People Strategy & Governance Committee - Constitution and Terms of Reference

As a matter of good practice, and as permitted under Article 4 of the Articles of Government, the Corporation has determined to establish a People Strategy & Governance Committee.

The Corporation has adopted the FE Governance Code, and the Committee will work to meet the principles set out in the Code.

When making decisions about senior post holder remuneration the Committee will adhere to the Senior Post holder Remuneration Code, which the Corporation has adopted and will apply its principles on a 'comply or explain' basis, whilst taking into account relevant HM Treasury guidance following the ONS reclassification of FE Colleges and the relevant Bite-Size Guides.

1. Purpose

1.1 The People Strategy & Governance Committee is established to provide assurance to the Corporation that:

1.1.1 a strategic view of the College's people (students, staff and stakeholders) is being taken with a view to achieving high organisational performance;

1.1.2 the principles of fair and appropriate remuneration for senior post holders have been applied effectively and consistently;

1.1.3 appropriate Corporation recruitment and succession planning process are in place and effective, and that timely and appropriate advice on membership matters has been provided;

1.1.4 the Corporation's governance framework and approach is fit-for-purpose and effective; and

1.1.5 strategic risks which relate to the Committee's terms of reference, are being effectively managed.

2. Duties

2.1 **Delegation**

The Corporation shall delegate such matters to the Committee as are set out in its Scheme of Delegation and Annual Corporation and Committee Meeting Schedule and Business Planner, including the approval or recommendation of specific College policies.

2.2 **People Strategies and Reporting**

The Committee shall be responsible for:

2.2.1 Scrutinising and challenging identified strategic people priorities and supporting strategies to meet those priorities.

2.2.2 Annually reviewing and evaluating the implementation and impact of people strategies.

2.2.3 Scrutinising the termly and annual HR reports, including the EDI report, EDI objectives and People KPIs.

2.2.4 Scrutinising and recommending the whole College pay award to the Corporation for approval.

2.2.5 Reviewing and recommending any changes to the whole College pay structure, pensions, real living wage etc. to the Corporation for approval.

* ESFA Reclassification 'Bite-Size Guides' (particularly Senior Pay Controls for Colleges and College Requirements for Special Payments, including Severance, Compensation and Ex-Gratia Payments) to aid colleges in meeting HM Treasury's 'Managing Public Money' (MPM) requirements and other obligations arising from reclassification of the FE sector.

2.3 **Senior Post-Holder: Remuneration, Terms & Conditions, Performance Management and Development**

The Committee shall be responsible for:

2.3.1 Developing a Senior Post Holder Remuneration Policy, which is compliant with HM Treasury guidance and other relevant ESFA guidance* to explain the approach taken to remuneration for senior post holders, for recommendation to the Corporation. This shall include a clear rationale for allowing retention of any external income and any limits on the amount of time senior post holders can devote to external income-generating activity.

2.3.2 Reviewing and approving the job descriptions of senior post-holders.

2.3.3 Determining the grading and conditions of service of senior post-holders.

2.3.4 Undertaking an annual review of the salaries of senior post-holders and making salary determinations based on that review, following the commissioning of reviews as appropriate, including benchmarking within and externally to, the FE sector.

2.3.5 Periodically reviewing and determining the performance management framework to be adopted for senior post-holders.

2.3.6 Considering the Principal's development needs and receiving a report from the Principal on other senior post-holder's development needs.

2.3.7 Reviewing and approving any senior post holder severance payments.

2.4 **Search**

The Committee shall be responsible for:

2.4.1 Reviewing and determining the procedures for the selection and appointment of external Members and co-option to committees, including:

i. Keeping under review the appropriateness of, and gaps in, current membership in the light of College strategic priorities and the expertise within the Corporation, in order to inform selection processes and co-option where relevant and permissible.

ii. Considering annually and making relevant recommendations to the Corporation on:

- the determination of membership numbers;
- the number, membership and chairs and deputy chairs, of Corporation committees for the following year;
- the constitution and terms of reference of Corporation committees;

having taken into account all relevant Equality, Diversity and Inclusion considerations.

2.4.2 Setting targets for Members' attendance and evaluating their attainment.

2.4.3 Overseeing the development of Members including; induction, ongoing learning and development opportunities.

2.5 **Governance**

2.5.1 The Committee shall be responsible for overseeing the regular review of Corporation effectiveness to ensure continuous improvement.

2.5.2 A review of effectiveness will include:

i. an assessment of performance against the values and principals set out in the FE Code of Governance;

ii. annual Corporation self-assessment and quality improvement planning, for inclusion in the whole College Self-Assessment Report;

iii. evaluating the performance of committee effectiveness on an annual basis, including the extent to which those committees have met their terms of reference and remain fit for purpose; and

iv. commissioning an external review of governance effectiveness on a three yearly basis.

2.5.3 Considering governance effectiveness, development and improvement and where necessary, making relevant recommendations for change or amendment to the Corporation.

2.5.4 Undertaking a periodic review of the operation and effectiveness of the Instrument and Articles of Government and where necessary making relevant recommendations to the Corporation.

2.5.6 Reviewing and making recommendations to the Corporation on the Standing Orders and other relevant governance documents on a three yearly basis.

2.5.7 Reviewing Members' declarations of interest and making a determination on any actual or potential conflicts of interest and how these may be managed.

2.5.8 If in place, overseeing the operation of a Link Scheme and assigning special responsibility roles for Members.

2.5.9 Regularly reviewing governance, stewardship and control arrangements between the Corporation and any subsidiary entities / partnerships, to ensure the clarity and effectiveness of these arrangements and that the Corporation is complying with its legal duties.

2.6 **Emergency Committee**

2.6.1 The Committee shall act as an Emergency Committee in situations where emergency decisions are required on matters which do not fall within the scope of delegated powers or College policy and for which it is inappropriate or impractical to defer to an alternative committee or the Corporation.

2.7 **Other**

2.7.1 The Committee shall be responsible for undertaking an annual review of its effectiveness.

3. Frequency of Meetings

3.1 The Committee will meet as often as is necessary to fulfil its responsibilities and at least three times in an academic year at appropriate intervals. Work scheduled will be consistent with the Corporation's annual governance business plan.

4. Constitution and Membership

4.1 The Corporation shall appoint to the Committee as a minimum, the Chair, the Vice-chair(s) and the Chairs of Committees and any further Members to a total maximum of seven Members.

4.2 The Principal, Staff or Student Members shall not be appointed to the Committee; save that the Principal shall be a member of the Committee for the purposes of discharging the responsibilities relating to search and governance.

4.3 Where necessary, the Corporation may co-opt to the Committee, an independent specialist in the field of remuneration.

5. Quorum

5.1 The Committee shall be quorate when two Members are present.

5.2 Where there are only two Members present and in the event the Committee, in line with its delegated powers, is required to make a decision, the Committee in its discretion shall either:

i. make the decision as long as both Members agree; or

ii. defer that decision to the next scheduled committee meeting; or

iii. call for an electronic resolution where the decision is time sensitive.

6. Appointment of Chair and Deputy Chair

6.1 At the first meeting of each academic year, the Committee shall appoint a Chair and Deputy Chair from within its External Members.

6.2 The Corporation Chair shall not be appointed as the Committee Chair or Deputy Chair.

6.3 In the absence of the Chair, the Deputy Chair shall chair the meeting. In the absence of both the Chair and the Deputy Chair, the Members in attendance shall appoint a Chair from those External Members present, but not the Corporation Chair.

7. Attendance at Meetings

7.1 Attendance will generally be limited to Committee members, the Clerk and any persons expressly invited to attend all or part of a meeting. External Members, who are not committee members, may also attend.

7.2 The Principal will normally attend the parts of the meeting where senior post-holder issues are dealt with, unless they relate directly to issues concerning the Principal and the Committee agrees that the Principal should not be present during those discussions.

7.3 The Clerk to the Corporation will normally attend all parts of the meeting, unless they relate directly to issues concerning the Clerk or discussion of the Principal's performance and the Committee agrees that the Clerk should not be present during those discussions.

8. Reporting Procedures

8.1 Minutes of the meeting, following the agreement of the Committee Chair, will be presented to the subsequent Corporation meeting, regardless of whether they have been confirmed as being a true record by the Committee.

8.2 Matters relating to senior post holders and other confidential matters will be presented on the confidential agenda for External Members only.

8.3 The Committee Chair shall complete an assurance report which, together with Committee minutes, will be presented to the next scheduled Corporation meeting. The Committee Chair will present the assurance report to the Corporation, highlight relevant matters and make whatever recommendations the Committee deems appropriate, on any area within its remit where action or improvement is needed. Any matters relating to senior post holders or other confidential matters will be presented on the confidential agenda for external Members only.

8.4 The Committee will produce two annual reports:

i. an annual Governance & Remuneration Report for to the Corporation providing sufficient assurance that it has effectively discharged its responsibilities;

ii. an annual Report, which will be a public facing document, reporting on its search and governance activities and those issues relating to senior post holder remuneration that it is required to make public.

9. Clerking Arrangements

9.1 The Clerk to the Corporation shall act as Clerk to the Committee.

9.2 In the absence of the Clerk, the Principal, in consultation with the Committee Chair, shall make arrangements for another person to carry out the role.

Audit Committee - Constitution and Terms of Reference

It is a condition of College funding and Article 4 of the Articles of Government that the Corporation must establish an Audit Committee. The Corporation, in appointing Committee members has a responsibility to maintain the Committee's independence and objectivity.

The Corporation has adopted the FE Governance Code, and the Committee will work to meet the principles set out in the Code.

The Corporation must set out clear terms of reference for the Committee. These should reflect accepted good practice and must set out, as a minimum, the requirements included within The Scope of Work of Audit Committees and Internal Auditors in College Corporations, previously published by the Education and Skills Funding Agency. The Committee, where appropriate will also take into account relevant HM Treasury guidance following the ONS reclassification of FE Colleges.*

The Committee must not adopt an executive role.

1. Purpose

1.1 The core role of the Audit Committee is to scrutinise the robustness of the College's control framework and to assess its application in practice. The Corporation entrusts this control framework to management; it is their executive role to maintain and act within it. It is the Corporation's role through its delegation to the Audit Committee to ensure this happens.

1.2 The Audit Committee is therefore established to exercise independent scrutiny to:

1.2.1 provide the Corporation with an opinion on the adequacy and effectiveness of the Corporation's assurance arrangements, framework of governance, risk management and control processes (including any subcontracting arrangements) for the effective and efficient use of resources, solvency, and the safeguarding of assets;

1.2.2 play a robust role in good stewardship and risk management, and should refer to the guidance on the scope of work of Audit Committees and Internal Auditors In College Corporations; and

1.2.3 advise and support the Corporation in explaining, in its annual accounts, the measures taken to ensure it has fulfilled its statutory and regulatory responsibilities.

1.3 The Committee has the right to:

1.3.1 scrutinise any activity within its terms of reference, which may involve engaging a third party to assist; and

1.3.2 access all the information and explanations it considers necessary, from whatever source, to fulfil its remit.

2. Duties

2.1 **Delegation**

The Corporation shall delegate such matters to the Committee as are set out in its Scheme of Delegation, including the approval or recommendation of specific College policies.

2.2 **Effectiveness and Financial Control**

The Committee shall be responsible for:

2.2.1 Assessing and providing the Corporation with an opinion on the adequacy and effectiveness of its assurance arrangements, framework of governance, risk management and control processes for the effective and efficient use of resources, solvency of the institution and safeguarding of its assets.

2.2.2 Producing an annual report for the Corporation, summarising the Committee's activities relating to the financial year under review, including:

i. a summary of the work undertaken by the Committee during the year;

ii. the number of the meetings held in the year, and attendance records for each audit Committee member;

iii. any significant issues arising up to the date of preparation of the report;

iv. any significant matters of internal control included in the reports of audit and assurance providers;

v. details of the date of appointment of the external auditors and the remaining term of the contract;

vi. the Committee's view of its own effectiveness and how it has fulfilled its terms of reference;

vii. the Committee's opinion on the adequacy and effectiveness of the Corporation's assurance arrangements, assurance over subcontracting, framework of governance, risk management and control processes for the effective and efficient use of resources, solvency, and the safeguarding of assets.

2.2.3 Submitting its annual report to the Corporation before the statement of corporate governance and internal control in the annual accounts is signed.

2.2.4 Reviewing and scrutinising the annual regularity self-assessment questionnaire to support the drafting of the statement of regularity, propriety and compliance (RSAQ).

2.2.5 Taking a holistic view with all aspects and systems, financial and non-financial, being in scope depending on their impact and effect on the Corporation.

2.2.6 Undertaking annual review of compliance with The Scope Of Work Of Audit Committees And Internal Auditors In College Corporations and the College Financial Handbook.

2.3 **Risk Management**

The Committee shall be responsible for:

2.3.1 Ensuring Corporation policies provide for the development and implementation of a robust and embedded risk management strategy which:

i. set out proactive and effective processes for identifying potential risks, ensuring key risk are not overlooked;

ii. provide for the detailed and objective assessment and evaluation of identified risks, their impact and likelihood;

iii. require the identification and implementation of actions to mitigate risks; and

iv. ensure risks are understood and managed at all relevant organisational levels.

2.3.2 Undertaking a regular review of strategic risks and receive reports on mitigating actions taken, make recommendations to the Corporation for further action and provide adequate information in a timely manner to the Corporation on the status of risks and controls.

2.4 **GDPR and Information Governance**

The Committee shall be responsible for :

2.4.1 Overseeing the College's GDPR control framework and compliance with the UK GDPR.

2.5 **Internal Audit**

The Committee shall be responsible for:

2.5.1 Advising the Corporation on the appointment, re-appointment, dismissal and remuneration of the internal auditor, and other assurance providers and establish that all such assurance providers adhere to relevant professional standards.

2.5.2 Informing the Corporation of any additional services provided by the internal auditor, and other assurance providers and explain how independence and objectivity were safeguarded.

2.5.3 Considering and advising the Corporation on any internal audit and assurance provider reports, annual reports and on control issues included within internal audit and assurance provider reports, and managements responses to these.

2.5.4 Monitoring within agreed timescales, the implementation of recommendations arising from audit and assurance provider reports.

2.5.5 Considering and advising the Corporation on an audit needs assessment and recommending the approval of the three year internal audit strategy and annual internal audit plan.

2.5.6 Monitoring the effectiveness of the internal audit service and any assurance provider.

2.5.7 Informing the ESFA as to any change in internal auditors, in accordance with the Audit Code of Practice.

2.6 **External Audit**

The Committee shall be responsible for:

2.6.1 Advising the Corporation on the appointment, re-appointment, dismissal and remuneration of the external auditor (reporting accountant), and establishing it adheres to relevant professional standards.

2.6.2 Informing the Corporation of any additional services provided by the external auditor (reporting accountant) and explain how independence and objectivity were safeguarded.

2.6.3 Considering and advising the Corporation on any external audit reports, including the annual audit findings report and on control issues included within those reports and management's responses to these.

2.6.4 Monitoring within agreed timescales, the implementation of recommendations arising from audit provider reports.

2.6.5 Monitoring the effectiveness of the external audit service.

2.6.6 Informing the ESFA as to any change in external auditors, in accordance with the Audit Code of Practice.

2.6.7 Ensuring the regular re-tendering of the external audit service, at least every 5 years considering the quality of the audit service required as well as the price.

2.7 **Policies**

The Committee shall be responsible for:

2.7.1 Overseeing the Corporation's policies on fraud, irregularity, impropriety and whistleblowing and ensuring:

i. the proper, proportionate and independent investigation of all allegations and instances of fraud and irregularity;

ii. investigation outcomes are reported to the Committee;

iii. the external auditor (and internal auditor if applicable) has been informed;

iv. appropriate follow-up action has been planned / actioned;

v. that all significant cases of fraud or suspected fraud, theft, bribery, corruption, irregularity, cybercrime, major weakness or breakdown in the accounting or other control framework are reported to the ESFA and other relevant funding authorities as soon as possible;

vi. risks around fraud have been identified and controls put in place to mitigate the risk.

2.7.2 Scrutinising and recommending to the Corporation for approval, the policies set out in the Scheme of Delegation.

2.8 **Other**

The Committee shall be responsible for:

2.8.1 Undertaking an annual review of its effectiveness.

2.8.2 Receiving regular briefings and updates on matters relating to the Committee's remit and scope of responsibility.

2.8.3 Scrutinising on an annual basis, Members' expense claims.

2.8.4 Considering the development of members and put in place appropriate training to ensure their skills and knowledge are up to date. Where the audit committee identifies a gap in its existing skillset, training and development should be provided to address this in the first instance.

3. Frequency of Meetings

3.1 The Committee will meet as often as is necessary to fulfil its responsibilities, and at least once each term at appropriate intervals in the financial reporting and auditing cycle. Work scheduled will be consistent with the Corporation's annual governance business plan.

3.2 The Audit Committee is required by The Scope Of Work Of Audit Committees and Internal Auditors In College Corporations, to meet at least three times a year. Where this requirement has not been met, an

explanation (such as that it was not possible to achieve a quorum) must be provided within the Audit Committee's Annual Report.

4. Constitution and Membership

4.1 The Corporation shall appoint between three and five members to the Committee, the majority of whom should be external Members, on the recommendation of the People Strategy & Governance Committee.

4.2 The Corporation Chair, Principal, Staff and Student Member may not be appointed to the Committee.

4.3 To avoid potential conflicts of interest, Committee members should not be members of the Finance & General Purposes Committee and vice-versa.

4.4 To allow the Committee to discharge its duties effectively it should include individuals with an appropriate mix of skills and experience. Given the breadth of assurance which the audit committee will be considering, it should ensure itself that its membership is suitably diverse, skilled and experienced to scrutinise assurance reports and provide sufficient challenge. Collectively, Committee members should have recent, relevant risk management, finance, audit and assurance experience. The abilities of the membership should reflect the needs of the Corporation and should extend to expertise in all relevant financial and non-financial areas. Audit Committees will be most effective when they are staffed by individuals who are prepared to support, provide robust and fair challenge, warn the Corporation and ask the right questions at the right time.

5. Quorum

5.1 The Committee shall be quorate when 2 members are present.

5.2 Where there are only two Members present and in the event the Committee, in line with its delegated powers, is required to make a decision, the Committee in its discretion shall either:

i. make the decision as long as both Members agree; or

ii. defer that decision to the next scheduled committee meeting; or

iii. call for an electronic resolution where the decision is time sensitive.

6. Appointment of Chair and Deputy Chair

6.1 At the first meeting of each academic year, the Committee shall appoint a Chair and Deputy Chair from its External Members.

6.2 In the absence of the Chair, the Deputy Chair shall chair the meeting. In the absence of both the Chair and the Deputy Chair, the members in attendance shall appoint a Chair from those External members present.

7. Attendance at Meetings

7.1 Attendance will generally be limited to Committee members, the Clerk, the Chief Operating Officer, Director of Finance and any persons expressly invited to attend all or part of a meeting. Corporation Members who are not committee members may also attend.

7.2 The Committee:

i. will invite the Principal to at least one meeting a year, generally when it receives the draft Financial Statements and agrees its annual report for the Corporation;

ii. may invite other members of staff to attend, to discuss matters for which they have relevant responsibility.

7.3 Representatives from the external and internal auditor services will be invited to attend meetings.

8. Reporting Procedures

8.1 Minutes of the meeting, following the agreement of the Committee Chair, will be presented to the subsequent Corporation meeting, regardless of whether they have been confirmed as being a true record by the Committee.

8.2 The Committee Chair shall complete an assurance report which, together with Committee minutes, will be presented to the next scheduled Corporation meeting. The Committee Chair will present the

assurance report to the Corporation, highlight relevant matters and make whatever recommendations the Committee deems appropriate, on any area within its remit where action or improvement is needed.

8.3 The Committee Chair shall present the Annual Audit Committee Report and formally report to the Corporation as to how the Committee has discharged its responsibilities and (where relevant) highlight:

i. significant issues the Committee considered in relation to the financial statements and how these were addressed;

ii. the Committee's assessment of the effectiveness of the external audit process;

iii. the approach taken to the appointment or re-appointment of the external auditor, length of tenure of audit firm, when a tender was last conducted and advance notice of any retendering plans; and

iv. any other issues on which the Corporation has requested the Committee's opinion.

9. Clerking Arrangements

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

9.2 In the absence of the Clerk, the Principal in consultation with the Committee Chair shall make arrangements for another person to carry out the role.

** ESFA Reclassification 'Bite-Size Guides' (particularly Senior Pay Controls for Colleges and College Requirements for Special Payments, including Severance, Compensation and Ex-Gratia Payments) to aid colleges in meeting HM Treasury's 'Managing Public Money' (MPM) requirements and other obligations arising from reclassification of the FE sector*

Students, Learning & Quality Committee - Constitution and Terms of Reference

As a matter of good practice, and as permitted under Article 4 of the Articles of Government, the Corporation has determined to establish a Students, Learning and Quality Committee.

The Corporation has adopted the FE Governance Code, and the Committee will work to meet the principles set out in the Code.

1. Purpose

1.1 The Committee is established to provide assurance to the Corporation that:

i. the curriculum strategy is relevant, fit for purpose and meets the needs of the community that the College serves;

ii. the standards of academic delivery meet relevant internal and external expectations; and

iii. the necessary structures and processes for the effective provision of a safe and high quality student experience are in place; and

iv. strategic risks, which relate to the Committee's terms of reference, are being effectively managed.

2. Duties

2.1 **Delegation**

The Corporation shall delegate such matters to the Committee as are set out in its Scheme of Delegation, including the approval or recommendation of specific College policies.

2.2 **Educational Character**

The Committee shall be responsible for advising and making recommendations to the Corporation on issues regarding the educational character of the College.

2.3 **Curriculum and Skills Needs**

The Committee shall be responsible for:

2.3.1 Scrutinising, monitoring, evaluating and providing a supportive critical perspective to the development and operation of the College's curriculum strategy.

2.3.2 Having oversight of the College's response to national, regional and local skills needs, including:

i. scrutinising and recommending the Annual Accountability Statement to the Corporation; and.

ii. making recommendations to the Corporation about how well the education or training provided by the College meets local needs, and in light of that review, the actions the College might take (alone or in conjunction with action taken by one or more other educational institutions) in order to meet those needs better.

2.4 **Quality**

The Committee shall be responsible for scrutinising, monitoring and evaluating the College's quality strategy, systems and processes.

2.5 **Performance**

The Committee shall be responsible for:

2.5.1 Advising on and recommending to the Corporation appropriately benchmarked key performance indicators on relevant areas including attendance, retention, achievement, progression, destination and value added across the full range of the Colleges' provision.

2.5.2 Scrutinising and challenging performance against key performance indicators.

2.5.3 Scrutinising and challenging levels of achievement for the whole College, student cohorts (including Higher Education provision) and specific groups of students, including students with SEND.

2.5.4 Providing relevant assurance to the Corporation that the College is operating in accordance with the principles and guidance of the Office for Students.

2.6 **Self-Assessment and Quality Improvement Planning**

2.6.1 Advising on and recommending to the Corporation:

i. the annual self-assessment report, bench marked against national norms and detailed enough to provide assurance that the learning experience is being effectively monitored and appropriate learning resources have been made available; and

ii. a robust and appropriately focused Quality Improvement Plan.

2.6.2 Regularly reviewing and challenging the progress and impact on actions within the quality improvement plan.

2.7 **Student Experience / Voice**

The Committee shall be responsible for:

2.7.1 Inviting students to attend Committee meetings to discuss their views and experience to enable the Committee to have close regard to the voice of students and the quality of the student experience.

2.7.2 Monitoring and evaluating the quality and impact of the student experience and how students are engaged and involved, including receiving annual student conduct and student engagement and involvement reports.

2.7.3 Receiving and considering the views of students and monitoring actions taken in response to those views.

2.8 **Community Engagement, Stakeholder Views and Complaints**

The Committee shall be responsible for:

2.8.1 Receiving and considering the views of stakeholders and monitoring actions taken in response to those views.

2.8.2 Receiving an annual summary Complaints Report and evaluating the effectiveness of the Complaints Policy and procedures and the responses / outcomes to the complaints received.

2.9 **Careers Advice and Guidance**

The Committee shall be responsible for:

2.9.1 Advising the Corporation as to the extent the College is complying with its funding agreement requirement to provide appropriate careers advice and guidance.

2.9.2 Monitoring and evaluating the quality and impact of careers advice and guidance provided by students.

2.10 **Safeguarding and Prevent**

2.10.1 The Committee shall provide assurance to the Corporation as to the extent the College is complying with relevant legislation, regulation, policies, procedures and working practices regarding safeguarding and Prevent. Key areas of focus will include:

i. receiving and scrutinising termly reports to monitor relevant activity, risks, key performance indicators and benchmarking data;

ii. receiving updates and briefings on changes to safeguarding and Prevent legislation and regulation, the implications of these changes and management responses.

2.11 **Equality, Diversity and Inclusion (EDI)**

The Committee shall be responsible for:

2.11.1 Receiving and interrogating the annual Student EDI Report, which it will recommend to the Corporation.

2.11.2 Monitoring and evaluating performance against EDI objectives and action plans.

2.12 **Other**

2.12.1 The Committee shall be responsible for undertaking an annual review of its effectiveness.

3. Frequency of Meetings

3.1 The Committee will meet as often as is necessary to fulfil its responsibilities and at least once each term. Work scheduled will be consistent with the Corporation's annual governance business plan.

4. Constitution and Membership

4.1 The Corporation shall appoint between seven and nine Members to the Committee, the majority of whom should be external Members, on the recommendation of the People Strategy & Governance Committee.

5. Quorum

5.1 The Committee shall be quorate when two members are present.

5.2 Where there are only two Members present and in the event the Committee, in line with its delegated powers, is required to make a decision, the Committee in its discretion shall either:

i. make the decision as long as both Members agree; or

ii. defer that decision to the next scheduled committee meeting; or

iii. call for an electronic resolution where the decision is time sensitive.

6. Appointment of Chair and Deputy Chair

6.1 At the first meeting of each academic year, the Committee shall appoint a Chair and Deputy Chair from its External Members.

6.2 In the absence of the Chair, the Deputy Chair shall chair the meeting. In the absence of both the Chair and the Deputy Chair, the members in attendance shall appoint a Chair from those External members present.

7. Attendance at Meetings

7.1 Attendance will generally be limited to Committee members, the Clerk, the Deputy Principal, the Vice Principal Quality and any persons expressly invited to attend all or part of a meeting. Corporation Members who are not Committee members may also attend.

8. Reporting Procedures

8.1 Minutes of the meeting, following the agreement of the Committee Chair, will be presented to the subsequent Corporation meeting, regardless of whether they have been confirmed as being a true record by the Committee.

8.2 The Committee Chair shall complete an assurance report which, together with Committee minutes, will be presented to the next scheduled Corporation meeting. The Committee Chair will present the assurance report to the Corporation, highlight relevant matters and make whatever recommendations the Committee deems appropriate on any area within its remit where action or improvement is needed.

9. Clerking Arrangements

9.1 The Clerk to the Corporation shall act as Clerk to the Committee.

9.2 In the absence of the Clerk, the Principal, in consultation with the Committee Chair, shall make arrangements for another person to carry out the role.

Finance & General Purposes Committee - Constitution and Terms of Reference

As a matter of good practice, and as permitted under Article 4 of the Articles of Government, the Corporation has determined to establish a Finance & General Purposes Committee.

The Corporation has adopted the FE Governance Code, and the Committee will work to meet the principles set out in the Code. The Committee will also take into account, where relevant, HM Treasury guidance and the ESFA's College Financial Handbook and the 'Bite-Size Guides' (particularly Senior Pay Controls for Colleges and College Requirements for Special Payments, including Severance, Compensation and Ex-Gratia Payments) to aid colleges in meeting HM Treasury's 'Managing Public Money' (MPM) requirements and other obligations arising from reclassification of the FE sector.

1. Purpose

1.1 Whilst the Corporation is required to take responsibility for the College's financial affairs and for stewardship of assets, and must use resources effectively, efficiently and economically, to maximise outcomes for student the Finance & General Purposes Committee is established to provide assurance to the Corporation that:

i. the College's financial strategy and policies are appropriate, within the context of the College's overall strategic plan;

ii. College resources (including its estate) are being used effectively and efficiently, the College is solvent and sustainable and College assets and are being safeguarded; and

iii. strategic risks, which relate to the Committee's terms of reference, are being effectively managed.

2. Duties

2.1 **Delegation**

The Corporation shall delegate such matters to the Committee and to the Chair of the Finance & General Purposes Committee as are set out in its Scheme of Delegation, including the approval or recommendation of specific College policies.

2.2 **Financial Performance**

The Committee shall be responsible for:

2.2.1 Reviewing, advising on and recommending for approval to the Corporation:

i. a three year medium term business plan;

ii. an annual income and expenditure budget;

iii. a capital expenditure budget,

iv. appropriate performance indicators for monitoring performance.

2.2.2 Reviewing and challenging monthly financial performance reports including; management accounts; cash flow; contract performance; capital expenditure update; balance sheet; income generation report and key performance indicators including financial health.

2.2.3 Scrutinising forecasting activity and recommending any relevant action.

2.2.4 Reviewing, and recommending arrangements for securing and maximising government, student loan, commercial, charitable, ESFA and other sources of income / funding.

2.2.5 Reviewing, advising and recommending on the maximisation of income from the College's fixed assets, especially the capital estate.

2.2.6 Reviewing the year-end financial outturn and annual financial statements.

2.2.7 Regularly monitoring the financial position relating to projects / developments approved by the Corporation.

2.2.8 Receiving the annual procurement timetable.

2.3 **Commercialisation and Partnership Developments**

2.3.1 The Committee shall be responsible for taking a corporate view of the College's commercialisation and partnership developments to ensure they contribute effectively to the delivery of the Colleges business needs and corporate strategy.

2.3.2 Key areas of focus will include overseeing the financial implications and associated risks relating to any College subsidiary companies which have been established and other relevant partnerships and ensuring financial performance of such activities meet relevant targets / objectives.

2.4 **Health and Safety**

2.4.1 The Committee shall provide assurance to the Corporation as to the extent the College is complying with relevant legislation, regulation, policies, procedures and working practices regarding health and safety.

2.4.2 Key areas of focus will include:

i. receiving and scrutinising termly reports to monitor relevant activity, risks, key performance indicators and benchmarking data;

ii. receiving updates and briefings on changes to health and safety legislation and regulation, the implications of these changes and management responses.

2.5 **IT / Digital**

2.5.1 The Committee shall be responsible for taking a corporate view of the College's IT strategy and policies to ensure they contribute effectively to the delivery of the College's business needs and corporate strategy.

2.5.2 Key areas of focus will include:

i. reviewing and overseeing the development, implementation and operation of the ICT Strategy;

ii. considering the financial implications of IT investment and associated opportunities and risks and making relevant recommendations to the Corporation;

iii. overseeing legal and regulatory compliance.

2.6 **Estates**

2.6.1 Overseeing any College estates or campus developments which do not fall under the remit of a specially convened Task and Finish Group.

2.6.2 Scrutinising and recommending the Estates Strategy and significant estates projects to the Corporation for approval.

2.6.3 Receiving updates on estates strategic developments.

2.7 **Sustainability**

2.7.1 The Committee shall provide assurance to the Corporation as to the extent the College is complying with relevant sustainability legislation, regulation, policies, procedures and working practices regarding sustainability. Key areas of focus will include:

- approving and overseeing the implementation and operation of the sustainability strategy;
- receiving and scrutinising termly reports to monitor relevant activity, risks, key performance indicators and benchmarking data, and making relevant recommendations to the Corporation.

2.8 **Other**

28.1 The Committee shall be responsible for undertaking an annual review of its effectiveness.

3. Frequency of Meetings

3.1 The Committee will meet as often as is necessary to fulfil its responsibilities and at least once each term. Work scheduled will be consistent with the Corporation's annual governance business plan.

4. Constitution and Membership

4.1 The Corporation shall appoint between three and five members to the Committee, (at least one of whom must be a qualified accountant), the majority of whom should be external Members, on the recommendation of the People Strategy & Governance Committee.

4.2 To avoid potential conflicts of interest, Committee members should not be members of the Audit Committee and vice-versa.

5. Quorum

5.1 The Committee shall be quorate when 2 members are present.

5.2 Where there are only two Members present and in the event the Committee, in line with its delegated powers, is required to make a decision, the Committee in its discretion shall either:

i. make the decision as long as both Members agree; or

ii. defer that decision to the next scheduled committee meeting; or

iii. call for an electronic resolution where the decision is time sensitive.

6. Appointment of Chair and Deputy Chair

6.1 At the first meeting of each academic year, the Committee shall appoint a Chair and Deputy Chair from its External Members.

6.2 In the absence of the Chair, the Deputy Chair shall chair the meeting. In the absence of both the Chair and the Deputy Chair, the members in attendance shall appoint a Chair from those External Members present.

7. Attendance at Meetings

7.1 Attendance will generally be limited to Committee members, the Clerk, the Chief Operating Officer, the Executive Director People and Culture and any persons expressly invited to attend all or part of a meeting. Corporation Members who are not committee members may also attend.

8. Reporting Procedures

8.1 Minutes of the meeting, following the agreement of the Committee Chair, will be presented to the subsequent Corporation meeting, regardless of whether they have been confirmed as being a true record by the Committee.

8.2 The Committee Chair shall complete an assurance report which, together with Committee minutes, will be presented to the next scheduled Corporation meeting. The Committee Chair will present the assurance report to the Corporation, highlight relevant matters and make whatever recommendations the Committee deems appropriate, on any area within its remit where action or improvement is needed.

9. Clerking Arrangements

9.1 The Clerk to the Corporation shall act as Clerk to the Committee.

9.2 In the absence of the Clerk, the Principal, in consultation with the Committee Chair, shall make arrangements for another person to carry out the role.