



# **Governors' Handbook 2016-17**

## **Section 1 - Governors Handbook Contents, Current Membership and Business**

*(All policies in the Governor's Handbook are subject to annual review – the next review is scheduled for July 2017)*

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## DETERMINATION & CORPORATION MEMBERSHIP

Determination: 15 (Approved 13/7/11)  Category in which nominated under the Instrument of Government	Name	Date of Appointment	Current Term of Office Expires
External Members (10)	Tommy White	07/02/2011	06/02/2019
	John Bolt	17/12/2016	16/12/2020
	Stephen Castle	17/12/2008	31/07/2018
	Linda Graves	01/08/2010	31/07/2018
	Bruce Armstrong	01/08/2014	31/07/2018
	Charanjit Ajit Singh	01/08/2010	31/07/2018
	Mary Harpley **	01/02/2013	31/01/2017
	<b>Vacancy</b>		
	Anand Joshie	18/12/2013	17/12/2017
	Simon Wilcox	15/10/2014	14/10/2019
Principal (1)	Tracy Aust	01/04/2012	During the period of being Principal
Teaching Staff (1)	Alma Patterson	19/12/2009	18/12/2017
Business Support Staff (1)	Michael Michaelides	17/12/2014	16/12/2018
Students (2)	TBC		

**Chair:** John Bolt (Period up to 31/07/17)  
**Vice Chairs:** Tommy White (Period up to 31/07/17)  
 Simon Wilcox (Period up to 31/07/17)

\*\* Sabbatical leave during the period of Area Reviews due to potential conflict of interest

## WEST THAMES COMMITTEE MEMBERSHIP

<b>Committees</b>	<b>Members</b>
<b>Audit Committee</b> Membership: Minimum of 3 and up to 4 Quoracy: 40% of Membership (2)	Linda Graves (Chair) Michelee Izquierdo – co-opted Member Charanjit Ajit Singh
<b>Finance &amp; Capital Projects Advisory Group</b> Membership: 5 Members Quoracy: 40% of Membership (2)	Tracy Aust Stephen Castle Tommy White (Chair) Michael Michaelides Simon Wilcox
<b>Quality &amp; Equality Advisory Group</b> Membership; Up to 8 Members, including the Principal and student governors Quoracy: 3 Members	John Bolt Alma Patterson Tracy Aust Charanjit Ajit Singh Bruce Armstrong (Chair) Anand Joshie Student Governors
<b>Remuneration Committee</b> Membership:5 Quoracy: 40% of Membership (2)	John Bolt (Chair) Linda Graves Charanjit Ajit Singh Tommy White Mary Harpley
<b>Search Committee</b> Membership: Up to 5 Members, including the Chair and Principal Quoracy: 40% of Membership (2)	John Bolt (Chair) Charanjit Ajit Singh Alma Patterson Tracy Aust Tommy White

**BOARD & COMMITTEE MEETINGS 2016/17**

<b>DATE</b>	<b>TIME</b>	<b>MEETING/EVENT</b>	<b>ROOM</b>
<b>AUTUMN TERM 2016</b>			
<b>WED</b>	<b>28/09/16</b>	<b>1800-1930</b>	<b>FINANCE DIRECTORS</b>
<b>WED</b>	<b>05/10/16</b>	<b>1800-1930</b>	<b>QUALITY DIRECTORS</b>
<b>WED</b>	<b>12/10/16</b>	<b>1800-1930</b>	<b>CORPORATION BANKS</b>
<b>WED</b>	<b>09/11/16</b>	<b>1400-1530</b>	<b>QUALITY SAR MODERATION COOKS</b>
<b>WED</b>	<b>23/11/16</b>	<b>1800-1930</b>	<b>FINANCE DIRECTORS</b>
<b>WED</b>	<b>30/11/16</b>	<b>1800-1930</b>	<b>AUDIT DIRECTORS</b>
<b>WED</b>	<b>07/12/16</b>	<b>1800-1930</b>	<b>CORPORATION BANKS</b>
<b>SPRING 2017</b>			
<b>WED</b>	<b>01/02/17</b>	<b>1600-1730</b>	<b>CORPORATION STRATEGY BANKS</b>
<b>WED</b>	<b>08/02/17</b>	<b>1800-1930</b>	<b>QUALITY DIRECTORS</b>
<b>WED</b>	<b>22/02/17</b>	<b>1800-1930</b>	<b>FINANCE DIRECTORS</b>
<b>WED</b>	<b>01/03/17</b>	<b>1800-1930</b>	<b>AUDIT DIRECTORS</b>
<b>WED</b>	<b>15/03/17</b>	<b>1800-1930</b>	<b>CORPORATION BANKS</b>
<b>SUMMER 2017</b>			
<b>WED</b>	<b>03/05/17</b>	<b>1800-1930</b>	<b>SEARCH DIRECTORS</b>
<b>WED</b>	<b>17/05/17</b>	<b>1800-1930</b>	<b>CORPORATION STRATEGY BANKS</b>
<b>WED</b>	<b>14/06/17</b>	<b>1800-1930</b>	<b>QUALITY DIRECTORS</b>
<b>WED</b>	<b>21/06/17</b>	<b>1800-1930</b>	<b>FINANCE DIRECTORS</b>
<b>WED</b>	<b>28/06/17</b>	<b>1800-1930</b>	<b>AUDIT DIRECTORS</b>
<b>WED</b>	<b>12/07/17</b>	<b>1800-1930</b>	<b>CORPORATION BANKS</b>

**SCHEDULE OF CORPORATION BUSINESS  
(Indicative Programme)**

**Schedule of Business for Audit Committee**

<b>Meeting</b>	<b>Schedule of Business</b>
<b>Autumn Term Meeting</b>	<ul style="list-style-type: none"> <li>• Internal Audit Annual Report</li> <li>• Approve Audit Plan &amp; Audit Strategy for next year and or Board Assurance Framework</li> <li>• Audit Findings Report from the Financial Statement Auditor (Regularity and financial statements audit)</li> <li>• Risk Management &amp; Board Assurance Termly Report</li> <li>• Confidential session without College Officers present</li> <li>• Annual Report from the Audit Committee</li> <li>• Review of Auditors performance &amp; re-appointment (both IAS and FSA)</li> </ul>
<b>Spring Term Meeting</b>	<ul style="list-style-type: none"> <li>• Internal Audit Visit Report and or Assurance Reports</li> <li>• Risk Management &amp; Board Assurance Termly Report</li> <li>• Annual Review of Value for Money</li> </ul>
<b>Summer Term Meeting</b>	<ul style="list-style-type: none"> <li>• Internal Audit Visit Report and or Assurance Reports</li> <li>• Audit Plan and Audit Strategy for next year – initial review</li> <li>• Financial Statement Audit Plan</li> <li>• Risk Management &amp; Board Assurance Termly Report</li> </ul>

**Schedule of Business for Search Committee**

<b>Meeting</b>	<b>Schedule of Business</b>
<b>Summer Term Meeting</b>  <b>(With additional meetings arranged as and when required if governor appointments are required)</b>	<ul style="list-style-type: none"> <li>• Membership &amp; Committee Review</li> <li>• Governor Appointments</li> <li>• Governor Attendance Review</li> <li>• Skills Audit Review</li> </ul>



### Schedule of Business for Finance & Capital Projects Advisory Group

Meeting	Schedule of Business
Autumn Term Meetings	<ul style="list-style-type: none"> <li>• Latest Management Accounts</li> <li>• Draft Report and Financial Statements for the Year Ended 31 July</li> <li>• Review of risks that fall within the Committee's terms of reference</li> </ul>
Spring Term	<ul style="list-style-type: none"> <li>• Latest Management Accounts</li> <li>• Indicative Budget next year</li> <li>• Tuition Fee Policy for next year</li> <li>• Review of risks that fall within the Committee's terms of reference</li> </ul>
Summer Term Meetings	<ul style="list-style-type: none"> <li>• Latest Management Accounts</li> <li>• College Budget</li> <li>• Annual Review of the Finance Regulations</li> <li>• Review of risks that fall within the Committee's terms of reference</li> </ul>

### Schedule of Business for Quality & Equality Advisory Group

Meeting	Schedule of Business
Autumn Term Meetings	<ul style="list-style-type: none"> <li>• Validation of the College's Self Assessment Report and through the process to receive confirmation of the College's overall Success Rates for the preceding year and how they compare against national benchmark data</li> </ul>
Spring Term Meetings	<ul style="list-style-type: none"> <li>• Performance Monitoring Report</li> <li>• In-Year Success Rates Forecast</li> <li>• Learner Voice Report</li> <li>• Review of risks that fall within the Committee's terms of reference</li> </ul>
Summer Term Meetings	<ul style="list-style-type: none"> <li>• Performance Monitoring Report</li> <li>• In-Year Success Rates Forecast</li> <li>• Student Survey Outcomes</li> <li>• Review of risks that fall within the Committee's terms of reference</li> </ul>

### Schedule of Business for Remuneration Committee

Meeting	Schedule of Business
Autumn Term Meeting	<ul style="list-style-type: none"> <li>• Senior Post Holder's Remuneration</li> </ul>

### Schedule of Business for Governor Review of the College's Strategic Direction

Meeting	Schedule of Business
<b>Spring Term Meeting</b>	<ul style="list-style-type: none"> <li>• Review of key strategic issues facing the College and FE in general</li> <li>• Mid-year review</li> </ul>
<b>Summer Term Meeting</b>	<ul style="list-style-type: none"> <li>• Review of key strategic issues facing the College and FE in general</li> <li>• Review of the College's Mission &amp; Strategic direction</li> </ul>

### Schedule of Business for Governor Briefings/Training

Briefing/Training needs
<p data-bbox="108 770 1300 804">Briefing/Training to be delivered at the commencement at each meeting of the Corporation.</p> <ul style="list-style-type: none"> <li>• Strategic issues facing the FE sector</li> <li>• Special Education Needs (SEN)</li> <li>• Overview of the Curriculum covering new courses</li> <li>• Higher Education</li> <li>• Apprenticeships/Job Centre Plus/programmes for the Unemployed</li> <li>• Finance/Funding</li> <li>• Safeguarding (Refresher updates)</li> <li>• Equality &amp; Diversity (Refresher updates)</li> <li>• Learner Voice (Refresher Updates)</li> <li>• Health &amp; Safety (Refresher Updates)</li> <li>• Any identified training needs arising from Governance Self Assessment</li> </ul>

## Schedule of Business for Corporation Meetings

Meeting	Schedule of Business
October	<p><b>Apologies</b>  <b>Declaration of Members Interests</b>  <b>Minutes from the last meeting</b>  <b>Summary Action List &amp; Matters Arising</b>  <b>Governor Briefing/Training</b>  <b>Executive Team Report</b>  <b>Monitoring of College Performance:</b></p> <ul style="list-style-type: none"> <li>• Final review of College performance against key strategic objectives published in the College's Development Plan</li> <li>• To approve key strategic objectives from the College's Development Plan that will be subject to monitoring at each meeting of the Corporation</li> </ul> <p><b>Teaching &amp; Quality Focus:</b></p> <ul style="list-style-type: none"> <li>• Student recruitment and Enrolment Update</li> <li>• AS &amp; A2 Results (Both these items to be covered in the Executive Team Report)</li> <li>• Impact of enrolment on agreed budget for the year</li> <li>• To receive a summary of Governor Link visits completed as reported in Corporation minutes for the preceding year</li> <li>• To confirm Governor Link allocations for the current academic year</li> </ul> <p><b>Finance &amp; Estates Focus:</b></p> <ul style="list-style-type: none"> <li>• Impact of enrolment on agreed budget for the year</li> <li>• To receive final Management Accounts for preceding year</li> <li>• To receive capital project update</li> </ul> <p><b>Governance Focus:</b></p> <ul style="list-style-type: none"> <li>• To receive Governance Handbook</li> <li>• To complete Member Self Assessment</li> </ul>
December	<p><b>Apologies</b>  <b>Declaration of Members Interests</b>  <b>Minutes from the last meeting</b>  <b>Summary Action Point &amp; Matters Arising</b>  <b>Governor Briefing/Training</b>  <b>Executive Team Report</b>  <b>Monitoring of College Performance</b></p> <ul style="list-style-type: none"> <li>• To monitor College performance against agreed key strategic objectives from the College's Development Plan</li> </ul> <p><b>Audit Focus:</b></p> <ul style="list-style-type: none"> <li>• Audit Committee minutes</li> <li>• Management letters</li> <li>• Internal Audit Annual report</li> <li>• Annual Report from the Audit Committee including annual report on Risk Management</li> <li>• Re-appointment of auditors</li> </ul> <p><b>Finance &amp; Estates Focus:</b></p> <ul style="list-style-type: none"> <li>• To receive the minutes of the Finance &amp; Capital Advisory Group To approve Financial Statement Year End Accounts</li> <li>• To receive financial report/management accounts</li> <li>• To receive capital project update</li> </ul>

	<p><b>Governance Focus:</b></p> <ul style="list-style-type: none"> <li>To approve Governance Self Assessment Report</li> </ul> <p><b>Teaching &amp; Quality Focus:</b></p> <ul style="list-style-type: none"> <li>To approve College Self Assessment Report</li> <li>Verbal summary of Governor Link Visits conducted during the term</li> </ul> <p><b>People &amp; HR Focus:</b></p> <ul style="list-style-type: none"> <li>To receive annual HR Report</li> <li>To receive minutes of the Remuneration Committee meeting</li> <li>To note PRP Award recommendations</li> </ul>
February	<p><b>Corporation Strategy Meeting</b></p> <ul style="list-style-type: none"> <li>Review of key strategic issues facing the College and FE in general</li> </ul>
March	<p><b>Apologies</b>  <b>Declaration of Members Interests</b>  <b>Minutes from the last meeting</b>  <b>Summary Action List &amp; Matters Arising</b>  <b>Governor Briefing/Training</b>  <b>Executive Team Report</b>  <b>Monitoring of College Performance</b>  To monitor College performance against agreed key strategic objectives from the College's Development Plan</p> <p><b>Teaching &amp; Quality Focus:</b></p> <ul style="list-style-type: none"> <li>To receive minutes from the Quality &amp; Equality Advisory Group Verbal summary of Governor Link Visits conducted during the term</li> </ul> <p><b>Finance &amp; Estates Focus:</b></p> <ul style="list-style-type: none"> <li>To receive the minutes of the Finance &amp; Capital Advisory To receive financial report/management accounts</li> <li>To receive capital project update</li> <li>Review and approve Tuition Fee Policy</li> </ul> <p><b>Audit Focus:</b></p> <ul style="list-style-type: none"> <li>To receive minutes of the Audit Committee</li> </ul> <p><b>People &amp; HR Focus:</b></p> <ul style="list-style-type: none"> <li>To conduct annual review of Safeguarding and Child Protection</li> </ul>
May	<p><b>Corporation Strategy Meeting</b></p> <ul style="list-style-type: none"> <li>Review of key strategic issues facing the College and FE in general</li> <li>Review of the College's Mission &amp; Strategic direction</li> </ul>
July	<p><b>Apologies</b>  <b>Declaration of Members Interests</b>  <b>Minutes from the last meeting</b>  <b>Summary Action List &amp; Matters Arising</b>  <b>Governor Briefing/Training</b>  <b>Executive Team Report</b>  <b>Monitoring of College Performance</b></p> <ul style="list-style-type: none"> <li>To monitor College performance against agreed key strategic objectives from the College's Development Plan</li> <li>Initial review of proposed key strategic objectives from the College's Development Plan that will be subject to monitoring at each meeting of the Corporation</li> </ul> <p><b>Audit Focus:</b></p> <ul style="list-style-type: none"> <li>Audit Committee Minutes of meeting</li> </ul> <p><b>Finance &amp; Estates Focus:</b></p> <ul style="list-style-type: none"> <li>Receive minutes from the Finance &amp; Capital Advisory Group Latest Management Accounts</li> </ul>

	<ul style="list-style-type: none"><li>• Budget &amp; 3 Year Financial Plan</li><li>• Property Update</li></ul> <p><b>Teaching &amp; Education Focus:</b></p> <ul style="list-style-type: none"><li>• To receive the minutes of the Quality &amp; Equality Advisory</li><li>• Verbal summary of Governor Link Visits conducted during the term</li></ul> <p><b>Governance Focus:</b></p> <ul style="list-style-type: none"><li>• To receive minutes of the Search Committee</li><li>• Meeting Dates</li><li>• Proposed Committee &amp; Advisory Group Membership</li><li>• Review of Confidential Minutes</li></ul>
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# **Governors' Handbook**

## **Section 2 – Legal Framework, Standing Orders, & Terms of Reference**



# **INSTRUMENT & ARTICLES OF GOVERNMENT**

*APPROVED BY THE BOARD OF GOVERNORS JULY 2012*





# INSTRUMENT OF GOVERNMENT

## CONTENTS

1. Interpretation of the terms used
2. Composition of the Corporation
3. Determination of membership numbers
4. Appointment of the members of the Corporation
5. Appointment of the Chair and Vice-Chair
6. Appointment of the Clerk to the Corporation
7. Persons who are ineligible to be members
8. The term of office of a member
9. Termination of membership
10. Members not to hold interests in matters relating to the institution
11. Meetings
12. Quorum
13. Proceedings of meetings
14. Minutes
15. Public access to meetings
16. Publication of minutes and papers
17. Copies of the Instrument of Government
18. Change of name of the Corporation
19. Application of the seal

### **Interpretation of the terms used**

1. In this Instrument of Government—
  - (a) any reference to “the Principal” shall include a person acting as Principal;
  - (b) “the Clerk” means the Clerk to the Corporation;
  - (c) “the Corporation” means any further education corporation to which this Instrument applies;
  - (d) “the institution” means the institution which the Corporation is established to conduct and any institution for the time being conducted by the Corporation in exercise of its powers under the Further and Higher Education Act 1992(1);
  - (e) “this Instrument” means this Instrument of Government;
  - (f) “the CE of Skills Funding” means the Chief Executive of Skills Funding
  - (g) “meeting” includes a meeting at which the members attending are present in more than one room, provided that by the use of telephone and or video-conferencing facilities it is possible for every person present at the meeting to communicate with each other;
  - (h) “necessary skills” means skills and experience, other than professional qualifications, specified by the Corporation as appropriate for members to have;
  - (i) “parent member”, “staff member” and “student member” have the meanings given to them in clause 2;
  - (j) “the previous Instrument of Government” means the Instrument of Government relating to the Corporation which had effect immediately before 1st January 2008;
  - (k) “the Secretary of State” means the Secretary of State for Business Innovation and Skills;

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1 1992 c.13.

- (l) “staff matters” means the remuneration, conditions of service, promotion, conduct, suspension, dismissal or retirement of staff;
- (m) “the students’ union” means any association of students formed to further the educational purposes of the institution and the interests of students, as students;
- (n) a “variable category” means any category of members whose numbers may vary according to clauses 2 and 3.

**Composition of the Corporation**

2.—(1) The Corporation shall consist of—

- (a) up to sixteen members who appear to the Corporation to have the necessary skills to ensure that the Corporation carries out its functions under article 3 of the Articles of Government;
- (b) if so determined by the Corporation, not more than one member who is a parent of a student under the age of 19 years attending the institution, who have been nominated and elected by other parents, or if the Corporation so decides, by a recognised association representing parents (“parent member”);
- (c) the Principal of the institution, unless the Principal chooses not to be a member;
- (d) one member of the institution’s staff who have a contract of employment with the institution and who have been nominated and elected as set out in paragraphs (3); and
- (e) at least one and not more than two members who are students at the institution and have been nominated and elected by their fellow students, or if the Corporation so decides, by a recognised association representing such students (“student members”).

(2) A person, who is not for the time being enrolled as a student at the institution, shall nevertheless be treated as a student during any period of authorised absence from the institution for study, travel or for carrying out the duties of any office held by that person in the institution’s students’ union.

(3) Where the Corporation has decided that there is to be one staff member, the member may be a member of the academic staff or the non-academic staff and shall be nominated and/or elected by all staff.

(4) The appointing authority, as set out in clause 4, will decide whether a person is eligible for nomination, election and appointment as a member of the Corporation under paragraph (1).

**Determination of membership numbers**

3.—(1) Subject to paragraph (2), the number of members of the Corporation, and the number of members of each variable category shall be that decided by the Corporation.

(2) The Corporation may at any time vary the determination referred to in paragraph (1) and any subsequent determination under this paragraph provided that -

- (a) the number of members of the Corporation, shall not be less than twelve; and
- (b) the numbers of members of each variable category shall be subject to the limit which applies to that category set out in Clause 2.

(3) No determination under this clause shall terminate the appointment of any person who is already a member of the Corporation at the time when the determination is made.

**Appointment of the members of the Corporation**

4 – (1) Subject to paragraph (2) the Corporation is the appointing authority in relation to the appointment of its members.

(2) If the number of members falls below the number needed for a quorum, the Secretary of State is the appointing authority in relation to the appointment of those members needed for a quorum.

(3) The appointing authority may decline to appoint a person as a parent, staff or student member if—

- (a) it is satisfied that the person has been removed from office as a member of a further education corporation in the previous ten years; or
- (b) the appointment of the person would contravene any rule or bye-law made under article 20 of the Articles of Government concerning the number of terms of office which a person may serve, provided that such rules or bye-laws make the same provision for each category of members appointed by the appointing authority; or
- (c) the person is ineligible to be a member of the corporation because of clause 7.

(4) Where the office of any member becomes vacant the appointing authority shall as soon as practicable take all necessary steps to appoint a new member to fill the vacancy.

#### **Appointment of the Chair and Vice-Chair**

**5—(i)** The members of the Corporation shall appoint a Chair and a Vice-Chair from among themselves.

(5) Neither the Principal nor any staff or student member shall be eligible to be appointed as Chair or Vice-Chair or to act as Chair in their absence.

(6) If both the Chair and the Vice-Chair are absent from any meeting of the Corporation, the members present shall choose someone from among themselves to act as Chair for that meeting.

(7) The Chair and Vice-Chair shall hold office for such period as the Corporation decides.

(8) The Chair or Vice-Chair may resign from office at any time by giving notice in writing to the Clerk.

(9) If the Corporation is satisfied that the Chair is unfit or unable to carry out the functions of office, it may give written notice, removing the Chair from office and the office shall then be vacant.

(10) If the Corporation is satisfied that the Vice-Chair is unfit or unable to carry out the functions of office, it may give written notice, removing the Vice-Chair from office and the office shall then be vacant.

(11) At the last meeting before the end of the term of office of the Chair, or at the first meeting following the Chair's resignation or removal from office, the members shall appoint a replacement from among themselves.

(12) At the last meeting before the end of the term of office of the Vice-Chair, or at the first meeting following the Vice-Chair's resignation or removal from office, the members shall appoint a replacement from among themselves.

(13) At the end of their respective terms of office, the Chair and Vice-Chair shall be eligible for reappointment.

(14) Paragraph (10) is subject to any rule or bye-law made by the Corporation under article 20 of the Articles of Government concerning the number of terms of office which a person may serve.

#### **Appointment of the Clerk to the Corporation**

**6—(1)** The Corporation shall appoint a person to serve as its Clerk, but the Principal may not be appointed as Clerk.

(15) In the temporary absence of the Clerk, the Corporation shall appoint a person to serve as a temporary Clerk, but the Principal may not be appointed as temporary Clerk.

(16) Any reference in this Instrument to the Clerk shall include a temporary Clerk appointed under paragraph (2).

(17) Subject to clause 13, the Clerk shall be entitled to attend all meetings of the Corporation and any of its committees.

(18) The Clerk may also be a member of staff at the institution.

### **Persons who are ineligible to be members**

7—(1) No one under the age of 18 years may be a member, except as a student member.

(19) The Clerk may not be a member.

(20) A person who is a member of staff of the institution may not be, or continue as, a member, except as a staff member or in the capacity of Principal.

(21) Paragraph (3) does not apply to a student who is employed by the Corporation in connection with the student's role as an officer of a students' union.

(22) Subject to paragraphs (6) and (7), a person shall be disqualified from holding, or from continuing to hold, office as a member, if that person has been adjudged bankrupt or is the subject of a bankruptcy restrictions order, an interim bankruptcy restrictions order or a bankruptcy restrictions undertaking within the meaning of the Insolvency Act 1986(2), or if that person has made a composition or arrangement with creditors, including an individual voluntary arrangement.

(6) Where a person is disqualified by reason of having been adjudged bankrupt or by reason of being the subject of a bankruptcy restrictions order, an interim bankruptcy restrictions order or a bankruptcy restrictions undertaking, that disqualification shall cease—

- (a) on that person's discharge from bankruptcy, unless the bankruptcy order has before then been annulled; or
- (b) if the bankruptcy order is annulled, at the date of that annulment; or
- (c) if the bankruptcy restrictions order is rescinded as a result of an application under section 375 of the Insolvency Act 1986, on the date so ordered by the court; or
- (d) if the interim bankruptcy restrictions order is discharged by the court, on the date of that discharge; or
- (e) if the bankruptcy restrictions undertaking is annulled, at the date of that annulment.

(7) Where a person is disqualified by reason of having made a composition or arrangement with creditors, including an individual voluntary arrangement, and then pays the debts in full, the disqualification shall cease on the date on which the payment is completed and in any other case it shall cease on the expiration of three years from the date on which the terms of the deed of composition, arrangement or individual voluntary arrangement are fulfilled.

(8) Subject to paragraph (9), a person shall be disqualified from holding, or from continuing to hold, office as a member if—

- (a) within the previous five years that person has been convicted, whether in the United Kingdom or elsewhere, of any offence and has received a sentence of imprisonment, whether suspended or not, for a period of three months or more, without the option of a fine; or
- (b) within the previous twenty years that person has been convicted as set out in sub-paragraph (a) and has received a sentence of imprisonment, whether suspended or not, for a period of more than two and a half years; or
- (c) that person has at any time been convicted as set out in sub-paragraph (a) and has received a sentence of imprisonment, whether suspended or not, of more than five years.

(9) For the purpose of this regulation there shall be disregarded any conviction by or before a court outside the United Kingdom for an offence in respect of conduct which, if it had taken place in the United Kingdom, would not have constituted an offence under the law then in force anywhere in the United Kingdom.

(10) Upon a member of the Corporation becoming disqualified from continuing to hold office under paragraphs (5) or (8), the member shall immediately give notice of that fact to the Clerk.

### **The term of office of a member**

**8.—(1)** A member of the Corporation shall hold and vacate office in accordance with the terms of the appointment, but the length of the term of office shall not exceed four years.

(2) Members retiring at the end of their term of office shall be eligible for reappointment, and clause 4 shall apply to the reappointment of a member as it does to the appointment of a member.

(3) Paragraph (2) is subject to any rule or bye-law made by the Corporation under article 20 of the Articles of Government concerning the number of terms of office which a person may serve.

### **Termination of membership**

**9.—(1)** A member may resign from office at any time by giving notice in writing to the Clerk.

(2) If at any time the Corporation is satisfied that any member –

- (a) is unfit or unable to discharge the functions of a member; or
- (b) has been absent from meetings of the Corporation for a period longer than six consecutive months without the permission of the Corporation, the Corporation may by notice in writing to that member remove the member from office and the office shall then be vacant.

(3) Any person who is a member of the Corporation by virtue of being a member of the staff at the institution, including the Principal, shall cease to hold office upon ceasing to be a member of the staff and the office shall then be vacant.

(4) A student member shall cease to hold office—

- (a) at the end of the student's final academic year, or at such other time in the year after ceasing to be a student as the Corporation may decide; or
- (b) if expelled from the institution,

and the office shall then be vacant.

### **Members not to hold interests in matters relating to the institution**

**10 (1)** A member to whom paragraph (2) applies shall -

- (c) disclose to the Corporation the nature and extent of the interest; and
- (d) if present at a meeting of the Corporation, or of any of its committees, at which such supply, contract or other matter as is mentioned in paragraph (2) is to be considered, not take part in the consideration or vote on any question with respect to it and not be counted in the quorum present at the meeting in relation to a resolution on which that member is not entitled to vote; and
- (e) withdraw, if present at a meeting of the Corporation, or any of its committees, at which such supply, contract or other matter as is mentioned in paragraph (2) is to be considered, where required to do so by a majority of the members of the Corporation or committee present at the meeting.

(5) This paragraph applies to a member who—

- (a) has any financial interest in—
  - (i) the supply of work to the institution, or the supply of goods for the purposes of the institution;
  - (ii) any contract or proposed contract concerning the institution; or
  - (iii) any other matter relating to the institution; or
- (b) has any other interest of a type specified by the Corporation in any matter relating to the institution.

(6) This clause shall not prevent the members considering and voting upon proposals for the Corporation to insure them against liabilities incurred by them arising out of their office or the Corporation obtaining such insurance and paying the premium.

(7) Where the matter under consideration by the Corporation or any of its committees relates to the pay and conditions of all staff, or all staff in a particular class, a staff member—

- (a) need not disclose a financial interest; and
- (b) may take part in the consideration of the matter, vote on any question with respect to it and count towards the quorum present at that meeting, provided that in so doing, the staff member acts in the best interests of the Corporation as a whole and does not seek to represent the interests of any other person or body, but
- (c) shall withdraw from the meeting if the matter is under negotiation with staff and the staff member is representing any of the staff concerned in those negotiations.

(8) The Clerk shall maintain a register of the interests of the members which have been disclosed and the register shall be made available during normal office hours at the institution to any person wishing to inspect it.

## **Meetings**

**11—(1)** The Corporation shall meet at least once in every term, and shall hold such other meetings as may be necessary.

(9) The Corporation shall determine its rules and procedures covering the use of e-governance.

(10) The Corporation shall determine its rules and procedures covering the use of decisions by written resolution, video and or teleconferencing.

(11) Subject to paragraphs (6) and (7) and to clause 12(4), all meetings shall be called by the Clerk, who shall, at least seven calendar days before the date of the meeting, send to the members of the Corporation written notice of the meeting and a copy of the proposed agenda.

(12) If it is proposed to consider at any meeting the remuneration, conditions of service, conduct, suspension, dismissal or retirement of the Clerk, the Chair shall, at least seven calendar days before the date of the meeting, send to the members a copy of the agenda item concerned, together with any relevant papers.

(13) A meeting of the Corporation, called a “special meeting”, may be called at any time by the Chair or at the request in writing of any five members.

(14) Where the Chair, or in the Chair’s absence the Vice-Chair, decides that there are matters requiring urgent consideration, the written notice convening the special meeting and a copy of the proposed agenda may be given within less than seven calendar days.

(15) Every member shall act in the best interests of the Corporation and shall not be bound to speak or vote by mandates given by any other body or person.

## **Quorum**

**12—(1)** Meetings of the Corporation shall be quorate if the number of members present is at least 40% of the total number of members, determined according to clause 3.

(16) If the number of members present for a meeting of the Corporation does not constitute a quorum, the meeting shall not be held.

(17) If during a meeting of the Corporation there ceases to be a quorum, the meeting shall be terminated at once.

(18) If a meeting cannot be held or cannot continue for lack of a quorum, the Chair may call a special meeting as soon as it is convenient.

## **Proceedings of meetings**

**13—(i)** Every question to be decided at a meeting of the Corporation shall be decided by a majority of the votes cast by members present and entitled to vote on the question.

(19) Where, at a meeting of the Corporation, there is an equal division of votes on a question to be decided, the Chair of the meeting shall have a second or casting vote.

(20) A member may not vote by proxy or by way of postal vote.

(21) No resolution of the members may be rescinded or varied at a subsequent meeting unless consideration of the rescission or variation is a specific item of business on the agenda for that meeting.

(22) A member of the Corporation who is a member of staff at the institution, including the Principal, shall withdraw—

- (a) from that part of any meeting of the Corporation, or any of its committees, at which staff matters relating solely to that member of the staff, as distinct from staff matters relating to all members of staff or all members of staff in a particular class, are to be considered;
- (b) from that part of any meeting of the Corporation, or any of its committees, at which that member's reappointment or the appointment of that member's successor is to be considered;
- (c) from that part of any meeting of the Corporation, or any of its committees, at which the matter under consideration concerns the pay or conditions of service of all members of staff, or all members of staff in a particular class, where the member of staff is acting as a representative (whether or not on behalf of a recognised trade union) of all members of staff or the class of staff (as the case may be); and
- (d) if so required by a resolution of the other members present, from that part of any meeting of the Corporation or any of its committees, at which staff matters relating to any member of staff holding a post senior to that member's are to be considered, except those relating to the pay and conditions of all staff or all staff in a particular class.

(23) A Principal who has chosen not to be a member of the Corporation shall still be entitled to attend and speak, or otherwise communicate, at all meetings of the Corporation and any of its committees, except that the Principal shall withdraw in any case where the Principal would be required to withdraw under paragraph (5).

(24) A student member who is under the age of 18 shall not vote at a meeting of the Corporation, or any of its committees, on any question concerning any proposal—

- (a) for the expenditure of money by the Corporation; or
- (b) under which the Corporation, or any members of the Corporation, would enter into any contract, or would incur any debt or liability, whether immediate, contingent or otherwise.

(25) A student member shall withdraw from that part of any meeting of the Corporation or any of its committees, at which a student's conduct, suspension or expulsion is to be considered.

(26) In any case where the Corporation, or any of its committees, is to discuss staff matters relating to a member or prospective member of staff at the institution, a student member shall—

- (a) take no part in the consideration or discussion of that matter and not vote on any question with respect to it; and
- (b) where required to do so by a majority of the members, other than student members, of the Corporation or committee present at the meeting, withdraw from the meeting.

(27) The Clerk—

- (a) shall withdraw from that part of any meeting of the Corporation, or any of its committees, at which the Clerk's remuneration, conditions of service, conduct, suspension, dismissal or retirement in the capacity of Clerk are to be considered; and
- (b) where the Clerk is a member of staff at the institution, the Clerk shall withdraw in any case where a member of the Corporation is required to withdraw under paragraph (5).

(28) If the Clerk withdraws from a meeting, or part of a meeting, of the Corporation under paragraph (10), the Corporation shall appoint a person from among themselves to act as Clerk during this absence.

(29) If the Clerk withdraws from a meeting, or part of a meeting, of a committee of the Corporation, the Corporation shall appoint a person from among themselves to act as Clerk to the committee during this absence.

## **Minutes**

**14—(1)** Written minutes of every meeting of the Corporation shall be prepared, and, subject to paragraph (2), at every meeting of the Corporation the minutes of the last meeting shall be taken as an agenda item.

(30) Paragraph (1) shall not require the minutes of the last meeting to be taken as an agenda item at a special meeting, but where they are not taken, they shall be taken as an agenda item at the next meeting which is not a special meeting.

(31) Where minutes of a meeting are taken as an agenda item and agreed to be accurate, those minutes shall be signed as a true record by the Chair of the meeting.

(32) Separate minutes shall be taken of those parts of meetings from which staff members, the Principal, student members or the Clerk have withdrawn from a meeting in accordance with clause 13(5), (6), (8), (9) or (10) and such persons shall not be entitled to see the minutes of that part of the meeting or any papers relating to it.

## **Public access to meetings**

**15.** The Corporation shall decide any question as to whether a person should be allowed to attend any of its meetings where that person is not a member, the Clerk or the Principal and in making its decision, it shall give consideration to clause 16(2).

## **Publication of minutes and papers**

**16—(1)** Subject to paragraph (2), the Corporation shall ensure that a copy of—

- (a) the agenda for every meeting of the Corporation;
- (b) the draft minutes of every such meeting, if they have been approved by the Chair of the meeting;
- (c) the signed minutes of every such meeting; and
- (d) any report, document or other paper considered at any such meeting,

shall as soon as possible be made available during normal office hours at the institution to any person wishing to inspect them.

(33) There shall be excluded from any item made available for inspection any material relating to—

- (a) a named person employed at or proposed to be employed at the institution;
- (b) a named student at, or candidate for admission to, the institution;
- (c) the Clerk; or
- (d) any matter which, by reason of its nature, the Corporation is satisfied should be dealt with on a confidential basis.

(34) The Corporation shall ensure that a copy of the signed minutes of every meeting of the Corporation, under paragraph (1), shall be placed on the institution's website, and shall remain on its website for a minimum period of 12 months.

(35) The Corporation shall review regularly all material excluded from inspection under paragraph (2)(d) and make any such material available for inspection where it is satisfied that the reason for dealing with the matter on a confidential basis no longer applies, or where it considers that the public interest in disclosure outweighs that reason.

## **Copies of the Instrument of Government**

**17.** A copy of this Instrument shall be given free of charge to every member of the Corporation and at a charge not exceeding the cost of copying or free of charge to any other person who so



requests a copy, and shall be available for inspection at the institution upon request, during normal office hours, to every member of staff and every student.

#### **Change of name of the Corporation**

18. The Corporation may change its name with the approval of the Secretary of State.

#### **Application of the seal**

19. The application of the seal of the Corporation shall be authenticated by—

- (a) the signature of either the Chair or of some other member authorised either generally or specially by the Corporation to act for that purpose; and
- (b) the signature of any other member.

## ARTICLES OF GOVERNMENT

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#### **Interpretation of the terms used**

20. In these Articles of Government—

- (a) any reference to “the Principal” shall include a person acting as Principal;
- (b) “the Articles” means these Articles of Government;

- (c) “Chair” and “Vice-Chair” mean respectively the Chair and Vice-Chair of the Corporation appointed under clause 6 of the Instrument of Government;
- (d) “the Clerk” has the same meaning as in the Instrument of Government;
- (e) “the Corporation” has the same meaning as in the Instrument of Government;
- (f) “the CE OF SKILLS FUNDING” means the Chief Executive of Skills Funding.
- (g) “parent member”, “staff member” and “student member” have the same meanings as in the Instrument of Government;
- (h) “the Secretary of State” means the Secretary of State for Innovation, Universities and Skills ;
- (i) “senior post” means the post of Principal and such other senior posts as the Corporation may decide for the purposes of these Articles;
- (j) “the staff” means all the staff who have a contract of employment with the institution;
- (k) “the students’ union” has the same meaning as in the Instrument of Government.

### **Conduct of the institution**

**21.** The institution shall be conducted in accordance with the provisions of the Instrument of Government, these Articles, any rules or bye-laws made under these Articles and any trust deed regulating the institution.

### **Responsibilities of the Corporation, the Principal and the Clerk**

**22.—(1)** The Corporation shall be responsible for the following functions—

- (a) the determination and periodic review of the educational character and mission of the institution and the oversight of its activities;
- (aa) publishing arrangements for obtaining the views of staff and students on the determination and periodic review of the educational character and mission of the institution and the oversight of its activities;
- (b) approving the quality strategy of the institution;
- (c) the effective and efficient use of resources, the solvency of the institution and the Corporation and safeguarding their assets;
- (d) approving annual estimates of income and expenditure;
- (e) the appointment, grading, suspension, dismissal and determination of the pay and conditions of service of the holders of senior posts and the Clerk, including, where the Clerk is, or is to be appointed as, a member of staff, the Clerk’s appointment, grading, suspension, dismissal and determination of pay in the capacity of a member of staff; and
- (f) setting a framework for the pay and conditions of service of all other staff.

**(2)** Subject to the responsibilities of the Corporation, the Principal shall be the Chief Executive of the institution, and shall be responsible for the following functions-

- (a) making proposals to the Corporation about the educational character and mission of the institution and implementing the decisions of the Corporation;
- (b) the determination of the institution’s academic and other activities;
- (c) preparing annual estimates of income and expenditure for consideration and approval by the Corporation, and the management of budget and resources within the estimates approved by the Corporation;
- (d) the organisation, direction and management of the institution and leadership of the staff;
- (e) the appointment, assignment, grading, appraisal, suspension, dismissal and determination, within the framework set by the Corporation, of the pay and conditions of service of staff, other than the holders of senior posts or the Clerk, where the Clerk is also a member of the staff; and

- (f) maintaining student discipline and, within the rules and procedures provided for within these Articles, suspending or expelling students on disciplinary grounds or expelling students for academic reasons.
- (3) The Clerk shall be responsible for the following functions: -
- (a) advising the Corporation with regard to the operation of its powers;
  - (b) advising the Corporation with regard to procedural matters;
  - (c) advising the Corporation with regard to the conduct of its business; and
  - (d) advising the Corporation with regard to matters of governance practice.

### **The establishment of committees and delegation of functions generally**

**23.—(1)** The Corporation may establish committees for any purpose or function, other than those assigned in these Articles to the Principal or Clerk and may delegate powers to-

- (a) such committees;
- (b) the Chair, or in the Chair's absence, the Vice-Chair; or
- (c) the Principal.

(2) The number of members of a committee and the terms on which they are to hold and to vacate office, shall be decided by the Corporation.

(3) The Corporation may also establish committees under collaboration arrangements made with other further education institutions or maintained schools (or with both), and such joint committees shall be subject to any regulations made under section 166 of the Education and Inspections Act 2006(3) governing such arrangements.

### **The search committee**

**24.—(1)** The Corporation shall establish a committee, to be known as the "search committee", to advise on—

- (a) the appointment of members (other than as a parent, staff or student member); and
- (b) such other matters relating to membership and appointments as the Corporation may ask it to.

(2) The Corporation shall not appoint any person as a member (other than as a parent, staff or student member) without first consulting and considering the advice of the search committee.

(3) The Corporation may make rules specifying the way in which the search committee is to be conducted. A copy of these rules, together with the search committee's terms of reference and its advice to the Corporation, other than any advice which the Corporation is satisfied should be dealt with on a confidential basis, shall be published on the institution's website and shall be made available for inspection at the institution by any person during normal office hours.

(4) The Corporation shall review regularly all material excluded from inspection under paragraph (3) and shall make any such material available for inspection where it is satisfied that the reason for dealing with the matter on a confidential basis no longer applies, or where it considers that the public interest in disclosure outweighs that reason.

### **The audit committee**

**25.—(1)** The Corporation shall establish a committee, to be known as the "audit committee", to advise on matters relating to the Corporation's audit arrangements and systems of internal control.

(2) The audit committee shall consist of at least three persons and may include members of staff at the institution with the exception of those in senior posts, and shall operate in accordance with any requirements of the CE OF SKILLS FUNDING.

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(3) 2006 c. 40.

### **Composition of committees**

26. Any committee established by the Corporation, other than the committee referred to in article 10, may include persons who are not members of the Corporation.

### **Access to committees by non-members and publication of minutes**

27. The Corporation shall ensure that:—

- (a) a written statement of its policy regarding attendance at committee meetings by persons who are not committee members; and
- (b) the minutes of committee meetings, if they have been approved by the Chair of the meeting,

are published on the institution's website and made available for inspection at the institution by any person, during normal office hours.

### **Delegable and non-delegable functions**

28. The Corporation shall not delegate the following functions-

- (a) the determination of the educational character and mission of the institution;
- (b) the approval of the annual estimates of income and expenditure;
- (c) the responsibility for ensuring the solvency of the institution and the Corporation and for safeguarding their assets;
- (d) the appointment of the Principal or holder of a senior post;
- (e) the appointment of the Clerk, (including, where the Clerk is, or is to be, appointed as a member of staff the Clerk's appointment in the capacity of a member of staff); and
- (f) the modification or revocation of these Articles.

29.—(1) The Corporation may not delegate -

- (a) the consideration of the case for dismissal, and
- (b) the power to determine an appeal in connection with the dismissal

of the Principal, the Clerk or the holder of a senior post, other than to a committee of members of the Corporation.

(2)The Corporation shall make rules specifying the way in which a committee having functions under paragraph (1) shall be established and conducted.

30. The Principal may delegate functions to the holder of suitable senior manager post other than-

- (a) the management of budget and resources; and
- (b) any functions that have been delegated to the Principal by the Corporation.

### **Appointment and promotion of staff**

31. The Corporation will set out in a policy the procedure for the appointment and promotion for senior post holders

32. The Principal shall have responsibility for selecting for appointment all members of staff other than -

- (a) senior post holders; and
- (b) where the Clerk is also to be appointed as a member of staff, the Clerk in the role of a member of staff.

### **Grievance, suspension and disciplinary procedures**

33. The Corporation will set out in a policy disciplinary and dismissal procedures of senior post-holders

### **Suspension and dismissal of the Clerk**

34.—(1) Where the Clerk is also a member of staff at the institution, the Clerk is to be treated as a senior post holder for the purposes of article 14.

(2) Where the Clerk is suspended or dismissed under article 14, that suspension or dismissal shall not affect the position of the Clerk in the separate role of Clerk to the Corporation.

### **Financial matters**

35. The Corporation shall set the policy by which the tuition and other fees payable to it are determined, subject to any terms and conditions attached to grants, loans or other payments paid or made by the CE OF SKILLS FUNDING.

### **Co-operation with the CE of Skills Funding's auditor**

36. The Corporation shall co-operate with any person who has been authorised by the CE OF SKILLS FUNDING to audit any returns of numbers of students or claims for financial assistance and shall give any such person access to any documents or records held by the Corporation, including computer records.

### **Internal audit**

37.—(1) The Corporation shall, at such times as it considers appropriate, examine and evaluate its systems of internal financial and other control to ensure that they contribute to the proper, economic, efficient and effective use of the Corporation's resources.

(2) The Corporation may arrange for the examination and evaluation mentioned in paragraph (1) to be carried out on its behalf by internal auditors.

(3) The Corporation shall not appoint persons as internal auditors to carry out the activities referred to in paragraph (1) if those persons are already appointed as external auditors under article 19(3).

### **Accounts and audit of accounts**

38.—(1) The Corporation shall

- (a) keep proper accounts and proper records in relation to the accounts; and
- (b) prepare a statement of accounts for each financial year of the Corporation.

(2) The statement shall—

- (a) give a true and fair account of the state of the Corporation's affairs at the end of the financial year and of its income and expenditure in the financial year; and
- (b) comply with any directions given by the CE of Skills Funding as to the information to be contained in it, the manner in which the information is to be presented, the methods and principles according to which it is to be prepared and the time and manner of publication.

(3) The accounts and the statement of accounts shall be audited by external auditors appointed by the Corporation in respect of each financial year.

(4) The Corporation shall not appoint persons as external auditors in respect of any financial year if those persons are already appointed as internal auditors under article 18.

(5) Auditors shall be appointed and audit work conducted in accordance with any requirements of the CE of Skills Funding.

(6) The “financial year” means the first financial year and, except as provided for in paragraph (8), each successive period of twelve months.

(7) The “first financial year” means the period from the date the Corporation was established up to the second 31st July following that date, or up to some other date which has been chosen by the Corporation with the CE of Skills Funding’s approval.

(8) If the Corporation is dissolved—

- (a) the last financial year shall end on the date of dissolution; and
- (b) the Corporation may decide, with the CE of Skills Funding’s approval, that what would otherwise be the last two financial years, shall be a single financial year for the purpose of this article.

### **Rules and bye-laws**

**39.** The Corporation shall have the power to make rules and bye-laws relating to the government and conduct of the institution and these rules and bye-laws shall be subject to the provisions of the Instrument of Government and these Articles.

### **Copies of Articles of Government and rules and bye-laws**

**40.** A copy of these Articles, and of any rules and bye-laws, shall be given free of charge to every member of the Corporation and at a charge not exceeding the cost of copying or free of charge, to any other person who requests a copy and shall be available for inspection at the institution upon request, during normal office hours, to every member of staff and every student.

## CHARITABLE STATUS OF COLLEGES

Every college has charitable status and so is subject to the requirements of the Charities Act. Further education (FE) corporations and sixth form college (SFC) corporations are classified as 'exempt' charities. This means that they are not regulated by the Charity Commissioners but by a separate regulator. In the case of FE Corporations, this is the Department for Business, Innovation and Skills (BIS). In the case of SFC corporations, this is the Department for Education (DfE).

Governors are, however, trustees, and are therefore required to:

- apply the property and income of the college only for the purposes of the charity
- act only within their legal powers – not 'ultra vires'
- manage and protect the property of the college
- 'exercise the same degree of care in dealing with the administration of the charity as a prudent business person would in managing their own affairs or those of someone else for whom they are responsible'

The fundamental requirements of the Charities Act are set out in the Charity Commission's publication, Registering as a Charity (CC21).

Since colleges are charities, governors are only eligible to serve if they meet the criteria for appointment as charity trustees. They must be fit and able to discharge the duties of a governor and must not be bankrupts or former prisoners.

## STANDING ORDERS FOR THE CONDUCT OF BUSINESS

### INTERPRETATION

1. In these Standing Orders -

“College” means Kensington & Chelsea College College

“Corporation” means the Corporation of Governors of Kensington & Chelsea College College

“Committee” means a committee of the Corporation

“Chairman” means the chairman of the Corporation or of a Committee of the Corporation or of a meeting of the Corporation or a Committee as the context requires

“Vice-Chairman” means the vice-chairman of the Corporation or of a Committee of the Corporation as the context requires

“governor” means a member of the Corporation of Governors

“Principal” means the principal of Kensington & Chelsea College College

words importing one gender shall import all genders and the singular number shall include the plural and vice versa (unless the context otherwise requires)

2. The ruling of the Chairman as to the meaning and/or application of these Standing Orders shall not be challenged at any meeting of the Corporation or a Committee, nor open to discussion.
3. These Standing Orders shall take effect subject to any statutory provision for the time being in force affecting further education corporations, in particular the Instrument and Articles of Government.

### MEETINGS OF THE CORPORATION

4. Ordinary meetings of the Corporation shall be held at least once in each academic term on dates to be agreed by the Corporation.
5. All meetings shall be summoned by the Clerk to the Governors, who shall send to the governors written notice of the meeting and a copy of the agenda therefor at least seven **clear** calendar days in advance of the meeting.
6. However, if it is proposed to consider at any meeting the remuneration, conditions of service, conduct, suspension, dismissal or retirement of the Clerk to the Governors, the Chairman (and not the Clerk) shall, at least seven calendar days before the date of the meeting, send to the members a copy of the agenda item concerned together with any relevant papers.



7. A special meeting of the Corporation may be called at any time by the Chairman or at the request in writing of any five governors. Where the Chairman, or in his absence the Vice-Chairman, so directs on the grounds that there are matters requiring urgent consideration, it shall be sufficient if the written notice convening the meeting and the agenda therefor are given within such period, being less than seven days, as he specifies.
8. Only the business on the agenda will be discussed at Corporation meetings except for urgent matters which the Chairman rules may be considered. Full details of such matters must be given to the Chairman in advance of the meeting and the Chairman's approval obtained before such items are raised.
9. The Clerk will retain a register of attendance.
10. The Clerk to the Governors shall be entitled to attend all meetings of the Corporation (including any committee of the Corporation) but shall withdraw from that part of any meeting at which his remuneration, conditions of service, conduct, suspension, dismissal or retirement are to be considered, in which case the members of the Corporation shall appoint from their number a person to act as Clerk to the Governors for the duration of such meeting or part of a meeting.
11. The Principal shall be authorised to invite members of staff to attend in their employed capacity for both non-confidential and confidential business as appropriate.
12. Any question of attendance by any other person to participate in a meeting of the Corporation shall be decided by the Chairman after taking advice from the Principal and the Clerk.
13. The public and representatives of the press shall be admitted to all meetings of the Corporation but may be excluded at any time by order of the Chairman or by resolution of the Corporation should the Chairman and/or the Corporation consider this to be warranted by the nature of the business to be transacted.
14. If a member of the press or public interrupts the proceedings or behaves in a disorderly manner, the Chairman may, after a warning, order his or her removal from the room.
15. No video, audio or photographic equipment may be used at a Corporation meeting without the prior consent of the Chairman.

#### **CHAIRMAN AND VICE-CHAIRMAN**

16. The Corporation shall appoint annually a Chairman and Vice-Chairman from among their number at the summer meeting of the Corporation with tenure of office commencing 1 August.
17. At meeting at which the appointment of the Chairman is before the Corporation, the chair shall be taken for this item by the Vice-Chairman or, in his absence, by a governor (other than the Principal or the staff and student governors) chosen by the governors present at the meeting.

18. Any governor who is the Principal, a member of staff at the College or who is the student governor shall not be eligible to be appointed as Chairman or Vice-Chairman.
19. The Chairman and Vice-Chairman will normally be appointed following a show of hands of governors present and voting at the meeting. However, if demanded by any one governor, the Chairman and/or the Vice-Chairman shall be elected by secret ballot. If where there are more than two nominations for the office of Chairman and Vice-Chairman, the first voting does not produce an absolute majority of votes in favour of any nominee, the nominee having the least number of votes shall be struck off the list and a fresh ballot shall take place, and so on, until an absolute majority of the governors present and voting shall be obtained in favour of one nominee. In cases where there is an equal division of votes between nominees, the Chairman shall if necessary exercise a second or casting vote.
20. The Chairman and Vice-Chairman shall hold office from the date of their appointment until the next summer meeting of the Corporation.
21. If both the Chairman and Vice-Chairman are absent from any meeting of the Corporation, the governors present shall choose one of their number to act as chairman for that meeting, provided that the member chosen shall not be the Principal or a staff or student member.
22. The Chairman and Vice-Chairman may at any time by notice in writing to the Clerk resign their respective offices.
23. At the first meeting following the expiry of the term of office of the Chairman or the Vice-Chairman, or following the resignation of the Chairman or Vice-Chairman, the governors shall appoint a new Chairman or Vice-Chairman, as the case may be, from among their number.
24. Chairmen and Vice-Chairmen retiring at the end of their respective terms of office shall be eligible for reappointment.

#### **QUORUM**

25. Meetings of the Corporation shall be quorate if the number of members present is at least 40% of the membership numbers determined in accordance with clause 3(1) of the Instrument of Government.
26. If the number of governors assembled for a meeting of the Corporation does not constitute a quorum therefor, the meeting shall not be held. If in the course of a meeting of the Corporation the number of governors present ceases to constitute a quorum, the meeting shall be terminated forthwith.
27. If for lack of quorum a meeting cannot be held or, as the case may be, cannot continue, the Chairman shall, if he thinks fit, cause a special meeting to be summoned as soon as conveniently may be.

#### **PROCEEDINGS OF MEETINGS**

28. Every question to be decided at a meeting of the Corporation shall be determined by a majority of the votes of the governors present and voting on the question. Where there is an equal division of votes the Chairman of the

meeting shall have a second or casting vote. Should the Chairman or the Corporation by resolution determine that it would be proper to conduct the debate on a specific issue formally, the Rules of Debate contained in Standing Orders 36 - 49 will apply.

29. A governor may not vote by proxy or by way of a postal vote.
30. No resolution of the governors may be rescinded or varied at a subsequent meeting unless consideration of the rescission or variation is a specific item of business on the agenda for that meeting.
31. Except as provided by article 16 of the Articles of Government (relating to appeals and representations about staff discipline and dismissal), a member of the Corporation who is a member of the staff of the institution shall withdraw -
  - (a) from that part of any meeting of the Corporation at which his remuneration, conditions of service, promotion, conduct, suspension, dismissal or retirement are to be considered;
  - (b) from that part of any meeting of the Corporation at which the appointment of his successor is to be considered; and
  - (c) if so required by a resolution of the other governors present, from that part of any meeting of the Corporation at which the appointment, remuneration, conditions of service, promotion, conduct, suspension, dismissal or retirement of any member of staff holding a post senior to his own are to be considered.
32. Subject to Standing Order 31, if the Principal chooses not to be a member of the Corporation he shall still be entitled to attend and speak at all meetings of the Corporation.
33. A student member who is under the age of 18 shall not vote on any question concerning any proposal -
  - (a) for the expenditure of money by the Corporation; or
  - (b) under which the Corporation, or any members of the Corporation, would enter into any contract, or would incur any debt or liability (whether immediate, contingent or otherwise).
34. Except as provided by rules made under article 18(3) of the Articles of Government (relating to appeals and representations by students in disciplinary cases) a student member shall withdraw from that part of any meeting of the Corporation at which his conduct, suspension or expulsion is to be considered.
35. In any case where the Corporation are to discuss the appointment, remuneration, conditions of service, promotion, conduct, suspension, dismissal or retirement of a member or prospective member of the staff of the institution, a student member shall -
  - (a) take no part in the consideration or discussion of the matter in question and not vote on any question with respect to the matter; and

- (b) if so required by a resolution of the other governors present, withdraw from the meeting.

### **RULES OF DEBATE**

*(Standing Orders 36 to 49 will only apply following a decision by the Chairman or by the Corporation under Standing Order 28)*

- 36. When speaking, governors will address the Chair. If two or more governors wish to speak at the same time the Chairman will decide who shall speak first. A governor who is speaking will immediately be silent if the Chairman so requests, or if another governor raises a point of order.
- 37. Every motion or amendment must be moved and seconded, except that the Chairman may move a motion without the requirement for a seconder. If the Chairman so requires, a motion or amendment must be submitted in writing to the Clerk and read aloud before it is put to the meeting.

### **Relevance**

- 38. Every governor who speaks must direct his or her speech strictly to the motion or matter under discussion, or to a motion or amendment which he moves, or to a point of order.

### **Points of Order**

- 39. Any Governor wishing to raise a point of order must say at the outset the Standing Order which he believes has been infringed. Every point of order will be decided immediately by the Chairman whose decision will be final.

### **Motions and Amendments**

- 40. A governor may not move or second more than one amendment on any motion.
- 41. Once moved and seconded, a motion or amendment may not be withdrawn without the consent of the Corporation.
- 42. With the consent of the Corporation, a governor may with the consent of his or her seconder, alter a motion which he has moved. The alteration must be one which could be made as an amendment under Standing Order 43.
- 43. Every amendment must be relevant to the motion under discussion and will either:
  - (a) move the reference of the matter back to a Committee
  - (b) leave out words
  - (c) add words, or
  - (d) leave out words and add others.
- 44. An amendment which forms the negative of the motion will not be allowed.

45. Whenever an amendment has been moved and seconded, no subsequent amendment may be moved until the first has been dealt with, unless the Chairman decides otherwise.
46. If an amendment is lost, other amendments may be moved on the motion.
47. If an amendment is carried, the motion as amended will become the substantive motion, on which further amendments may be moved.

### ***Procedural Motions***

48. Any governor may, at the close of the speech of another governor, move one of the following procedural motions
  - That the question be now put
  - That the Corporation adjourns
  - That the debate be adjourned
  - That the Corporation proceeds to the next business
49. Procedural motions require a seconder. If such a motion is carried, it will be acted on without further discussion.

### **SUSPENSION OF STANDING ORDERS**

50. Any Standing Order may be suspended at any meeting provided that a majority of the governors present and voting so decide and provided that in so doing there is no conflict with any statutory requirement.

### **VOTING AND DIVISIONS**

51. Subject to Standing Order 19 voting will be by show of hands unless at least five governors demand a division.
52. Where a division is called, the names of those voting for or against the motion or amendment will be recorded and entered in the minutes.
53. On a formal motion put from the Chair the question may be decided by the voice of the governors, unless any governor demands a show of hands.
54. If immediately after a vote is taken any governor so requires, the way in which he voted (or abstained) will be recorded in the minutes of that meeting.
55. In the event of there being a tied vote, the Chairman of the meeting shall have a second or casting vote regardless of whether he has voted when the motion or amendment was put to the meeting.

### **DISORDERLY CONDUCT BY GOVERNORS**

56. If at a meeting of the Corporation any governor in the opinion of the Chairman misconducts himself by persistently disregarding the ruling of the Chair, or by behaving irregularly, improperly, or offensively, or by wilfully obstructing the business of the Corporation, it shall be competent for a governor to move "That (governor's name) be not further heard," or "That (governor's name) leaves the meeting". Such motion, if seconded, shall be put and determined without discussion.

## **SUSPENSION OF SITTING**

57. If, after a motion under Standing Order 56 has been carried, the misconduct or obstruction is continued, or action is taken in pursuance of Standing Order 14 which in the opinion of the Chairman renders the due and orderly dispatch of business impossible, the Chairman may, at his sole discretion, adjourn or suspend the sitting of the Corporation for such period as he in his discretion shall consider expedient.

## **ADJOURNMENT**

58. The Chairman may at any time adjourn a meeting of the Corporation. The decision of the Chairman in this matter shall be final and shall not be open to discussion.

## **GOVERNORS' INTERESTS**

59. Except with the approval in writing of the Secretary of State no governor shall take or hold any interest in any property held or used for the purpose of the College.
60. A governor who has any financial interest in the supply of work or goods to or for the purposes of the College, any contract or proposed contract concerning the College or any other matter relating to the College shall-
- (a) disclose to the Corporation the nature and extent of his financial interest
  - (b) if he is present at a meeting of the Corporation at which such supply, contract or other matter is to be considered, shall not take part in the consideration or vote on any question with respect to it and shall not be counted in the quorum present at the meeting in relation to a resolution on which he is not entitled to vote.
61. This Standing Order shall not prevent the members of the Corporation considering and voting upon proposals for the Corporation to insure the members of the Corporation against liabilities incurred by them arising out of their office or the Corporation obtaining such insurance and paying the premiums.
62. The Clerk shall maintain a Register of Interests of Governors and Senior Officers in a form prescribed by the Corporation and this shall be made available during normal office hours at the College to any person wishing to inspect it. It shall be a condition of Corporation membership that governors register their interests.

## **MINUTES**

63. At every ordinary meeting of the Corporation the minutes of the last ordinary meeting shall be taken as an agenda item and, if agreed to be accurate, those minutes shall be signed as a true record.

64. Separate minutes shall be taken of those parts of meetings from which the Clerk to the Governors or staff or student members have withdrawn. The Clerk to the Governors who has withdrawn from a meeting in accordance with Standing Order 10 shall not be entitled to see the minutes of that part of the meeting or any papers in relation thereto. A staff or student member who has withdrawn from a meeting in accordance with Standing Order 31, 34 or 35 shall not be entitled to see the minutes of that part of the meeting or any papers in relation thereto.
65. Subject to Standing Order 66, the Corporation shall ensure that a copy of:
- (a) the agenda for every meeting of the Corporation;
  - (b) the draft minutes of every such meeting, if they have been approved by the Chairman of the meeting
  - (c) the signed minutes of every such meeting; and
  - (d) any report, document or other paper considered at any such meeting
- shall, in each case as soon as may be, be made available during normal office hours at the College to any person wishing to inspect them. In addition, non confidential approved minutes to be published on the College's website. The definition of approved minutes is when the Committee and or Corporation has authorised the Chairman to sign the minutes as an accurate record.
66. There may be excluded from any item required to be made available in pursuance of Standing Order 65, any material relating to -
- (a) a named person employed at or proposed to be employed at the College;
  - (b) a named student at, or candidate for admission to, the College; and
  - (c) any matter which, by reason of its nature, the Corporation are satisfied should be dealt with on a confidential basis.

## **COMMITTEES**

### CONSTITUTION AND TERMS OF REFERENCE

67. The Committees of the Corporation and their constitution and terms of reference shall be as set out in the schedule attached to these Standing Orders, or as subsequently amended by the Corporation.

### MEMBERSHIP AND TERM OF OFFICE

68. Every governor appointed to be a member of a Committee will cease to be a member of that Committee when he ceases to be a governor unless he has been appointed for a further term of office as a governor.
69. Subject to Standing Order 68 a governor's term of office as a member of a Committee will be four years from the date of his appointment to the Committee unless otherwise decided by the Corporation.

70. Co-opted members of Committees will be appointed by the Corporation and will hold office for four years.

#### CHAIRMAN

71. Where the constitution of a Committee requires the Committee to appoint a Chairman, he must be selected from amongst the members who are governors except that the Principal or any staff or student governors shall be ineligible to be appointed as Chairman.

#### COMMITTEE MEETINGS

72. Committees will normally meet once in each academic term at the College on a date fixed by the Committee. However, the Committee Chairman has authority to rearrange the date of a meeting in consultation with the Clerk if there are good reasons for so doing. The Committee Chairman may also cancel a meeting if the Clerk advises that there is insufficient business requiring the Committee's attention to justify holding a meeting before the next scheduled meeting of the Committee.

#### MINUTES

73. Formal minutes of Committees will be prepared by the Clerk and submitted to the next meeting of the Corporation. Any recommendations made by Committees will be referred to specifically on the Corporation agenda.
74. In preparing the minutes, the Clerk will agree with the Chairman those items which are confidential and these will be prepared separately and submitted to the Corporation in that part of the meeting which is not open to the press and public.
75. The Corporation's policy on the publication of the minutes of Committee meetings shall be made available at the College during normal office hours to any person wishing to inspect it.

#### ATTENDANCE AT COMMITTEE MEETINGS BY PERSONS WHO ARE NOT COMMITTEE MEMBERS

76. Members of the public and representatives of the press shall not be admitted to meetings of Committees.
77. Subject to Standing Order 81, the Principal shall be entitled to attend meetings of any Committee of which he is not a member.
78. Subject to Standing Order 10, the Clerk to the Governors shall attend meetings of all committees.
79. The Principal is authorised to invite other members of staff to attend Committee meetings as the need arises.



80. The Chairman of any Committee may permit the attendance of any other person at a Committee meeting after having taken the advice of the Principal and the Clerk.
81. A Committee shall have the right to exclude any person who is not a member of the committee from all or part of a meeting should this be warranted by the nature of the business to be considered.
82. The Standing Orders of the Corporation set out herein shall apply to Committee meetings subject to any specific provisions relating to Committees contained in Standing Orders 67 to 81.

### **CONFIDENTIALITY**

83. All governors and co-opted members of Committees must respect the confidentiality of any papers made available to them whether for the purposes of Corporation or committee meetings or otherwise for so long as those papers remain confidential.

### **URGENT ACTION**

84. If, in his opinion, any matter which would otherwise be the responsibility of the Corporation, is of an urgent nature, the Principal may, in consultation with the Clerk obtain the agreement in writing of the Chairman (or in his absence, the Vice-Chairman) of the Corporation, to take action necessary to deal with the matter. Provided always that none of the responsibilities of the Corporation referred to in Article 5(6) of the Articles of Government may be the subject of such action.
85. Every such decision shall be reported to the next available ordinary meeting of the Corporation.

### **AUTHENTICATION OF DOCUMENTS**

#### COMMON SEAL

86. The Common Seal of the Corporation must be kept in a safe place at the College and affixed to any document which requires to be sealed for the transaction of the business of the Corporation. The application of the Seal shall be authenticated by the signature of the Chairman (or in his absence, the Vice Chairman) together with that of one other governor.
87. The use of the Common Seal to be reported at the next meeting of the Corporation.

#### SIGNING OF DOCUMENTS

88. The Principal is authorised to sign on behalf of the Corporation, where appropriate, any document necessary to give effect to any decision of the Corporation or its committees or any other matter in furtherance of the College's business.

#### VARIATION OR REVOCATION

89. Any amendment, variation, addition to or revocation of these Standing Orders

shall be approved by the Corporation and shall take effect as from the conclusion of the meeting at which the Corporation's approval is given, subject to any direction to the contrary given by the Corporation. Any such changes to these Standing Orders shall not be made in such a way that a conflict is created with any provision of the Instrument and Articles of Government of the College which take precedence at all times.

#### **INFORMATION AND COMPLAINTS**

- 90 Any request for information relating to the Corporation should be addressed to the Clerk of the Corporation.
- 91 A complaint against the Corporation or an individual member of the Corporation shall be addressed to the Clerk to the Corporation who shall deal with the matter as appropriate. The response to such a complaint will include details of the arrangements for pursuing the matter with an independent body. A complaint against the Clerk to the Corporation shall be forwarded to the Chair of the Corporation.

## **AUDIT COMMITTEE TERMS OF REFERENCE**

### **BACKGROUND**

- 1.1 In fulfilling the requirements of the funding bodies and the Instrument & Articles of Government, governing bodies are required to appoint an Audit Committee.
- 1.2 The Audit Committee is not to be seen as an executive arm of the governing body. It is in place to provide an independent view to the governing body on the control systems in place within the College and to provide an opinion as to whether the College is compliant with the policies established by the governing body, and operating in an economic, efficient and effective manner.
- 1.3 In advising the governing body, the Audit Committee is to make full use of the professional advice available from the financial statements, regularity and other audit and assurance providers, including such professional legal opinion as may from time to time be required.

### **AIM**

- 2.1 This document sets out the terms of reference under which the members of the Audit Committee will carry out their duties.

### **DUTIES**

- 3.1 To assess and provide the governing body with a separate opinion on the adequacy and effectiveness of its organisation's systems of internal control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money).
- 3.2 To advise the governing body on the appointment, reappointment, dismissal and remuneration of the financial statements and regularity auditors, internal audit service and other assurance providers, and to advise the governing body on the scope and objectives of the work of their work and establish that all such assurance providers adhere to relevant professional standards.
- 3.3 To ensure effective co-ordination between the Internal Audit Service (IAS) and the Financial Statements Auditor.
- 3.4 To consider and advise the governing body on the audit strategy and annual internal audit plans for the IAS and consider and advise the governing body annually whether there is a need for an internal audit function and if so, its remit and level and focus of internal audit activity.
- 3.5 To consider and advise the governing body on an annual review of the Board Assurance Framework which is in place to provide assurance of effective internal control and its design and effectiveness.
- 3.6 To advise the governing body on internal audit assignment reports and annual reports and on control issues included in the management letters of the Financial Statements Auditor (including their work on regularity), and management's responses to these.

- 3.7 To monitor, within an agreed timescale, the implementation of agreed recommendations relating to internal audit assignment reports, internal audit annual reports and the Financial Statements Auditor's management letter.
- 3.8 To consider and advise the governing body on relevant reports, for example by the National Audit Office (NAO), the Skills Funding Agency (SFA), other funding bodies and where appropriate, management's response to these.
- 3.9 To establish, in conjunction with management, relevant annual Performance Review measures and indicators, and to monitor the effectiveness of the IAS and financial statements auditor through these measures and indicators and decide, based on this review, whether a competition for price and quality of the audit service is appropriate.
- 3.10 To review and monitor the financial statements, regularity, internal audit and other audit and assurance providers' independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements.
- 3.11 To produce a separate Annual Report for the governing body and the College's Accounting Officer, summarising the committee's activities relating to the financial year under review, including any significant issues arising up to the date of preparation of the report. The report must include the Committee's view of its own effectiveness and how it has fulfilled its Terms of Reference in relation to each member organisation. The report must include the Audit Committee's opinion on the adequacy and effectiveness of audit arrangements, its framework of governance, risk management and control, and its processes for securing economy, efficiency and effectiveness. The Annual Report must be submitted to the governing body before the Statement of Corporate Governance and Internal Control in the accounts is signed. A copy of the Audit Committee's Annual Reports must be submitted to the relevant funding body with each set of annual accounts.
- 3.12 To oversee the policies on fraud and irregularity 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 Audit Committee; that the external auditors have been informed, and that appropriate follow-up action has been planned / actioned, and that all significant cases of fraud or suspected fraud or irregularity are reported to the Chief Executive of the appropriate funding body.
- 3.13 To be informed of all additional services undertaken by the IAS and the financial statements auditors and to advise the governing body of these services taking into account relevant ethical guidance and to explain how independence and objectivity have been safeguarded. To report to the governing body identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.
- 3.14 To recommend the Annual Financial Statements to the governing body for approval.

- 3.15 The Corporation has the ultimate responsibility for Risk Management and is advised in this role by the Audit Committee. The Corporation sets the tone and influences the culture of Risk Management within the institution which includes the following:
- ensuring that the identification, assessment and mitigation of risk is linked to the achievement of the College's objectives
  - ensuring that the assessment of risk reflects the College's appetite for risk
  - considering any significant new activity or opportunities as they arise to ensure that risks are identified and managed
  - actively participating in major decisions affecting the College's risk profile or exposure
  - monitoring the management of significant risks to reduce the likelihood of unwelcome surprises
  - receiving regular reports from College Management supplemented by internal and external audit reports and other third party agencies in order to receive assurance that all aspects of risk are being appropriately managed
  - annually reviewing the College's approach to Risk Management and approve changes to key elements of its processes and procedures
  - regular review of the Risk Register by the Audit Committee
  - Corporation Committees to review at each meeting those risks that fall within the scope of their terms of reference and for the Committees to assess the appropriateness of the risk score, proposed mitigation actions, and any sources of "assurances" being sought to confirm that the risks are being managed and mitigated and to identify any new risks for inclusion in the Risk Register

#### **DELEGATED AUTHORITY**

4. The Audit Committee has authority to:
- 4.1 appoint co-opted members (maximum 2) as required to meet the need for specific additional experience.
- 4.2 commission an investigation of any activity within its Terms of Reference and in order to do so has the right of access to obtain all the information and explanations it considers necessary, from whatever source, to fulfil its remit.

#### **MEMBERSHIP**

- 5.1 The Audit Committee is to comprise at least three members and no more than six. In addition the Committee can appoint up to two co-opted members. The Audit Committee must include at least one person, whether a governor or a co-opted member with relevant accountancy, or audit and assurance, experience.
- 5.2 The Corporation Chairs, the Clerks, Principal, and other senior management staff may not be members of the Audit Committee. Members of the Audit Committee may not also serve on the Finance Committee.

- 5.3 Members of the Audit Committee will need to meet the independence requirements of the governing body and to adhere to the Code of Conduct in place for members of the governing body.
- 5.3 The Audit Committee may co-opt advisers to attend meetings but must ensure that it maintains its independence when considering the appointment of members. Other members of the governing body may, by invitation, attend Audit Committee meetings. These persons may speak and otherwise take part in the meeting on a consultative basis.

## **QUORUM**

- 6.1 A quorum of the Committee shall be three members.

## **CHAIR**

- 7.1 The Committee members shall annually elect a Chair at the first meeting of the academic year.
- 7.2 In the absence of the Chair the members present shall appoint one of their number to act as Chair for that meeting.

## **VOTING**

- 8.1 Voting at meetings will be determined by a show of hands.
- 8.2 Co-opted members will have full voting rights.
- 8.3 The names and votes of members shall not normally be recorded in the minutes, but any member may request that his or her vote or abstention be recorded.
- 8.4 In the case of an equality of votes, the Chair of the meeting will have a second or casting vote.

## **CLERK**

- 9.1 The Clerk to the Corporation will be the Clerk to the Committee.

## **REPORTING RESPONSIBILITIES**

- 10.1 The Chair of the Committee will report formally to the governing body on the proceedings of the Audit Committee after each meeting on all matters within its duties and responsibilities. One joint set of minutes will be circulated to all governing body members.
- 10.2 The Audit Committee shall make whatever recommendations it deems appropriate to the governing body on any area within its remit where action or improvement is needed.

## **AUDIT COMMITTEE**

## INDICATIVE PLANNED BUSINESS FOR THE YEAR

AUDIT COMMITTEE	Winter	Spring	Summer
<b>Recurrent Matters</b>			
Apologies	*	*	*
Election of Chair	*		
Minutes	*	*	*
Matters arising from the minutes	*	*	*
Terms of reference & Membership	*		
Planned Business for Year	*		
<b>Financial Statements Auditor</b>			
Appointment and Remuneration of Financial Statements Auditor (FSA)		*	
Key Issues Memorandum	*		
Review of Performance of FSA and establishment of annual performance indicators for the following year		*	
<b>Internal Auditor</b>			
Appointment, continuance and remuneration of internal auditors	*	*	*
Annual Internal Audit Plan	*		
Review of performance of internal audit service and establishment of annual performance indicators for next year	*		
Annual Report	*		
Reports on reviews and progress update	*	*	*
Tracker Report on previous recommendations	*	*	*
<b>Other Matters</b>			
Recommendation of approval to Governing Body of Annual Financial Statements	*		
Risk Management Reports	*	*	*
Fraud Register	*	*	*
Board Assurance Framework reports	*	*	*
Annual Report to Governing Body	*		
Date of Next Meeting	*	*	*

## **FINANCE & CAPITAL PROJECTS GROUP TERMS OF REFERENCE**

### **1 Membership**

The Group shall comprise of 5 Members of the Board, one of whom shall be the Principal. The Group shall appoint a Chair from amongst its membership. The Clerk to the Corporation shall act as Clerk to the Group.

### **2 Quorum**

A meeting shall be quorate when any two Members are present.

### **3 Attendance at Meetings**

The Committee may require the attendance, regularly or occasionally, of other Members of the Board, college staff and external advisors, as it considers will assist it in its remit. The Clerk shall attend all meetings of the Group.

### **4 Frequency of Meetings**

The Group shall meet at such times and with such frequency as it deems necessary for the proper conduct of its business, or as the Corporation directs. There is no minimum annual requirement for meetings of the Finance and Capital Projects Group.

### **5 Reporting Procedures**

The Clerk to the Corporation shall maintain appropriate records of the proceedings of the Group, which shall be reported to the Corporation by such minutes or reports, as the Group deems appropriate, or as otherwise directed by the Corporation.

### **6 Remit**

The Finance and Capital Projects Group shall be responsible for the following:-

#### **a Capital Projects**

advising the Executive Team and the Corporation on capital projects, including

- approving capital spending on projects, within limits defined on each occasion by the Corporation
- validating and monitoring capital expenditure on specified projects, in accordance with capital plans approved by the Corporation
- undertaking such other tasks related to capital projects and developments as the Board may, from time to time, remit to the Group

#### **b Finance**

providing support and guidance to the Executive Team in financial matters, as required, including:-



- reviewing and advising on the preparation of the annual budget and the three-year financial forecast
- reviewing, as necessary, the monthly management accounts
- advising on and monitoring the use and deployment of college resources
- such other responsibilities with regard to financial planning and monitoring as the Corporation may, from time to time, remit to it.

c Risk Management

- Corporation Committees to review at each meeting those risks that fall within the scope of their terms of reference and for the Committees to assess the appropriateness of the risk score, proposed mitigation actions, and any sources of “assurances” being sought to confirm that the risks are being managed and mitigated and to identify any new risks for inclusion in the Risk Register

## **QUALITY & EQUALITY ADVISORY GROUP TERMS OF REFERENCE**

- 1 Membership**

The Group shall comprise of eight Members of the Board, including the Principal, teaching staff governor and two student governors. The Clerk to the Corporation shall act as Clerk to the Group. The Group shall appoint a Chair from amongst its membership.
  
- 2 Quorum**

A meeting shall be quorate when any three Members are present.
  
- 3 Attendance at meetings**

The Group may require the attendance, regularly or occasionally, of such external advisers, or members of the college staff, as it considers will assist it in its remit. The Clerk shall attend all meetings of the group.
  
- 4 Meetings**

The Group shall meet at least three times in each academic year, normally once in each of the three academic terms. It shall hold such additional meetings as it deems necessary for the proper conduct of its business, or as the Corporation directs.
  
- 5 Reporting Procedures**

The Clerk shall maintain appropriate records of the proceedings of the Group, which shall be reported to the Corporation by such minutes or reports as the Group deems appropriate, or as otherwise directed by the Corporation.
  
- 6 Remit: Quality**
  - a The Group will support, monitor and review the college's progress in continuous quality improvement. Specifically, it will monitor the college's progress against the annual quality improvement plan.
  
  - b The Group will consider all relevant available data pertaining to the quality of the college's provision, including self-assessment reports, success rates and attendance figures. It will review the outcomes of any staff or student surveys, or other feedback mechanisms, as it considers necessary.
  
  - c The Group will advise on, and participate in, the preparation of self-assessment reports, and may review mechanisms for measuring and improving the quality of the Board's own performance.

**7 Remit: Equality**

- a The Group will support, monitor and review the college's progress in matters of equality of opportunity and of diversity. It will consider all relevant available data, including self-assessment reports, retention and achievement figures and student survey results.
- b The Group will assist the Principal and Corporation in the development of appropriate policy regarding matters of religion including guidance to staff on Ramadan and other religious observances.
- c The Group will assist the Principal and Corporation in the development of appropriate policy regarding the promotion of equality of opportunity and the celebration of diversity at the College

**d Risk Management**

Corporation Committees to review at each meeting those risks that fall within the scope of their terms of reference and for the Committees to assess the appropriateness of the risk score, proposed mitigation actions, and any sources of "assurances" being sought to confirm that the risks are being managed and mitigated and to identify any new risks for inclusion in the Risk Register

## **REMUNERATION COMMITTEE TERMS OF REFERENCE**

### **1 Membership**

The Committee shall be appointed by the Corporation and shall consist of 5 Corporation Members. The Committee's membership shall not include the Principal, or staff or student Members. The Chair of the Corporation shall be Chair of the Committee. The Clerk to the Corporation shall be the Clerk to the Committee. The Corporation shall conduct an annual review of the membership of the Committee to ensure its continuing independence.

### **2 Quorum**

Meetings shall be quorate when two Members are present.

### **3 Attendance at meetings**

The Principal shall normally be invited to attend meetings of the Committee, save where his/her remuneration package is being considered. The Committee may invite other Senior Postholders to attend meetings when necessary. The Clerk shall attend all meetings of the Committee, except in the case that his or her remuneration, performance or terms of engagement are under discussion.

### **4 Frequency of meetings**

Meetings shall be held as the Committee considers necessary and not less than twice in any academic year.

### **5 Reporting procedures**

- a The committee shall submit a brief outline report of its recommendations to all Members of the Board, including staff and student Members.
- b Detailed minutes of the Committee's proceedings shall be kept by the Clerk. Members other than staff and student Members shall have access to the minutes on request.
- c In accordance with the Instrument and Articles, a Student Member may take no part in the consideration or discussion of the remuneration or conditions of service of a member of the college staff, nor vote upon such matters **and** must withdraw from the meeting if required to do so by a majority of Members present. Members who are employees of the Corporation must withdraw from meetings where their own remuneration or conditions of service (as distinct from the remuneration or conditions of service of college staff in general) are to be considered. They may also be required by a resolution of Members present to withdraw from the meeting where the remuneration or conditions of service of any member of staff holding a post senior to their own are to be considered.
- d Separate and confidential minutes shall be taken of those parts of meetings from which staff or student Members have withdrawn, which shall not be available to staff and student Members.

### **6 Remit**

- 6a The Committee shall review and determine the Corporation's policy on executive remuneration and advise the Corporation on the specific remuneration packages of senior postholders so as to:-

- i ensure that senior postholders are fairly rewarded for their individual contributions to the college's overall performance; and
  - ii demonstrate to the public that the pay of senior postholders is considered by a committee which has no personal interest in the outcome of the Corporation's decision and which gives due regard to the interests of the public and of the financial health of the college.
- 6b The Committee shall not be required to advise the Corporation on any annual cost of living pay increase for Senior Postholders which is equal to the cost of living pay increase awarded to all other college staff. Such increases shall normally be presented to the Corporation for approval at the meeting at which the annual budget for the following year is considered.

## 7 Duties

7a **The Committee shall advise** the corporation on the specific remuneration packages of the Principal and other senior postholders, and in so doing shall consider the following component elements listed below:

- i basic salary
- ii benefits in kind
- iii annual bonus/performance-related elements
- iv pension provisions
- v the main terms and conditions in each senior postholder's service agreement, with particular reference to the notice provisions.

7b **The Committee shall evaluate** annually the specific remuneration packages of the Principal and other senior postholders against pre-established performance goals and objectives and an appropriate peer group. For that purpose, in accordance with systems approved for the purpose by the Corporation, the Committee will:

- i assess performance during the relevant period
- ii review the achievement of annually agreed objectives and
- ii determine whether objectives have been achieved at the end of the relevant period.

7c **The Committee shall advise** the Corporation on any compensation (including the augmentation of pension benefits) which may be payable in the event of the early termination of the employment of the Principal or any other senior postholder with the broad aim of avoiding rewarding poor performance and dealing fairly with cases where early termination is not due to poor performance

7d The Committee shall advise the Corporation in determining the appropriate salary ranges for new Senior Postholder appointments.

7e **The Committee shall review**, on a continuing basis, the Corporation's policy on all aspects of the remuneration of the Principal and other senior postholders and report on such policy to the Corporation as required. Reports to the Corporation may include:-

- i details of policy on the remuneration of senior postholders, including levels, comparator groups of colleges, component elements, performance criteria and compensation commitments on early termination

- ii details of the main component elements in the specific remuneration packages of senior postholders, such as salary, benefits in kind, individual bonuses and pension entitlements
- iii any service agreements which provide for, or imply, notice periods of more than one year (or any provisions for pre-determined compensation on terms which exceed one year's salary and benefits) together with an explanation of the reasons for any longer notice period.
- 7f **The Committee shall advise** the Corporation on the appointment, contractual terms and remuneration of the Clerk to the Corporation
- 7g **The Committee shall receive** reports of the annual appraisal of the Principal and Senior Postholders and of the performance of the Clerk to the Corporation.

## **SEARCH COMMITTEE TERMS OF REFERENCE**

### **1 Membership**

- a The Committee shall comprise 5 Members, consisting of the Chair of the Corporation, the Principal and 3 Corporation Members. .
- b In the interests of the effective performance of its functions, the Committee may co-opt up to three additional external Members, who are not Members of the Corporation, for such a term of office, not exceeding four years, as it considers appropriate.
- c The Chair of the Corporation shall be Chair of the Committee. The Clerk to the Corporation shall act as Clerk to the Committee.

### **2 Quorum**

A meeting shall be quorate when any 3 Members are present.

### **3 Attendance at Meetings**

The Committee may require the attendance, regularly or occasionally, of such external advisors or members of the College staff, as it considers will assist it in its remit. The Clerk shall attend all meetings of the Committee.

### **4 Frequency of Meetings**

The Committee shall meet at least twice a year and as often as it deems necessary for the proper conduct of its business, or as directed by the Corporation.

### **5 Reporting Procedures**

The Clerk to the Corporation shall act as Clerk to the Committee and shall maintain appropriate records of its proceedings, which shall be reported to the Corporation via the minutes of its meetings, or by such other reports as may be appropriate.

### **6 Remit**

The Committee shall be responsible for:-

- a nominating candidates for the approval of the Corporation, to fill vacancies on the Corporation and for determining the process whereby candidates are nominated. The committee will choose in each instance an appropriate process for selecting for nomination, having regard to the nature of the vacancy, the skills required, and any other relevant circumstances. The Committee will ensure that any such arrangements include appropriate consultation with the Principal.

- b monitoring the attendance record of Corporation Members and drawing to the attention of the Corporation any matters of concern.
- c on the expiry of the term of office of Corporation Members, making recommendations to the Corporation in respect of their re-nomination for a further term.
- d from time to time, at its discretion, or at the direction of the Corporation, considering and making recommendations to the Corporation on the Corporation's composition and balance and on the procedures for appointment to the Corporation.



## **SELECTION COMMITTEE**

### **Constitution**

1. The membership of the Selection Committee for the appointment of a Principal shall be the Chairman of the Corporation (ex officio) or Vice Chairman of the Corporation (ex officio), and at least four other members of the Corporation (but not staff or student governors). The Selection Committee for the appointment of a senior post holder other than the Principal shall be the Chairman or Vice Chairman, the Principal and at least two other members of the corporation (but not staff of student governors).
2. The Selection Committee has the authority to invite external representatives, College staff or other governors to attend committee meetings. Such individuals will have no voting rights.
3. The Selection Committee at its first meeting shall elect a Chairman from amongst its members.
4. The Selection Committee shall be quorate when at least 3 members are in attendance.
5. The Selection Committee shall meet as frequently as required during the recruitment of a Principal and senior Postholder.
6. Decisions to be made at meetings of the Selection Committee shall be determined by a majority of the votes of members present and voting. Where there is an equal division of votes, the Chairman of the Selection Committee shall have a second or casting vote.
7. The Selection Committee will make the final recommendation for appointment to the Corporation.

### ***Terms of Reference***

1. To review and to make recommendations to the Corporation on the possible use of a recruitment agency to assist in the recruitment of a Principal.
2. To make the final recommendation to the Corporation for the appointment of a Principal. Before making such a recommendation, the Selection Committee will give consideration to:

Working in partnership with any recruitment agency appointed by the Corporation;

Ensure that all members of the Selection Committee are able to give adequate time to the selection process including selection meetings and the assessment process itself which will take one or two full days;

Consider carefully the involvement of College staff in the assessment process ensuring that staff are not involved in the selection of the candidate itself;

Ensuring that the appropriate Committee of the Corporation and the Corporation has agreed the financial package to be offered;  
Ensuring that the terms and conditions for the appointment have been approved;  
Ensuring that the job description and person specification for the appointment have been agreed;  
Drawing up a timetable for the selection process including initial screening, gathering of references and a shortlisting meeting;  
Ensuring that the post is advertised nationally;  
Agreeing on the variety of assessment activities to be used for chosen shortlisted candidates;  
Ensuring that all candidates are given an equivalent experience – with the same assessment activities and with the same assessors;  
Pre-agreeing the questions to be asked and the people who will ask the questions  
Ensuring that assessors keep notes in a fair and legible form, preferably against published criteria and on assessment sheets;  
Ensuring that adequate arrangements are in place to provide feedback to the unsuccessful candidates.

### ***Reporting Procedures***

1. The Clerk to the Corporation shall act as Clerk to the Selection Committee. The Clerk to the Corporation shall circulate minutes of the meeting of the Committee to all Committee members.
2. At each meeting the minutes of the last meeting shall be taken as an agenda item, and if agreed to be accurate, signed as a true record.
3. The Selection Committee shall provide a report of its work to the Corporation at each meeting of the Corporation, and that a recommendation for appointment will be put forward to the Corporation.

## **SPECIAL COMMITTEE**

### **Constitution**

1. The Special Committee will consist of five members of the Corporation but the Chair of the Corporation, the Vice-Chair, the Principal and Chief executive and the staff and student members will not be eligible for membership of the Special Committee.
2. The Committee may invite the Corporation's advisers or other parties to attend meetings of the Committee as appropriate (such persons shall not have a vote but shall be entitled to speak at the meeting). If requested by the Committee, the Director of Personnel will attend meetings of the Committee.
3. The Special Committee will appoint a Chair of the Committee and he or she will thereafter be responsible for ensuring compliance with written procedures as outlined in the College's Disciplinary Procedure for Holders of Senior Posts.
4. The Committee shall be quorate when at least three members are in attendance.
5. The Committee shall convene a meeting as soon as practicable after a reference to it, subject to no less than seven days notice in writing being given by the Clerk to the Corporation to the senior postholder concerned.
6. Decisions to be made at meetings of the Committee shall be determined by a majority of the votes of members present and voting. Where there is an equal division of votes, the Chairman shall have a second or casting vote.
7. The clerk to the Corporation shall act as Clerk to the Committee

### ***Terms of Reference***

8. To examine the case for the dismissal of a senior post holder referred to the Committee by the Chair of the Corporation, the Vice Chair of the Corporation, or a majority of the members of the Corporation.
9. To give the person whose dismissal is to be considered the right to make representations. The representations, which may be made in writing, may also be made orally, for which purpose the person whose dismissal is to be considered may be accompanied and represented by a friend or professional colleague.

### ***Reporting Procedures***

10. To prepare a written report containing its recommendations regarding the case for dismissal of a senior post holder for consideration by the Corporation, a copy of which shall be sent to the person to whom it relates.

### **Points to Note:**

- ❖ All Committee members must be give a copy of the College's Disciplinary Procedure for Holders of Senior Posts.

- ❖ When examining the case for dismissal, the Committee should consider whether the dismissal would be fair and reasonable in the circumstances, which may include (but is not limited to) reviewing the following:
  - any relevant documents and representations;
  - the terms and conditions of the senior postholder's employment;
  - any relevant ACAS guidelines
  - relevant legislation including unfair dismissal legislation, discrimination legislation and the Human Right Act 1998.



# **Governors' Handbook**

## **Section 3 – Roles & Responsibilities**

## **ROLES, RESPONSIBILITIES AND PERSON SPECIFICATION FOR GOVERNORS**

### ***Main responsibilities of the Board of Governors***

Under Article 3(1) of the College's Articles of Government the Board is responsible for:

- a) the determination and periodic review of the educational character and mission of the College and for the oversight of its activities
- b) approving the quality strategy of the institution;
- c) the effective and efficient use of resources, the solvency of the College and the Corporation and for safeguarding their assets
- c) approving annual estimates of income and expenditure
- d) the appointment, grading, suspension, dismissal and determination of the pay and conditions of service of the holders of senior posts and the clerk
- e) setting a framework for the pay and conditions of service of all other staff.

### ***Responsibilities of individual governors***

- f) to attend meetings of the Board of Governors and other occasional events arranged by the College and to work towards the individual attendance target of 75% for Board meetings
- g) to be a member of at least one committee of the Board
- h) to participate actively and constructively in meetings of the Board and the appropriate committees
- i) to take an active interest in Further Education in general and in the College in particular
- j) to sign and abide by the Code of Conduct for governors as approved by the Board and to declare any relevant financial, business and personal interests in accordance with the Register of Interests approved by the Board
- k) to contribute to the strength of the Board by bringing an external perspective and experience to the Board's oversight of the College but to stop short of giving professional advice
- l) to act as an ambassador for the College and to foster good relations between the College and the local community
- m) to always to act in the best interests of the College and not to speak or vote as if mandated by other persons or bodies

- n) to participate in the annual review of the performance of the governing body
- o) to take part in any relevant training and development events or opportunities as arranged from time to time for the benefits of Members
- p) to demonstrate a personal commitment to the seven principles of Public Life as set out in Lord Nolan's Report on Standards in Public Life (See Annex 1, Code of Conduct)
- q) to demonstrate a commitment and support for the principles of equality of opportunity for all
- r) to give any additional assistance as may be reasonably requested by the Chair of the Governing Body

### ***Governors' person specification***

In seeking to fill any vacancy, the Corporation endeavours to maintain a balance of skills and experience amongst its membership. The following is a specification for governors in general.

<b>Key skills</b>	<b>Narrative</b>
Commitment to education	Able to demonstrate a commitment to lifelong learning and the role of the College in improving the nation's skills base.
Interpersonal and team work	Able to work positively with others and debate whilst maintaining a constructive atmosphere.
Communication and ability to influence	Able to express ideas/plans in a clear manner and to listen actively to other views. Able to communicate effectively.
Planning and organisation	Able to establish quickly an effective course of action for self and others to achieve goals that can be monitored by realistic performance targets. To be visionary for the future plans of the College.
Drive to achieve and determination	Able to create the required energy/enthusiasm and commitment necessary to be effective and have the tenacity to overcome obstacles.
Strategic perspective	Able to develop a broad-based view of issues and events and perceive their long-term impact.
Intellectual and technical ability	Able to absorb sometimes complex information and rationalise appropriately. Able to think laterally and arrive at a pragmatic solution.
Leadership	Able to demonstrate behaviour and skills that motivate others to achieve, inspire confidence in others to achieve objectives, and respect the views of others.
Experience	<ul style="list-style-type: none"> <li>• Experience of a senior management role or its equivalent or an appreciation of issues that affect the senior management role.</li> <li>• Expertise in a field which is of relevance to the oversight of the affairs of the College.</li> <li>• Ability to demonstrate a full understanding and appreciation of the principles of governance, including collective responsibility, discharge of fiduciary duties and the seven principles of public life</li> </ul>

Circumstances	Available to attend scheduled meetings of the Corporation and Committees.
Equality	Committed to equal opportunities



## 10 POINT GUIDE FOR GOVERNORS

<b>1</b>	<b>Governors should:</b> observe and comply with the College's Code of Conduct for Governors (the Code) which sets out in more detail the principles touched upon here: the responsibilities and standards of conduct expected of members of the Governing Body;
<b>2</b>	remember that it is their role to determine the strategic policy and the overall direction of the College, to oversee its activities and to monitor the performance of the Principal and other senior postholders. They are accountable for the solvency of the College and for the proper use of public funds. The Principal is responsible for implementing the Governing Body's decisions, for managing the College's affairs within the budget and frameworks fixed by the Governing body and for the day to day running of the College;
<b>3</b>	observe the provisions in the College's Instrument and Articles of Government (and in particular discharge the responsibilities given to them by the Articles), comply with the Governing Body's standing orders and ensure that the Governing Body acts within the powers conferred on it by the Further and Higher Education Act 1992;
<b>4</b>	show the highest loyalty to the College and act in its best interests at all times. This means that: <ul style="list-style-type: none"> <li>• Governing Body decisions must always be taken for the benefit of the College, its students, staff and other users and with a view to safeguarding public funds;</li> <li>• Governors must not be bound by any mandates given to them by other bodies; and</li> <li>• Governors must avoid putting themselves in a position where there is an actual, potential or perceived conflict between their personal interests (including those of their family) and those of College. Governors must declare any relevant interest in accordance with the provisions in the Instrument and the Code.</li> </ul>
<b>5</b>	observe the duties set out in the College's financial memorandum with the SFA and ensure the proper use of income derived from other sources;
<b>6</b>	conduct themselves in accordance with the highest ethical standards and embrace the seven principles of public life laid down by the Nolan Committee (see Code of Conduct)
<b>7</b>	discharge their duties with skill, care and diligence;
<b>8</b>	be committed to securing equality of opportunity within the College, to combating discrimination on whatever grounds and to discharging their legal duties under the relevant anti-discrimination legislation;
<b>9</b>	abide by the principle of collective responsibility. Once a decision has been taken by the Governing Body, Governors have a duty to stand by it, even if they voted against the decision or were absent from the relevant meeting; and
<b>10</b>	ensure that the business of the Governing Body is conducted openly and transparently and that, as a general principle, students and staff have free access to information about the proceedings of the Governing Body and that confidential items are kept to a minimum.

## **THE ROLE OF THE CHAIR AND VICE CHAIR RESPONSIBILITIES AND JOB DESCRIPTION**

The Instrument & Articles of Government requires each Corporation to appoint a Chair and Vice Chair. The Instrument & Articles of Government specifically uses the terms 'Chair' and 'Vice Chair'.

The Chair of the Corporation is accountable to the Secretary of State for Education & Skills (through the Funding Agency).

1. The Chair and Vice Chair must undertake the duties required of all governors (as set down in the Instruments and Articles and the generic job description published annually in the Governance Handbook).
2. The Chair and Vice Chair, with the support of the Clerk, to ensure the efficient and effective conduct of business at Corporation meetings by ensuring that issues before the Corporation are debated fully, that governors have the opportunity to contribute and that discussions and decisions are properly summarised and recorded.
3. The Chair shall preside at meetings of the Corporation, and in his/her absence, the Vice Chair shall preside. If both are absent from the meeting the remaining Governors shall appoint a person from amongst their number to act as Chair for that meeting.
4. The Chair may call a special meeting of the Corporation (if necessary with less than seven days notice) if there are matters of significance to be dealt with which are too urgent to await the next scheduled meeting.
5. The Chair to exercise a second or casting vote where there is an equality of votes at a Corporation meeting.
6. The Chair to exercise any specific authority delegated by the Corporation together with a general delegated authority to act, after consultation with the Principal and the Clerk, on any issue arising which is both urgent and important and cannot wait for the next meeting of the Corporation. Such action to be reported to the Corporation for information at the next available meeting.
7. The Chair and Vice Chair to develop an effective working relationship with the Principal and the Clerk based on a full understanding of the role of the Corporation in the governance of the College.
8. The Chair and Vice Chair to maintain the trust and support of the Corporation.
9. The Chair and Vice Chair will strive to build an effective Corporation through:
  - leading and promoting the Mission and educational character of the College

- maintaining strategic oversight of the College and to ensure that the Corporation works with the Senior Management Team in determining the strategic direction of the College
  - the development of a strong team spirit among Corporation members
  - demonstrating highly professional chairing skills, in ensuring clear decisions are determined through allowing all members to have an opportunity to speak and not personally dominating the discussion
  - positive leadership in shaping the style and tone of meetings
  - providing personal support to other Corporation members and, if and when necessary, discuss matters relating to poor attendance and unsatisfactory performance or conduct where necessary.
  - promoting a critical self assessment of Corporation processes and of Corporation performance
  - ensuring managerial freedom and scope of action to the Principal and Chief Executive, and other senior post-holders, to achieve their agreed objectives within executive limitations.
  - Encouraging on-going member participation in all issues and strategic decisions.
  - Addressing the balance of the Corporation with respect to gender, age, ethnicity and stakeholder representation.
10. The Chair and Vice Chair to offer both general and specific support to the Principal where strategic, major or contentious issues are involved.
  11. The Chair and Vice Chair shall, together with the Chief Executive, act as the principal spokespersons for the college in communication with the media in the event of any circumstance likely to damage the interest of the College.
  12. The Chair will ensure that business of the Corporation is conducted properly in accordance with the Instrument and Articles of Government, Corporation Standing Orders and recognised 'Good Practice'.
  13. The Chair will meet regularly with the College Principal and Chief Executive to review the business situation and major on-going developments within the College.
  14. The Chair will liaise with the Clerk on routine Corporation business and regulatory requirements, and determine the agenda for meetings of the Corporation in consultation with the Principal and the Clerk having regard to decisions of the Corporation and suggestions from individual members.
  15. The Chair and Vice Chair shall seek to promote the interests of the College wherever possible.
  16. The Chair and/or Vice Chair will represent the College at meetings, presentations and conferences as and when appropriate.
  17. The Chair and Vice Chair will collaborate with the Principal and the Clerk in formulating a programme for Governor training events.
  18. The Chair will assist the appropriate Corporation Committee in compiling a job description and person specification of the Senior Post-holders of the College and will organise with the Clerk and the Principal the appropriate arrangements for the selection process.

19. The Chair, or in his/her absence the Vice Chair, will undertake the annual appraisal of the Principal and to ensure appropriate opportunities for development and training for the Principal.
20. The Chair and Vice Chair will undertake the annual appraisal of the Clerk to the Corporation and will oversee the work of the Clerk.
21. The Chair and Vice Chair to instigate disciplinary action against holders of senior posts should the need arise and exercise those responsibilities detailed in the Articles of Governance with regard to the suspension and dismissal of Senior Post-holders.

## **GOVERNANCE & MANAGEMENT POLICY STATEMENT**

### **SUMMARY**

- Policy, oversight, financial probity and monitoring are the business of the governing body.
- Management and administration is the business of the Principal, CEO and management team.
- The Corporation and CEO are a team and need to support each other and work closely together. A good working relationship between the Corporation and CEO is essential to achieve corporate goals.
- The line between the Corporation and CEO should be clearly articulated and understood by Corporation members and senior managers.
- Clarity about roles and responsibilities is paramount, and should be reviewed regularly.
- The CEO, senior management and Clerk inform and guide the Corporation in making appropriate and effective decisions.
- The Corporation has the final and highest level of authority in the policy-making process, but may not exceed its legal authority.

### **RESPONSIBILITIES UNDER THE STATUTORY REGULATIONS**

#### **Corporation**

- Determination of educational character and ethos
- Approving the quality strategy of the institution
- Articulation of vision, values and strategic direction
- Oversight and monitoring of college activities
- Effective and efficient use of resources
- Safeguarding asset
- Approving annual estimates of income and expenditure
- Appointment, grading, suspension, dismissal, appraisal and determination of pay and conditions of CEO, senior post holders and Clerk
- Setting framework for pay and conditions of service of all other staff
- Setting framework for tuition and other fees
- Financial probity

#### **Principal**

- Making proposals to Corporation about the educational character and mission
- Implementing policies and decisions
- Organisation, direction and management of college
- Leadership of staff
- Appointment and management of staff within the framework set by Corporation
- Determination, in consultation with Academic Corporation, of academic focus and activities
- Determination of all other college activities
- Principal accounting officer, accountable to Corporation and ultimately parliament

## MANAGEMENT AND GOVERNANCE STATEMENT

Management and Corporation working together to achieve the best possible outcomes for the college as a whole.

CORPORATION	PRINCIPAL & CEO
governance in partnership with management	
<ul style="list-style-type: none"> <li>Defines the vision and mission</li> <li>Strategic thinking and direction</li> <li>Determines appropriate policy framework</li> <li>Ensures financial solvency and probity</li> <li>Determines pay and remuneration framework</li> <li>Oversight of effectiveness of management</li> <li>Monitoring of the quality of college performance locally and within the sector context</li> <li>Maintains the assets of the college</li> <li>The community's voice within the college and represents the college to the community</li> <li>Fosters collaborative partnerships</li> <li>Well informed and committed</li> <li>Reviews Corporation's own effectiveness annually</li> <li>Continual improvements to Corporation effectiveness</li> <li>Appoints CEO and senior post holders and appraises CEO &amp;, in partnership with CEO, appraises senior post holders</li> <li>Works with and supports CEO and team</li> </ul>	<ul style="list-style-type: none"> <li>Proposes vision, mission and strategy</li> <li>Strategic planning and implementation</li> <li>Implements Corporation decisions</li> <li>Organisation, direction and day-to-day management of college</li> <li>Principal accounting officer, responsible for financial well-being of college and accountable to Corporation and parliament</li> <li>Ensures the provision of a quality curriculum and customer service</li> <li>Represents the college locally and nationally, builds positive working relations and collaborative partnerships</li> <li>Leadership of the staff</li> <li>Executive management and development of college and staff</li> <li>Appraisal of Senior postholders</li> <li>Supports and informs Corporation, provides briefings and advice.</li> </ul>



GOVERNORS ACT AS THE **CRITICAL FRIEND** OF THE COLLEGE

### **KEY FUNCTIONS OF THE CLERK**

1. Advising the Board and its committees on the proper exercise of their powers and on the application of the education acts and other laws affecting its work.
2. In consultation with the Chair and Principal, planning the forward programme of meetings of the Board and its committees; identifying the main items to be taken at those meetings and liaising with those members of staff or governors preparing papers for forthcoming meetings.
3. Facilitating communication on Board matters between the Chair, Principal and senior staff in the College.
4. Summoning meetings and preparing and despatching agendas and papers for Board and Committee meetings.
5. Either in person, or by delegation to a named individual, attending all meetings of the Board and its committees, giving advice on procedure at such meetings and preparing draft minutes of the proceedings.
6. Acting as a correspondent for the governors
7. Holding the College's seal and preparing documentation to be executed under the seal.
8. Giving administrative support to the Chair of governors, to Chair on committees and to individual governors as required.
9. Ensuring compliance with the law as regards public access to governors' papers.
10. Making arrangements for safe custody of the official record of the governing body's business and maintaining a record of outstanding business.
11. Drawing up for approval, and keeping under review, standing orders for the conduct of business of the Board and its committees.]
12. Maintaining a record of the membership of the Board, notifying it of any vacancies, making arrangements for staff, student and parent elections, and advising the Board on strategies for recruiting governors.
13. Maintaining an attendance record of governors, notifying any governors whose membership lapses as a result of non-attendance or who become disqualified for some other reason.
14. Maintaining a code of conduct for the Board and a register of the financial and personal interests of governors; and advising governors on declaration of interest.

15. Administrating any scheme for the reimbursement of governors' expenses.
16. In conjunction with the College or outsider agencies, facilitating induction and training programmes for governors.
17. Undertake an annual review of the Board's committee structure.
18. Undertake an annual review of governance and to produce a review report for the Board.
19. Taking appropriate action if and when the governing body, its Chair or one of its committees appears to be at risk of acting outside their powers or to be proposing actions that may be unlawful.



## **CODE OF CONDUCT**

### **1. INTRODUCTION**

- 1.1 This Code applies to every committee, working party or other subsidiary body of the Corporation to which Members may be appointed. It indicates the standards of conduct which are expected of them and is intended to enable them to understand their legal duties and to assist them both in carrying out their duties and in their relationship with the Corporation and the Principal. This Code is therefore aimed at promoting effective and well informed college governance and is not intended to be a definitive or authoritative statement of the law. The “Seven Principles of Public Life” identified by the Nolan Committee on Standards in Public Life form part of the Code and are set out in Annex 1 hereto. The main responsibilities of Members is set out in Annex 2 hereto.
- 1.2 In addition to this Code, Members are recommended to familiarise themselves with the following which will be supplied to them on appointment:
- - a) the College’s Instrument of Government
  - b) the College’s Articles of Government
  - c) the College’s Strategic Plan
  - d) the College’s Governors’ Handbook (including a) and b) above)
- 1.3 Annexes 1 and 2 are attached to this Code for easy reference. They should not be read as an exhaustive statement of duties, powers or provisions, and Members should refer to the source documents listed above. If a Member is in doubt about the provisions of any of these documents, the Clerk should be consulted and, if necessary, legal advice should be obtained. However, ultimate responsibility for the appropriateness of conduct as a Member of a corporate body and for any act or omission in that capacity rests with the individual Member.
- 1.4 Acceptance of appointment as a Member of the Corporation will be construed as acceptance of this Code.

### **2 INTERPRETATION**

In this Code, “College” means the College, “Corporation” means the Corporation as defined in the Instrument of Government and “Member”, “Chairman”, “Principal” and “Clerk” mean respectively a Member of the Corporation, the Chairman, the Principal and the Clerk for the time being of the Corporation. All other definitions have the same meanings as given in the College’s Instrument and Articles of Government, and words importing one gender will import any gender.

### **3 DUTIES**

- 3.1 Members owe a fiduciary duty to the College. This means that they should show it the highest loyalty and act in good faith in its interests. Each Member should act honestly, diligently and, subject to the provisions appearing in paragraph 6 of this Code relating to collective responsibility, independently.

- 3.2 Whatever decisions Members take at meetings of the Corporation and its committees must be for the benefit of the College as a whole and not for any improper purpose, or for personal motive. The “benefit of the College” can be taken to mean, first and foremost, the interests of its students and other users of the College’s services, and the safeguarding of public funds. Members should have regard to those interests and must not allow any sectional interest to take precedence. In particular, Members are not appointed as “representatives” or “delegates” of any outside body, and may not lawfully be bound by mandates given by others.
- 3.3 Members must observe the provisions of the College’s Instrument and Articles of Government and in particular the responsibilities given to the Corporation by Article 3(1) of the College’s Articles of Government. Those responsibilities, including a list of “reserved” responsibilities which are so important that they must not be delegated, are set out in Annex 2.
- 3.4 Members should also have regard to the different, but complementary, responsibilities of the Principal as the College’s Chief Executive. Whereas it is the Corporation’s function to decide strategic policy and overall direction and to monitor the performance of the Principal and any other senior post holders, it is the Principal’s role to implement the Corporation’s decisions and to manage the College’s affairs within the budgets and framework fixed by the Corporation. Members should work together so that the Corporation and the Principal perform their respective roles effectively.
- 3.5 Members are collectively responsible for observing the duties set out in the Financial Memorandum which the College has entered into with the SFA as a condition of receiving public funding. A copy of the Financial Memorandum is published in the Governors’ Handbook.
- 3.6 Although the Skills Funding Agency (SFA) is the main provider of funds to the College, Members should note that they are also responsible for the proper use of income derived from other sources such as the Higher Education Funding Council for England (HEFCE), Education Funding Agency (EFA) and the European Union (EU).

#### **4 SKILL, CARE AND DILIGENCE**

A Member should in all his work for the College exercise such skill as he possesses and such care and diligence as would be expected from a reasonable person in the circumstances. This will be particularly relevant when Members act as agents of the College, for example, when functions are delegated to a committee of the Corporation or to the Chair. Members should be careful to act within the terms of reference of any committees on which they serve. They should also take care in studying agendas and other papers provided for them in advance of Corporation and committee meetings and ensure that they are fully briefed before making decisions.

#### **5 CONFLICTS OF INTEREST**

- 5.1 Like other persons who owe a fiduciary duty, Members should seek to avoid putting themselves in a position where there is a conflict (actual or potential) between their personal interests and their duties to the Corporation. They

should not allow any conflict of interest to arise which might interfere with the exercise of their independent judgement.

- 5.2 However, an interest does not have to be financial for the purposes of disclosure and examples of non-financial interests are given on the reverse of the Register of Interests form. If it is likely or would, if publicly known, be perceived as being likely to interfere with the exercise of a Member's independent judgement, then the interest, financial or otherwise, should: -
- (a) be reported to the Clerk, and
  - (b) be fully disclosed to the Corporation before the matter giving rise to the interest is considered

Members should withdraw from that part of the meeting at which the matter giving rise to the interest is considered, and on no account may vote in relation to the matter.

- 5.3 Members must not receive gifts, hospitality or benefit of any kind from a third party which might be seen to compromise their personal judgement or integrity. Any offer or receipt of such gifts, hospitality or benefits should immediately be reported to the Clerk.
- 5.4 The Clerk will maintain a Register of Members' interests which will be open for public inspection. Members must disclose routinely to the Corporation all business interests, financial or otherwise, which they or (so far as they are aware) their spouses or partners, children or other close relatives may have and the Clerk will enter such interests on the Register. Members should inform the Clerk whenever their circumstances change and interests are acquired or lost. In deciding whether an interest should be disclosed, Members should have regard to the meaning given to "interest" in paragraph 5.2 of this Code.

## **6 COLLECTIVE RESPONSIBILITY**

- 6.1 The Corporation operates by Members taking majority decisions at quorate meetings. Therefore, a decision of the Corporation, even when it is not unanimous, is a decision taken by the Members collectively and each individual Member has a duty to stand by it, whether or not he was present at the meeting of the Corporation when the decision was taken.
- 6.2 If a Member disagrees with a decision taken by the Corporation, his first duty is to have any disagreement discussed and minuted. If the Member strongly disagrees, he should consult the Chair. Alternatively, the Member may decide to offer his resignation from office, after consulting the Chair.

## **7 CONFIDENTIALITY**

- 7.1 Because of the Corporation's public accountability, Members should ensure that, as a general principle, students and staff of the College have free access to information about proceedings of the Corporation. Accordingly, all non-confidential minutes relating to meetings of the Corporation are made available to the public through publication on the College website when they have been approved as an accurate record of the meeting.

- 7.2 There will be occasions when the record of discussions and decisions will not be made available for public inspection, for example, when the Corporation considers sensitive issues or named individuals and for other good reasons. Such excluded items will be kept confidentially by the Clerk and will be circulated in confidence to Members.
- 7.3 It is important that the Corporation and its committees have full and frank discussions in order to take decisions collectively. To do so, there must be trust between Members, with a shared corporate responsibility for decisions. Members should keep confidential any matter which, by reason of its nature, the Chair or the Members or the Chair or Members of any committee of the Corporation are satisfied should be dealt with on a confidential basis.
- 7.4 Members should not make statements to the press or media or at any public meeting relating to the proceedings of the Corporation or its committees without first having obtained the approval of the Chair or, in his absence, the Vice Chair. It is unethical for Members publicly to criticise, canvas or reveal the views of other Members which have been expressed at meetings of the Corporation or its committees.

**8 ATTENDANCE AT MEETINGS**

A high level of attendance at meetings of the Corporation is expected so that Members can perform their functions properly.

**9 GOVERNANCE DEVELOPMENT**

- 9.1 Members are encouraged to obtain a thorough grounding in their duties and responsibilities by participating in the College’s governance induction and training programmes, including regular refresher workshops.
- 9.2 In order to promote more effective governance, Members will carry out an annual review of the performance by the Corporation of its duties and responsibilities, as part of a continuing process of self- evaluation.

**10 EQUALITY OF OPPORTUNITY**

- 10.1 The Corporation is totally committed to the principles of equality of opportunity in everything that we do. All members are required to abide at all times to the principles of equality of opportunity.

AS A MEMBER OF THE CORPORATION I AGREE TO OBSERVE THIS CODE OF CONDUCT TO THE BEST OF MY ABILITIES

Signature: ..... Date: .....

**THE NOLAN COMMITTEE**  
**THE SEVEN PRINCIPLES OF PUBLIC LIFE**

***SELFLESSNESS***

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

***INTEGRITY***

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

***OBJECTIVITY***

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

***ACCOUNTABILITY***

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

***OPENNESS***

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

***HONESTY***

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

***LEADERSHIP***

Holders of public office should promote and support these principles by leadership and example.

## **Annex 2**

### **SUMMARY OF RESPONSIBILITIES OF CORPORATION MEMBERS**

#### ***Responsibilities***

Under Article 3(1) of the College's Articles of Government the Corporation is responsible for:

- a) the determination and periodic review of the educational character and mission of the College and for the oversight of its activities
- b) approving the Quality Strategy of the institution
- c) the effective and efficient use of resources, the solvency of the College and the Corporation and for safeguarding their assets
- d) approving annual estimates of income and expenditure
- e) the appointment, grading, suspension, dismissal and determination of the pay and conditions of service of the holders of senior posts, and
- f) setting a framework for the pay and conditions of service of all other staff.

"Senior post" means the post of Principal and such other posts as the Corporation determines for the purposes of the Articles.

Article 9 of the Articles of Government prohibits the Corporation from delegating the following:

- a) the determination of the educational character and mission of the College
- b) the approval of the annual estimates of income and expenditure
- c) ensuring the solvency of the College and the Corporation and the safeguarding of their assets
- d) the appointment or dismissal of the Principal, holder of a senior post, or the Clerk to the Corporation
- e) the appointment or dismissal of the Clerk
- f) the modifying or revoking of the Articles of Government

## ANNUAL DECLARATION OF ELIGIBILITY FOR CORPORATION MEMBERSHIP

Personal Details
Name: _____
Declaration
<p><b>I declare that I am not disqualified from acting as a governor/charity trustee and that:</b></p> <ul style="list-style-type: none"><li>• I am 18 years or over at the date of appointment (<i>except as a Student Governor</i>);</li><li>• I am capable of managing and administering my own affairs;</li><li>• I do not have any unspent convictions relating to any offence involving deception or dishonesty;</li><li>• I am not an undischarged bankrupt nor have I made a composition or arrangement with, or granted a trust deed for my creditors.</li><li>• I am not subject to a disqualification order under the Company Directors Disqualification Act 1986 or to an Order made under section 429(b) of the Insolvency Act 1986.</li><li>• I have not been removed from the office of charity trustee or trustee for a charity by an Order made by the Charity Commissioners or the High Court on the grounds of any misconduct or mismanagement nor am I subject to an Order under section 7 of the Law Reform (Miscellaneous provisions) (Scotland) Act 1990, preventing me from being considered in the management or control of any relevant organisation or body.</li><li>• I am not subject to a disqualification Order under the Criminal Justice and Court Services Act 2000 (<i>Working with Children</i>)</li><li>• I am not disqualified under the Protection of Vulnerable Adults List.</li></ul>
Signed _____ Date _____



# **Governors' Handbook**

## **Section 4 – Training, Development & Self Assessment**



## **Governors Training and Development Policy**

The Governing Body is committed to the training and development of governors, both individually and collectively, so they may discharge their responsibilities effectively and with confidence.

### **Every Governor can expect to:**

- have equal opportunity to take part in training and development activities appropriate to their needs;
- have an appropriate programme of induction when being appointed to the Governing Body, (See also the Governors Induction Programme);
- be fully informed of new key developments within the College as well as external developments relevant to the work of the College;
- have training, as appropriate, on new initiatives;
- be consulted on their training and development needs and appropriate modes of delivery;
- receive information about externally provided training and development activities;

### **All Governors will be expected to:**

- take part in the Induction programme on appointment;
- participate in the annual self-assessment process for governance both individually and collectively;
- participate in training and development activities arranged by the College;
- play an active role in their own development as well as the development of the Governing Body as a whole; and participate in training and development as specified or recommended by regulatory and improvement bodies from time to time.

### **The Clerk will ensure that:**

- i) the training and development of governors is actively promoted;
- ii) all new governors are properly inducted in accordance with the agreed induction programme;
- iii) governors are consulted about their training and development needs;
- iv) an annual training programme is developed;
- v) appropriate arrangements are in place for the management and administration of governor training and development

## GOVERNOR TRAINING NEEDS ANALYSIS

### 1 NAME OF GOVERNOR

.....

#### 1. Details of Training and Development Activities undertaken in last two years

Date (approx)	Title	Organising Body	Venue

#### 2. Views on Future Activities

##### a) Content

Please indicate up to 6 of the following subjects in which you think that training/development would be helpful. Please prioritise your selection (i.e. 1 highest, 2 – second preference, etc):

- The Legal Framework for FE Corporation
- Understanding College finances
- The Role of Governors and Other Governance Matters including  
Accountability and Nolan Principles
- Risk Management & Audit Arrangements
- Management/Chairing of Meetings
- Human Resource Management
- Estates Management
- Learner Voice/Student Matters
- Equality & Diversity
- Strategic Planning
- Health and Safety

- Safeguarding
- Marketing & Use of Social Media
- Quality Assurance
- Common Inspection Framework
- Work Based Learning/Apprenticeships
- Special Needs Provision
- Curriculum Areas/Briefings
- Asking Powerful/Challenging Questions
- Measuring Performance
- Moodle/Student Intranet

From any of the above list, where you have indicated a training need, would making available a briefing information sheet/follow up discussion be a useful way to meet your training needs? Please specify:

.....

.....

.....

Are there any subjects, not listed above, that you feel should be included? Please specify:

.....

.....

.....

**c) Timing of Training**

What type of training and development session do you prefer? Please number your preferences (i.e. 1 – highest, 2 – second preference, if applicable, etc)

Immediately prior to ordinary meeting

Integrated into ordinary meeting

Separate from ordinary meeting

Any other comments regarding type of training?

.....  
.....

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

## EVALUATION OF BOARD & COMMITTEE MEETINGS & GOVERNOR TRAINING/BRIEFING EVENTS

In order to carry out continuous self-assessment, Governors are requested to complete this evaluation of the meeting/training session you have attended

Name: \_\_\_\_\_

Meeting/Training: \_\_\_\_\_

Date: \_\_\_\_\_

	Please tick <sup>√</sup>			
	Strongly Agree	Agree	Disagree	Strongly Disagree
1. The agenda and papers arrived in plenty of time for the meeting/training/briefing session				
2. The individual papers were clear, concise in identifying the main issues, well presented by the staff and enabled me to understand the issues and reach a decision on the recommendations				
3. There was sufficient time available for debate and discussion				
4. The proportion of time spent on strategic matters exceeded that spent on compliance matters				
5. I felt able to express my views openly				
6. (a) The meeting was well chaired (b)The Training session was well delivered and clear in its objectives				
7. The meeting was well clerked				
8. I am clear about what was agreed at the meeting				
9. I had the opportunity to make an effective contribution				
10. I am satisfied that the information received and all decisions taken were centred on improving the experience of learners at the College and levels of achievement				
11. The training/briefing delivered met my specific needs				

Please specify if there was anything specific from the meeting/training about which you would like to comment:

Did the meeting raise any training or development issues for you and if so, what?

Did you find the training/workshop/briefing session of benefit and do you consider you will be able to apply some/all of what you learnt?

## **GOVERNOR INDUCTION PROGRAMME**

### **CONTENTS**

**SECTION A BASIC GOVERNANCE PRINCIPLES**

**SECTION B GOVERNANCE & MANAGEMENT STATEMENT**

**SECTION C ROLES & RESPONSIBILITIES**

**SECTION D EVERSHEDES 10-POINT GUIDE FOR GOVERNORS**

**SECTION E GOVERNORS' HANDBOOK & PAPERWORK**

## SECTION A - BASIC GOVERNANCE PRINCIPLES

The following key principles need to be owned by all Corporation Members:

### 1 *There is a simple underlying principle to guide governors' actions:*

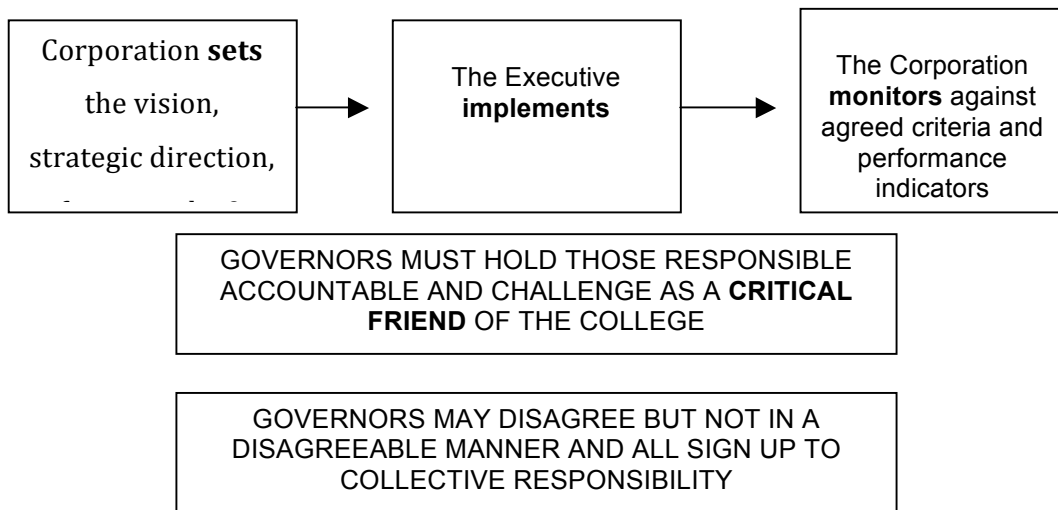
***The fundamental responsibility of the Corporation is to hold the management accountable for running the College properly. Governors should do this on the basis of evidence not reassurances.***

If this principle is accepted it guides the range of questions governors should be asking, and the degree of detail they need to be provided with. It provides a perspective for identifying those issues which require governors' attention.

Holding managers to account should not be an exercise which emphasises the negatives. The evidence they are presented with should help governors to recognise and acknowledge areas of success and achievement. All those aspects of the College which are being run well and those areas which are improving should receive positive feedback from governors.

Governors should require a systematic programme of reports which provide key data on activities/targets/performance for which managers, not governors, carry the operational responsibility. By one means or another reports should, over a period of time, cover all main college functions.

Governors do not need the degree of detail which they would require if they were operationally responsible for an issue. They **MUST** demand the degree of detail which enables them to be absolutely clear whether an area of activity is being handled properly.



When a concern has been identified governors need a clear statement from the principal and or senior managers of what the problem is; what action is to be taken; the date by which the remedial action is expected to achieve a solution, and any major cost implications.



Where remedial action is needed, it is primarily up to the principal; and or senior managers to propose what the action should be. Governors should not get deeply involved in the detail of the action to be taken, but rather should hold management accountable for achieving the intended outcome.

Major college failures have often been followed by enquiry reports which include comment that the governing body failed to exercise adequate control over the executive. The willingness of governors to ask questions at the right level of detail and receive responses which avoid whitewash and waffle but address issues clearly and at the right level of detail is crucial to an effective relationship between governors and managers, and to the proper running of a College.

**2 That collectively all Members of the Board work together in meeting the qualities of a good Governing Body:-**

Strategic	Positive	Persistence	Challenging	Empathy	Determination
Innovative	Flexible	Collaborative	Responsive	Listening	Well Organised
Proactive	Perceptive and insightful	Learning	Systematic and evaluative	Rigorous	Focused on outcomes for learner's futures
Transparent	Inquisitive	Forward thinking with stakeholders	Outward looking	Resilience	Open and honest communicators

**3 Putting Learners at the heart of governance**

Governors should ask themselves the key question:

**“Are we satisfied that the information received and all decisions taken are centred on improving the experience of students and levels of achievement?”**

The main duty and responsibility of the Corporation is to work with the Principal to ensure that there are high standards in place leading to the delivery of quality provision resulting in high levels of achievement.

**4 All governors are equal in status**

There is a legal requirement to have at least two student governors and at least one staff governor. In addition the Principal is a governor and the remaining governors come from a category called ‘External Governors’. External governors come from a broad background of skills and experience – they could be business people, community leaders, or from agencies and national bodies such as the NHS.

**All governors, despite their category, are of equal status and collectively governors make up what is referred to as the Corporation. The Corporation works together as a single unit.**

## **SECTION B- GOVERNANCE & MANAGEMENT POLICY STATEMENT**

### **SUMMARY**

- Policy, oversight, financial probity and monitoring are the business of the governing body.
- Management and administration is the business of the Principal, CEO and management team.
- The Corporation and CEO are a team and need to support each other and work closely together. A good working relationship between the Corporation and CEO is essential to achieve corporate goals.
- The line between the Corporation and CEO should be clearly articulated and understood by Corporation members and senior managers.
- Clarity about roles and responsibilities is paramount, and should be reviewed regularly.
- The CEO, senior management and Clerk inform and guide the Corporation in making appropriate and effective decisions.
- The Corporation has the final and highest level of authority in the policy-making process, but may not exceed its legal authority.

### **RESPONSIBILITIES UNDER THE STATUTORY REGULATIONS**

#### **Corporation**

- Determination of educational character and ethos
- Articulation of vision, values and strategic direction
- Oversight and monitoring of college activities
- Effective and efficient use of resources
- Safeguarding asset
- Approving annual estimates of income and expenditure
- Appointment, grading, suspension, dismissal, appraisal and determination of pay and conditions of CEO, senior post holders and Clerk
- Setting framework for pay and conditions of service of all other staff
- Setting framework for tuition and other fees
- Financial probity

#### **Principal**

- Making proposals to Corporation about the educational character and mission
- Implementing policies and decisions
- Organisation, direction and management of college
- Leadership of staff
- Appointment and management of staff within the framework set by Corporation
- Determination, in consultation with Academic Corporation, of academic focus and activities
- Determination of all other college activities
- Principal accounting officer, accountable to Corporation and ultimately parliament

## MANAGEMENT AND GOVERNANCE STATEMENT

Management and Corporation working together to achieve the best possible outcomes for the college as a whole.

CORPORATION	PRINCIPAL & CEO
governance in partnership with management	
<ul style="list-style-type: none"> <li>Defines the vision and mission</li> <li>Strategic thinking and direction</li> <li>Determines appropriate policy framework</li> <li>Ensures financial solvency and probity</li> <li>Determines pay and remuneration framework</li> <li>Oversight of effectiveness of management</li> <li>Monitoring of the quality of college performance locally and within the sector context</li> <li>Maintains the assets of the college</li> <li>The community's voice within the college and represents the college to the community</li> <li>Fosters collaborative partnerships</li> <li>Well informed and committed</li> <li>Reviews Corporation's own effectiveness annually</li> <li>Continual improvements to Corporation effectiveness</li> <li>Appoints CEO and senior post holders and appraises CEO &amp;, in partnership with CEO, appraises senior post holders</li> <li>Works with and supports CEO and team</li> </ul>	<ul style="list-style-type: none"> <li>Proposes vision, mission and strategy</li> <li>Strategic planning and implementation</li> <li>Implements Corporation decisions</li> <li>Organisation, direction and day-to-day management of college</li> <li>Principal accounting officer, responsible for financial well-being of college and accountable to Corporation and parliament</li> <li>Ensures the provision of a quality curriculum and customer service</li> <li>Represents the college locally and nationally, builds positive working relations and collaborative partnerships</li> <li>Leadership of the staff</li> <li>Executive management and development of college and staff</li> <li>Appraisal of Senior postholders</li> <li>Supports and informs Corporation, provides briefings and advice.</li> </ul>



GOVERNORS MUST HOLD THOSE RESPONSIBLE ACCOUNTABLE AND CHALLENGE AS A **CRITICAL FRIEND** OF THE COLLEGE

## **SECTION C- ROLES & RESPONSIBILITIES AND PERSON SPECIFICATION FOR GOVERNORS**

### *Main responsibilities of the Board of Governors*

Under Article 3(1) of the College's Articles of Government the Board is responsible for:

- a) the determination and periodic review of the educational character and mission of the College and for the oversight of its activities
- b) approving the quality strategy of the institution
- c) the effective and efficient use of resources, the solvency of the College and the Corporation and for safeguarding their assets
- c) approving annual estimates of income and expenditure
- d) the appointment, grading, suspension, dismissal and determination of the pay and conditions of service of the holders of senior posts and the clerk
- e) setting a framework for the pay and conditions of service of all other staff.

### **2 2 Responsibilities of individual governors**

- f) to attend meetings of the Board of Governors and other occasional events arranged by the College and to work towards the individual attendance target of 75% for Board meetings
- g) to be a member of at least one committee of the Board
- h) to participate actively and constructively in meetings of the Board and the appropriate committees
- i) to take an active interest in Further Education in general and in the College in particular
- j) to sign and abide by the Code of Conduct for governors as approved by the Board and to declare any relevant financial, business and personal interests in accordance with the Register of Interests approved by the Board
- k) to contribute to the strength of the Board by bringing an external perspective and experience to the Board's oversight of the College but to stop short of giving professional advice
- l) to act as an ambassador for the College and to foster good relations between the College and the local community
- m) to always to act in the best interests of the College and not to speak or vote as if mandated by other persons or bodies
- n) to participate in the annual review of the performance of the governing body

- o) to take part in any relevant training and development events or opportunities as arranged from time to time for the benefits of Members
- p) to demonstrate a personal commitment to the seven principles of Public Life as set out in Lord Nolan's Report on Standards in Public Life (see Appendix)
- q) to demonstrate a commitment and support for the principles of equality of opportunity for all
- r) to give any additional assistance as may be reasonably requested by the Chair of the Governing Body

## APPENDIX

Public concern about the financial probity of members of parliament and other holders of public office led to the setting up in 1994 of the Committee on Standards in Public Life (chaired by Lord Nolan and later Lord Neill). The Committee drew up seven principles of public life as a yardstick against which public service may be measured:

- *Selflessness*: Holders of public office should take decisions solely in terms of the interest of the public. They should not do so in order to gain financial or other material benefits for themselves, their families or their friends.
- *Integrity*: Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.
- *Objectivity*: In carrying out public business, including making public appointments, awarding contracts, and recommending individuals for rewards and benefits, holders of public office should make choices on merit alone.
- *Accountability*: Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
- *Openness*: Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands this.
- *Honesty*: Holders of public office have a duty to declare any private interest relating to their public office duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
- *Leadership*: Holders of public office should promote and support these principles by leadership and example.

## SECTION D - EVERSHEDES 10 POINT GUIDE FOR GOVERNORS

<b>1</b>	observe and comply with the College's Code of Conduct for Governors (the Code) which sets out in more detail the principles touched upon here: the responsibilities and standards of conduct expected of members of the Governing Body;
<b>2</b>	remember that it is their role to determine the strategic policy and the overall direction of the College, to oversee its activities and to monitor the performance of the Principal and other senior postholders. They are accountable for the solvency of the College and for the proper use of public funds. The Principal is responsible for implementing the Governing Body's decisions, for managing the College's affairs within the budget and frameworks fixed by the Governing body and for the day to day running of the College;
<b>3</b>	observe the provisions in the College's Instrument and Articles of Government (and in particular discharge the responsibilities given to them by the Articles), comply with the Governing Body's standing orders and ensure that the Governing Body acts within the powers conferred on it by the Further and Higher Education Act 1992;
<b>4</b>	show the highest loyalty to the College and act in its best interests at all times. This means that: <ul style="list-style-type: none"> <li>• Governing Body decisions must always be taken for the benefit of the College, its students, staff and other users and with a view to safeguarding public funds;</li> <li>• Governors must not be bound by any mandates given to them by other bodies; and</li> <li>• Governors must avoid putting themselves in a position where there is an actual, potential or perceived conflict between their personal interests (including those of their family) and those of the College. Governors must declare any relevant interest in accordance with the provisions in the Instrument and the Code.</li> </ul>
<b>5</b>	observe the duties set out in the College's financial memorandum with the SFA and ensure the proper use of income derived from other sources;
<b>6</b>	conduct themselves in accordance with the highest ethical standards and embrace the seven principles of public life laid down by the Nolan Committee (set out overleaf);
<b>7</b>	discharge their duties with skill, care and diligence;
<b>8</b>	be committed to securing equality of opportunity within the College, to combating discrimination on whatever grounds and to discharging their legal duties under the relevant anti-discrimination legislation;
<b>9</b>	abide by the principle of collective responsibility. Once a decision has been taken by the Governing Body, Governors have a duty to stand by it, even if they voted against the decision or were absent from the relevant meeting; and
<b>10</b>	ensure that the business of the Governing Body is conducted openly and transparently and that, as a general principle, students and staff have free access to information about the proceedings of the Governing Body and that confidential items are kept to a minimum.

## **SECTION E – GOVERNORS’ HANDBOOK & PAPERWORK**

- Issue Governors’ Handbook
- Complete Register of Interests
- Complete eligibility declaration
- Complete Governor Skills Audit
- Sign Code of Conduct
- Disclosure Baring Scheme (If required)
- ID
- Sharefile Access (If required)



## **WEST THAMES COLLEGE GOVERNANCE SELF ASSESSMENT PROCESS**

### **Governors' Monitoring of their Own Performance – the process at West Thames College**

The annual programme whereby governors check on their own performance starts with the beginning of the College year:

- Publication in the autumn term of the annual Governance Handbook that includes all Committee's Terms of Reference, an annual schedule of Corporation business for every meeting during the forthcoming year, and the agreed Governance Performance Indicators.
- The Search committee will ensure that the following are prepared and reviewed at least annually:
  - summary of attendance
  - membership profile
  - skills audit

### **Formal Year-End Review of Performance and Target Setting**

The Corporation and individual governors carry out a formal review of governance performance in the autumn term. Early in the autumn term the Clerk to:

- review Board performance against the Governance Performance Indicators
- review the impact of the Board's strategic decisions on the activities of the college in terms of significance and effectiveness in raising standards.
- prepare a draft report that includes an overall grade for the Board self assessment for inclusion in the SAR
- prepare a draft Governance Action Plan for consideration by the Board, which is informed by developments in good governance issued by funding and quality bodies etc.
- Recommend Governance Performance Indicators for the coming year for approval by the Board.

## Agreed Governance Performance Indicators

Area	Performance indicator
Attendance	1) 75% attendance for the Board as a whole and for individuals at all main Corporation, committee and Strategy meetings in the year
Attendance	2) All corporation and committee meetings are quorate and decisions are not delayed
Length of meetings	3) Corporation meetings to last on average no more than 2.5 hours
Appointment	4) Corporation vacancies to be filled within four months of the vacancy occurring.
Appointment	5) Annual review in terms of gender, ethnicity, age and disability to ensure equality of membership of the Corporation
Committee membership	6) All governors to be a member of at least one committee unless agreed by the Board
Register of interests	7) Declarations of interest to be made by governors as appropriate and presented to the Corporation annually.
Training and development	8) Approval of Governor Training & Development Policy
Training and development	9) Pre Board meeting briefings or other scheduled meetings to include three training / development events for governors each year
Training and development	10) Annual skills audit to be carried out to identify focus for governor training & development / recruitment
Training and development	11) Governors to conduct at least one annual visit to their allocated governor link area within the College
Training and development	12) All new governors to receive an induction pack and attend an induction programme
Guiding and monitoring the strategic direction of the College	13) Meetings to be held at least twice a year focusing solely on strategic direction of the College.
Guiding and monitoring the strategic direction of the College	14) Key strategic objectives, financial performance and SAR/Quality improvement plan of the College to be formally monitored by Corporation each term.
Guiding and monitoring the strategic direction of the College	15) Achievement of College annual targets for success rates and quality of teaching and learning monitored annually.
Guiding and monitoring the strategic direction of the College	16) Achievement of budget and value for money targets
Guiding and monitoring the strategic direction of the College	17) Ensure capital project does not detract attention from quality improvement strategy.

Self assessment	18) Completion of annual Board self assessment
Clerkship	19) Issue of agenda and supporting papers at least 7 days before meetings.
Clerkship	20) Agenda to distinguish between strategic issues and compliance issues for decision.
Senior post holders/Clerk	21) Annual appraisal of Principal & Clerk undertaken by Chair and Vice Chair. <i>Principal to take responsibility for Senior Post Holders and report via Remuneration Committee to the Board</i>



# **Governors' Handbook**

## **Section 5 – Governance Policies and Procedures**

## **DISCIPLINARY PROCEDURE FOR HOLDERS OF SENIOR POSTS**

### **1 SCOPE AND PURPOSE**

This procedure applies to all holders of senior posts (“senior postholders”) as defined in the Corporation’s Articles of Government (Principal and Clerk), and the holders of such other senior posts as the Corporation shall from time to time determine. The purpose of the procedure is:

- (a) to help and encourage senior postholders to achieve and maintain acceptable standards of conduct and work performance: and
- (b) to ensure consistent and fair treatment in relation to disciplinary action taken in response to allegations of unacceptable conduct of performance.

### **2 GENERAL PRINCIPLES**

#### **2.1 Instrument & Articles Of Government**

The Corporation may not delegate responsibility for dismissing a senior postholder.

#### **2.2 Independent Advice**

The Chairman or, in his absence the Vice Chairman, shall take independent legal advice before making any decision to dismiss a senior postholder to ensure that such action does not contravene UK or EU employment law or any other relevant legislation.

#### **2.1 Investigations**

No disciplinary action shall be taken against a senior postholder until the Corporation has fully investigated the circumstances of the matter complained of. If appropriate, the Corporation may suspend the senior postholders, in accordance with Section 7 below, whilst the investigation is carried out.

#### **2.2 Disciplinary Hearings**

If the Corporation decides to hold a disciplinary hearing relating to the matter complained of, the senior postholder shall be advised of the nature of the complaint against him or her at least three working days before such hearing. At any disciplinary hearing, the senior postholder shall be given an opportunity to state his or her case and shall have the right to be accompanied by an acknowledged staff representative, work colleague or friend of his or her choice. If the senior postholder fails, without good reason, to attend a disciplinary hearing which the Corporation has invited him or her to attend, the hearing shall take place, and a decision shall be made, in his or her absence. All parties present must have a reasonable opportunity to present their case. At the conclusion of the hearing the employee should be notified of the outcome and this confirmed in writing within 5 working days.

#### **2.3 Penalty**

No formal disciplinary penalty will be imposed without a disciplinary hearing. Other than in cases of gross misconduct, gross negligence or gross incompetence, when the penalty may be dismissal without notice or payment in lieu of notice, no senior postholder shall be dismissed for a first offence.

#### **2.4 Stages of the Procedure**

Normally, the procedure shall be followed in the order of the stages set out in Section 3 below. However, offences of a serious nature may be brought into the procedure at any stage if any earlier stage would not be appropriate to deal with it. For example, there may be occasions when misconduct is considered not to be serious as to justify dismissal, but serious enough to warrant only one written warning which shall be both the first and final written warning.

### **3 THE PROCEDURE**

Minor lapses from acceptable standards on conduct or work performance shall usually be dealt with by the Chair of the Corporation or, in the absence of the Chair, the Vice-Chair, giving informal oral warnings or reprimands, which shall not be recorded on the Corporation's personnel file relating to the senior postholder. If the matter is more serious, the following formal procedure shall be used:

#### **Stage 1 – Oral Warning**

If conduct or work performance does not meet acceptable standards, the senior postholder will normally be given a formal oral warning by either the Principal or the Chair of Corporation, or in his or her absence, the Vice Chair. The postholder will be advised of the reason for the warning, that it is the first stage of the formal disciplinary procedures and that he or she has the right to appeal against it in accordance with section 7 below. A brief note of the oral warning will be placed on the Personnel Department's file relating to the postholder. After 6 months the warning will be spent and the note removed from the file and returned to the postholder, subject to their conduct and work performance having been satisfactory throughout that period.

#### **Stage 2 – Written Warning**

A written warning shall be given to the senior postholder by either the Principal or the Chair or, in the absence of the Chair, the Vice-chair of the Corporation, if the senior postholder commits a serious offence of misconduct or the standard of his or her work performance is seriously inadequate, or if he or she fails to comply with a formal oral warning given under stage 1.

This written warning shall give details of the complaint against the senior postholder, the improvement required and the time limit within which such improvement must be achieved. In the case of misconduct, the warning will state that, if the senior postholder commits a further offence of misconduct during the period specified in the warning, action under Stage 3 will be considered. The written warning will also advise the senior postholder of the right of appeal in accordance with Section 6 below. A copy of the written warning will be placed on the personnel file relating to the senior postholder. After twelve months the warning will be spent and will be removed from the file, subject to the postholder's conduct and work performance having been

satisfactory throughout the period. If the note is not removed after this time the postholder has the right to appeal against its non-removal.

### **Stage 3 – Final Written Warning**

A final written warning will normally be given to the senior postholder by either the Principal or the Chair or, in the absence of the Chair, the Vice-chair of the Corporation if:

- (a) the senior postholder fails to comply with a first written warning given under Stage 2; or
- (b) despite having been given, under Stage 2, a first written warning as the result of either misconduct or unsatisfactory work performance, the senior postholder commits a further offence of misconduct or his or her work performance continues to be unsatisfactory; or
- (c) the senior postholder's misconduct or unsatisfactory work performance, although not considered to be serious enough to justify summary dismissal, is sufficiently serious to warrant only one written warning (in effect both the first and a final written warning).

This final written warning will give details of the complaint, the improvement required and the time limit within which such improvement must be achieved. In the case of misconduct the warning shall state that, if the senior postholder commits a further offence of misconduct during the time limit specified in the warning, his or her employment may be terminated after another hearing. In the case of unsatisfactory work performance the warning will advise the senior postholder as to what steps he or she should take to improve and state that, if such improvement is not achieved within the period specified in the warning, his or her employment may be terminated after another hearing. The final written warning will also advise the senior postholder of the right of appeal in accordance with Section 6 below. A copy of the final written warning will be placed on the personnel file relating to the senior postholder. After twelve months (although, in exceptional cases, the period may be longer) the warning will be spent and will be removed from the said file and returned to the postholder, subject to the postholder's conduct and work performance having been satisfactory throughout that period. If the note is not removed after this time the postholder has the right to appeal against its non-removal.

### **Stage 4 – Dismissal**

Further misconduct by the senior postholder or failure by him or her to reach the required standard of work performance within the time limit stipulated in the final written warning given under Stage 3 may lead to dismissal, as may acts of gross misconduct or other acts capable of justifying summary dismissal under Section 4 below. If it is considered by the Chair or, in the absence of the Chair, the Vice-Chair, or by a majority of the members of the Corporation that it may be appropriate to dismiss the senior postholder, the matter shall be referred to Special Committee of the Corporation, in accordance with the procedure set out in Section 5 below.

#### **4 SUMMARY DISMISSAL**

A senior postholder who is accused of gross misconduct, gross negligence or gross incompetence may be suspended from work in accordance with the provisions of Section 7 below whilst the college investigates the alleged offence.

The Chair or, in the absence of the Chair, the Vice-Chair of the Corporation may implement the majority decision of the Corporation on completion of the investigation and the Special Committee hearing in accordance with Section 5 below by summarily dismissing the senior postholder if it is established that the senior postholder has been guilty of gross misconduct, gross negligence or gross incompetence. Such dismissal will be without notice or payment in lieu of notice and will be confirmed to the postholder in writing specifying the reasons for the dismissal.

#### **5 SPECIAL COMMITTEE**

- 5.1** If the Chair, or in his absence the Vice Chair, or a majority of members of Corporation, consider that it may be appropriate for the Corporation to dismiss a senior postholder then they should refer the matter to Special Committee. Referral is by submitting a written statement setting out the facts of the case, together with any supporting evidence, to the Clerk who will convene a Special Committee. Special Committee shall be convened as soon as practicable after receipt of the referral under Stage 4 of the formal procedure, and shall meet within 7 days of being convened.
- 5.2** The Special Committee shall consist of at least three members of the Corporation. Membership may be drawn from Corporation members but may not include the following: the Chair of the Corporation, the Vice-Chair, the Principal, the staff and student members, nor any member involved in the case who shall not be eligible for membership of the Special Committee. The Special Committee shall appoint a Chair of the Committee and he or she will be responsible for ensuring compliance with the procedure at the meeting. The Clerk will convene and Clerk the Special Committee unless the committee is considering the post of Clerk, in which case the Chair of Corporation will convene the committee and the committee chairman will appoint a member or other independent person to clerk the meetings. Quorum of Special Committee will be three.
- 5.3** The duties of the Special Committee are to examine the facts of the case for dismissal of a senior postholder, hear or take representations from the postholder, review any relevant documents or representations, take independent advice as appropriate, and submit a written report to Corporation with a copy to the senior postholder it refers to.
- 5.4** The first meeting will review the written statement from the Chair, or Vice Chair, or majority of members, stating the grounds for proposed dismissal and set the time frame and process of preparing a written report to Corporation which should be submitted within 2 months of the date on which Special Committee was convened. The report must set out Corporation's original grounds for dismissal, the submission of the parties in the case, the facts of the case as determined by the committee, any other matters which the Committee considers should be taken into account by the Corporation in



their consideration of the case, and the committee's recommendations about the decision to be taken by the Corporation.

- 5.5** Special Committee shall copy the Corporation's written statement to the postholder and invite the postholder to make representations, either in writing within 14 days or orally at Special Committee's main meeting. The senior postholder shall also be informed of his or her right, prior to the meeting, to bring witnesses to that meeting, and to be accompanied by a friend who may present the case on behalf of the senior postholder. The timing of the meeting should be such that the postholder concerned is given not less than seven working days' notice in writing of the meeting and shall have the opportunity to submit a written statement or other documentation in reply at least three working days before the meeting.
- 5.6** At the main meeting, Special Committee shall first ensure that the nature of the referral, the Committee's role and the procedure to be followed are understood by all persons attending the meeting. Both parties shall then have opportunity to be heard, produce evidence in support of their cases and to question each other's statement and evidence, including oral evidence given by any witness called. The evidence of the Corporation's representative shall be heard first and the senior postholder shall then have the opportunity to respond. The members of the Committee shall be able to put such questions as they think fit to the parties, their representatives and any witnesses called. If the members of the Committee are then of the opinion that more evidence should be provided to it, the hearing may be adjourned for a period of up to seven working days, or as soon as practicable, to ensure further evidence to be submitted. When all the evidence has been heard, the parties shall have the opportunity to summarise their respective cases and must then withdraw from the meeting.
- 5.7** Subject to the senior postholder's rights to be heard and adduce evidence, the Special Committee shall have full discretion to admit or exclude evidence as it thinks fit, without following the legal rules as to admissibility of evidence, and to vary, as may be necessary, the procedure to be followed at the meeting.
- 5.8** Upon conclusion of the hearing, the Committee shall, in private, deliberate their findings and determine their report to be made to the Corporation.

Not later than five working days after the conclusion of the hearing, and within 2 months of the date on which Special Committee was convened, the Special Committee shall send its report to the Chair and Vice-chair of the Corporation and to the senior postholder concerned. The Chair of Corporation will authorise the Clerk to send the report to all members of Corporation except the staff and student members and to call a meeting of Corporation to consider the report.

- 5.9** A meeting of the Corporation shall take place for the purpose of considering the Special Committee report, as soon as practicable after the report has been submitted, and within 28 days of submission of the report, subject to not less than seven working day's notice in writing being given by the Clerk to the Corporation and to the senior postholder concerned. Nothing in this procedure shall prohibit a member of the Corporation who was a member of the Special Committee from attending the meeting. However, neither they, nor any member involved in investigation of the case, may take part in the

vote on Corporation's decision. A staff member may, by resolution of other members present, be required to withdraw from any part of the meeting at which the conduct, suspension, dismissal or retirement of any member of staff holding a position senior to his/her own is to be considered. Student members may take no part in the consideration of such matter and may be required by a majority of members to withdraw from any meeting at which such matters will be discussed.

- 5.10 The senior postholder concerned shall have the right to attend the meeting in order to make further representations, including oral representations, for which purpose he may be accompanied by a friend.
- 5.11 At the conclusion of the meeting, the Corporation shall decide upon the appropriate disciplinary action, if any, which may include dismissal with or without notice. The senior postholder concerned shall be informed of the Corporation's decision verbally and in writing within five working days of the Corporation's consideration of the matter being concluded. The decision shall be final and binding and there shall be no right of appeal.
- 5.12 If it is not possible, due to the complexities of the case, to prepare a written report within 2 months, Special Committee must prepare an interim report within that time which sets out a timetable for preparation of the final report.

## **6 APPEALS AGAINST DISCIPLINARY PENALTIES OTHER THAN DISMISSAL**

A senior postholder who wishes to appeal against a written warning or a final written warning should inform the Clerk to the Corporation within five working days of the date of the decision which forms the subject of the appeal. The appeal shall be heard by a committee of the Corporation, consisting of three members of the Corporation, excluding the Chair, the Vice-Chair, any members involved in hearing or investigating the case, the staff members and the student member.

The appeal hearing shall be convened as soon as practicable after the notice to appeal has been received by the Clerk to the Corporation and not later than 21 working days after the notice to appeal has been received by the Clerk to Corporation. The postholder will be given at least five working days' notice of the date, time and place for the hearing. At the hearing of the appeal, the senior postholder will be given an opportunity to state his or her case and will be entitled to be accompanied and represented by an acknowledged staff representative, a work colleague or friend of his or her choice.

At the appeal, the disciplinary penalty imposed will be reviewed, but it cannot be increased. The decision of the committee of the Corporation shall be notified to the senior postholder in writing within five working days of the appeal hearing and shall be final and binding. In the case of an appeal against a notice of dismissal the dismissal shall not take effect before the appeal has been determined.

## **7 SUSPENSION PENDING DISCIPLINARY HEARING**

- 7.1 When the Chair, or in the absence of the Chair, the Vice-Chair of the Corporation is of the view that a senior postholder may be guilty of

misconduct or that, because of some other good and urgent cause, the continuing attendance of the senior postholder at the Corporation's premises cannot be permitted, the Chair or Vice-Chair may suspend the senior postholder from duty pending the holding of a formal disciplinary hearing.

- 7.2** If the Chair or Vice-Chair decides to suspend the senior postholder immediately, he/she shall:
- (a) Provide the senior postholder with written notification of the suspension immediately, setting out the grounds on which the decision to suspend has been taken; and
  - (b) Inform the Corporation and the Funding Council of the suspension in writing within 2 working days of the suspension or as soon thereafter as is practicable.
- 7.3** The relevant Article 11 does not give any authorisation to suspend without pay unless this is expressly provided for in the postholder's terms of contract.
- 7.4** A senior postholder who has been under suspension for three weeks or more may appeal in writing to the Corporation against the suspension. Notice of such appeal shall be heard as soon as practicable by a committee consisting of three members of the corporation, excluding the Chair and/or the Vice-Chair, the staff members and the student member. However no such right of appeal shall lie if the senior postholder is the subject of a reference to the Special Committee under Section 5 above.
- 7.5** A suspension against which an appeal by a senior postholder is made shall continue to operate pending the determination of the appeal.
- 7.6** Where an appeal against suspension is made by a senior postholder to the Corporation, the senior postholder shall be given at least five working day's notice of the date, time and place fixed for the hearing, unless an earlier date has been mutually agreed.
- 7.7** At the hearing of an appeal against suspension, the senior postholder may be accompanied and represented by an acknowledge staff representative, a work colleague of his or her choice or friend.
- 8.8** Following the hearing of an appeal against suspension, the Corporation's committee appointed to hear the appeal may either confirm the suspension or lift the suspension. The decision of the Corporation, and the reasons for the same, shall be confirmed by the Clerk to the Corporation in writing to the senior postholder within five working days of the hearing of the appeal. The decision is final.

## **GRIEVANCE PROCEDURE FOR SENIOR POST-HOLDERS**

### **A. SCOPE AND PURPOSE**

1. This procedure applies to the Principal and all senior post holders as defined in the Corporation's Articles of Government. References to section numbers are to the numbered sections of this document.
2. The purpose of this procedure is to:
  - Enable senior post-holders who consider that they have a grievance or complaint arising from their employment to have it dealt with at the appropriate level as expediently as possible.
  - To promote fairness and consistency in the process by which grievances or complaints arising from a senior post holders employment is considered.
3. This procedure will not apply to any grievances concerning complaints or disputes which are covered by separate procedures or arrangements of the Corporation.

### **2 GENERAL PRINCIPLES**

1. These rules and procedures will be reviewed regularly and applied in accordance with the Corporation's Articles of Government and taking into account developments in employment legislation and good practice and current guidance provided by the Advisory, Conciliation and Arbitration Service.
2. It is anticipated that the majority of senior post-holders' grievances can be resolved directly with the person or persons concerned. This procedure sets out the process for grievances to be considered where this is not possible or the grievance is unresolved.
3. The Corporation is committed to resolving each stage of the procedure as soon as reasonably possible, taking into account the need to investigate any grievance fairly and adequately and any constraints imposed by staff availability.
4. A senior post-holder (and any other member of staff asked to attend) has the right to be accompanied at any grievance hearing at any stage of the formal procedure by a representative of a trade union or a workplace colleague.
5. In circumstances where a disciplinary hearing has been arranged but the trade union representative or workplace colleague is unable to attend the proposed hearing, the hearing may be postponed if the senior post-holder (or member of staff affected) can offer an alternative date and time which is reasonable and falls within 5 working days after the day on which the original hearing was proposed.

6. A workplace colleague chosen to accompany a senior post-holder (or any other member of staff attending) at a grievance hearing will be permitted to take paid time off during working hours to attend the hearing.
7. At least 5 working days in advance, a senior post-holder (and any other member of staff attending) must alert the person or committee who is considering his or her grievance to the identity of any person which the senior post-holder (and other member of staff) proposes to accompany him or her at a grievance hearing.
8. Matters investigated as part of a grievance may, in appropriate circumstances, lead to and be used as part of disciplinary proceedings under the Corporation's disciplinary procedure.
9. The fact that a senior post-holder has invoked the grievance procedure will not (in the absence of exceptional circumstances) preclude the Corporation from instituting, continuing with or concluding disciplinary proceedings, whether they involve the senior post-holder or other members of staff.
10. All reasonable steps will be taken to maintain confidentiality and written records of any grievance proceedings shall be kept and maintained by the Corporation in accordance with the Data Protection Act 1998.

### **3 PROCEDURE**

#### **Stage One - Informal**

1. A senior post-holder who has a grievance should first raise it informally with the Principal or, if the grievance is against the Principal or the Principal has a grievance, it should be raised with the Chair of the Corporation, or in his or her absence the Vice-Chair of the Corporation.
2. The grievance may be raised either orally or in writing.
3. The person considering the grievance will take such steps he or she considers necessary to resolve the grievance as quickly as possible, on an informal basis.
4. If the matter is very serious or in other circumstances where the senior post-holder does not wish to raise the matter informally, the senior post-holder may proceed straight to the formal stage of the procedure.

#### **Stage Two - Formal**

5. If the grievance cannot be resolved under the informal procedure, or in the event that paragraph 3.4 applies, a senior post-holder must prepare a written statement of his or her grievance.
6. The written statement should be sent to the Clerk to the Corporation for the grievance to be considered at this stage by the Chair of the Corporation. If the Chair of the Corporation is absent or has already considered the grievance at the informal stage, the grievance will be considered by the Vice-

Chair of the Corporation and references in sections 3.7 to 3.9 below to the Chair will include the Vice-Chair (as appropriate).

7. The Chair shall undertake all reasonable investigations as soon as reasonably possible. Where a grievance is against another member of staff, this will include seeking comments regarding the grievance from such member of staff.
8. The Chair shall convene a grievance hearing with the senior post-holder to take place within 20 working days of the Clerk receiving the written statement, or as soon after that as reasonably possible. The senior post-holder will be given as much notice as reasonably possible of the grievance hearing and the conduct of the hearing will be at the Chair's discretion. If the grievance involves another member of staff, the Chair may require the attendance of such a member of staff or any other members of staff who may be able to provide relevant information. If any documentation is to be considered at the hearing, it will be circulated at least 5 working days in advance of the hearing.
9. The Chair's decision will be confirmed in writing to the senior post-holder by the Clerk to the Corporation within 10 working days of the hearing. If it is not possible for a decision to be reached within this period, the Clerk will write to the senior post-holder on behalf of the Chair with an explanation for the delay and when the written decision can be expected. The decision will include a reminder that the senior post-holder has a right to appeal against the decision if he or she is not satisfied with it.

### **Stage Three - Appeal**

10. If a senior post-holder is dissatisfied with the decision at the conclusion of the formal procedure, he or she may appeal. The appeal must be made in a written statement setting out the grounds for the appeal and the statement must be sent to the Clerk to the Corporation within 10 working days of receipt by the senior post-holder of the written decision following the formal procedure.
11. The Corporation will appoint a committee of the Corporation ("the Appeal Committee") which, if not already appointed by the time the appeal by the senior post-holder is received by the Clerk, will be appointed as soon as reasonably possible.
12. The Appeal Committee shall undertake any further investigations which it considers necessary as soon as reasonably possible.
13. The Appeal Committee shall convene an appeal hearing with the senior post-holder to take place within 20 working days of its appointment or receipt by the Clerk of the appeal (whichever is the later), or as soon after that as reasonably possible. The conduct of the hearing will be at the Appeal Committee's discretion, save that the senior post-holder has a right to be accompanied as detailed in section 2.3. If the grievance involves another member of staff, the Appeal Committee may require the attendance of such member of staff or any other members of staff who may be able to provide relevant information. If any documentation is to be considered at the hearing, it will be circulated at least 5 working days in advance of the hearing.

14. The Appeal Committee's decision will be provided in writing by the Clerk to the Corporation to the senior post-holder within 10 working days of the appeal hearing. If it is not possible for a decision to be reached within this period, the Clerk will write to the senior post-holder on behalf of the Appeal Committee with an explanation for the delay and when the written decision can be expected.
15. The Appeal Committee's decision shall be final.

## CORPORATION SKILLS AUDIT

Name \_\_\_\_\_

Can you please complete for all headings. It does not matter how many boxes you tick as it is expected that governors will have a breadth of skills and expertise. Please return your completed form to the Clerk

Skills Area	Professional expertise and skill		
	High	Moderate	None
<b>Strategic Management</b>			
<b>Safeguarding</b>			
<b>Equality &amp; Diversity</b>			
Finance/Accounting			
Audit			
Legal			
<b>Property/Premises Management</b>			
Personnel			
Marketing			
Governance / Trusteeship			
Education Management			
Secondary Education			
Further Education			
Higher Education			
Special needs/basic skills			
Large Organisation Management			
Information and Communications Technology			
<b>Local Authorities</b>			
Public Sector Organisations			
Local voluntary/community groups			
Local businesses/Employer links			
Work based Learning -Apprenticeships			
Teaching			
Quality Systems			
Risk Management / Health and Safety			
Spiritual / Faith			
Student Matters			
Widening Participation			
Funding Bodies			



**Ethnicity:**

Bangladeshi	black African	black Caribbean	black other	Chinese	Indian	other Asian	mixed	Pakistani	white	other (please specify)

**Age:**

16 - 21	22-30	31-40	41- 50	51 - 60	60+

## **POLICY FOR THE CONDUCT OF CORPORATION BUSINESS**

### **1 INTRODUCTION**

- 1.1 These guidelines supplement the ' Standing Orders approved by the Corporation.

### **2 PLANNING AND PREPARATION FOR MEETINGS**

- 2.1 The Clerk will issue to the Principal and to all Chairs at the commencement of each term a schedule of business required of all Committees including the meeting of the Corporation.
- 2.2 Four weeks prior to the meeting, the Clerk will circulate a draft agenda for the meeting and to agree the deadline date for receipt of all reports.
- 2.3 The Clerk will ensure that the agenda and reports for the meeting are made available to Members 7 days in advance of the meeting.
- 2.4 The Clerk will offer to arrange with each Chair in advance of the meeting of the Committee/Corporation a briefing meeting involving appropriate members of the College Management Team to discuss the agenda items.

### **3 CHAIRING OF MEETINGS**

- 3.1 All questions and points of order to be put through the Chair.
- 3.2 Chairs to ensure as far as possible that meetings do not exceed two hours in length.
- 3.3 Decisions and voting at meetings to follow appropriate Standing Orders.

### **4 MINUTES OF MEETING**

- 4.1 Corporation Standing Orders require the draft minutes to be produced for approval, by the Chair, not latter than 2 weeks after the meeting has taken place.

## GOVERNORS' FINANCIAL LIABILITY

Corporation members (Governors) have two key forms of protection against any personal financial liability that may arise through their activities on behalf of the Corporation:

1. Established legislation makes provision for the Court to extinguish, reduce or vary the liability of any Governor who has acted ***honestly and reasonably***;
2. Insurance cover taken out by the College in respect of damages and costs for any acts, errors or omissions committed by the College, Governors and Officers whilst acting in those capacities.

Generally, if a problem in the college caused a loss to a third party, that third party would sue the Corporation and not individuals. This is because actions are taken in the name of the Corporation, which is a legal entity in its own right. In exceptional circumstances, it might be possible for a claimant or a successor corporation to sue an individual Governor, on the basis that it was his/her action or failure to act that caused the loss. In these unusual circumstances, the protections mentioned above would potentially be invoked.

Governors are not responsible for losses caused by acts of employees or agents of the Corporation unless they have personally procured the act that led to the loss or are in breach of their duties of skill and care and that led to the loss.

It is worth noting the basic duties of Governors.

1. Collectively to carry out the responsibilities set out in Clause 3 (1) of the Articles. These include responsibility for the effective and efficient use of resources, the solvency of the institution and the safeguarding of its assets. This does not mean that Governors become personally liable simply by virtue of the insolvency of the institution. Personal liability in such circumstances would only be likely to arise if it was found that individual Governors had failed to discharge their responsibilities properly in accordance with the principles referred to below.
2. To act in good faith and in the best interests of the Corporation. Anything Governors do in their capacity as Governors they do, not on their own behalf, but on behalf of the Corporation. In making any decision, Governors should always have the best interests of the Corporation and the continued fulfilment of its functions at the forefront of their minds. Any ulterior motives or factors that are not relevant to such interests should not be taken into account.
3. In carrying out their functions as Governors, to exercise such powers of skill and care as they possess, at least at the same level that an ordinary prudent person might reasonably be expected to show when acting on their own behalf. Higher duties of skill and care are expected of people who are

professionally qualified when acting within their areas of expertise, as opposed to people who are not qualified.

4. To avoid putting themselves in a position where they have a conflict of interests with the Corporation. For example, if Governors find that they have an interest in a personal or business capacity in a potential contract with the Corporation, they must declare that interest and ensure that they take no part in the Corporation's decision in relation to that contract.
5. Not to obtain any undisclosed benefit as a result of being Governor. In other words, Governors should not profit from their position and should not misappropriate or misuse Corporation assets or information. A Governor may be liable to repay any improper benefit and should always declare any benefits received.
6. To observe the rules of governance, ensuring that the Corporation stays within its powers (e.g. in delegation of duties and commercial decisions) and that actions are properly authorised. A third party could sue Governors who signed a contract that was unenforceable because the decision had been taken at an inquorate meeting.

In summary, any claim against a Governor personally is unlikely. In the event of a claim, Governors are likely to be protected by current legislation and by the College's own insurance, provided that they have acted honestly and with a reasonable level of skill and care (as they would in looking after their own affairs).

## **GOVERNOR REIMBURSEMENT FOR EXPENSES**

### **General Principles**

- 1      Governors are entitled to receive reimbursement for expenses incurred while undertaking Corporation business.
- 2      Expense rates paid to Governors will be the same rates that apply to College staff.
- 3      Expense claims can be made to cover the costs incurred for travelling to meetings, conferences, and training events. Governors are expected to claim for the cheapest method of travel.
- 4      Receipts need to be made available for all claims except for mileage claims.
- 5      College expense claim forms are to be used by Governors when claiming expenses.
- 6      Completed expense forms to be sent to the Clerk who will keep a record of all claims received.
- 7      The College to set up an annual budget for Governor's expense claims to allow for monitoring and disclosure in the College's financial statements.

## POLICY ON SUCCESSION PLANNING

- 1 The Corporation agrees that there must be an on-going review of succession planning for positions of Chair and Vice Chair of the Corporation and for this review to be conducted by the Independent Clerk to the Corporation.
- 2 When considering succession, priority must be given to the development of existing governors and of promotion from within existing membership.
- 3 An indication should be sought from existing governors if there is any governor prepared to put themselves forward for consideration as either the future Chair or Vice Chair.
- 4 If there are governors who are prepared to undertake wither of these roles, then arrangements should be made to enable prospective Chairs and Vice Chairs to shadow the existing Chair and Vice Chair over a period of time.
- 5 In addition, prospective Chairs and Vice Chairs should be given the opportunity to Chair a Committee of the Corporation so that they gain experience in chairing meetings.
- 6 The Clerk will inform all governors of the Succession Policy and, on an on-going basis, will seek expressions of interest from governors in either being Chair or Vice-Chair. Should this result in no expressions of interest being received, and if there are governors who have the appropriate skills and expertise to undertake the duties of either Chair or Vice Chair, then arrangements should be made for the Independent Clerk and Principal to actively persuade such governors to take on the role.
- 7 If there are no governors willing to put themselves forward for Chair or Vice Chair, and if the Corporation feels there is need to attract a certain calibre of individual from outside its membership, then the option to search and advertise will need to be given consideration.

## **POLICY ON ATTENDANCE AT MEETINGS AND ACCESS TO COLLEGE BUSINESS**

### **1 ATTENDANCE AT CORPORATION MEETINGS**

1.1 Meetings of the Corporation are split into three sections as follows:

- |          |  |
|----------|--|
| Part I   | General Public Information   |
| Part II  | Items confidential to members only, but where minutes and resolutions are for the public records   |
| Part III | Confidential items to members only and where Staff and Student Members through a resolution made by the Corporation may be excluded, and minutes and resolutions are not for the public record |

1.2 Agendas and other papers for Corporation meetings are organised so that they reflect this structure of business.

### **2 CONSIDERATION OF CONFIDENTIAL BUSINESS BY THE CORPORATION (INCLUDING COMMITTEES)**

2.1 The Corporation's policy is that as much business as possible will be conducted in public but the Corporation reserves the right to keep certain matters confidential. The Corporation uses the following criteria for deciding on confidentiality

- consideration of the financial position of the College where disclosure might harm the College or its competitive position, as determined by the Corporation
- consideration of financial or other information relating to procurement decisions, including that relating to the College's negotiating position
- items containing personal information relating to an individual (other than a member of staff of the College)
- information provided in confidence by a third party who has not authorised its disclosure
- Information relating to the negotiating position of the college in industrial relations matters.
- Legal advice received from or instruction given to the college legal advisors
- where appropriate, professional advice received from or instructions given to the College's professional advisers
- information planned for publication in advance of that publication
- any other matters the publication of which would, in the Corporation's view, be detrimental to the College's interests
- where the appointment, remuneration, conditions of service, promotion, conduct, suspension, dismissal or retirement of any member or prospective member of staff are to be considered (except that the staff governor may attend where the matter relates only to a member or prospective member of staff holding a post at the same level or junior to his or her own post)

- 2.1 The Corporation will agree, at the end of each meeting, which items, if any, should be kept confidential, bearing in mind the criteria for confidentiality listed above. As a general rule, confidential papers will come into the public domain within one year of their first publication. However there will be papers which must remain confidential - either because they contain information relating to individuals, or contain information which the Corporation has decided for specific reasons should not be made public.
- 2.2 The Corporation will annually review all confidential meetings and agree on which minutes can be released within the public domain.

### **3 MINUTES OF CORPORATION & COMMITTEE MEETINGS**

- 3.1 Formal minutes of Corporation and committee meetings are prepared and submitted to the next ordinary meeting of the Corporation. Items which are confidential in terms of the criteria set out in paragraphs 2.1 and 2.2 of this policy are prepared separately and submitted in the appropriate Part of the Corporation agenda.
- 3.2 All approved minutes of Part I and the resolutions of Part II will be published to all Members of the Corporation and published on the College website. The definition of approved minutes is when the Committee and or Corporation has authorised the Chairman to sign the minutes as an accurate record.

#### **4 ATTENDANCE AT CORPORATION MEETINGS BY PERSONS WHO ARE NOT CORPORATION MEMBERS**

- 4.1 **The Corporation shall decide through a resolution whether a person should be allowed to attend any of its meetings where that person is not a Member, the Clerk or the Principal.**

#### **5 ATTENDANCE AT COMMITTEE MEETINGS BY PERSONS WHO ARE NOT COMMITTEE MEMBERS**

- 5.1 Members of the public and representatives of the press shall not be admitted to meetings of committees of the Corporation.
- 5.2 Subject to 5.6 below, the Principal shall be entitled to attend meetings of any committee of which (s)he is not a member.
- 5.3 The Clerk to the Governors shall attend meetings of all committees except that s/he shall withdraw from that part of any meeting at which his/her remuneration, conditions of service, conduct, suspension, dismissal or retirement are to be considered.
- 5.4 The Principal is authorised to invite other members of staff to attend committee meetings as the need arises.
- 5.5 The chairman of any committee may permit the attendance of any other person at a committee meeting after having taken the advice of the Principal and the Clerk.
- 5.6 All committees shall have the right to exclude any person who is not a member of the committee from all or part of a meeting should this be warranted by the nature of the business to be considered.



## **6 ACCESS TO COLLEGE DOCUMENTATION**

- 6.1 Information about College activities is generally available to the public. Full details of the range of publications available to the public, and any fees charged for making available this information, are outlined in the College's *'Freedom of Information Publication Scheme'*.

**POLICY ON THE SELECTION & REAPPOINTMENT OF GOVERNORS**  
(Excluding the Principal)

**1. VACANCIES**

1.1 Vacancies may arise from:

- the death of a governor
- the resignation of a governor
- the removal of a governor from office by the Board
- the expiry of the term of office of an existing governor

1.2 In all cases except the expiry of the term of office of an existing governor, the process for filling vacancies shall be that set out in paragraph 3 of this policy.

**2. EXPIRY OF THE TERM OF OFFICE OF AN EXISTING GOVERNOR**

2.1 At the commencement of the last year of a governor's term of office, the Clerk will make contact with the governor to see if they are willing for their name to be considered by the Search Committee to serve another term of office.

2.2 Governors seeking re-appointment will be required to complete a '*Governors Re-Appointment Self-Assessment' Questionnaire*' (Appendix I).

2.3 The Search Committee will review completed questionnaires and will make any re-appointment recommendations to the Corporation.

2.4 In circumstances where the governor is willing to be re-appointed, the Search Committee will consider whether to make a recommendation to the Board that the governor be appointed to serve for a further term of office. The Committee shall base their decision on the following factors:

- whether the skills of the governor are still required;
- whether the departure of the governor would afford the opportunity to improve the skill mix of the Board;
- the governor's contribution and commitment to the Board's work; and
- the gender/equality make up of the Board.

2.5 When the governor under consideration is a member of the Search Committee, that governor shall withdraw from the meeting and take no part in the decision or voting in relation to his/her future membership of the Board.

2.6 Where the Board accepts a recommendation from the Committee to appoint an existing governor for a further term of office, the Board shall make the appointment in accordance with the Instrument of Government of the College.

2.6 Where the Search Committee decides that the governor should not be appointed for a further term, a vacancy shall exist and shall be dealt with under paragraph 3 of this policy. Such a decision will be reported to the next meeting of the Board.

- 2.7 A governor who the Search Committee decides should not be appointed for a further term of office shall have no right of appeal against such a decision nor the right to be heard by the Committee or the Board on this issue.

### **3. FILLING OF VACANCIES**

- 3.1 When a vacancy arises, for whatever reason, the Search Committee will give consideration to the skills mix required of the vacancy/vacancies to ensure that the Board has appropriate skills and expertise amongst its membership to enable the Board to discharge its responsibilities.
- 3.2 Consideration will also be given to the gender and equality of the current membership with the aim of working towards a Board membership that best reflects the community that the College serves.
- 3.3 Vacancies may be advertised either through the placing of an advert in local/national newspapers and periodicals or by advertising the vacancy on the College's website. Existing Board members will also be asked to bring the vacancy to the attention of any persons that they think might be suitable for appointment. Applications shall be submitted in writing to the Clerk to the Governors.
- 3.4 The Clerk will be responsible for assessing applicants against the person specification and required skills mix.
- 3.5 Interviewing shall be undertaken by a panel determined by the Search Committee. Minimum membership of the panel shall be the Principal, one other governor, and the Clerk.
- 3.6 The Board shall only appoint a governor on the recommendation of the Search Committee and shall do so in accordance with the Instrument of Government of the College. Appointments will be for a period of 4 years.

### **4 STAFF GOVERNOR**

- 4.1 Nominations shall be sought from staff whenever a vacancy arises. If more nominations are received than vacancies exist, the Clerk will make the arrangements for an election to take place.
- 4.2 The Corporation shall only appoint a staff governor on the recommendation of the Search Committee and shall do so in accordance with the Instrument of Government of the College. Appointments will be for a period of 4 years.

### **5 STUDENT GOVERNORS**

- 5.1 The Executive of the Students Association or Students Union will be the recognised body for nominating the two student governors. If the Student Association or Student Union is unable to make any nominations, the Clerk will make the necessary arrangements for the student body to elect the student governors
- 5.2 The Corporation shall only appoint a student governor on the recommendation of the Search Committee and shall do so in accordance with the Instrument of Government of the College.

## Appendix 1

### Governors Re-Appointment Self Assessment Questionnaire

*This self assessment questionnaire is designed for use by Governors who are being considered for re-appointment to the Governing Body. The questionnaire should be returned to the Clerk to the Corporation who will submit it to the Search Committee. The completed questionnaire will form the basis of the Search Committee's evaluation of the performance of the member before making a recommendation on re-appointment to the full Corporation. The Search Committee may make a decision on the basis of the completed questionnaire, or may in addition call a member for interview in case of the need for more information or clarification on any point. Only the Clerk, members of the Search Committee and auditors may see the completed questionnaires. Please continue on a separate sheet if necessary.*

**NAME OF MEMBER BEING CONSIDERED FOR RE-APPOINTMENT (BLOCK LETTERS)**

Date of evaluation by Search Committee

**SECTION 1 : TO BE COMPLETED BY THE MEMBER BEING CONSIDERED FOR RE-APPOINTMENT**

	<b>Yes</b>	<b>To Some Extent</b>	<b>No</b>
<b>a Are you able to contribute as much as you would like to meetings?</b> <i>Comments</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>b Do you normally attend training events ?</b> <i>Comments : Please list any training events attended, either in-house training events or external training events (NB: The Clerk will have a record of attendance to all in-house training events)</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>c Do you become involved in College activities (other than training events) e.g. Governor Link visits/Award ceremonies?</b> <i>Comments : please list any college activities (other than training events) which you attended</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- d Do you undertake any additional roles apart from your membership of the Governing Body eg Chairing committees, membership of working groups etc. If yes, please state which.
- Comments :*

- |  | Yes                      | To<br>Some<br>Extent     | N<br>o                   |
|--|--------------------------|--------------------------|--------------------------|
| e Do you consider that your skills and experience remain relevant to the needs of the Governing Body (This is particularly relevant for Governors with more than 8 years' service)? <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
- Comments:*

Signature of member seeking re-appointment

**SECTION 2 : FOR COMPLETION BY THE CLERK/ SEARCH COMMITTEE**

- a The member has achieved good attendance, and normally at least 70% over an academic year, at meetings (this section to be completed by the Clerk based on published attendance figures)

*Year of Review*

*Average attendance (%)*

- b (Where applicable) A nomination has been received/ renewed from a suitable nominating body

*Name of nominating body*

Date received:

**c Recommendation from the Search Committee:**

Re-appoint for a period of \_\_\_\_\_years from \_\_\_\_\_(date)

Do not re-appoint

Call for interview

Other (please specify)

Date:

## **POLICY ON THE REMOVAL OF A GOVERNOR FROM OFFICE**

### **1. ABSENCE FROM MEETINGS FOR A PERIOD LONGER THAN SIX MONTHS**

- 1.1 The Clerk will be responsible for monitoring the attendance of Governors at formally summoned Board and Committee meetings. If a governor is identified as having been absent from such meetings for a period of longer than six months without the Board's agreement, the Clerk will immediately notify the Principal and the Chairman of the Board.
- 1.2 The Clerk will then write to the governor concerned explaining the position regarding his/her attendance and advising that this could result in the governor's removal from office. The governor should be asked to explain the reasons for the non-attendance at meetings.
- 1.3 The Clerk will then discuss the matter with the Chairman and the Principal. The Chairman shall decide, in consultation with the Principal and the Clerk, whether or not the matter should be referred to the Board and, if necessary, shall authorise the Clerk to convene a special meeting.

### **2 INABILITY OR UNFITNESS**

- 2.1 Any question as to whether or not a member may be unable or unfit to discharge the functions of a governor must be referred to the Clerk.
- 2.2 Should such a question, regardless of its source, be brought to the attention of the Clerk he/she shall immediately notify the Principal and the Chairman of the Board. If it appears to the Chairman that the matter should be pursued, he/she will decide, in consultation with the Principal and the Clerk, whether or not further investigation is necessary and, if so, how this should be carried out.
- 2.3 The Chairman will decide, in consultation with the Principal and the Clerk, whether or not the matter should be referred to the Board and, if necessary, shall authorise the Clerk to convene a special meeting.

### **3. MEETINGS OF THE BOARD REGARDING THE REMOVAL OF A GOVERNOR**

- 3.1 Meetings of the Board at which the removal of a governor is to be considered shall be convened by the Clerk giving at least seven clear days notice.
- 3.2 The only persons entitled to attend such meetings shall be members of the Board and the Clerk, except that the governor in question shall be invited to attend for part of the meeting in order to state his/her case. He/she shall not participate in discussion or voting by the Board.

- 3.3 The Board shall decide whether or not the governor be removed from office. Should this be the case, the Clerk shall notify the governor.
- 3.4 A governor so removed shall have no right of appeal against the Board's decision.



## **FRAMEWORK FOR OVERSEEING SETTLEMENT NEGOTIATIONS BETWEEN THE BOARD AND DESIGNATED SENIOR POST HOLDER**

As required by the Financial Memorandum, a framework needs to be established for determining any settlement between a designated senior postholder and the Board.

The Financial Memorandum confirms that colleges should avoid spending public funds on settlements where disciplinary action would have been more appropriate.

### **FRAMEWORK**

- 1 Appropriate professional (legal) advice must be obtained at all stages of negotiations and when determining any final settlement
- 2 The Board should consider establishing a special committee to oversee negotiations.
- 3 Reference in the first instance to the Remuneration Committee is appropriate, as the Board has discharged to this Committee responsibility for all matters relating to senior postholders.
- 4 The College will need to be able to demonstrate that payments in respect of termination are regular, secure value for money and are affordable. Full costings of any settlement offer must be made available and considered against the financial performance of the College.
- 5 Normally public funds should only be used to meet contractual requirements (i.e., payments in lieu of notice not to exceed contractual period of notice) and items such as pension enhancements within the limits set out in the relevant pension scheme rules. Exceptions should be justified by explicit and quantified reference to value for money.
- 6 Appropriate records of each stage of negotiations should be retained.
- 7 The outcome of negotiations to be reported to the Board for final approval.
- 8 Once agreement has been reached, all parties should sign a Compromise Agreement drawn up by the College's Solicitor.
- 9 Details of the financial costs of settlements to be made available to the College's external auditors for inclusion in year-end accounts.

## **POLICY ON COMPLAINTS AGAINST THE CORPORATION**

1. A complaint against the Corporation, a member of the Corporation or the Clerk to the Corporation may be made by an individual, business or an organisation.
2. Complaints against the Corporation or a member of the Corporation should be confirmed in writing and addressed to the Clerk.
3. The complaint should state clearly the nature of the complaint and, if appropriate, provide copies of any related documentation. The complainant should also state the remedy they are seeking.
4. The Clerk to the Corporation will:
  - acknowledge receipt of the complaint without delay
  - investigate the complaint
  - endeavour to provide a response to the complaint within four weeks and, if this is not possible, provide the complainant with an interim statement.
5. The written response of the Clerk to the Corporation will include details of any arrangements for pursuing the matter with an independent body (see paragraph 10 below).
6. The Clerk to the Corporation will keep the Chair informed of the situation and will provide the Corporation with a written statement of the nature of the complaint and the response at the next Corporation meeting. Such a report shall be circulated to members within ten working days of the response of the Clerk to the complainant so that members are aware of the situation.
7. When carrying out an investigation on a complaint against the Corporation or an individual member of the Corporation the Clerk to the Corporation will have the authority to refer issues to the Corporation's auditors (external and/or internal) or other appropriate advisers.
8. A complaint against the Clerk to the Corporation shall be forwarded to the Chair of the Corporation for investigation and response.
9. The approach to be adopted by the Chair of the Corporation in investigating and responding to a complaint will be the same as that outlined above with regard to complaints against the Corporation and individual members of the Corporation.
10. If a complainant is not satisfied with the outcome of their complaint, they may wish to write to the Skills Funding Agency (Please contact the College or Clerk Helpline for the address of the SFA).

**Role of the SFA:**

The SFA is there to ensure that the College's procedures are working effectively. The SFA will review the processes that the College has gone through when dealing with any complaint and the decisions that have been made. The SFA will not investigate a complaint on an individual's behalf or substitute its own judgement for that of the College, but it will seek to ensure that any complaint is dealt with properly. If a complaint received is justified the SFA may make recommendations to the College to prevent the situation happening again.

## **PROCEDURE TO FOLLOW IN THE EVENT THAT IT IS DEEMED THAT THE CORPORATION MAY BE ACTING INAPPROPRIATELY OR BEYOND ITS POWERS**

The Clerk's role includes advising on proper procedure and, if necessary, intervening when s/he feels that the Corporation is acting inappropriately or beyond its powers. The Corporation has approved the following procedures it would expect to be followed in this situation.

1. In the first instance, the Clerk should make every effort to resolve the matter through the avenues available to him or her within the College and be certain that the reason for his or her concerns is understood. Such actions are outlined below in paragraphs 2, 3 and 4.
2. Where the Clerk believes the Corporation or a Committee is minded, during a meeting, to act beyond its powers, s/he should raise the issue immediately at the meeting.
3. When raised at the meeting, the Clerk's advice should be discussed immediately. If the Corporation or Committee is still minded to act and the Clerk still gives the advice that such action would be beyond the powers of the Corporation or Committee, further discussion should be deferred until the next meeting of the Corporation or Committee, or to a special meeting called in accordance with Article 12(4) of the Instrument & Articles of Government. The Clerk's concerns must be recorded in the minutes of the meeting at which they are discussed.
4. Where the Clerk believes that the Corporation or Committee has acted beyond its powers, or an individual has acted beyond his/her powers, s/he should raise the matter in writing with the Chair of the Corporation as soon as possible. The Chair will ask the Principal (as Accounting Officer) for his/her written comments. Where the Chair is involved in the decision under dispute the Clerk should raise the issue with the Chair of the Audit Committee.
5. After pursuing the actions in paragraphs 1 to 4, the Clerk may:
  - a) consult the Skills Funding Agency (SFA), Education Department, Association of Colleges or other relevant regulatory body if he/she has concerns about a propriety matter
  - b) consult the College's internal or financial statements auditors
  - c) seek initial legal advice without the agreement of the College management or the Corporation to a maximum of £3,000, if there is disagreement about whether an action may be unlawful or ultra vires

(if pursuing c), the Clerk should make available for legal review a summary of the scenario with details of the specific issues and should request a written response from the legal review)

6. Any comments received from the Principal or Audit Committee Chairman, and any advice given by any external source listed in paragraph 5 will be reported by the Clerk to the next ordinary or special meeting of the Corporation or Committee concerned or, in the case of an individual, to the Chair of the Corporation or Chair of Audit Committee. The Corporation may decide to obtain further legal advice or seek advice from the SFA.
7. If no action results from the steps detailed above, and if the Clerk is of the opinion that the grounds for concern still present a threat to the proper governance of the College, then the Clerk is authorised to refer the matter to the SFA and inform the Chair and Principal that this has been done.
8. The Corporation would not expect any such steps taken in good faith by the Clerk in these circumstances to be grounds for disciplinary action under the College's disciplinary procedures. However, any apparent abuse of this procedure could be subject to disciplinary procedure.
9. In the interests of transparency, where the written procedure has been invoked the substance and outcome of the matter will be reported in the minutes of the Corporation.

**REGISTER OF GOVERNORS'  
AND SENIOR STAFF'S INTERESTS**

I, ..... declare the following interests:

<b>My Interests (See notes on reverse before completion)</b>						
<b>My spouse/partner's interests</b>						
<b>Interests of other close relatives</b>						
<table style="width: 100%; border-collapse: collapse;"><thead><tr><th style="text-align: left; width: 25%;">Name</th><th style="text-align: left; width: 45%;">Relationship to me</th><th style="text-align: left; width: 30%;">Interests</th></tr></thead><tbody><tr><td style="height: 100px;"></td><td></td><td></td></tr></tbody></table>	Name	Relationship to me	Interests			
Name	Relationship to me	Interests				

Signed.....

Date.....

**Notes on completion:**

1 Senior staff, for the purposes of declaration of interest, are defined as:

- Principal
- Director of Finance
- Any other member of staff designated by the Principal

- 2 Interests to be declared are any financial, business or personal interests which, when publicly known, would or could be perceived as likely to affect your judgement in relation to any aspect of the College's business. For guidance, you should consider declaring the following interests:

***Financial Interests***

- a) remunerated employment, office, profession or other activity
- b) directorship of a company
- c) shareholdings in a company
- d) partnership in a business or professional partnership
- e) consultancies (whether or not remunerated)
- f) trusteeship of a trust where you or your spouse or partner or a member of your family may be a beneficiary
- g) gifts or hospitality offered by outside bodies and arising from your position as a governor

***Personal Interests***

- a) membership of another public body including:
    - local authorities
    - health authorities
    - NHS trusts
    - school or college governing bodies
    - training and enterprise councils
  - b) unremunerated posts, honorary positions and other positions that might give rise to a conflict of interest or of trust
  - c) membership of closed organisations
3. Other members of your family includes father, mother, brother, sister, child, stepchild or grandchild.
4. When completing the Register of Interests, governors should take into account the 7 principles of public life:

## **THE SEVEN PRINCIPLES OF PUBLIC LIFE**

### **SELFLESSNESS**

Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

### **INTEGRITY**

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

### **OBJECTIVITY**

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

### **ACCOUNTABILITY**

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

### **OPENNESS**

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

### **HONESTY**

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

### **LEADERSHIP**

Holders of public office should promote and support these principles by leadership and example.



## **POLICY ON OVERSEEING ORGANISATIONAL CHANGE**

### **Introduction:**

Organisational change occurs for a number of reasons – economic, political, competitive pressures, technological change, change of strategy. This can result in the need for redundancies or redeployment.

### **Key Issues**

Key issues which need to be taken into account during a programme of this nature include:

- The need to treat all staff whose jobs may be affected by change in a fair and consistent manner and in keeping with College values and principles
- The ability to “keep the show on the road” during the restructuring
- Keeping staff motivated and committed to the College, particularly those who will be retained
- Taking all reasonable steps to enable those who will be made redundant to depart with their pride and self belief intact – this may be facilitated by the development of a transparent redundancy support package
- Maintaining the reputation and goodwill of the College among its various constituents such as its students, staff, parents and the wider business community
- Maintaining the reputation of the College in the employment market for the future
- Communicating empathetically and clearly with employees, keeping them advised at every stage of the process and ensuring there is a robust consultation process

### **Key Responsibilities – Legal Framework set out in the Articles of Government**

The responsibilities of the Corporation and the Principal are set out in Article 3 of the Articles of Government.

### **College Principal and Executive Team Responsibility**

The Principal of the College is responsible for the day-to-day executive management of the College, including:-

1. The implementation of the Corporation’s decisions
2. The management of budget and resources
3. The determination of the College’s academic and other activities
4. The organisation, direction and management of the College
5. The appointment and dismissal of staff other than senior postholders or the Clerk.

The proposing and making of a change to the curriculum or the organisational structure of the College clearly falls within the scope of 2, 3 and 4 above of the Principal's responsibilities.

### **Governors' Responsibility**

The Corporation's main duties are to determine and periodically review the educational character and mission of the College, provide oversight of all activities, ensuring the effective and efficient use of resources, ensuring the solvency of the College and the protection of its assets.

In approving the 2-year financial plan and as part of the annual budget setting process, the Corporation sets the financial parameters for any reorganisation. As part of this process, the Corporation would agree the broad direction of any organisational change needed. It is the responsibility of the Principal and senior postholders to ensure any proposed organisational changes remain within these financial parameters.

In order that the Corporation can ensure that the educational character and mission of the college is maintained and that resources are used effectively and efficiently the Corporation (or an appropriate committee) would normally be consulted on proposals for major reorganisations and would have the opportunity to review the outcomes of consultation before implementation.

In less significant cases, the Corporation would be informed (for example through the Executive Report) of reorganisation proposals and of the outcomes of consultations including the decisions arrived at.

In summary, the Corporation must be clear that restructuring/managing of resources is a managerial responsibility that falls under the jurisdiction of the Principal, but the Corporation should receive progress updates on any restructuring. If the restructure presents a significant risk (disruption to business, reputational damage, etc) then this will be need to be brought to the attention of the Corporation but still will be regarded as managerial matter.

If there is a specific example where the restructure could impact on the educational character of the College then Corporation approval would need to be sought. Impact on educational character should be the barometer on whether Corporation approval has to be sought.

## PARAMETERS FOR DECISION-MAKING

### 1 Introduction:

Corporations often find the inability to make decisions without a meeting being convened problematic, in particular where a decision needs to be made urgently outside the usual meeting cycle.

The new freedoms arising from the Education Act 2011 has enabled Corporations to review their Instrument & Articles of Government and the following is confirmed in the College's revised Instrument & Articles:

*Instrument 11(3)* - The Corporation shall determine its rules and procedures covering the use of decisions by written resolution, video and or teleconferencing.

### 2 Definition of a 'meeting':

The College's revised Instrument & Articles of Government defines a 'meeting' as being:

*Instrument 1(g)*: "meeting" includes a meeting at which the members attending are present in more than one room, provided that by the use of telephone and or video-conferencing facilities it is possible for every person present at the meeting to communicate with each other;

This allows governors to participate in meetings without actually being in the same room as long as everyone can communicate with one another.

### 3 Parameters for decision-making:

- (i) A face-to-face meeting is ***the preferred option*** for decision-making especially where there is a need for exchange of views. However a 'meeting' does not require all participants to be in the same room so allowing for governors to join the meeting either through telephone conferencing or video conferencing. The exact details of how governors participated in the meeting must be recorded in the minutes of the meeting. The essential criteria that must be met is for everyone to be able to communicate with one another regardless of individual 'locations'.

- (ii) Meeting by telephone or video conferencing. The minimum number of Governors participating in this type of meeting must be 40% of Board membership (existing quorum requirements).
- (iii) Written resolutions or email: Taking decisions by email does not fall under the current definition of a 'meeting'. Although the Instrument & Articles could be amended there is a risk that no clear collective view will appear through a possible lengthy email chain.
- (iv) Extension of Chairs Action: The current Standing Orders allow for Chairs Action where the Chair can make an urgent decision on behalf of the Corporation as long as this is reported and minuted at the next Board meeting. Under extension of Chairs Action, the Chair can take the following course of action:
  - a) Make the decision on their own and to report this at the next Board meeting; or
  - b) Instruct the Clerk to email all governors with the details of what is required and asking for them to return their views through either a 'yes' or 'no' answer. The Chair, having taken into account the views received, can then make a decision under 'Chairs Action' and the details of the decision, along with the answers received from governors, to be reported and minuted at the next Board meeting.

## WHISTLE-BLOWING PROCEDURE

### Introduction

The Corporation wishes to promote throughout the college a culture of openness and a shared sense of integrity. Members of staff must be able to raise concerns about malpractice confidentially within the college, and if necessary, externally. Malpractice of any description is taken very seriously.

The procedure balances the need for staff to draw attention to malpractice without fear of victimisation with the need to protect others against uninformed or vexatious allegations which can cause serious difficulty for innocent individuals.

### Malpractice

Examples of malpractice are listed below, for guidance. The list is not intended to be exhaustive.

fraud and financial irregularity

dishonesty or other criminal offence

miscarriage of justice

unethical conduct connected with the workplace

serious breach of legal or regulatory obligation

improper use of authority

abusive or threatening behaviour

serious maladministration arising from the deliberate commission of improper conduct

dangerous acts or omissions which create a risk to health, safety or the environment

### Safeguards

The individual disclosing the information shall be protected provided that he or she:-

- is not acting in bad faith **and**
- believes on reasonable grounds that the information is accurate, **and**
- has not been paid or entered into any agreement providing for payment for the disclosure

If these conditions are satisfied, the Principal and the Corporation shall be responsible for ensuring that the individual employee does not suffer any penalty or victimisation as a result of disclosing such information. Abusing the procedure by deliberately bringing false or malicious accusations will be treated as a serious disciplinary matter and will be dealt with under the college's disciplinary procedures.

### **Urgency and Reporting**

Concerns raised under the procedure will be dealt with as quickly as possible. The Principal, or Clerk to the Corporation (as appropriate to stage 1 or 2 of the procedure) will immediately send a written acknowledgement to the individual who has raised the concern, indicating the time scale for the response, and thereafter supply a written report of the outcome of the investigation and the action which is proposed.

### **The Procedure**

#### **Stage 1**

Where an individual employee has acquired information which indicates malpractice by a more senior employee or Member of the Corporation, that employee must disclose such information in confidence to the Principal, who will investigate the matter and take appropriate action. This may include involving an external body, such as the internal and external auditors of the college, the police, the Further Education Funding Council or the Department of Education and Employment.

#### **Stage 2**

If the individual disclosing the information is not satisfied that his or her concern has been properly dealt with by the Principal, or if the concern relates in any way to the conduct of the Principal, the employee shall have the right to raise the concern in confidence with the Clerk to the Corporation, who will refer the matter in confidence to the Audit Committee for investigation. The Committee will then take the appropriate action and decide whether to involve any of the external bodies listed under Stage 1 above.

#### **Stage 3**

If the employee's concern has not been satisfactorily resolved within the college under Stages 1 and 2 of the procedure, he or she shall have the right to appeal to an appropriate external body such as the police, the Further Education Funding Council, the Department of Education and Employment, Public Concern at Work, a Member of Parliament, a local councillor or a trade union official. Before taking such action, the employee shall inform the Principal, the Clerk to the Corporation or the Audit Committee, as appropriate.

## **WEST THAMES COLLEGE BOARD/COLLEGE LINKS – GUIDANCE NOTES FOR MEMBERS**

### **The Scheme aims to**

- improve your overall familiarity with the college's work
- give you detailed knowledge of your designated areas to bring to the Board's debates
- raise the Board's profile amongst college staff.

### **Structure of visits**

Governors to be asked to conduct their link visits using the Self Assessment Report from the curriculum area or support area as the guiding document. Governors are asked to conduct their visit during the period December - February with feedback on the visit sent to the Clerk so that an overall evaluation report on Link Visits can be made available.

### **Boundaries**

You will certainly hear about the problems of your link areas and may also be approached by individual staff or students with complaints or grievances. You may decide to discuss these informally with either the Clerk or Principal. However, you should first, if possible, establish whether the individuals concerned are already taking action via the college's internal mechanisms, or whether they have discussed their concerns with their managers. It is important that staff use all available internal procedures to deal with their concerns and this is the key message to pass on to staff. Exceptionally, you may come across something which appears to you serious enough to raise formally with the Principal or the Board. In this case, consult the Clerk and/or the Chairman as soon as possible.

The scheme aims to equip you to bring some expertise on your link areas to discussions at Board level, but you should not feel obliged to lobby for "your" areas (for example, in matters of resourcing). Managers have been briefed on the scheme and its aims and should not expect that you will do so.

### **Making contact**

You will be sent contact details for your Link Manager. They will be given an identical schedule and have been informed that their designated link governor will make the first contact with them. College managers will be responsible for ensuring that their senior line manager and the Principal are aware when a Member of the Board will be visiting.

### **Reporting**

Governors are invited to complete a summary report on their visit by using the attached proforma form which should be emailed to the Clerk. The Clerk will make available to the Corporation a summary report on all reports received.

**GOVERNOR LINK VISIT REPORT FORM**

**Name of Governor**

**Area Visited**

**College Link Person**

**Date of Visit**

**Summary of Visit Activities**

**Governor Comments**





# **Governors' Handbook**

## **Section 6 – Key Reference Documents**

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# Financial Memorandum Part 1

This Financial Memorandum sets out the conditions upon which the Chief Executive of Skills Funding (the Chief Executive) provides funding to Further Education Corporations.

March 2012

Of interest to colleges and other stakeholders involved in managing and delivering Skills Funding Agency funded provision

# Financial Memorandum Part 1

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## Financial Memorandum Part 1

### Purpose

1. This Financial Memorandum sets out the conditions upon which the Chief Executive of Skills Funding (the Chief Executive) provides funding to Further Education Corporations. The Financial Memorandum is in two parts. Part 1 (this document) sets out the general conditions of funding and Part 2 sets the annual allocation and the conditions applicable to the delivery of education and training.

### Definitions of Terminology Used in the Financial Memorandum

2. For the purpose of this Financial Memorandum, the following definitions apply:

“College” means the educational institution conducted by the Further Education Corporation and named in Part 2 of this memorandum.

“Corporation” means the Further Education Corporation established under the Further and Higher Education Act 1992 to conduct the College. References to the Corporation include the Governing Body and the College.

“Governing Body” means the body responsible for conducting the College.

“Principal” means the chief executive officer of the College appointed by the Governing Body.

“Public Funds” for the purposes of regularity, means all of a College’s income and receipts from the Chief Executive and from the Higher Education Funding Council for England (HEFCE).

“Secretary of State” means the Secretary of State for Business, Innovation and Skills.

## **Financial Memorandum Part 1**

### **Statutory Framework**

3. Under the Apprenticeships, Skills, Children and Learning Act 2009 (ASCLA) the Chief Executive secures facilities for education and training within his remit. He has the power to provide funding to organisations which deliver education and training and the power to impose conditions in respect of funding which he provides. In exercising his functions the Chief Executive must secure education and training of a reasonable quantity and take account of certain matters including the places where facilities are provided, the character of those facilities and the way they are equipped. He must also take account of the needs of learners and employers. The Chief Executive must also make best use of his resources.
  
4. The conditions set out in the Financial Memorandum are intended to enable the Chief Executive to carry out his statutory functions and ensure that he can fulfill his responsibilities as Accounting Officer to Parliament for ensuring that the use of funds which he receives from the Secretary of State is consistent with his statutory remit and any conditions imposed by the Secretary of State.

### **Responsibilities of the Governing Body**

5. The Chief Executive recognises that the Corporation is an independent body and that the Governing Body is responsible for the management of the College and for ensuring the financial viability of the Corporation.
  
6. The Governing Body is responsible for, and shall inform the Chief Executive of, any transactions that could jeopardise financial viability. The Governing Body shall demonstrate that all transactions achieve value for money for Public Funds.
  
7. The Governing Body is responsible for the use of Public Funds. To assist it to discharge this responsibility and to provide clear accountability, the Governing Body shall appoint an accounting officer

## **Financial Memorandum Part 1**

with an appropriate separation of duties between executive and non-executive roles and responsibilities. The expectation is that the accounting officer will be the chief executive officer of the College.

8. The Governing Body shall ensure that there is an accounting officer in place at all times. The Governing Body shall inform the Chief Executive in writing of the name and position of the accounting officer, and if the accounting officer is absent from the college for an extended period, the name of the person who will discharge the accounting officer's responsibilities during the absence.

### **Responsibilities of the Accounting Officer**

9. The Governing Body shall require the accounting officer to take personal responsibility, which shall not be delegated, to assure them that there is compliance with the Financial Memorandum and all other terms and conditions of funding. The accounting officer may be required to appear before the Parliamentary Committee of Public Accounts on matters relating to the Corporation's use of Public Funds.
10. The accounting officer shall be responsible for advising the Governing Body in writing if at any time, in his or her opinion, any action or policy under consideration by the Governing Body is incompatible with the Financial Memorandum. If the Governing Body resolves to continue with the course of action or policy that the accounting officer considers to be in breach of the Financial Memorandum, the accounting officer shall inform in writing the Chief Executive.

### **Allocation of Funds**

11. The Chief Executive will allocate funds to the Corporation on an annual basis. An allocation will be subject to the Chief Executive being satisfied that the Corporation is financially viable and is able to deliver education and training which is of a reasonable quality and meets the

## Financial Memorandum Part 1

needs of learners and employers and that the Corporation has met the conditions of funding in the previous year.

12. The Chief Executive will determine the amount of funds he will pay to the Corporation in any year once he has considered the activities to which the funds will be applied and as outlined in the Financial Memorandum Part 2 each year.
13. The Corporation is free to spend its funding as it sees fit providing it fulfills the conditions of funding imposed by the Chief Executive. The Corporation shall ensure that public funds are not used for the purpose of delivering learning provision in respect of which the Corporation has already received other funding, public or otherwise, unless the Chief Executive so specifies. In the event that the Chief Executive identifies that the Corporation has used public funds in a way not specified by him, he may deduct the value of such funding from the funds he pays to the Corporation or require it to be repaid.

### Capital Transactions

14. The Corporation shall properly manage and develop its property with regard to good practice guidance in the further education sector and ensure that it maintains premises which are properly equipped in order to deliver the education and training for which it is funded by the Chief Executive.
15. Where the Corporation proposes to dispose of, lease or rent land and/or buildings which have been acquired, developed and/or refurbished or modernised with the help of capital grants from the Chief Executive and predecessor bodies, the Chief Executive should be notified in writing of such transactions and reserves the right to require repayment of some, or all, of the associated grant.

## Financial Memorandum Part 1

### Financial Reporting

16. The Chief Executive shall specify his requirements as to the information to be contained in the Corporation's financial statements and how they should be reported in accordance with best practice in the further education sector.
17. The Corporation shall provide the Chief Executive with copies of its audited financial statements within five months of the Corporation's year-end. As charities, Corporations are expected to make their financial statements available to members of the public on request.
18. The Corporation must ensure that it has an effective policy of risk management.
19. The Corporation must notify the Chief Executive immediately in writing if at any time there is a risk to its solvency and viability. In order to continue to receive funding, the Chief Executive may require the Corporation to provide information to demonstrate to his satisfaction the Corporation's ability to continue to meet the needs of learners and discharge its responsibilities in relation to its solvency and safeguarding of assets.

### Audit

20. The Corporation shall appoint an audit committee and arrange to provide for internal and financial statements audit, including regularity audit, in accordance with the *Joint Audit Code of Practice* and any best practice guidance drawn up and published by the Agency in consultation with colleges. Any mandatory requirements under the *Joint Audit Code of Practice* shall be a condition of funding under this Financial Memorandum.
21. The Corporation shall investigate and report to the Chief Executive all significant cases of internal and external fraud or suspected fraud or



## Financial Memorandum Part 1

irregularity (as defined in the *Joint Audit Code of Practice*). The Chief Executive reserves the right to review the Corporation's fraud investigation files.

### Payments to Employees on Termination of Employment

22. The Corporation shall only make payments to employees on the termination of their employment for the purpose of meeting contractual obligations. The Corporation shall demonstrate that payments in respect of termination are regular and secure value for money and avoid spending public funds on settlements where disciplinary action would have been more appropriate.
23. Where the Corporation is considering entering into an agreement to settle any employment claims brought by a senior postholder, it should take appropriate professional advice and the terms of any final agreement should be agreed by the Governing Body. All settlements shall be brought to the attention of the Corporation's financial statements auditors.

### Provision of Information

24. The Chief Executive reserves the right to request information from the Corporation in order to exercise his responsibilities and to meet European funding requirements. On occasion, the Chief Executive will require urgent information from the Corporation, usually as a result of requests to the Chief Executive to fulfill his duty to provide information to the Secretary of State and account to Parliament.
25. The Corporation shall provide the Chief Executive or agents acting on his behalf with the information he requires at the times and in the formats specified. This information shall be of sufficient quality to meet the purposes for which it has been requested.

## **Financial Memorandum Part 1**

26. The Chief Executive may be required to provide information in relation to the Corporation and this Financial Memorandum if requested under the Freedom of Information Act 2000. Although there is no legal obligation to do so, the Chief Executive will usually consult with the Corporation where the information requested was provided by them.
27. The Corporation shall inform the Chief Executive in writing of the vacating or filling of the positions of Chair of the Governing Body, Principal and clerk.

### **Additional Conditions of Funding**

28. The Chief Executive reserves the right to impose additional conditions of funding where he considers it is necessary to do so to secure the delivery of education and training of a reasonable quality by the Corporation, or ensure that the resources provided by him are being used effectively and efficiently or to require the Corporation to address concerns about its financial viability.

### **Repayment of Funds**

29. In the event of a breach of the Chief Executive's conditions of funding, the Chief Executive reserves the right to require the Corporation to repay all or part of the funds provided by him.

### **Interpretation**

30. Nothing in this Financial Memorandum shall require the Corporation to act in a manner which would cause it to lose its charitable status.
31. No failure to exercise or delay in exercising by the Chief Executive any of his rights, powers and remedies shall operate as a waiver of any of them.

### **Effective Date**

32. The terms and conditions set out in this document will take effect from 1 April 2012 and will be reviewed on or before 31 July 2013.

## **Skills Funding Agency**

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# Joint Audit Code of Practice

This Joint Audit Code of Practice sets out the specific requirements for the assurance, accountability and audit arrangements for providers of post-16 education and training and the broad framework in which they should operate.

August 2015

Of interest to principals and chief executives, finance directors, chairs of finance and audit committees, financial statements auditors, internal auditors, directors of funding bodies, and other key organisations in the further education and skills sector.

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## **SECTION 1: INTRODUCTION**

1. The Joint Audit Code of Practice (JACOP) sets out a common standard for the provision of assurance in relation to funding of post-16 providers. It sets out:
  - the overarching assurance arrangements applicable to post-16 providers, including:
    - further education college corporations
    - commercial and charitable providers (CCPs)
    - sixth-form college corporations
    - special post-16 institutions (SPIs)
    - academies with post-16 provision
    - Local Authority (LA) controlled adult education centres and LA maintained schools with sixth-forms
    - non-maintained special schools
  - the specific responsibilities within the audit and assurance framework for college corporations
2. JACOP is relevant to the funding bodies, providers of apprenticeships, young people's education and adult skills and their external auditors / reporting accountants. It should be read alongside any agreements setting out the conditions of funding, including any contract with Skills Funding Agency (SFA) or Education Funding Agency (EFA).
3. This version of JACOP is relevant to accounting periods ending on or after 31 July 2015. It will be updated by SFA and EFA as required.

### **Purpose and principles**

4. The SFA, EFA and LAs (the 'funding bodies') are responsible for commissioning and funding young people's education, apprenticeships and adult skills.

5. The funding bodies have a duty to demonstrate that they spend public money in accordance with HM Treasury's guidelines and that they have properly discharged any statutory and other legal requirements. JACOP sets out how the funding bodies gain assurance from providers to meet this duty.
6. JACOP adopts the principle of 'one provider, one assurance lead'. Following this principle, one funding body secures assurance on behalf of all others. Each provider will therefore typically deal with just one funding body and there will be no duplication of effort.

### **What has changed in this edition?**

7. From 2014 to 2015, JACOP is published as a single document which supersedes all previous versions. We have restructured and edited this version to make it clearer for users.
8. Within this version of JACOP we have made no significant changes to the overarching assurance arrangements.
9. Similarly, we have made no significant changes to the audit framework that applies to the annual report and financial statements (annual accounts) of college corporations.
10. We have updated the reporting accountant's assurance report on regularity that applies to college corporations. This reflects a change in the level of assurance provided, from reasonable to limited assurance (see [Section 4](#) and [Annex D](#)). This change impacts on certain terminology used within the regularity assurance framework, reflecting that the regularity assurance engagement is no longer an audit.
11. We have set out standard terms of reference for the regularity assurance engagement for college corporations (see [Section 5](#) and [Annex B](#)). These terms clarify elements of the tripartite engagement between the college corporation, the reporting accountant and the funding bodies, including the duty of care owed by the reporting accountant to the funding bodies.

12. We have provided additional guidance for the reporting accountant on how to approach the regularity assurance engagement at college corporations. This includes additional guidance on understanding the framework of authorities, testing and reporting findings (see [Section 4](#)).
13. These changes reflect the latest developments in technical standards and the regulatory environment within which colleges operate.



## SECTION 2: ASSURANCE ARRANGEMENTS FOR POST-16 PROVIDERS

This section sets out the framework of assurance between the funding bodies and will be of interest to all post-16 providers.

### Lead arrangements

15. Following the principle of 'one provider, one assurance lead', one of the funding bodies will typically secure assurance on behalf of all of the funding bodies for each provider. This funding body is the 'assurance lead'.
16. [Table 1](#) sets out the assurance leads for different types of provider. It also sets out how assurance is shared with other funding bodies and the type of work undertaken to obtain that assurance.
17. There are a small number of exceptions to the principle of 'one provider, one assurance lead', including:
  - SFA will gain assurance over all funding from the European Social Fund regardless of the assurance lead
  - LAs will gain assurance over element 3 high needs funding through their contract management arrangements
  - The Higher Education Funding Council for England (HEFCE) is the assurance lead for higher education institutions. HEFCE will give assurance via an accounting officer letter to the SFA on higher education institutions funded for apprenticeships, young people's education and adult skills. The SFA will share that assurance with EFA.
  - In respect of schools, JACOP is only concerned with SFA and EFA funding for apprenticeships, young people's education and adult skills. Assurance over other LA funds paid to schools is covered by separate requirements between LAs and EFA as part of dedicated schools grant arrangements.

**Table 1: Lead arrangements and summary assurance processes**

Provider type	Assurance lead	Area of assurance	Shares assurance with:	Assurance processes
Further education college corporations	SFA	Use of funds Internal control Regularity and propriety Accounting requirements	EFA via accounting officer letter	<p>SFA and EFA are responsible for their own assurance processes, however these share similarities including:</p> <ul style="list-style-type: none"> <li>▪ using the work of others, including: <ul style="list-style-type: none"> <li>- opinion on the annual accounts</li> <li>- assurance report on regularity</li> <li>- statement of corporate governance and internal control</li> <li>- annual report of audit committee</li> </ul> </li> <li>▪ sample of funding reviews</li> <li>▪ targeted work on identified concerns</li> <li>▪ financial health assessment</li> </ul> <p>Not all these processes apply to all providers and are determined by the area of assurance and the provider type,</p>
Commercial and charitable providers (CCPs)	SFA or EFA (depending on the balance of funding)	Use of funds	<i>If SFA lead: EFA via accounting officer letter</i> <i>If EFA lead: SFA via accounting officer letter</i>	
Sixth-form college corporations	EFA	Use of funds Internal control Regularity and propriety Accounting requirements	SFA via accounting officer letter	
Special post-16 institutions (SPIs)	EFA	Use of funds		
Academies with post-16 provision	EFA	Use of funds Internal control Regularity and propriety Accounting requirements	N/A	
LA controlled adult education centres and LA maintained schools with sixth-forms	LAs	Use of funds Internal control Regularity and propriety Accounting requirements	EFA via <a href="#">annual grant return</a> , who will share assurance with SFA as needed	<p>LAs are responsible for their own assurance processes, which may include:</p> <ul style="list-style-type: none"> <li>▪ compliance with internal management frameworks and financial regulations</li> <li>▪ using the work of internal / external audit</li> <li>▪ review of <a href="#">schools financial value standard</a> (SFVS) and assurance forms</li> </ul>
Non-maintained special schools (NMSSs)	LAs	Use of funds		

## Areas of assurance

18. The funding bodies require assurance over the use of funds for all post-16 providers, that is, whether the learning provider has legitimately earned those funds by delivering learning in accordance with the terms of their funding agreement or contract.
19. For certain types of post-16 provider, the funding bodies' assurance requirements need to cover more than this given their responsibilities for oversight. For such providers, assurance must cover the system of internal control, regularity and propriety and whether they have adhered to accounting requirements. [Table 2](#) sets out the different areas of assurance.

**Table 2: Areas of assurance**

Area of assurance	Underlying requirements
Use of funds	Income should only be receivable where the provider has earned the funding in accordance with the underlying conditions of funding.
Internal control	The system of internal control should be designed and implemented so as to deliver the provider's objectives and ensure compliance with statutory and contractual requirements.
Regularity and propriety	Expenditure should be incurred and income received in a regular manner. Concerns over propriety of income and expenditure should be recorded where noted. Regularity and propriety are defined in <a href="#">HM Treasury's Managing Public Money</a> and further discussed in <a href="#">Section 3</a> and <a href="#">Section 4</a> .
Accounting requirements	Adequate financial records should be kept and annual accounts should be produced in accordance with accounting requirements.

20. For the principle of 'one provider, one assurance lead' to work, funding bodies must accept the assurance work carried out by each other, and must accept that

this work has been completed to a suitable standard. Funding bodies should determine quality assurance arrangements for their own work. These arrangements should be reviewed and accepted by each funding bodies' own auditor. Additional peer review between the funding bodies may be undertaken by mutual agreement.

## **SECTION 3: AUDIT AND ASSURANCE FRAMEWORK FOR COLLEGE CORPORATIONS: REQUIREMENTS FOR THE COLLEGE CORPORATION**

This section sets out the assurance framework for college corporations and will be of interest to further education and sixth-form college corporations and their auditors / reporting accountants.

### **General responsibilities**

21. General responsibilities of college corporations are set out within the Articles of Government and the financial memorandum with SFA / funding agreement with EFA.
22. Further responsibilities are set out within:
  - legislation, including Further and Higher Education Act 1992, Apprenticeships, Skills, Children and Learning Act 2009 and the Education Act 2011
  - charity law (as applicable to exempt charities)
  - Accounts Direction (as updated each year)
  - specific terms and conditions from other sources of funding
23. Colleges should be familiar with all of these documents and the requirements therein.

### **Articles of Government**

24. The main responsibilities of the college corporation are set out within the Articles of Government.
25. Under the Education Act 2011 college corporations may change their Articles, although any changes are subject to the limitations set out in the Act, specific requirements of JACOP and the conditions of funding.

26. The Articles must set out the responsibilities of the college corporation which must include the effective and efficient use of resources, the solvency of the institution and the college corporation and the safeguarding of their assets. The Articles must prohibit the college corporation from making changes to the Articles that would result in the body ceasing to be a charity.

### **Financial memorandum with SFA / funding agreement with EFA**

27. College corporations may receive funding under a financial memorandum with SFA and/or funding agreement with EFA.
28. The financial memorandum / funding agreement sets out in detail the requirements on, and responsibilities of, college corporations, including that any mandatory requirements of JACOP form a condition of funding.
29. For a complete picture of funding bodies' assurance requirements for college corporations, JACOP should be read alongside the financial memorandum / funding agreement.

### **College audit committee**

30. It is a condition of funding that college corporations establish an audit committee.
31. The audit committee should advise the college corporation on the adequacy and effectiveness of the college corporation's assurance framework. In addition the audit committee advises and supports the college corporation in explaining, in its annual accounts, the measures taken to ensure it has fulfilled its statutory and regulatory responsibilities. The Accounts Direction sets out the funding bodies' specific requirements including the required format of the college corporations' statement of corporate governance and internal control.
32. The college corporation must set out clear terms of reference for the audit committee. These terms of reference should reflect accepted good practice for

audit committees of publicly funded organisations. As a minimum, the terms of reference must set out:

- the right to investigate any activity within its terms of reference
- the right to access all the information and explanations it considers necessary, from whatever source, to fulfil its remit
- a minimum membership of three, a majority of whom must be governors, but must not include the chair of the corporation or the principal
- a responsibility to maintain its independence in appointing members
- a responsibility to include individuals with an appropriate mix of skills and experience to allow it to discharge its duties effectively. Collectively, members of the committee should have recent, relevant experience in risk management, finance and audit and assurance
- a restriction not to adopt an executive role

33. In addition, the audit committee must:

- assess and provide the corporation with an opinion on the adequacy and effectiveness of the college 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
- advise the corporation on the appointment, reappointment, dismissal and remuneration of the external auditor, reporting accountant and other assurance providers (if applicable) and establish that all such assurance providers adhere to relevant professional standards
- inform the corporation of any additional services provided by the external auditor, reporting accountant and other assurance providers (if applicable) and explain how independence and objectivity were safeguarded
- monitor, within agreed timescales, the implementation of recommendations arising from any reports of audit and assurance providers
- oversee the college corporation's policies on fraud, irregularity 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 audit committee
- that the external auditor (and internal auditor if applicable) has been informed, and that appropriate follow-up action has been planned / actioned
- that all significant cases of fraud or suspected fraud or irregularity are reported to the appropriate funding body
- produce an annual report for the corporation, summarising the committee's activities relating to the financial year under review, including:
  - a summary of the work undertaken by the committee during the year
  - any significant issues arising up to the date of preparation of the report
  - any significant matters of internal control included in the reports of audit and assurance providers
  - 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 college corporation's audit arrangements, its framework of governance, risk management and control, and its processes for securing economy, efficiency and effectiveness
  - submit the annual report to the corporation before the statement of corporate governance and internal control in the annual accounts is signed

### **Accountability to parliament**

34. Parliament's interest is that recipients of public funds apply and account for those funds properly and use them economically, efficiently and effectively. The Comptroller and Auditor General (C&AG), as Head of the National Audit Office, is the external auditor of the funding bodies.
35. The C&AG has the right to inspect the annual accounts of any college that receives funding, and the right to carry out value for money investigations. The



C&AG is selective in the use of inspection rights and will seek to rely on the work of the funding bodies' own assurance processes.

### **Responsibilities regarding the annual accounts**

36. College corporations must prepare annual accounts in accordance with directions given by the funding bodies, and appoint an external auditor to audit these annual accounts.
37. College corporations must allow the external auditor unrestricted access to all records, information and assets which they consider necessary to fulfil their responsibilities.
38. By 31 December immediately following the financial year end, college corporations must send to the relevant funding body a copy of:
  - the audited annual accounts
  - the external auditor's management letter, including the college corporation's response to any recommendations made, timescale for action and the individual responsible for taking the required action

### **Responsibilities regarding regularity and propriety**

39. Regularity and propriety are discussed within HM Treasury's '[Managing Public Money](#)' (MPM). MPM sets out that the accounting officer of the funding bodies has a personal responsibility for safeguarding the public funds for which they have charge, and for ensuring regularity and propriety in the handling of these funds.
40. Significant amounts of public funding are passed to college corporations from the funding bodies each year. This framework sets out how the accounting officer of the funding bodies seeks to obtain assurance over the regularity and propriety of public funds to satisfy their responsibility.

41. MPM defines regularity as the requirement that 'resource consumption should accord with the relevant legislation, the relevant delegated authority and this document'.
42. For college corporations, this encompasses legislation (for example, the Further and Higher Education Act 1992), conditions of funding and other guidance issued by the funding bodies.
43. Propriety is a related concept concerned with standards of conduct, behaviour and corporate governance. MPM defines propriety as the requirement that 'patterns of resource consumption should respect Parliament's intentions, conventions and control procedures'.
44. Propriety is less prescriptively defined but includes matters such as fairness, integrity, the avoidance of private profit from public business, even handedness in the appointment of staff, open competition in the letting of contracts and avoidance of waste and extravagance. There are no definitive guidelines for propriety and professional judgement is required.

### **Statement on regularity, propriety and compliance**

45. College corporations must publish a statement on regularity, propriety and compliance within their annual accounts. The format of this statement is set out in the Accounts Direction.
46. College corporations should ensure that any references in their final signed statement to instances of material irregularity, impropriety or funding non-compliance are consistent with any findings from the work of the reporting accountant.
47. To form their conclusion the college corporation must ensure that it is working within the boundaries of regularity and propriety. This work should be performed throughout the year, as part of their oversight of internal control processes such as:

- review of management reporting documents
- review of corporation minutes and reports
- confirming compliance with delegated authorities

48. The following tests may be useful for the college corporation to consider whether a transaction is regular and proper:

- is the expenditure in the best interest of the college corporation?
- does the expenditure comply with approved procurement rules and policies?
- is there a valid benefit to the organisation from the expenditure and not just personal benefit to an employee?
- is the expenditure necessary?
- is the expenditure reasonable – does it meet the identified and agreed needs?
- has the expenditure been properly authorised?

49. The college corporation can also draw comfort from the work of the audit committee and internal auditor (if applicable) which provides a process for independent checking of internal control processes.

50. It is for the college corporation to determine if further work is necessary at year end to make their statement on regularity, propriety and compliance. If proper internal control processes have operated during the year, there should be no need for significant additional scrutiny.

### **Self-assessment questionnaire**

51. To support college corporations in drafting the statement on regularity, propriety and compliance, a self-assessment questionnaire has been developed. This provides clarity over the framework, including the funding bodies' interpretation of the key requirements and the type of evidence that should be considered.

52. [Annex C](#) sets out this self-assessment questionnaire. The self-assessment questionnaire must be completed and signed by the college accounting officer and Chair of Governors.
53. A copy of the self-assessment questionnaire must be provided to the reporting accountant for review. The reporting accountant should use professional judgement in reviewing the self-assessment questionnaire to inform their own assessment of risk and to design further procedures as required. The self-assessment questionnaire may also flag issues that merit comment in their assurance report on regularity and / or management letter.
54. Where the corporation has concerns about its ability to identify any material irregular or improper use of funds it should notify its reporting accountant in the first instance and, if necessary, consult with the relevant funding body.

#### **Retaining evidence in support of regularity**

55. The college corporation must be able to support both their statement on regularity, propriety and compliance and the responses given in the self-assessment questionnaire. Although specific documentation is not required, the accounting officer should retain a file which details work undertaken throughout the year. This is to provide support for the sign off at year end and to assist with reporting accountant queries.
56. The retention of working papers would also assist the college corporation if the accounting officer changed during the reporting period, or before finalisation of the annual accounts.
57. Where there is a change of accounting officer during the year, or up to the date of signing the declaration, it is the responsibility of the new accounting officer to be satisfied they can support their signing of the statement. This will be achieved through evidence of discussions between the new accounting officer and the college corporation, the internal auditor (if applicable), the senior leadership team and, where possible, the previous accounting officer, along with the availability of all relevant minutes and reports during the period covered by the statement.

## Fraud

58. It is the responsibility of the college corporation to establish and maintain an adequate system of internal control, to ensure compliance with statutory and other regulations, and to prevent and detect of irregularities, including fraud.
59. College corporations must have policies and procedures, including a whistleblowing policy, on the process to be followed when suspicion arises of a potential irregularity, including fraud, corruption, any impropriety or major weakness or breakdown in the accounting or other control framework. The agreed policy and procedures must include the provision that when any significant instance of fraud, irregularity or major weakness or breakdown in the accounting or other control framework is suspected or discovered, the chair of the audit committee and the relevant funding body are informed as soon as practically possible.
60. Significant fraud is usually where one or more of the following factors are involved:
- there is likely to be great public interest because of the nature of the fraud or the people involved
  - the sums of money are in excess of £10,000
  - the particulars of the fraud are novel or complex
61. Fraud, by its inherent nature of deception to result in financial or personal gain, means that the transaction must be irregular and improper. The college corporation will need to include any material fraud identified in their statement on regularity, propriety and compliance.

## **SECTION 4: AUDIT AND ASSURANCE FRAMEWORK FOR COLLEGE CORPORATIONS: REQUIREMENTS FOR THE EXTERNAL AUDITOR / REPORTING ACCOUNTANT**

This section sets out the assurance framework for college corporations and will be of interest to further education and sixth-form college corporations and their auditors / reporting accountants.

### **General responsibilities**

62. It is a condition of funding that college corporations appoint an external auditor to audit the annual accounts. The funding bodies have determined that the criteria for eligibility as external auditor must be the same as set out in Part 42 of the Companies Act 2006; in essence, a firm or individual holding membership of a relevant supervisory body and allowed to carry out audits under the rules of that body.
63. College corporations must also appoint a reporting accountant to provide an assurance report on regularity each financial year. The reporting accountant must be the same as the external auditor.
64. The external auditor / reporting accountant is expected to adhere to relevant professional standards in undertaking their work.

### **Responsibilities regarding the annual accounts**

65. The external auditor must audit the annual accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).
66. The external auditor must provide an opinion on whether the annual accounts, in all material respects, give a true and fair view and have been prepared in accordance with the relevant Statement of Recommended Practice: Accounting for Further and Higher Education.

67. The external auditor must report by exception whether, in their opinion, the college corporation has not kept adequate accounting records, the annual accounts are in agreement with the accounting records and if they have received all the information and explanations required for their audit.
68. The external auditor has a professional duty to consider the members' report / operating and financial review within the annual accounts. This will include the college corporation's statement of corporate governance and internal control. They are required to take appropriate action under auditing standards if the statements made are materially inconsistent with the audited financial statements or any information is apparently materially incorrect based on, or materially inconsistent with, their knowledge of the college corporation acquired in the course of performing the audit. They are not required to provide a formal audit opinion on these issues, but to report by exception.
69. The relevant funding body will confirm the value of the main funding grants, generated through the Individualised Learner Record (ILR) returns, to be included as income within the college corporation's annual accounts. The auditor will rely on the assurance provided by the relevant funding body when considering whether income recognised in the accounts from the main funding grants generated through the ILR returns is fairly stated. Responsibility for the accuracy of funding claims remains with management and the corporation.
70. Where the external auditor is unable to provide an unqualified audit opinion or where they wish to use an alternative form of wording, they must communicate this to the accounting officer, the chair of the corporation, the chair of the audit committee and the relevant funding body, as soon as practically possible.
71. The external auditor must set out any findings arising from the audit in a management letter to the college corporation each year. This should cover:
- the external auditor's approach to the audit
  - the areas covered by the audit
  - the external auditor's findings, including any significant concerns, if arising including ratings of the importance/risk, e.g. high/medium/low

- any audit recommendations for the period
- the status of any audit recommendations from the previous year

72. The management letter must also report on the regularity assurance engagement.

### **Responsibilities regarding regularity and propriety**

73. College corporations must appoint a reporting accountant to provide an assurance report on regularity each financial year. The reporting accountant must be the same as the external auditor.

74. The reporting accountant must undertake the engagement so as to provide limited assurance. Limited assurance engagements are defined as those concluding whether, based on the procedures performed and evidence obtained, nothing has arisen that suggests that information is materially misstated<sup>1</sup>.

75. For colleges, the reporting accountant provides limited assurance that expenditure disbursed and income received have been applied to purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

76. The reporting accountant must set out any material matters within their assurance report on regularity.

77. Any other findings arising from the engagement should be set out in their management letter to the college corporation, including any concerns over propriety.

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<sup>1</sup> See International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information



## Framework of authorities and criteria for assessment

78. The reporting accountant's assurance report on regularity refers to the authorities which govern the college corporation. Understanding the framework of authorities relevant to the conduct of the activities of a college corporation will assist the reporting accountant in planning their work and identifying risk of potential material irregularities in the annual accounts.
79. The reporting accountant should have regard to Audit Practice Board's Practice Note 10 (PN10). This sets out a general framework for obtaining reasonable assurance over regularity. The regularity assurance framework for colleges seeks limited assurance, however PN10 remains a useful reference for:
- understanding the framework of authorities
  - testing to obtain sufficient appropriate evidence
  - reporting on regularity
  - understanding materiality and risk
80. Much of the work required to understand the activities and relevant framework of authorities will already have been considered in the audit of the annual accounts<sup>2</sup>. In making their assurance report on regularity the reporting accountant will need to further understand and assess how the corporation has interpreted the framework of authorities in its own context and the systems, procedures and controls that have been put in place to ensure compliance.
81. The college corporation's statement on regularity, propriety and compliance and self-assessment questionnaire should inform the reporting accountant's work by demonstrating how the requirements are met. Many reporting accountants will already have detailed knowledge of the college corporation's systems, procedures and controls from previous years' audit work.

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<sup>2</sup> See International Standard on Auditing (UK and Ireland) 315 and International Standard on Auditing (UK and Ireland) 250A

## Testing

82. In planning their testing, the reporting accountant should refer to PN10, which sets out the general framework for obtaining assurance over regularity and ISAE 3000, which sets out some specific considerations for limited assurance engagements.
- PN10 (paragraph 314) sets out that procedures designed to test regularity would comprise a mix of tests of controls and substantive procedures
  - ISAE 3000 sets out that the nature and extent of testing is a matter for the professional judgement of the reporting accountant, although it is anticipated that testing will be based primarily on the college corporation's statement on regularity, propriety and compliance
83. It will typically be most efficient to undertake regularity work in conjunction with, and at the same time as, the audit of the annual accounts.
84. The funding bodies have accepted responsibility for obtaining direct assurance over the college corporation's main funding grants generated through the ILR returns. The college corporation remains responsible for the accuracy of these returns; however, regularity testing of the completion of these returns is excluded from this framework. Similarly, the funding bodies have accepted responsibility for the regularity of partner organisations delivering provision through these data returns on behalf of a college corporation. The reporting accountant is therefore limited to considering whether payments are made in line with any contractual terms and in accordance with the college corporation's financial regulations.
85. Other than the exclusions above, the regularity work should include all college expenditure and income received, regardless of source. This includes income and expenditure of any subsidiaries or joint venture arrangements to the extent that they are included as part of the consolidated annual accounts submitted to the funding bodies.
86. The funding bodies expect that if potential regularity matters that could impact the ILR returns and associated claims come to the reporting accountant's attention during their work, they will notify the college corporation and funding bodies.

87. Where the reporting accountant has concerns over the regularity of income and expenditure at a college, the reporting accountant may ask the funding bodies for a summary of any matters that they are aware of, such as fraud and whistleblowing.
88. The reporting accountant should consider whether they can rely on the work of a third party (such as internal audit, if applicable) who has undertaken assurance reviews relevant to the objective of the regularity assurance engagement. It is a matter of professional judgement as to how much reliance the reporting accountant places on this work.
89. The funding bodies do not require reporting accountants to maintain separate files in respect of the audit of the annual accounts and their regularity work. As mentioned above, they can incorporate regularity sampling into the audit of the annual accounts; however, they will need to document clearly the objectives, method and conclusion.

### **The assurance report on regularity**

90. [Annex D](#) sets out the required format of the reporting accountant's assurance report on regularity, including the format of the limited assurance conclusion.
91. Limited assurance engagements are defined by as those concluding whether, based on the procedures performed and evidence obtained, anything has arisen that suggests that information is materially misstated.
92. For colleges, the reporting accountant provides limited assurance that expenditure disbursed and income received have been applied to purposes intended by Parliament and the financial transactions conform to the authorities which govern them.
93. The reporting accountant must set out a summary of the work performed in the assurance report on regularity e.g. enquiry, inspection and review, observation and re-performance.

94. Where the reporting accountant identifies potential irregularities they should discuss these with the college corporation and accounting officer. The potential irregularities should be considered individually and in aggregate in terms of whether they represent a material irregularity, whether by value or nature. The reporting accountant should also revisit their risk assessment.
95. When the reporting accountant concludes that there are matters of material irregularity, by virtue of value or nature, either individually or in aggregate of transactions underlying the annual accounts, this will lead to a modified assurance report on regularity including full disclosure of those matters in that report. In such instances, the reporting accountant should consult with the appropriate funding body in advance.
96. Where irregularity is identified but the reporting accountant concludes it is not material by virtue of value or nature, either individually or in aggregate, or does not relate to transactions underlying the annual accounts, the issue will be reported in the reporting accountant's management letter.
97. Where the reporting accountant is unable to provide a report on regularity or where they wish to use an alternative form of wording, they must communicate this to the accounting officer, the chair of the corporation, the chair of the audit committee and the relevant funding body, as soon as practically possible.
98. The reporting accountant must consider the impact of any regularity issue on their audit of the annual accounts.
99. The assurance report on regularity has due regard to propriety; however, propriety is concerned with conduct and behaviour rather than compliance with a framework of authorities and it is therefore not readily susceptible to objective verification. PN10 (paragraph 279) sets out that when issues of propriety come to light, the reporting accountant should consider whether and, if so, how, they may be reported.

## **Materiality and risk**

100. PN10 (paragraph 305) sets out that the auditor's assessment of what is material is a matter of judgement and includes both quantitative (value) and qualitative (nature) considerations. Materiality affects both the way in which the auditor plans and designs the audit work on regularity and how the auditor evaluates and reports the results of that work. The assessment of materiality at the planning stage is likely to be at the same value for regularity as for other aspects of the audit of the financial statements.
101. Materiality is relevant when planning and performing the assurance engagement, including when determining the nature, timing and extent of procedures, and when evaluating whether the subject matter information is free of misstatement.
102. For the testing of transactions as to whether they are regular, or have been used in accordance with the terms of grant, a materiality level similar to that applied to the annual accounts may be appropriate. However, when assessing materiality in the context of propriety, a lower materiality level may need to be considered. For example, the reimbursement of governors' expenses may be appropriate in terms of value, but if those expenses were extravagant in that they included the hire of a limousine and chauffeur, this might be considered improper and material by its nature.

## **Fraud**

103. Fraud, by its inherent nature of deception to result in financial or personal gain, means that the transaction must be irregular and improper.
104. Material identified fraud will lead to a modified assurance report on regularity including full disclosure of those matters in that report. Where significant fraud is identified but the reporting accountant concludes it is not material the issue will be reported in the reporting accountant's management letter.

105. The additional requirement to report fraud as a breach of regularity does not alter, reduce or replace the standard reporting requirements for fraud including the Proceeds of Crime Act 2002.

## SECTION 5: TERMS OF ENGAGEMENT

This section sets out information on the terms of engagement for audits and regularity assurance reviews undertaken at college corporations and will be of particular interest to further education and sixth-form college corporations and their auditors / reporting accountants.

### Required provisions

106. The duties of the external auditor / reporting accountant must be clearly set out in an engagement letter in accordance with ISA 210.
107. [Annex A](#) sets out the tripartite arrangement for the regularity assurance engagement, which allows funding bodies to draw assurance from the assurance report on regularity.
108. Where the college corporation and/or external auditor / reporting accountant want to use an alternative form of words, they must agree this with the relevant funding body.
109. [Annex B](#) sets out standard terms of reference for the tripartite arrangement for the regularity assurance engagement. These terms outline the responsibilities of the college corporation, reporting accountant and funding bodies in relation to the engagement, and the duty of care owed by the reporting accountant.
110. To avoid bureaucracy there is no expectation that the engagement letter would be signed by the funding bodies.
111. For 2014 to 2015, where the engagement letter has already been agreed it is for the external auditor / reporting accountant to consider whether they will need to reissue.

## **Annex A: Terms of engagement**

The following paragraphs must be included in the letter of engagement between the college corporation and its external auditor / reporting accountant.

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### **Regarding the audit of the annual accounts:**

This letter establishes an agreement between [name of audit firm] and the college corporation in relation to the audit of, and reporting on, the college corporation's annual report and financial statements (annual accounts).

We shall conduct our audit of the college corporation's annual accounts in accordance with the International Standards of Auditing (UK and Ireland) issued by the Auditing Practices Board ('ISAs') and in full compliance with any instructions, guidance or frameworks issued by the funding bodies, including those within the Accounts Direction [20XX to 20XX].

We have a professional responsibility to report if the annual accounts do not comply in any material respect with applicable accounting standards and the requirements of the Accounts Direction [20XX to 20XX], unless in our opinion the non-compliance is justified in the circumstances. In determining whether or not the departure is justified, we will consider whether:

- the departure is required for the annual accounts to give a true and fair view
- adequate disclosure has been made concerning the departure

We shall report to the [Skills Funding Agency / Education Funding Agency], as soon as practically possible, any significant fraud or major weakness or breakdown in the accounting or other control framework, of which we become aware, subject only to the requirements of the Proceeds of Crime Act 2002.

Where we cease to hold office for any reason, we will provide the corporation with either a statement of any circumstances connected with the removal or resignation that we consider should be brought to the corporation's attention, or a statement that there are no such circumstances. The college corporation must copy this statement to the [Skills Funding Agency / Education Funding Agency], as soon as practically possible following receipt.



**Regarding the regularity assurance engagement:**

The [Secretary of State for Business, Innovation and Skills acting through Skills Funding Agency / Secretary of State for Education acting through Education Funding Agency] has adopted the standard terms of reference included within the Joint Audit Code of Practice.

We will report to the [Secretary of State for Business, Innovation and Skills acting through Skills Funding Agency / Secretary of State for Education acting through Education Funding Agency] in accordance with those standard terms of reference.

The [Secretary of State for Business, Innovation and Skills acting through Skills Funding Agency / Secretary of State for Education acting through Education Funding Agency] will not be required to sign this engagement letter.

## **Annex B: Standard terms of reference for the tripartite regularity assurance engagement**

The following are the pre-agreed terms of reference on which the Secretary of State for Business, Innovation and Skills acting through Skills Funding Agency / Secretary of State for Education acting through Education Funding Agency engages the reporting accountant to perform a limited assurance engagement on regularity in connection with the college corporation.

The funding bodies accept that an agreement between the college corporation, its reporting accountant and the funding bodies on these terms is formed when the reporting accountant signs and submits its assurance report on regularity to the funding bodies. The funding bodies are not required to sign anything.

The Joint Audit Code of Practice and the Accounts Direction provide the framework and reporting requirements for the statement on regularity, propriety and compliance.

The large number of college corporations in scope of this engagement make it impractical to have an engagement letter with each individual reporting accountant. Standard terms of reference are therefore in place. Amendment to these standard terms may only be considered in very rare circumstances. Amendments may cause delay to the reporting accountant's work leading to late submission of the related report and consequent breaches of funding conditions.

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### **1 Introduction**

The college corporation is required to submit to [Secretary of State for Business, Innovation and Skills acting through Skills Funding Agency / Secretary of State for Education acting through Education Funding Agency] an assurance report on regularity signed by a reporting accountant, which provides limited assurance, as part of its annual report and financial statements (annual accounts). These terms of engagement set out the basis on which the reporting accountant will sign the assurance report on regularity.

### **2 The college corporation's responsibilities**

The college corporation is responsible for:

- complying with the requirements of the [financial memorandum with Skills Funding Agency / funding agreement with Education Funding Agency]

- producing annual accounts to 31 July in accordance with the requirements of the Accounts Direction
- having these accounts audited by a registered auditor
- submitting the audited accounts to [Skills Funding Agency / Education Funding Agency] by 31 December
- ensuring the accounting officer's report has been made without bias
- maintaining proper records complying with the terms of any legislation or regulatory requirements and the terms and conditions of funding
- providing information as required by the [financial memorandum with Skills Funding Agency / funding agreement with Education Funding Agency]

The college corporation's accounts shall meet the requirement of the Accounts Direction to include the reporting accountant's assurance report on regularity.

The college corporation will make available all records, correspondence, information and explanations that the reporting accountant considers necessary to enable the reporting accountant to perform its work. The reporting accountant will request and the college shall provide:

- written representations in relation to matters for which independent corroboration is not available
- confirmation that significant matters have been brought to the reporting accountant's attention

The college corporation and [Skills Funding Agency / Education Funding Agency] accept that the ability of the reporting accountant to perform its work effectively depends upon the college corporation providing full and free access to financial and other records and the college corporation shall procure that any such records held by a third party are made available to the reporting accountant.

The reporting accountant accepts that, whether or not the college corporation meets its obligations, there remains an obligation on the reporting accountant to [Skills Funding Agency / Education Funding Agency] to perform its work with reasonable care. The failure by the college corporation to meet its obligations may cause the reporting accountant to modify its conclusion or be unable to provide a conclusion.

### **3 Scope of the reporting accountant's work**

The reporting accountant will use professional judgement and take account of the particular circumstances of the college corporation to determine the scope of work to support the conclusion in accordance with the Joint Audit Code of Practice (JACOP).

The reporting accountant may communicate with [Skills Funding Agency / Education Funding Agency] as part of the planning and delivery of the regularity engagement where they believe there is an issue with a specific college corporation.

### **4 Form of the reporting accountant's report**

The mandatory report which the reporting accountant will provide, on the assumption that the reporting accountant is able to report in that form, is included in the JACOP.

The reporting accountant's report is prepared on the following bases:

- that with [Skills Funding Agency / Education Funding Agency] has no right by virtue of regularity engagement to place reliance on the work of the external auditor / reporting accountant and the opinion they form in respect of their audit of the annual accounts of the college corporation
- the reporting accountant's report is prepared solely for the use of the college corporation and [Skills Funding Agency / Education Funding Agency] and solely for the purpose of submission to [Skills Funding Agency / Education Funding Agency] in connection with the requirements of the Joint Audit Code of Practice. It may not be relied upon by the college corporation or [Skills Funding Agency / Education Funding Agency] for any other purpose
- neither the college corporation, [Skills Funding Agency / Education Funding Agency] or others may rely on any oral or draft reports the reporting accountant provides. The reporting accountant accepts responsibility to the college corporation and [Skills Funding Agency / Education Funding Agency] for the reporting accountant's final signed reports only
- to the fullest extent permitted by law, except for the college corporation and [Skills Funding Agency / Education Funding Agency], the firm of reporting accountants, its partners and staff neither owe nor accept any duty to any person (including, without limitation, any person who may use or refer to any of [Skills Funding Agency /

Education Funding Agency]'s publications) and shall not be liable for any loss, damage or expense of whatever nature which is caused by any person's reliance on representations in the reporting accountant's reports

## **5 Liability provisions**

The reporting accountant will perform the engagement with reasonable skill and care and accepts responsibility to the college corporation and [Skills Funding Agency / Education Funding Agency] for losses, damages, costs or expenses ('losses') caused by its breach of contract, negligence or wilful default, subject to the following provisions:

- the reporting accountant will not be responsible or liable if such losses are due to the provision of false, misleading or incomplete information or documentation or due to the acts or omissions of any person other than the reporting accountant, except where, on the basis of the enquiries normally undertaken by reporting accountants within the scope set out in these terms of engagement, it would have been reasonable for the reporting accountant to discover such defects
- the reporting accountant accepts liability without limit for the consequences of its own fraud and for any other liability which it is not permitted by law to limit or exclude
- subject to the previous paragraph, the reporting accountant should discuss any proposal to limit their liability, whether to the college corporation or to [Skills Funding Agency / Education Funding Agency] or both, arising on any basis, whether in contract, tort (including negligence) or otherwise, arising from or in any way connected with this engagement (including any addition or variation to the work) with the audit committee and relevant funding body in advance of approval by the college corporation on the basis that the college corporation and [Skills Funding Agency / Education Funding Agency] agree that any such limitation on the reporting accountant's liability will apply in aggregate to the reporting accountant's liability to each and all of the college corporation and [Skills Funding Agency / Education Funding Agency].

The college corporation and [Skills Funding Agency / Education Funding Agency] agree that they will not bring any claims or proceedings against any individual partners, members, directors or employees of the reporting accountant. This clause is intended to benefit such partners, members, directors and employees who may enforce this clause pursuant to the Contracts (Rights of Third Parties) Act 1999 ('the Act'). Notwithstanding

any benefits or rights conferred by this agreement on any third party by virtue of the Act, the parties to this agreement may agree to vary or rescind this agreement without any third party's consent. Other than as expressly provided in these terms, the Act is excluded.

Any claims, whether in contract, negligence or otherwise, must be formally commenced within three years after the party bringing the claim becomes aware (or ought reasonably to have become aware) of the facts which give rise to the action and in any event no later than six years after the relevant report was issued (or, if no report was issued, when the reporting accountant accepted the engagement in writing). This expressly overrides any statutory provision which would otherwise apply.

## **6 Fees**

The reporting accountant's fees, together with VAT and out-of-pocket expenses, will be agreed with and billed to the college corporation. [Skills Funding Agency / Education Funding Agency] is not liable to pay the reporting accountant's fees.

## **7 Quality of service**

The reporting accountant will investigate all complaints. [Skills Funding Agency / Education Funding Agency] or the college corporation has the right to take any complaint to the professional supervisory body governing the reporting accountant.

## **8 Provision of Services Regulations 2009**

The reporting accountant will not be prevented or restricted by virtue of the reporting accountant's relationship with the college corporation and [Skills Funding Agency / Education Funding Agency], including anything in these terms of engagement, from providing services to other clients. The reporting accountant's standard internal procedures are designed to ensure that confidential information communicated to the reporting accountant during the course of an assignment will be maintained confidentially.

## **9 Freedom of Information Act 2000**

If [Skills Funding Agency / Education Funding Agency] receives a request under the Freedom of Information Act 2000 for the disclosure of confidential information, it will inform the college corporation promptly of such request and ensure that any

representations made by the college corporation or the reporting accountant within a reasonable period of time in relation to such a request are fully taken into account when it responds to the request. However, the decision to release information rests with [Skills Funding Agency / Education Funding Agency].

## **10 Alteration to terms**

Amendment to these standard terms of engagement may only be considered in very rare circumstances. All additions, amendments and variations to these terms of engagement shall be binding only if in writing and signed by the duly authorised representatives of the parties. These terms do not affect any separate agreement in writing between the college corporation and the reporting accountant.

## **11 Applicable law and jurisdiction**

This agreement shall be governed by and interpreted and construed in accordance with English law.

The college corporation, [Skills Funding Agency / Education Funding Agency] and the reporting accountant irrevocably agree that the courts of England shall have exclusive jurisdiction to settle any dispute (including claims for set-off and counterclaims) which may arise on any basis in connection with the validity, effect, interpretation or performance of, or the legal relationship established by this agreement or otherwise arising in connection with this agreement.

## Annex C: Self-assessment questionnaire

College corporation corporations must complete the following self-assessment questionnaire and provide a copy to the reporting accountant to form the basis of their work.

### Self-assessment of compliance with requirements

I confirm that the answers included in this self-assessment questionnaire are correct to the best of my knowledge and belief.

Signed

.....

Accounting Officer

.....

Date

.....

Chair of Governors

.....

Date

Requirements	Questions	College corporation response	Supporting evidence (suggested items given in brackets)
<p>Compliance with any specific terms and conditions of revenue grants/income/donations (from whatever source) including where the college acts in the capacity as agent.</p> <p>Compliance with any specific terms and conditions of capital grants/income/donations (from whatever source)</p>	<p>Has the corporation approved policies and procedures operating during the year for each funding stream that has specific terms attached?</p> <p>Do the policies and procedures comply with the terms and conditions for the application of such funds?</p> <p>Has the college completed and returned any related funding claims/returns and reconciled this to specific eligible costs/activities incurred/delivered?</p>		<p>[Minutes demonstrating corporation consideration and approvals]</p> <p>[College policies and procedures]</p> <p>[College funding claims/returns and reconciliations]</p> <p>[College actions taken]</p>



Requirements	Questions	College corporation response	Supporting evidence (suggested items given in brackets)
	Has the college complied with the funding requirements around managing subcontracting provision?		
<p>Financial memorandum / funding agreement</p> <ul style="list-style-type: none"> <li>• The corporation is free to spend its funding as it sees fit, provided it fulfils the conditions of funding imposed.</li> <li>• Additional terms may be applied through a Notice of Concern/Financial Notice to Improve that should be considered as part of this review.</li> </ul> <p>Extract from Education Act 2011, specifically relating to 'Part 2 of Schedule 4' as revised from the Further and Higher Education Act 1992:</p> <ul style="list-style-type: none"> <li>• 'The effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets'</li> <li>• 'An instrument must prohibit the body from making changes to the instrument of government or articles of government that would result in the body ceasing to be a charity'</li> </ul>	<p>Can the corporation demonstrate that:</p> <ul style="list-style-type: none"> <li>• it is discharging its responsibilities to safeguard the college's assets?</li> <li>• due consideration of decisions made over the operation and direction of a college's activities in the context of risk to the college's financial health?</li> <li>• policies and procedures are in place that set powers of authorisation and situations where corporation approval is required compared against day-to-day management</li> <li>• members of the corporation are discharging their responsibilities as charitable trustees?</li> <li>• it periodically reviews the profile of its activities to ensure they are within its powers?</li> <li>• it is satisfied in monitoring the financial performance of any non-core activities that they are not being materially subsidised from public funding?</li> <li>• it has established appropriate arrangements for each subsidiary and/or</li> </ul>		[Corporation and committee minutes]

Requirements	Questions	College corporation response	Supporting evidence (suggested items given in brackets)
	<p>associate and/or joint venture to enable it to discharge its accountability responsibilities? Where such operations are loss making there is an expectation that the corporation would be aware of and consider the continued support of such operations in view of the overall objective of the organisation</p> <p>Has EFA/SFA been informed as soon as is reasonable practicable of any transactions that could jeopardise financial viability?</p>		
<p>The corporation shall demonstrate that payments in respect of termination are regular and secure value for money and avoid spending Funds on settlements where disciplinary action would have been more appropriate.</p>	<p>Where the corporation has considered entering into an agreement to settle any employment claims brought by a senior post holder, has it:</p> <ul style="list-style-type: none"> <li>• taken appropriate professional advice?</li> <li>• approved the terms of any final agreement?</li> <li>• brought all settlements to the attention of the reporting accountant?</li> </ul>		<p>[The corporation should be able to demonstrate these matters through advice received, minutes of consideration and notification to reporting accountant]</p>
<p>Clear protocols to mitigate against corruption (in addition to register of interests) for example policies on acceptance of gifts and/or hospitality, including compliance with the Bribery Act 2010 and Proceeds of Crime Act 2002 plus basic charitable principle to act in good faith for the benefit of the</p>	<p>Does the college have a policy for personal gifts and/or hospitality?</p> <p>Does the college have a register of personal interests which extends to staff in relevant position of trust (for example, procurement officer, partnership contract managers and so on)?</p>		<p>[Gifts and hospitality policy]  [Register of interests]  [Minutes]  [Financial regulations and procedures]</p>

Requirements	Questions	College corporation response	Supporting evidence (suggested items given in brackets)
college and consider 'The Essential Trustee'	Is the procurement process clearly documented in college financial regulations or financial procedures?		
Conflicts of interest and related parties. Clear framework and monitoring of such transactions must extend to all staff in significant procurement positions (for example, liaison with partners, partner / associate operatives and project heads)	<p>Does the clerk maintain a register of personal interests in accordance with the instrument of government, and is this register available to any person wishing to inspect it?</p> <p>Does it cover all governors and key staff with significant financial and decision making responsibility?</p>		<p>[Register of interests and access arrangements/requests]</p> <p>[Staff structure with names of key staff in a position of authority]</p> <p>[Summary of potential conflicts and actions taken to mitigate]</p>
Clear whistleblowing procedures	<p>Has the corporation approved a procedure for handling whistleblowing that enables concerns to be raised confidentially inside, and, if necessary, outside, the college?</p> <p>Is the college aware of any ongoing whistleblowing allegations or investigations?</p>		<p>[Whistleblowing policy]</p> <p>[Details of any on-going whistleblowing allegations or investigations]</p>
Safeguarding assets per financial memorandum / funding agreement	<p>What procedures does the college have to safeguard the assets from fire and theft (for example physical security and compliance with fire regulations)?</p> <p>Has the college experienced any such occurrences in the current year? If yes, please provide details.</p> <p>Is insurance cover regularly reviewed for adequacy in this area?</p>		<p>[Details of approved terms and conditions that are different to the standard terms applied to all staff]</p> <p>[Relevant policies and procedures]</p> <p>[Evidence of physical asset checks]</p> <p>[Evidence of insurance cover]</p>

Requirements	Questions	College corporation response	Supporting evidence (suggested items given in brackets)
	<p>Can the corporation demonstrate even-handedness on appointment of staff?</p> <p>Have payments to partner organisation been made in line with any contractual terms and in accordance with the college corporation's financial regulations?</p>		
<p>Safeguarding assets</p> <ul style="list-style-type: none"> <li>- Investment in subsidiary, joint ventures or similar arrangements</li> </ul> <p>Basic charitable principle: Act in good faith for the benefit of the college</p> <p>'The Essential Trustee'</p>	<p>Has the college entered into any subsidiary, joint ventures or similar arrangements?</p> <p>Are regular reports provided to governors on performance?</p> <p>Has a cost/benefit analysis been prepared and approved by the corporation (or other relevant committee)?</p>		<p>[Corporation papers and minutes of consideration and approvals]</p>
<p>Clear protocols to mitigate against inappropriate disposal of assets (property and other)</p> <p>Public Accounts Committee guidance</p> <p>Financial memorandum / funding agreement</p>	<p>Do the financial regulations detail procedures for the disposal of assets?</p> <p>Have there been any fixed asset disposals in the year?</p>		<p>[Financial regulations and details of any asset disposals]</p>
<p>Controls and monitoring over expense claims (particularly senior management team expenses and all overseas expenses) and use of college credit cards</p>	<p>Does the college have policies and procedures for personal expenses claims that are regularly reviewed and include the authorisation process of personal expense claims for senior management?</p>		<p>[Expense claim policies and procedures]</p> <p>[Example claims for senior management]</p>

Requirements	Questions	College corporation response	Supporting evidence (suggested items given in brackets)
	<p>What was the level of travel and subsistence expenditure on overseas trips in the year to date?</p> <p>If this is significant, does it fit with the charitable objects or relate to a strategy for overseas activities approved by the corporation, and is the corporation informed of this expenditure?</p> <p>Does the college operate a credit card and if so describe the authorisation process.</p>		<p>[Evidence of control and monitoring]</p> <p>[Evidence of fit with charitable objects and strategy for overseas activities]</p> <p>[Reports to corporation and minutes of consideration and approval]</p>
<p>Lack of project appraisal and monitoring or lack of control over discrete projects and initiatives, including non-core activities</p>	<p>Does the corporation (or other relevant committee) receive separate reports on the progress of any significant projects and initiatives from their inception (including risk and financial assessment) through to completion and subsequent post-implementation review?</p> <p>Does this extend to capital and revenue projects?</p> <p>Is this requirement embodied within the college financial regulations?</p>		<p>[Corporation papers and minutes of consideration and approval]</p> <p>[Financial regulations]</p>
<p>Reasonableness of procurement policies (for example, limits for purchase of individual purchase without recourse to governors and so on).</p>	<p>Has the corporation approved expenditure levels above which formal quotations are required and further approval levels operate to ensure the college is receiving value for money through its procurement processes?</p>		<p>[Corporation papers and minutes of consideration and approval]</p> <p>[Financial regulations]</p>

<b>Requirements</b>	<b>Questions</b>	<b>College corporation response</b>	<b>Supporting evidence (suggested items given in brackets)</b>
Unnecessary extravagance in purchases (for example, refurbishments, equipment and so on)			
Ensuring value for money in all transactions involving public funds  (financial memorandum paragraph 3.2 / funding agreement paragraph 2.2)	<p>The corporation should be able to demonstrate consideration and approval of:</p> <ul style="list-style-type: none"> <li>• value for money, especially for public interest activity and expenditure, such as overseas activity, termination payments, investments and so on, and where necessary consideration/ documentation of cost against benefit</li> <li>• clear documentation to consider not just can the college do something but should it and why</li> <li>• justification for activity/expenditure that does not appear to benefit the college, directly or indirectly</li> <li>• consideration of return on investment/good use of public funds</li> </ul>		<p>[Notification to funding body]</p> <p>[Corporation papers and minutes of consideration and approval]</p>
The corporation shall properly manage and develop its property with regard to good practice guidance in the further education sector and ensure that it maintains premises which are properly equipped in order to deliver the education and training for which it is funded by the funding bodies.	<p>Has the corporation agreed a property strategy?</p> <p>Where the corporation has considered such disposals, has the funding body been notified?</p>		<p>[Notification to funding body]</p>

## **Annex D: Reporting accountant's assurance report on regularity**

**To: The corporation of [name of college] and [Secretary of State for Business, Innovation and Skills acting through Skills Funding Agency / Secretary of State for Education acting through Education Funding Agency]**

In accordance with the terms of our engagement letter dated [x] and further to the requirements of the [financial memorandum with Skills Funding Agency / funding agreement with Education Funding Agency] we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest that in all material respects the expenditure disbursed and income received by [name of college] during the period [insert the start date of the period for which the annual report and financial statements (annual accounts) have been prepared] to 31 July [20XX] have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

The framework that has been applied is set out in the Joint Audit Code of Practice issued jointly by Skills Funding Agency and Education Funding Agency. In line with this framework, our work has specifically not considered income received from the main funding grants generated through the Individualised Learner Record (ILR) returns, for which [Skills Funding Agency / Education Funding Agency] has other assurance arrangements in place.

This report is made solely to the corporation of [name of college] and the [Skills Funding Agency / Education Funding Agency] in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the corporation of [name of college] and [Skills Funding Agency / Education Funding Agency] those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the corporation of [name of college] and [Skills Funding Agency / Education Funding Agency] for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of [name of college] and the reporting accountant**

The corporation of [name of college] is responsible, under the requirements of the Further & Higher Education Act 1992, subsequent legislation and related regulations and guidance, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Joint Audit Code of Practice. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period [insert the start date of the period for which the annual

accounts have been prepared] to 31 July [20XX] have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

## **Approach**

We conducted our engagement in accordance with the Joint Audit Code of Practice issued jointly by Skills Funding Agency and Education Funding Agency. We performed a limited assurance engagement as defined in that framework.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity of the college's income and expenditure.

The work undertaken to draw to our conclusion includes:

- [X]
- [X]

## **Conclusion**

In the course of our work, [except for the matters listed below] nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period [insert the start date of the period for which the annual accounts have been prepared] to 31 July [20XX] has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

- [Matter 1]
- [Matter 2]

**Signed:**

**[Firm of accountants]**

**[Date]**





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# The common inspection framework: education, skills and early years

Handbook for inspections carried out, respectively, under section 5 of the Education Act 2005 (as amended), section 109 of the Education and Skills Act 2008, the Education and Inspections Act 2006, and the Childcare Act 2006.

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The common inspection framework sets out how Ofsted inspects maintained schools and academies, non-association independent schools, further education and skills provision and registered early years settings in England.

The common inspection framework comes into effect from 1 September 2015 and remains in draft until that point. Minor amendments may be made to the text prior to September.

**Age group:** All ages

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## Introduction

1. The common inspection framework was devised by Her Majesty's Chief Inspector (HMCI) for use from September 2015. It sets out the principles that apply to inspection and the main judgements that inspectors make when conducting inspections of maintained schools, academies, non-association independent schools, further education and skills providers and registered early years settings.<sup>1</sup>
2. The common inspection framework ('the framework') is designed to bring together the inspection of different education, skills and early years settings to provide greater coherence across different providers that cater for similar age ranges. It ensures more comparability through inspection when children and learners move from one setting to another. It supports greater consistency across the inspection of different remits.
3. The framework reflects relevant legislation for each type of setting.<sup>2</sup> It is accompanied by an inspection handbook for each of the four remits:
  - early years
  - maintained schools and academies
  - non-association independent schools
  - further education and skills.
4. The handbooks set out how each of the inspection judgements will be made. They reflect the needs and expectations of different phases and the differences between various age groups. Inspectors will inspect the type of provision for which they have the appropriate expertise and training. A full set of all documents, including for the registration and inspection of different types of early years settings is available.<sup>3</sup>

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<sup>1</sup> Paragraph 20 contains a full list of the settings covered by the common inspection framework.

<sup>2</sup> These inspections are carried out under section 5 of the Education Act 2005 (as amended); ([www.legislation.gov.uk/ukpga/2005/18/contents](http://www.legislation.gov.uk/ukpga/2005/18/contents)), the Education and Inspections Act 2006; ([www.legislation.gov.uk/ukpga/2006/40/contents](http://www.legislation.gov.uk/ukpga/2006/40/contents)), section 109 of the Education and Skills Act 2008, The Education (Independent School Standards) Regulations 2014; ([www.legislation.gov.uk/uksi/2014/3283/contents/made](http://www.legislation.gov.uk/uksi/2014/3283/contents/made)) and the Childcare Act 2006; ([www.legislation.gov.uk/ukpga/2006/21/contents](http://www.legislation.gov.uk/ukpga/2006/21/contents)). All inspections carried out using the new common inspection framework will continue to meet relevant legislative requirements.

<sup>3</sup> [Inspections; www.gov.uk/schools-colleges-childrens-services/inspections](http://www.gov.uk/schools-colleges-childrens-services/inspections). This framework does not apply to Ofsted's registration of early years settings.

## Principles of inspection and regulation

5. Ofsted is required to carry out its work in ways that encourage the services it inspects and regulates to improve, to be user-focused and to be efficient and effective in their use of resources.<sup>4</sup>
6. Inspection provides independent, external evaluation that includes a diagnosis of what should improve. It is based on gathering a range of evidence that is evaluated against an inspection framework and takes full account of our policies and relevant legislation in areas such as safeguarding, equality and diversity.
7. Inspection provides important information to parents, carers, learners and employers about the quality of education, training and care being provided. These groups should be able to make informed choices based on the information published in inspection reports. Under the common inspection framework, readers will be able to compare different inspection reports quickly and easily, particularly where the reports are about provision for children or learners of similar ages.
8. The framework introduces a common set of judgements across a range of types of provision, underpinned by consistent criteria for reaching those judgements. Inspectors will take comparable approaches to gathering evidence in different settings, although there may be some variation (driven by the age of learners and the type of provision). Inspectors will comply with relevant guidance and codes of conduct,<sup>5</sup> but they will always seek to be curious as well as compliant.
9. Inspection provides assurance to the public and to government that minimum standards of education, skills and childcare are being met; where relevant, that public money is being spent well; and that arrangements for safeguarding are effective.

## How does inspection seek to promote improvement?

10. Inspection supports improvement in education by setting standards, reporting on performance against other relevant standards set by government, and raising expectations of performance in all settings and remits inspected and regulated. It provides challenge and the impetus to act where improvement is needed.

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<sup>4</sup> As set out in the Education and Inspections Act 2006;  
[www.legislation.gov.uk/ukpga/2006/40/contents](http://www.legislation.gov.uk/ukpga/2006/40/contents)

<sup>5</sup> Such as the Home Office Code of Practice on Powers of Entry, December 2014.  
[www.gov.uk/government/publications/powers-of-entry-code-of-practice](http://www.gov.uk/government/publications/powers-of-entry-code-of-practice).

## Helping to protect children and learners

11. Inspectors will always have regard for how well children and learners are helped and protected so that they are kept safe. Although inspectors will not provide a separate numerical grade for this key aspect of a provider's work, inspectors will always make a written judgement under leadership and management about whether or not the arrangements for safeguarding children and learners are effective.
12. Ofsted has published a document setting out the approach inspectors should take to inspecting safeguarding in all the settings covered by the framework. It should be read alongside the framework and handbooks:
  - 'Inspecting safeguarding in education, skills and early years settings', June 2015.<sup>6</sup>
13. It is also essential that inspectors are familiar with the statutory guidance in relation to safeguarding:
  - 'Keeping children safe in education: Statutory guidance for schools and colleges', March 2015<sup>7</sup>
  - 'Working together to safeguard children', March 2015.<sup>8</sup>

## Groups of learners

14. Inspection is primarily about evaluating how well individual children and learners benefit from the education provided by the school or provider. Inspection tests the school's or provider's response to individual needs by observing how well it helps all children and learners to make progress and fulfil their potential. In making judgements, inspectors will pay particular attention to the outcomes for the following groups:
  - disabled children and learners and those who have special educational needs
  - children and learners in specialist provision
  - boys/men
  - girls/women

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<sup>6</sup> *Inspecting safeguarding in early years, education and skills settings*, Ofsted, June 2015; [www.gov.uk/government/publications/inspecting-safeguarding-in-early-years-education-and-skills-from-september-2015](http://www.gov.uk/government/publications/inspecting-safeguarding-in-early-years-education-and-skills-from-september-2015).

<sup>7</sup> *Keeping children safe in education*, Department for Education, 2015; [www.gov.uk/government/publications/keeping-children-safe-in-education--2](http://www.gov.uk/government/publications/keeping-children-safe-in-education--2).

<sup>8</sup> *Working together to safeguard children*, Department for Education, March 2015; [www.gov.uk/government/publications/working-together-to-safeguard-children--2](http://www.gov.uk/government/publications/working-together-to-safeguard-children--2).

- the highest and lowest attaining children and learners
- children and learners for whom English is an additional language
- children and learners from minority ethnic groups
- Gypsy, Roma and Traveller children and learners
- lesbian, gay and bisexual children and learners
- transgender children and learners
- young carers
- children and learners attending alternative provision
- children and learners with medical conditions
- disadvantaged<sup>9</sup> children and learners
- children looked after and care leavers
- older learners
- children and learners of different religions and beliefs
- ex-offenders
- teenage mothers
- other vulnerable groups.<sup>10</sup>

## **The Equality Act 2010**

15. Inspectors will assess the extent to which the school or provider complies with relevant legal duties as set out in the Equality Act 2010 and the Human Rights Act 1998, promotes equality of opportunity and takes positive steps to prevent any form of discrimination either direct or indirect against those with protected characteristics in all aspects of their work.<sup>11</sup>

## **Conduct during inspection**

16. Inspectors must uphold the highest professional standards in their work and treat everyone they encounter during inspections fairly and with respect and sensitivity.

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<sup>9</sup> In schools, 'disadvantaged children and learners' specifically refers to those for whom the pupil premium or early years pupil premium provides support.

<sup>10</sup> In the common inspection framework and the handbooks relating to it, the terms 'groups of pupils' or 'groups of learners' are groups included in this list.

<sup>11</sup> The Equality Act 2010; [www.gov.uk/equality-act-2010-guidance#equalities-act-2010-legislation](http://www.gov.uk/equality-act-2010-guidance#equalities-act-2010-legislation).



17. Inspectors will:

- evaluate objectively, be impartial and inspect without fear or favour
- uphold and demonstrate Ofsted values at all times<sup>12</sup>
- evaluate provision in line with frameworks, national standards or regulatory requirements
- base all evaluations on clear and robust evidence
- declare all actual and perceived conflicts of interest and have no real or perceived connection with the provider that could undermine objectivity
- report honestly and clearly, ensuring that judgements are fair and reliable
- carry out their work with integrity, treating all those they meet with courtesy, respect and sensitivity
- take all reasonable steps to prevent undue anxiety and minimise stress
- act in the best interests and well-being of service users, prioritising the safeguarding of children and learners at all times
- maintain purposeful and productive dialogue with those being inspected and communicate judgements sensitively but clearly and frankly
- respect the confidentiality of information, particularly about individuals and their work
- respond appropriately to reasonable requests
- take prompt and appropriate action on any safeguarding or health and safety issues
- use their title of HMI or Ofsted Inspector only in relation to their work for Ofsted.

## Expectations of providers

18. It is important that inspectors and providers establish and maintain a positive working relationship based on courteous and professional behaviour. Ofsted expects providers to:

- be courteous and professional, treating inspectors with respect and sensitivity
- apply their own codes of conduct in their dealings with inspectors
- enable inspectors to conduct their visit in an open and honest way

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<sup>12</sup> For more information about Ofsted's values, see *Raising standards, improving lives: Ofsted's strategic plan*, Ofsted, July 2014; [www.gov.uk/government/publications/raising-standards-improving-lives-ofsted-strategic-plan-2014-to-2016](http://www.gov.uk/government/publications/raising-standards-improving-lives-ofsted-strategic-plan-2014-to-2016).

- enable inspectors to evaluate the provision objectively against the frameworks, standards or regulatory requirements
- provide evidence that will enable the inspector to report honestly, fairly and reliably about their provision
- work with inspectors to minimise disruption, stress and bureaucracy
- ensure the good health and safety of inspectors while on their premises
- maintain a purposeful dialogue with the inspector or the inspection team
- draw any concerns about the inspection to the attention of inspectors promptly and in a suitable manner
- recognise that sometimes inspectors will need to observe practice and talk to staff and users without the presence of a manager or registered person.

## **The frequency and type of inspections**

19. Ofsted is committed to inspecting in a proportionate way so that resources are focused where they are needed most. Ofsted undertakes inspection activity depending on the specific provider and the legislation governing the inspection within that remit. Some inspection activity is based on a regular cycle of inspection and other inspections are based on an assessment of risk. Inspections can also take place at the request of the Secretary of State.<sup>13</sup> Intervals between inspections are set in relation to the type of inspection required for different providers. Further details in relation to the different types of inspection and their frequencies can be found in the relevant inspection handbook.

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<sup>13</sup> For example, all independent schools are inspected at the direction of the Department for Education (DfE), which is the registration authority for independent schools. Therefore, Ofsted may be asked to inspect an independent school at any time. This might occur, for example, where the DfE has particular concerns about a school.

## Provision inspected under the common inspection framework

20. The common inspection framework applies to the inspection of:
- maintained schools and academies under section 5<sup>14</sup>
  - non-maintained special schools (as approved by the Secretary of State under section 342 of the Education Act 1996)
  - pupil referral units
  - non-association independent<sup>15</sup> schools
  - further education colleges, sixth form colleges and independent specialist colleges
  - independent learning providers
  - community learning and skills providers
  - employers funded by the Skills Funding Agency to train their own employees
  - higher education institutions providing further education
  - providers of learning in the judicial services
  - National Careers Service – careers advice and guidance
  - registered early years settings.

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<sup>14</sup> This includes all sponsor-led academies, academy converter schools, academy special schools, free schools, special free schools, maintained nursery schools and alternative provision academies. University technical colleges (UTCs) and studio schools, 16 to 19 academies and 16 to 19 studio schools are also inspected under this framework.

<sup>15</sup> An independent school is defined in section 463 of the Education Act 1996, as amended as:

'any school at which full-time education is provided for—  
(a) five or more pupils of compulsory school age, or  
(b) at least one pupil of that age for whom a statement is maintained under section 324, or who is looked after by a local authority (within the meaning of section 22 of the Children Act 1989),  
and which is not a school maintained by a local education authority or a special school not so maintained.'

This definition brings into the scope of an inspection a number of very small independent schools, many of which have dual registration as an independent children's home and provide exclusively for vulnerable looked after young people who may also be disabled or have a special educational need.

## **The grading scale used for inspection judgements**

21. A four-point grading scale will be used in all inspections to make the principal judgements:
- grade 1: outstanding
  - grade 2: good
  - grade 3: requires improvement
  - grade 4: inadequate

## **Judgements made by inspectors**

22. The common inspection framework ensures that a coherent set of judgements are made across the different education, skills and early years settings. The methods adopted by inspectors to gather evidence and the main criteria used by inspectors to make judgements are set out in the different remit handbooks. In most instances, these methods and criteria are common across the different education, skills and early years remits.

## **Overall effectiveness**

23. Inspectors will use all the available evidence to evaluate what it is like to be a child, learner or other user in the provision. In making the judgements about a provider's overall effectiveness, inspectors will consider whether the standard of education, training or care is good or outstanding. If it is not at least good, inspectors will consider whether it requires improvement or is inadequate.
24. Inspectors will also make graded judgements on the following areas using the four-point scale:
- Effectiveness of leadership and management
  - Quality of teaching, learning and assessment
  - Personal development, behaviour and welfare
  - Outcomes for children and learners.

## **What judgements will be made under short inspections?**

25. As of September 2015, Ofsted undertakes short inspections for maintained schools, academies and further education and skills providers that were judged good at their previous inspection. Short inspections take place approximately every three years. A short inspection will confirm that the previous grade for overall effectiveness is accurate, the setting remains good and that safeguarding is effective. These arrangements also apply to special schools,

pupil referral units and maintained nursery schools that were judged good and outstanding at their previous inspection.<sup>16</sup>

26. A short inspection does **not** result in individual graded judgements. It does **not** change the overall effectiveness grade of the school or provider. If inspectors believe that a change of grade may be necessary, they trigger a full inspection,<sup>17</sup> which will make the full set of graded judgements using the four-point grading scale.

## What inspectors will consider when making judgements

27. Inspectors will use the following criteria to make each of the graded judgements. These criteria are common for all the types of provision covered by the framework. Individual inspection handbooks for each remit explain how these criteria are applied in each context.

### Effectiveness of leadership and management

28. Inspectors will make a judgement on the effectiveness of leadership and management by evaluating the extent to which leaders, managers and governors:
- demonstrate an ambitious vision, have high expectations for what all children and learners can achieve and ensure high standards of provision and care for children and learners
  - improve staff practice, teaching, learning and assessment through rigorous performance management and appropriate professional development
  - evaluate the quality of the provision and outcomes through robust self-assessment, taking account of users' views, and use the findings to develop capacity for sustainable improvement
  - provide learning programmes or a curriculum that have suitable breadth, depth and relevance so that they meet any relevant statutory requirements, as well as the needs and interests of children, learners and employers, nationally and in the local community
  - successfully plan and manage learning programmes, the curriculum and careers advice so that all children and learners get a good start and are well prepared for the next stage in their education, training or employment

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<sup>16</sup> These settings are currently not exempt from routine inspections if they are judged outstanding.

<sup>17</sup> The term 'full inspection' refers to the standard inspections across the remits covered by this consultation, for example section 5 inspections for schools or full inspections for further education and skills providers.

- actively promote equality and diversity, tackle bullying and discrimination and narrow any gaps in achievement between different groups of children and learners
- actively promote British values<sup>18</sup>
- make sure that safeguarding arrangements to protect children, young people and learners meet all statutory and other government requirements, promote their welfare and prevent radicalisation and extremism.

29. Inspectors will always report on whether or not arrangements for safeguarding children and learners are effective.

### **Quality of teaching, learning and assessment**

30. Inspectors will make a judgement on the effectiveness of teaching, learning and assessment by evaluating the extent to which:

- teachers, practitioners and other staff have consistently high expectations of what each child or learner can achieve, including the most able and the most disadvantaged
- teachers, practitioners and other staff have a secure understanding of the age group they are working with and have relevant subject knowledge that is detailed and communicated well to children and learners
- assessment information is gathered from looking at what children and learners already know, understand and can do, and is informed by their parents/previous providers as appropriate
- assessment information is used to plan appropriate teaching and learning strategies, including to identify children and learners who are falling behind in their learning or who need additional support, enabling children and learners to make good progress and achieve well
- except in the case of the very young, children and learners understand how to improve as a result of useful feedback from staff and, where relevant, parents, carers and employers understand how learners should improve and how they can contribute to this
- engagement with parents, carers and employers helps them to understand how children and learners are doing in relation to the standards expected and what they need to do to improve
- equality of opportunity and recognition of diversity are promoted through teaching and learning

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<sup>18</sup> For a definition of these values, see the *Prevent Strategy*, [www.gov.uk/government/publications/prevent-strategy-2011](http://www.gov.uk/government/publications/prevent-strategy-2011).

- where relevant, English, mathematics and other skills necessary to function as an economically active member of British society and globally are promoted through teaching and learning.

## **Personal development, behaviour and welfare**

31. Inspectors will make a judgement on the personal development, behaviour and welfare of children and learners by evaluating the extent to which the provision is successfully promoting and supporting children's and other learners':

- pride in achievement and commitment to learning, supported by a positive culture across the whole provider
- self-confidence, self-awareness and understanding of how to be a successful learner
- choices about the next stage of their education, employment, self-employment or training, where relevant, from impartial careers advice and guidance
- where relevant, employability skills so that they are well prepared for the next stage of their education, employment, self-employment or training
- prompt and regular attendance
- following of any guidelines for behaviour and conduct, including management of their own feelings and behaviour, and how they relate to others
- understanding of how to keep themselves safe from relevant risks such as abuse, sexual exploitation and extremism, including when using the internet and social media
- knowledge of how to keep themselves healthy, both emotionally and physically, including through exercising and healthy eating
- personal development, so that they are well prepared to respect others and contribute to wider society and life in Britain.

## **Outcomes for children and other learners**

32. Inspectors will take account of current standards and progress, including the provider's own data, and make a relevant judgement on academic and other learning outcomes for children and learners by evaluating the extent to which they:

- progress well from their different starting points and achieve or exceed standards expected for their age
- attain relevant qualifications so that they can and do progress to the next stage of their education into courses that lead to higher-level qualifications and into jobs that meet local and national needs.

## Arrangements for different types of provision

33. In addition to the judgements set out in the framework, inspectors will need to make a variety of other judgements and undertake regulatory activity in different types of provision. This section sets out what those additional judgements and activities are.

### Early years

34. The common inspection framework sets out how Ofsted will inspect providers on the Early Years Register. In addition to inspection, Ofsted is also responsible for the registration and regulation of these providers. Details about the regulation of settings on the Early Years Register can be found at: [www.gov.uk/government/publications/framework-for-the-regulation-of-provision-on-the-early-years-register](http://www.gov.uk/government/publications/framework-for-the-regulation-of-provision-on-the-early-years-register).

### Non-association independent schools

35. Non-association independent schools are subject to the Independent School Standards. Inspectors will check that schools meet these standards during inspection. Further details can be found at: [www.legislation.gov.uk/ukxi/2014/3283/contents/made](http://www.legislation.gov.uk/ukxi/2014/3283/contents/made).

### Schools with early years settings

36. Maintained schools and academies and non-association independent schools that have Early Years Foundation Stage provision are given a separate grade for that provision as part of school inspections conducted under section 5 of the Education Act 2005 (as amended by the Education Act 2011). This contributes to the judgement about the overall effectiveness of the school. The age of children that exempts schools from registering as early years providers has been lowered from three to two. Provision for two-year-olds in schools is inspected as part of a school inspection.

### Schools with a sixth form/16 to 19 provision

37. Maintained schools and academies and non-association independent schools are given a separate grade for sixth form provision as part of school inspections conducted under section 5 of the Education Act 2005 (as amended by the Education Act 2011). This contributes to the judgement about the overall effectiveness of the school.

### Settings with residential and boarding provision

38. The inspection of boarding and residential provision will be conducted under the Children Act 1989, as amended by the Care Standards Act 2000, having regard to the national minimum standards for boarding or residential provision, as appropriate. Further details of how these boarding/residential inspections will be carried out can be found at:



[www.gov.uk/government/publications/the-framework-for-inspecting-boarding-and-residential-provision-in-schools](http://www.gov.uk/government/publications/the-framework-for-inspecting-boarding-and-residential-provision-in-schools)

and

[www.ofsted.gov.uk/resources/evaluation-schedule-for-inspection-of-residential-provision-further-education-colleges](http://www.ofsted.gov.uk/resources/evaluation-schedule-for-inspection-of-residential-provision-further-education-colleges).

## **Further education and skills provision**

39. Further education and skills providers will also have the following types of provision graded where appropriate: 16 to 19 study programmes, adult learning programmes, apprenticeships, traineeships, provision for learners with high needs and 14 to 16 full-time provision. These contribute to the judgement about the overall effectiveness of the provider.



Association  
of Colleges

Promoting. Representing. Supporting.

# Governors' Council

Code of Good Governance  
for English Colleges

Professional: Prudent: Passionate

March 2015

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# Foreword

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The English college system is amongst the best in the world and has a central role in supporting the attainment of young people and adults, preparation for employment and further study, continued skills development and economic growth. It supports the aspirations of its students, both for their own sake and to serve the needs of society and the economy. It also plays a major role in shaping democratic, sustainable and inclusive communities.

These well-defined purposes create the need for governance structures and practices which involve engaging with staff, students, parents, other education partners and the business community, and allow governors and trustees to be able to demonstrate the public benefit which is the basis for our exempt charity status.

Compared with many countries in the world, English colleges enjoy an exceptional degree of autonomy. This independence is a corner stone of our system and lies at the heart of the sector's success. It will continue to be of the highest importance as the sector becomes increasingly innovative and entrepreneurial in meeting the education and skills needs of the nation.

That is why college governance is not a static concept; many colleges, for example, now have group structures including academy and subsidiary boards and this has been reflected in this new code. Excellence in governance is at the centre of the English college sector and the need to demonstrate exemplary governance practices will be even more important as the sector continues to diversify and innovate.

We have consulted with a wide range of stakeholders to draw up this Code of Good Governance as a way of supporting college governors and senior leadership teams in developing and maintaining excellence. The Code has been developed by the sector for the sector.

By adopting and implementing the Code, boards will publicly demonstrate their leadership and stewardship in relation to their own college, protect its reputation and that of the wider sector and provide appropriate assurance to key stakeholders.

More importantly, adopting the new Code is an opportunity to rethink and refresh approaches as the sector strives to be at the forefront of best practice in governance. It signals a willingness to enter into a new era of governance with the energy and commitment to ensure the very highest standards for our stakeholders.

The Code contains:

- An initial statement of the core values and expectations that provide the context for the way in which college governance is conducted.

- The 10 principal governance responsibilities that support the values and are vital to successful implementation.

- More detailed consideration of each principal responsibility.
- A list of references and links to source documents and good practice examples.

With the continuing trend for greater transparency and ‘student/customer’ protection, we cannot stress enough the importance of being proactive in providing this assurance if we are to avoid future legislative or regulatory creep.

As autonomous bodies it is for individual colleges to take forward the Code as they see fit but our suggestion is that you may wish to consider adopting the new Code at your summer board meeting, building it into college governance procedures and processes, assessing and commenting each year in annual reports and periodically undertaking a governance effectiveness review.

Notwithstanding substantial competition in our sector, there is a strong mutual interest for governing boards to work together to support our collective reputation. A failure of governance at one college reflects on us all, and it is more important than ever for us to work to the values and expectations of the Code.



**Carole Stott**  
*Chair of Association of Colleges*



**Mark White**  
*Chair of the Governors' Council*

# The Code

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The Code is written to support governance practice, which in turn will help colleges work successfully towards meeting their mission and strategy. The Code needs to be read alongside the college's Instrument and Articles of Government and the relevant legal and regulatory requirements. The Code is based on a set of shared values and expectations and boards will work within the 'spirit' of the Code as much as its 'letter'. As a sector our approach to governance is to be committed and pro-active.

This Code has been developed for general further education colleges (GFECs), sixth form colleges (SFCs) and foundation colleges. The word 'colleges' refers to all parts of the college sector unless otherwise stated.

The term board has been used throughout to cover governing bodies, corporations and trusts.

The term principal includes the role of 'accounting officer' under the financial memoranda of the funding agencies. The post may also be known as the chief executive.

The principal regulators are the Secretary of State for the Department for Education (DfE) and the Secretary of State for the Department for Business Innovation and Skills (BIS).

Adoption of this code is voluntary. The Code sets out principal responsibilities and practices which any college within the sector will need to adopt in order to show that it is conducting its business in the best interest of its students and funders. Adoption of the code should not limit innovation in governance or stifle the dynamic nature of colleges.

The Code uses the normal 'must and should' convention for governance codes. A 'must' is an area of activity which is covered by statute and/or is the minimum expected by the principal regulators and funding agencies. Activities which exceed these basic requirements and represent good or enhanced governance practice are described as 'should'.

Acknowledging the multiplicity and autonomy of the sector, boards are free to achieve the expectations of the 'must' and 'should' statements in whatever manner they see fit. Where a board has adopted the Code, but for good reason does not comply with particular provisions within it, the board should explain its rationale and how its approach meets the spirit of the Code.

Recognising the importance of ensuring all colleges meet funding requirements, the funding agencies will continue with the current funding condition that English colleges either adopt this AoC Code of Governance or alternatively have due regard to the UK Corporate Governance Code. Each college should state its adoption of the Code in the corporate governance statement contained in its annual audited statements.

This Code itself will be reviewed regularly to ensure that it remains fit for purpose. This will normally take place, every three years.

## The Core Values of College Governance

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High quality further education, which commands public confidence and promotes the reputation of individual colleges and the sector, must rest on a number of shared values. By implementing such values the board can: ensure quality education and training for its students; demonstrate public benefit; provide the basis for its own effectiveness; support college autonomy; support the sustainability of the service and enhance the reputation of the sector; and, by example, demonstrate dynamic leadership.

A failure to adopt and implement a set of agreed values has implications beyond the college concerned, by potentially undermining the collective reputation of all colleges and the wider sector.

In setting out core values, the Code adopts and builds on the *Seven Principles of Public Life* which provide an ethical framework for the personal behaviour of governors. In addition, given the specific nature of further education, the Code also adopts the values and behaviours of being:

- Respectful,
- Professional,
- Prudent, and
- Passionate about education and good governance.

The Code is based on the following expectations of good governance, which illustrate the values and beliefs of college governors and trustees:

- Putting the student first; promoting high expectations and ambitions for students and staff.
- Ensuring inspirational teaching and learning.
- Creating a safe environment for students to learn and develop.
- Providing strong leadership to both the senior team and the community the college serves.
- Setting the strategy and acting as guardians of the college's mission.
- Demonstrating accountability to students, parents, staff, partners, employers, funders, trustees and other stakeholders, including publishing accurate and timely information on performance.
- Listening to students, parents, employers and staff.
- Ensuring the achievement of equality of opportunity and diversity throughout the college.
- Using the college's autonomy and independence to meet local education and skills needs.

# The Ten Principal Responsibilities of Good Governance

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To implement and embed the above values and expectations in the college, governors, trustees, and senior leaders will undertake to:

1. Formulate and agree the **mission and strategy** including defining the ethos of the college.
2. Be **collectively accountable** for the business of the college taking all decisions on all matters within their duties and responsibilities.
3. Ensure there are effective underpinning policies and systems, which facilitate the **student voice**.
4. Foster **exceptional teaching and learning**.
5. Ensure that the college is **responsive to workforce trends** by adopting a range of strategies for engaging with employers and other stakeholders.
6. Adopt a **financial strategy and funding plans** which are compatible with the duty to ensure sustainability and solvency of the college.
7. Ensure that **effective control and due diligence** takes place in relation to all matters including acquisitions, subcontracting and partnership activity.
8. Meet and aim to exceed its statutory responsibilities **for equality and diversity**.
9. Ensure that there are organised and **clear governance and management** structures, with well-understood delegations.
10. Regularly **review governance** performance and effectiveness.



# 1 Strategy and Leadership

- 1.1. The board provides the overall strategic leadership for the college. The board must formulate and agree the mission and strategy including defining the ethos of the college. The board should consider setting down its aspirations for the college in a vision.
- 1.2. The board must formally approve the strategic plan. This plan should cover all aspects of the college's work including partnerships and subsidiary companies. The board should ensure that the plan is realistic and underpinned by an affordable financial strategy.
- 1.3. The strategic plan should be based on an assessment of need. The plan should adequately reflect the interest and views of students, parents, employers and the community. Board members should be able to explain the underpinning rationale and be familiar with the supporting evidence base and with the results of any horizon scanning exercises.
- 1.4. There is an expectation by the principal regulators that, where assessments indicate serious issues that could affect future sustainability, all options are considered and a Structure and Prospects Appraisal is completed.
- 1.5. As a contribution to its mission and public good, the board should consider its approach to, and have oversight of, its corporate social responsibility.
- 1.6. In order to ensure successful implementation, the board must be clear how performance will be measured. It should identify and adopt a set of key performance indicators (KPIs) that cover financial health, teaching and learning, student experience and outcomes, staff performance and stakeholder opinions.
- 1.7. The board should also consider establishing an annual operating plan that identifies those aspects of the strategic plan being implemented in any particular year.
- 1.8. Board members should monitor and scrutinise the college's activities effectively, including using external benchmarks, challenge shortfalls in performance, and ensure that weaknesses are addressed.
- 1.9. The mission and strategy should be published, refreshed annually, and reviewed at least every three years through a process that involves key stakeholders.
- 1.10. The board may wish to go further and amplify the mission along the lines of a 'public benefit statement', describing how the college aims to add value to the social, economic and physical well-being of the communities it serves.

## 2 Collectively Accountable

- 2.1. The board must be collectively accountable for the business of the college, taking all decisions on all matters within its duties and responsibilities.
- 2.2. Members of boards must comply with the legislation relevant to their legal form of incorporation. Board members are charity trustees and must comply with charity legislation and case law.
- 2.3. The board must set out its primary responsibilities in the Instrument and Articles of Government, which should be published widely and be known to all governors. These responsibilities should be supported by a schedule of delegation which sets out how each responsibility is to be met and by whom, including those items which the board delegates to the principal.
- 2.4. The board must seek assurance that it meets all legal and regulatory requirements imposed on it as a corporate body, and college compliance should be kept under regular review.
- 2.5. The board should conduct its affairs as openly and transparently as possible; consulting fully on its plans and delivery. The general principles and requirements of the Freedom of Information Act must apply, so that staff and students have access to all appropriate information about the board's proceedings.
- 2.6. Public reporting is important and contributes to confidence in the sector. An annual members' report and audited financial statements should be made widely available both internally and externally.
- 2.7. The annual members' report should be published and include a section that sets out the governance arrangements - including the extent to which this Code has been adopted - and the policies on public disclosure.
- 2.8. The board should ensure that students and the public are given honest, accurate and timely information about all aspects of provision and that the board has the necessary information to be able to challenge, where necessary, the executive.
- 2.9. There should be clear and published complaints and whistleblowing procedures. The board should receive regular reports on the number and types of complaint and how complaints are resolved.
- 2.10. Board members are required to fulfil their duties in line with accepted standards in public life. Board members must avoid conflicts of interest and act solely in the interests of the college at all times.
- 2.11. Governors, whose views are not consistent with the decisions of the board as a whole, must abide by the principle of collective decision-making and stand by the decisions of the board.

## **3 Policies, Systems and the Student Voice**

- 3.1. To secure implementation of the agreed strategy, the board must ensure there are effective underpinning policies and systems in place.
- 3.2. The board must endorse a set of appropriate policies that describe how the strategy is being implemented. Examples of what may be covered include: access, recruitment, teaching and learning, assessment and validation, use of technology, reward and recognition for students, careers advice and progression, quality and standards, enrichment and citizenship. DfE has set out guidance on this matter for 16-19 education.
- 3.3. The board, through constructive and supportive challenge, should monitor policy implementation.
- 3.4. The board must be assured that there are management-led systems in place to provide the very best affordable learning experience for every student including those undertaking learning activity off-site or provided under a subsidiary or partnership arrangement.
- 3.5. The board must have close regard to the voice of its students and the quality of the student experience, which should be central to all board decisions.
- 3.6. Students should be actively engaged in the college and ways should be found to ensure that the student voice is heard through both college and student led processes. The board should receive regular reports on how students are being engaged and what impact their voice is having on college life.
- 3.7. The board must provide a safe environment and have a robust and regularly assessed and monitored safeguarding policy. This policy may also include the duties arising from the Counter-Terrorism and Security Act 2015 (or they could be covered in a separate policy).
- 3.8. The board should ensure student complaints are effectively addressed and that summary reports are produced and considered (at least annually) on student complaints and appeals.

## 4 Teaching and Learning

- 4.1. The board must foster exceptional teaching and learning. The board must, where appropriate, seek to secure coherent provision for students that leads to further learning or apprenticeships and/or employment. The board must ensure appropriate mechanisms are in place for effective oversight of the quality and inclusivity of the learning experience.
- 4.2. The board should ensure the college's self-assessment report is benchmarked against national norms and is detailed enough to provide governors with the assurance they need that the learning experience is being monitored and the appropriate learning resources have been made available.
- 4.3. The board should look to the executive to provide external validation of any internal observation reports and, where weaknesses are found, make sure the executive quickly takes action.
- 4.4. The board should be alert to college issues and use various methods to meet with students, staff, parents and employers, such as learning walks and having link governors.
- 4.5. In agreeing the human resource/workforce strategy, the board should ensure it reflects the ethos of the college and aids excellence in quality, teaching, learning and assessment, and is affordable.
- 4.6. The board should be aware of new initiatives in teaching and learning, including blended and/or virtual learning and, through careful appraisal, consider their adoption. The board must be aware of the expectations of external bodies and in particular their expectations of good quality. Board members should be able to explain how they benchmark quality and student achievement.
- 4.7. The board must see the results of student surveys and be able to monitor improvement plans.
- 4.8. To ensure a quality learning experience, the board should use best practice when overseeing the recruitment, development and performance of teaching and support staff. Appropriate key performance indicators (KPIs) should be developed to monitor quality and progress.

## 5 Responsiveness

- 5.1. The board must ensure that the college is responsive to the community and relevant employment trends including building strong two-way relationships with Local Enterprise Partnerships and other employer-led local groups. To facilitate student progression to further study or employment, the board should ensure the college has in place a range of strategies for engaging with employers and other stakeholders.
- 5.2. The board should ensure that the college is well informed about the various local, national and business stakeholders it serves, including having a dialogue with the colleges and universities that are engaged in partnership and progression.
- 5.3. The college should have systems in place which facilitate engagement with external stakeholders regularly, proactively and effectively so that it can identify and prioritise their present and future needs for education and training and discuss how they can best be met. These relationships need to be two-way.
- 5.4. Stakeholders comprise all those organisations, individuals and groups of individuals that the board intends should benefit from the college's services. They might include: prospective students, schools, colleges and universities, parents, local and regional authorities, employers of all sizes and their representative bodies, including local enterprise partnerships and other public service agencies such as Jobcentre Plus, healthcare, police and prison services.
- 5.5. The main purpose of these discussions is to ensure the college's programme is relevant and seen to be responsive to local needs and the needs of the students whose next step will be further progression into college, university, work-based apprenticeships and/or employment. The board should also consider community use of the college's assets and facilities.
- 5.6. The board should publish on the college website (at least annually) an account of the college's engagement with the main communities that it serves; the progress made towards meeting their needs for education and training and how it aims to meet future needs.
- 5.7. The board should ensure that arrangements are in place to assess the extent to which the stakeholders served by the college are satisfied with the services provided. Each college should discuss with stakeholder and community representatives the coverage and timing of its reporting, and should offer them opportunities to discuss its reports more fully.

## 6 Financial Strategy & Audit

- 6.1. The board must adopt an affordable financial strategy and plans which are compatible with the duty to ensure sustainability and solvency of the college. The board must set and approve the annual budget. Responsibility for its approval must be reserved for the collective decision of the board, without delegation.
- 6.2. The board must adopt effective systems of control and risk management that promote value for money, efficient use of the capital estate and technology, meet mandatory audit requirements, and produce accurate and quality-assured college data.
- 6.3. The board must ensure compliance with the funding agencies' financial memoranda and must understand and meet the conditions of funding, as set by the funding agencies and other funders.
- 6.4. The board must inform the funding agencies of any 'materially adverse' change in the college's circumstances.
- 6.5. Colleges must have financial regulations and appropriately documented delegations and procedures, approved by the board, which specify its financial responsibilities and authority and those of its committees and its staff.
- 6.6. The board should ensure that they have confidence in the arrangements for the provision of accurate and timely financial information and, therefore, also in the financial systems used to generate such information.
- 6.7. Day-to-day financial control should be exercised by the staff of the college under delegation from the board and principal. Responsibility for financial management and advising on financial matters is generally delegated through the principal to a senior member of staff such as a director of finance (or equivalent).
- 6.8. The board must ensure that a statement on internal controls explaining the risk management arrangements that are in operation is contained in the corporate governance section of the audited financial statements.
- 6.9. The board must comply with the funding agencies mandatory requirements relating to audit including adherence to the Joint Audit Code of Practice (JACOP), which sets out the minimum requirements. The board should approve an annual audit plan linked to the college's risk register and be confident in the expertise and quality of any internal auditors engaged by the college. The board should consider using different sets of expertise for different audit requirements.
- 6.10. The audit committee must support the board and the principal by reviewing the comprehensiveness, reliability and integrity of assurances including the college's governance, risk management and internal control framework and produce an annual audit report for the board.

6.11. The board must ensure effective arrangements are in place for the management and quality assurance of data. This assurance should include a statement on data quality from the audit committee.

6.12. The board should use the college annual report to account to all stakeholders for the performance and prospects of the college as well as to demonstrate compliance with statutory and regulatory requirements.

## 7 Partnership

7.1. Colleges are dynamic and progressive. They grow, innovate and adapt to the changing circumstances. This responsiveness should be encouraged because, going forward, collaborative and partnership relationships will be central to ensuring the college's financial sustainability. The board should facilitate and enable this activity.

7.2. In establishing partnerships or new business acquisitions, the board must ensure effective governance arrangements and put in place appropriate control, reporting and delegation systems.

7.3. The board should ensure that particular scrutiny is exercised on new and external activities with significant potential financial or reputational risks. Where such activities involve commercial transactions, care must be taken to ensure that arrangements conform to the requirements of charity law and regulation.

7.4. New ventures, such as setting up a multi-academy trust, acquiring new companies or creating colleges in other countries, present colleges with both opportunities and significant challenges and risks. The board must ensure that not only does it approve such strategic developments, but also that the executive produces regular reports on the performance of all strategic partnerships and external businesses.

7.5. For all subsidiary entities, for example separate operating companies or charitable trusts, the board should:

- Ensure that the entity's board possesses the attributes necessary to provide proper stewardship and control;
- Appoint suitably qualified directors or trustees to the entity who are not members of the board or staff/students of the college; and
- Ensure that the entity's board conducts business in accordance with a recognised and appropriate code of governance.

7.6. Where the board governs a group structure, the board should be clear about its responsibilities in relation to any other corporate governance arrangements and associated reporting and should document and publish these relationships.

7.7. In relation to subcontracting, partnerships and other forms of college collaboration, the board should agree the authorisation requirements for approving such arrangements, including the circumstances where board approval is required.

7.8. The board must ensure all college policies, particularly those on safeguarding are actively implemented in the subsidiaries and partnerships.

7.9. The board must be assured that the student voice is heard through all partnership activities.



## 8 Equality and Diversity

- 8.1. The board must meet and should aim to exceed its statutory responsibilities for equality and diversity through its own actions and behaviour in all aspects of its affairs. The board must promote equality and diversity throughout the other nine principal responsibilities.
- 8.2. The board should approve and review the college's equality and diversity strategy and adopt agreed performance indicators for implementation.
- 8.3. The board has a number of legal obligations in relation to equality and diversity which it must understand and comply. These go much further than avoiding discrimination and require the active promotion of equality in a number of defined areas. The board must therefore ensure that agreed policies are progressed and actioned throughout the college. The board may also wish to consider advice issued by government departments and other agencies on equality, diversity and safeguarding.
- 8.4. As a minimum, the board should receive an annual equality monitoring report detailing work during the year, identifying the achievement of agreed objectives and summarising data on equality and diversity that colleges are required to produce e.g. on staff recruitment and promotion.
- 8.5. The board should ensure that the HR strategy takes into account equality and diversity. Specific equality and diversity responsibilities fall on the remuneration committee or equivalent in respect of the determination of pay and other rewards. This committee's report to the board should explain how its decisions take account of the college's equality and diversity policy.
- 8.6. The board and, where it exists, the search committee or equivalent should agree its own approach to equality and diversity in relation to appointing new members, and should take full regard of the implications of the college's overall equal opportunity and diversity policy, including any measurable objectives that may be relevant.
- 8.7. It is important that the board reports fully on its actions on equality and diversity in the operation of governance. The annual report should include a description of its policy, including any measurable objectives, and should outline progress on implementation. For those colleges that produce a separate equality and diversity report that addresses such matters, a simple cross reference would be sufficient.

## 9 Effective Governance Structures

- 9.1. The board must ensure that there are organised and clear governance and management structures, with well-understood delegations and authorities, and that governors are capable, knowledgeable and supported.
- 9.2. The board and its committees should be of an appropriate size and have the appropriate balance of skills, experience and knowledge to enable them to discharge their duties and responsibilities effectively.
- 9.3. The principal should be a governor, but subject to the articles of government may elect not to serve. The board must include student and staff governors and appoint a clerk. The clerk should be independent, report directly to the board, and have the appropriate skills and experience to facilitate effective governance.
- 9.4. The full board should meet as often as is required to undertake its responsibilities. The board should have rules for the conduct of its meetings. Members should attend all meetings where possible, and the board must establish the number and category of members constituting a quorum.
- 9.5. There should be a presumption of openness and engagement, with all matters open to discussion by the whole board. Occasionally there will be matters where specific governors should not be party to discussions; these should be dealt with either by 'conflict of interest' declarations, or by enforcing agreed policy on the confidentiality of business.
- 9.6. The board may delegate some of its activities to committees and/or the chair, but should agree a formal schedule of matters reserved for collective decision.
- 9.7. At a minimum this should include final decisions on:
- Vision, mission and strategy.
  - The review and approval of the college's annual revenue and capital budgets and cash forecasts together with its audited financial statements.
  - The appointment and, if necessary, dismissal of the principal, senior post holders or the clerk.
- 9.8. The board should determine in writing the terms of reference, membership and delegated authority of all committees and set clear arrangements for their reporting back.

### Remuneration of Senior Post Holders

- 9.9. The board must determine the pay and conditions of service of the principal, other senior post holders and the clerk and may establish a remuneration committee to advise the board. Remuneration decisions should be informed by benchmarking data and by a recent performance appraisal.

9.10. Where severance payments are under consideration, advice should be taken from the external auditor to ascertain the legitimacy of any proposed payment. The reports on matters to do with remuneration and severance should provide sufficient detail to enable the full board to satisfy itself that the recommendations and resulting decisions made have been compliant with its policies. In line with the funding agreement, the board must draw any payments to the attention of the college's regulatory auditors.

## **The Chair**

9.11. The chair is responsible for the leadership of the board and ultimately to the stakeholders for its effectiveness. The chair should take particular care that the board observes the values of college governance, as set out in this Code.

9.12. The board must appoint a chair from amongst its external members. One or more vice-chairs or deputy chairs should be appointed to act in the absence of the chair. The process by which the chair is nominated and elected should be agreed by the board as a formal part of the college's governance procedures and s/he should have a role description agreed by the board.

9.13. The chair is a non-executive role and should not be drawn into day-to-day management. S/he should promote the effective and efficient operation of the board, ensuring that members work together effectively.

9.14. The chair should foster a supportive and constructively challenging working relationship particularly between the chair, the principal and the clerk but also involving other members of the board and the senior leadership team.

9.15. The chair should ensure that there is effective communication between the board and all its stakeholders, both internal and external.

9.16. The chair is responsible for providing support to the principal and the clerk as required, and for leading the regular assessment of their performance, drawing on the views of other governors.

## **Board Members**

9.17. Board members should be committed and contribute proactively to meetings, and be seen as advocates of the college. They should bring their knowledge and expertise to the table and be there to support and challenge the executive by ensuring the student interest is always put first.

9.18. All members should be able to allocate sufficient time to undertake their duties effectively. The board should agree an indication of the time expected of its members together with an appropriate role description.

9.19. Members must act in the best interest of the college, rather than selectively or in the interests of a particular constituency. Members must act with honesty, frankness and

objectivity, taking decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

9.20. The board should satisfy itself that plans are in place for an orderly succession of its membership, so as to maintain an appropriate balance of skills and experience with the progressive refreshing of key roles. The board must have the power to remove any of its members from office and must do so if a member breaches the terms of his/her appointment.

## The Principal

9.21. The principal must be responsible for the executive management of the college and its day-to-day direction. S/he should understand and respect the role of the board and ensure that appropriate matters are brought to the board taking advice of the clerk and senior leadership team as necessary. The specific responsibilities of the principal in relation to board business must include:

- Ensuring that board decisions are implemented through the college's management structure.
- Advising the board as required.
- Undertaking the role of the accounting officer.

9.22. The principal is also responsible for prompt and coherent management reports to governors on the college's activities and prospects, including the emergence of major new risks and opportunities; and for facilitating appropriate opportunities for board members to see first-hand the work of the college and meet with students and staff.

## The Clerk

9.23. The board must appoint a person to act as the clerk to the corporation. In dealing with board business, the clerk should be solely responsible to the board and have a direct reporting line to its chair. The board must protect the clerk's ability to carry out his/her responsibilities, including appropriate training and development and ensuring adequate time and resources to undertake the role effectively.

9.24. The clerk must inform the board if s/he believes that any proposed action would exceed its powers or involve regulatory risk or (where the clerk has other management responsibilities at the college) if there is a potential conflict of interest between his/her clerking and management roles.

## Board Member Appointments, Term of Office, Induction and Training

9.25. The board should adopt a formal and open policy for recruiting governors. This policy should include:

- A regular review of the existing board to ensure that it has the appropriate diversity of

skills, experience, and backgrounds to provide strong governance, and to identify any need for new governors with particular skills.

- The process for searching for new governors and for selecting applicants.
- The process for the nominating and appointing staff and student governors.

9.26. The board may set up a search committee that could undertake a variety of functions on behalf of the board. This could include reviewing board membership and succession planning, operating the recruitment procedure, undertaking an assessment of board performance, board member development and dealing with employment or contractual issues for the clerk, including recommending his/her appointment.

9.27. The process and criteria by which a chair is appointed should be agreed by the whole board. The process should be undertaken by the search committee or a group established for the purpose. The board must also confirm the appointment where it has been carried out by a sub-group or committee.

9.28. The search committee should produce an annual report which describes the work of the committee, including the board's recruitment policy and practices, a description of its policy on equality and diversity and any measurable objectives that it has set together with progress in their implementation. If there is not a separate report then the college's annual report should cover these areas.

## Term of Office

9.29. All members, excluding the principal, should be appointed for a given term, which should be renewable subject to satisfactory performance. Renewal should not be automatic and should only take place after proper consideration of the governor's attendance, contribution to the work of the college and assessment against the skills audit. Governors should not normally serve for more than two terms, or a maximum of eight years, except where subsequently undertaking a new and more senior role, for example as chair. There are variations in the length of term for which chairs are appointed - whether it is annually or after a four year term, reappointment should only take place after consideration is given to college need and performance.

## Board Member Remuneration

9.30. Boards should adopt policies and procedures for reimbursing the travel and other incidental expenses of members. Boards must seek Charity Commission approval if they wish to remunerate external members for being a trustee/governor.

## Training and Induction

9.31. The chair and clerk should ensure that new board members receive a full induction on joining the board, and should regularly refresh their skills and knowledge through development activities and briefings funded by the college.

9.32. All board members should ensure that individually and collectively they have or acquire sufficient understanding of the work of the college and the educational landscape to be able to engage fully in the affairs of the board. The clerk should keep records of the development activity of all board members.

# 10 Review of Governance Performance

- 10.1. The board must regularly review its effectiveness ensuring continuous improvement, thereby not only enhancing its own performance but providing an example to the college. The review should include an assessment of performance against the values and principal responsibilities set out in this Code.
- 10.2. The board should define in writing and regularly review the respective responsibilities of the chair, the principal, the clerk and individual governors.
- 10.3. The board should annually reflect on the extent to which its committees have met their terms of reference and remain fit for purpose.
- 10.4. In addition, the board must conduct a regular, full and robust review of its effectiveness and that of its committees, the starting point for which should be an assessment against this Code.
- 10.5. The board should set out in writing and regularly review agreed governance procedures, often described as Standing Orders. These should include levels of delegated authority and of any sub-delegations.
- 10.6. In reviewing its effectiveness, the board should reflect on the success of the college as a whole in meeting strategic objectives and associated performance measures and the contribution the board has made to that success.
- 10.7. The board should, where possible, benchmark its performance and processes against other comparable colleges and relevant institutions outside the FE sector.
- 10.8. Account should be taken of the views of the executive and relevant bodies and of staff, parents, trustees, employers and student communities. Any review should include an external perspective, for example by using a suitable external facilitator or a suitably experienced governor and/or clerk from another college. The timing should be in line with the production of the college annual self-assessment.
- 10.9. Acting on the outcomes of effectiveness reviews is as important as undertaking them. The outcomes and associated actions should be published widely, including in the annual report.

## References and Links

### The Code

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Nolan: [Seven Principles of Public life: Selflessness Integrity Leadership Openness Honesty Objectivity Accountability](#)

UK Corporate Code: which sets what is expected of Governors and Trustees: <https://www.frc.org.uk/corporate/ukcgcode.cfm>

[The Higher Education Code of Governance December 2014](#)

Charities Commission Code <http://www.governancecode.org/summary-code-of-governance>

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### 1 Strategy and Leadership

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[BIS Guide for Governors](#)

[Higher Education Operating Framework](#)

Department for Business, Innovation and Skills (BIS) [Guidance for Structure and Prospects Appraisals](#)

The [Further and Higher Education Act 1992](#) established FE colleges as independent corporations.

The [Education and Skills Act 2008](#) had the effect of raising the age of participation in education or training - whether at school, college or with an employer - to 17 from 2013 and to 18 from 2015.

The [Apprenticeships, Skills, Children and Learning Act 2009](#) led a machinery of government change which split FE policy between two government departments.

The Act also created the formation of the Skills Funding Agency (SFA) and the Young People's Learning Agency (YPLA) which between them took over the responsibilities of the Learning & Skills Council (LSC) in April 2010.

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### 2 Collectively Accountable

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College Instrument and Articles of Government. The [Education Act 2011](#) led to a series of further changes, including the abolition of the YPLA and the creation of the Education Funding Agency (EFA). The 2011 Act also removed much of the statutory guidance around colleges and gave back many of the freedoms of the 1992 Act

[Guide for school and academy governors](#)

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### 3 Policies and systems and the student voice.

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[Statutory Policies for 16-19](#)

[Counter Terrorism and Security Act 2015](#)

[Prevent guidance consultation](#)

[‘promoting British Values’.](#)

**KPIs for staffing** might include: payroll as a percentage of income; sickness absence, retention and vacancy data; the results of staff surveys; dashboards and other benchmarking data such as pay and conditions and development activity

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### 4 Teaching and learning

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[Ofsted](#)

[Ofqual](#)

[Quality Assurance Agency for Higher Education](#)

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## **Policies**

[Study programmes;](#)

[Allowing colleges to enrol 14-16 year olds;](#)

[Apprenticeships;](#)

[Careers advice;](#)

[‘Students at the heart of the system’;](#)

[Review of Vocational Education – the Wolf Report](#)

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## **5 Responsiveness.**

[Horizon Scanning- UK Commission for Employment & Skills \(UKCES\)](#)

[Colleges in their Community](#)

[it’s about work ... Excellent adult vocational teaching and learning](#)

[LEP’s Plan](#)

[Core City Agreements](#)

[Using Labour Market Intelligence in a College Context: A guide for leaders of further education colleges, March 2015, AoC and UKCES document](#)

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## **6 Financial strategy and Audit**

[Skills Funding Agency \(SFA\)](#)

[Education Funding Agency \(EFA\)](#)

[Higher Education Funding Council for England \(HEFCE\)](#)

[Student Loans Company \(SLC\)](#)

[Accounts Direction Handbook.](#)

[Financial memorandum and related documents](#)

[The Statement of Recommended Practice: Accounting for Further and Higher Education \(FE/HE SORP\)](#)

[Joint Audit Code of Practice \(JACOP\)](#) sets out how the funding agencies will work together and how colleges should demonstrate assurance.

The financial reporting requirements are set out in the funding agencies’ [Accounts Direction](#)

Introducing a new [funding system](#) based on student loans

## **Benchmarking**

[Mides,](#)

[Ofsted Data Dashboards](#)

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## **7 Partnerships**

[Academies](#)

[Setting up a Multi Academy Trust](#)

[Subcontracting](#)

[Merger](#)

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## 8 Equality and diversity.

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Equality and Human Rights Commission

Women's Leadership Network

Network of Black and Asian Professionals

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## 9 Effective governance

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Rigour and Responsiveness BIS 2013

Strengthening intervention through the creation of the office of the FE Commissioner

FE Commissioner Annual Reports

Creating Excellence in Governance: [http://www.aoc.co.uk/sites/default/files/Creating\\_Excellence\\_in\\_College\\_Governance\\_0.pdf](http://www.aoc.co.uk/sites/default/files/Creating_Excellence_in_College_Governance_0.pdf)

All matters to do with Governance AoC: College Governance:

Research and Development: Education Training Foundation

### **Remuneration of Governors**

Charity Commission for approval - see the guidance from BIS. (page 21)

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## 10 Review of governance performance

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College Governance:

Board Reviews



## Foreword

This Association of Colleges (AoC) and the UK Commission for Employment and Skills (UKCES) have produced this guide.

It is intended for governors and senior leaders within further education colleges, to provide a steer to them in the use of Labour Market Intelligence (LMI) to inform their college curriculum offer. It provides a broad perspective of the available LMI at a national and local level and for different industry sectors.

Governors and senior leaders can use this guide to help in their oversight role of planning college curriculum. It will help them gain assurance that their college is equipping individuals to meet the needs of the labour market. Of course, those colleges who have regional, national or global reach will serve more than one labour market. Colleges of further education play a vital role in developing knowledge and skills of people (as students), in order for them to be socially and economically active individuals. Using LMI in developing curriculum empowers a college to position itself as a trusted and expert provider of skills.

If colleges are to continue to fulfill this vital role, they will need to ensure that the outputs of their efforts are relevant to the needs of the labour market so that employers have confidence they can recruit high quality new staff, as well as rely on the educational expertise of the college to 'up skill' the existing workforce in order to remain competitive.

Skills and capacity requirements of employers are rarely absolute and well defined in the medium to long term. Colleges should, however, demonstrate awareness of immediate and future trends in the demand for skills so that they can evolve their provision. Governors and senior leaders should be aware of, and engaging with, the economic development in their local area so that they can shape their curriculum in order to align it with the demands of the labour market. LMI is an important tool in developing this understanding.

There are potential negative impacts where a college does not align their contribution to skills with the needs of the labour market they serve. If the supply of skills is greater than the demand for them, this has the potential to create unemployment and under-utilisation of skills. In contrast, an excess of demand for specific skills, which is not met by the supply, will create vacancies that are hard to fill due to a skills shortage.

Governors and senior leaders of colleges who understand trends in demand, can plan their supply of skills to the benefit of their college, employers, individuals and ultimately the economic prosperity of the UK.

### Current economic landscape and challenges

#### Labour market demand

The world of work and the skills and experience the workforce needs are changing. A recent study from the UKCES (Climbing the ladder: skills for sustainable recovery) shows that there is a trend towards growth in higher skilled jobs along with an increase in some lower skilled and lower paid jobs. Growth in lower skilled jobs is predominantly

