms of reference will be reviewed on an annual basis for approval by the Corporation.
- 7.2 The Group shall produce an annual report to the Corporation.

Reporting

- 8.1 The Group will be kept informed of any significant concerns. Notes from the Group and relevant reports will be submitted to the Corporation and the Chair will report on any key issues.

FINANCE & ESTATES WORKING GROUP

Terms of Reference

Purpose

- To provide additional in depth scrutiny and assurance to the Corporation on financial matters, in particular where there are identified areas of significant risk relating to financial performance
- To review estates matters as determined by the Corporation, to include any detailed estates planning

Role of Working Group

To monitor and support the areas of activity set out in 'purpose'. This will include receipt of monthly management accounts and a finance dashboard. Where expenditure is proposed above the limit level for college senior post-holders, the Working Group will make a recommendation to the Corporation for approval (or the Chair of the Corporation if an urgent decision is needed).

Expenditure Powers

None, except where delegated by the Corporation

Membership

Three members plus Principal/CEO. Members may be co-opted but at least one member must be an external governor

In Attendance at meetings

Director of Finance & Corporate Services

Head of Governance

Others as required, for example any consultants appointed to investigate or support the Estates Strategy or Financial Strategy

Chair and membership

The membership will be agreed by the Corporation at its final meeting in the academic year

Quorum

The quorum is two members

Operation of the Working Group

Meetings to be held before Corporation meetings to review the accounts or, as required, as determined by risk assessment. Some business may be carried out through the investigations by individual members with particular expertise, but where key recommendations are to be considered, these will come to the Working Group for consideration.

Terms of Reference

The terms of reference will be reviewed on an annual basis for approval by the Corporation. The Group will evaluate its effectiveness on an annual basis.

Reporting

To Corporation as required.