

# **People Strategy & Governance Committee - Constitution and Terms of Reference**

## **1. Constitution and Membership**

- 1.1 The Corporation shall appoint as a minimum, the Chair, the Vice-chair(s) and the Chairs of Committees to the Committee and any further Members (including a Member who has also been appointed to The Midland Academies Trust Board of Directors) to a total maximum of seven Members.
- 1.2 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.
- 1.3 Where necessary, the Corporation may co-opt to the Committee, an independent specialist in the field of remuneration.
- 1.4 Quorum: the Committee shall be quorate when 2 members are present. 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:
  - make the decision as long as both Members agree; or
  - defer that decision to the next scheduled committee meeting; or
  - call for an electronic resolution where the decision is time sensitive.
- 1.5 Appointment of Chair and Deputy Chair:
  - A Chair and Deputy Chair will be appointed by the Committee.
  - If the Chair is unavailable, the Deputy Chair will chair the meeting.

## **2. Clerking Arrangements**

- 2.1 The Clerk to the Corporation shall act as Clerk to the Committee.

## **3. Attendance at Meetings**

- 3.1 Attendance will generally be limited to Committee members, the Clerk and any persons expressly invited to attend all or part of a meeting. Corporation Members who are not committee members may also attend.
- 3.2 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.
- 3.3 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.

## **4. Proceeding and Frequency of Meetings**

- 4.1 The Committee shall meet in accordance with the Corporation annual calendar of meetings and as a minimum at least once per term.

## **5. Reporting Procedures**

- 5.1 Minutes of the meeting, following agreement with 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.
- 5.2 Matters relating to senior post holders and other confidential matters will be presented on the confidential agenda for external Members only.
- 5.3 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.
- 5.4 The Committee will produce two annual reports to the Corporation:

- an annual Remuneration Report providing sufficient assurance that it has effectively discharged its responsibilities;
- an annual Governance Report, which will also be a public facing document, reporting on the search and governance activities it has taken during the year and how it has effectively discharged its responsibilities.

## 6. Authority

- 6.1 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.
- 6.2 When making decisions about senior post holder remuneration the Committee will adhere to the \*\*\*\*<sup>1</sup> Remuneration Code and will apply its principles on a 'comply or explain' basis.
- 6.3 The Corporation has adopted the Code of Good Governance for English Colleges and the Committee, where relevant, will apply its principles on a 'comply or explain' basis.

## 7. Delegation

- 7.1. The Corporation shall delegate the following matters to the Committee:
- 7.1.1 The power to obtain, at the College's expense, legal or other professional advice on matters within its terms of reference.
- 7.2.2 The approval of senior post-holder role descriptions and person specifications.
- 7.2.3 The determination of the grading and conditions of service of senior post-holders.
- 7.2.4 The determination of senior post holder salary increases, following a full review, in accordance with Remuneration Policy and relevant Remuneration Code.
- 7.2.5 The determination, and periodic review of a performance management framework for senior post-holders.
- 7.2.6 The approval of annual performance objectives for the Principal, senior post holders and the Clerk.
- 7.2.7 The approval of individual severance arrangements for the Principal, senior post holders or the Clerk.
- 7.2.8 The commissioning of:
- an external review of governance effectiveness on a three yearly basis;
  - an external verification of the Committee's effectiveness, expertise and independence at least every four years (this may be as part of the external review of governance effectiveness or a standalone review).

## 8. Purpose

- 8.1 The People Strategy & Governance Committee is established to provide assurance to the Corporation that:
- a strategic view of the College's people (students, staff and stakeholders) is being taken with a view to achieving high organisational performance;
  - the principles of fair and appropriate remuneration for senior post holders have been applied effectively and consistently;
  - appropriate Corporation recruitment and succession planning process are in place and effective, and that timely and appropriate advice on membership matters has been provided;
  - the Corporation's governance framework and approach is fit-for-purpose and effective; and
  - strategic risks which relate to the Committee's terms of reference, are being effectively managed.

## 9. Duties

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<sup>1</sup> The issue as to whether FE Colleges which deliver HE provision must be subject to the HE Remuneration Code is still be discussed. It is however very likely that such FE College will need to adopt a Remuneration Code whether it is the HE code or an AoC developed code.

## 9.1 People Strategies

The Committee shall be responsible for:

- 1.1.1 Scrutinising and challenging identified strategic people priorities and supporting strategies to meet those priorities.
- 1.1.2 Reviewing and evaluating the implementation and impact of people strategies.

## 9.2 Senior Post-Holder: Remuneration, Terms & Conditions, Performance Management and Development

The Committee shall be responsible for:

- 9.2.1 Developing a Remuneration Policy 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.
- 9.2.2 Reviewing and approving the job descriptions of senior post-holders.
- 9.2.3 Determining the grading and conditions of service of senior post-holders.
- 9.2.4 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.
- 9.2.5 Periodically reviewing and determining the performance management framework to be adopted for senior post-holders.
- 9.2.6 Considering the Principal's development needs and receiving a report from the Principal on other senior post-holder's development needs.
- 9.2.7 Reviewing and approving any senior post holder severance payments.

## 9.3 Search

The Committee shall be responsible for:

- 9.3.1 Reviewing and determining the procedures for the selection and appointment of external Members and co-option to committees, including:
  - 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.
  - 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.
- 9.3.2 Setting targets for Members' attendance and evaluating their attainment.
- 9.3.3 Overseeing the development of Members including; induction, ongoing learning and development opportunities.

## 9.4 Governance

The Committee shall be responsible for:

- 9.4.1 Commissioning:
  - an external review of governance effectiveness on a three yearly basis;
  - an external verification of the Committee's effectiveness, expertise and independence at least every four years (this may be as part of the external review of governance effectiveness or a standalone review).
- 9.4.2 Overseeing annual Corporation self-assessment and quality improvement planning for inclusion in the whole College Self-Assessment Report.
- 9.4.3 Determining and implementing a process for:
  - assessing the individual performance of Members, on a regular basis;
  - evaluating the performance of committee effectiveness on an annual basis.

- 9.4.4 Considering governance effectiveness, development and improvement and where necessary, making relevant recommendations for change or amendment to the Corporation.
- 9.4.5 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.
- 9.4.6 Reviewing and making recommendations to the Corporation on the Standing Orders and other relevant governance documents on a three yearly basis.
- 9.4.7 Reviewing Members' declarations of interest and making a determination on any actual or potential conflicts of interest and how these may be managed.
- 9.4.8 If in place, overseeing the operation of a Link Scheme and assigning special responsibility roles for Members.
- 9.4.9 Scrutinising on an annual basis, Members' expense claims.
- 9.4.10 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.

**9.5 Other**

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

**Appendix 1**

<b>Policies</b>	<b>Committee Review and Recommend</b>
Standing Orders	People Strategy & Governance
Guiding Principles (Code of Conduct)	People Strategy & Governance
Committee Terms of Reference	People Strategy & Governance
Instrument and Articles of Government	People Strategy & Governance
<b>Students</b>	<b>Approval By Committee</b>
Senior Post Holder Remuneration Policy	People Strategy & Governance