

**Terms of Reference
Relating to the Corporation's Committees**

Finance Committee

(Approved by Corporation, December 2017)

Audit Committee

(Approved by Corporation, December 2017)

Remuneration Committee

(Approved by Corporation, December 2017)

Search Committee

(Approved by Corporation, December 2017)

Special Committee

(Approved by Corporation, December 2017)

Finance Committee

Terms of Reference

Approved by Corporation on 05 December 2017

Role and Purpose

Finance Committee shall advise Corporation on the finances of the College.

1. Responsibilities

- 1.1 To scrutinise, on behalf of the Corporation, the finances of the College, reporting and advising on the effective and efficient use of resources to Corporation.
- 1.2 To advise the Corporation on the financial implications of the Strategic Plan and to monitor the financial objectives set by Corporation.
- 1.3 To advise the Corporation annually on the draft budgets of income and expenditure, the capital budget and cash flow forecast for each financial year. The Committee will have special regard to the three year financial forecast.
- 1.4 To monitor each term actual income and expenditure, capital budget expenditure, cash flow and balance sheet provision against budgets and targets set by the Corporation.
- 1.5 To consider the draft outturn of the income and expenditure account and balance sheet for the financial year before submission to the Corporation.
- 1.6 To advise Corporation on the appointment of the College's bankers and professional financial advisers. The appointment shall be for a specified period after which consideration shall be given by the Committee to competitively tendering the service.
- 1.7 To advise the Corporation on short term borrowing on amounts in excess of £50,000 and all longer term borrowing, whatever the amount.
- 1.8 To monitor annually the performance of non-core income activity.
- 1.9 To monitor annually the budget and income and expenditure accounts of the Students' Union.
- 1.10 To consider the capital programme prior to submission to Corporation and to monitor its strategic and operational objectives.
- 1.11 To approve the Property Strategy and to monitor its strategic and operational objectives.
- 1.12 To annually consider and approve the College's portfolio of insurances.

- 1.13 To consider specific matters requested by the Corporation, including the Fees Policy.
- 1.14 To consider the College's international business plan.
- 1.15 To discharge responsibilities as defined under the Financial Regulations.
- 1.16 To review annually the College's Financial Regulations prior to submission to the Corporation.

2. Matters Delegated to the Committee

2.1 College Company

Cor. Min. 177

The Committee to determine whether the College should set up a Company and to deal with any associated matters.

2.2 Student Union budget

Cor. Min 2296

The Committee to approve on an annual basis the budget and income and expenditure accounts of the Students' Union.

3. Membership:

- 3.1 The Committee shall be appointed by the Corporation and will consist of between six and nine Corporation members including the Chair of the Corporation and the Principal, if not already a member by virtue of being a member of the Corporation.
- 3.2 Members of the Audit Committee may not be members of the Finance Committee. The Committee may include persons who are not members of the Corporation.
- 3.3 The Chair of the Committee will be appointed by the Corporation. In the absence of the Chair, the Committee will appoint a temporary Chair from within its membership.

4. Quorum

- 4.1 Where there are six to eight Committee members, the quorum shall be three members. Where there are nine Committee members, the quorum shall be four members.

5. Meetings

- 5.1 Four scheduled meetings shall normally be held each year.

6 In Attendance

- 6.1 The Clerk to the Committee shall be either the Clerk to the Corporation, or the Clerk's nominee.

6.2 Such other persons as the Committee may from time to time agree.

7. Reporting Procedures

7.1 The Clerk to the Corporation shall circulate minutes of meetings of the Committee to all Corporation members as attachments to the agenda for the next Board Meeting for information and decision as necessary.

Audit Committee

Terms of Reference

Approved by Corporation on 05 December 2017

Role and Purpose

Audit Committee shall advise Corporation on the College's audit arrangements.

1. Responsibilities

- 1.1 To assess and provide the Corporation with an opinion on the adequacy and effectiveness of the College's audit arrangements, framework of governance, risk management and control, and processes for the effective and efficient use of resources, the solvency of the institution and the safeguarding of its assets.
- 1.2 To advise the Corporation on the appointment, reappointment, dismissal and remuneration of the financial statements auditor and the Internal Audit Service (IAS) and other assurance providers, including internal auditors, and establish that all such assurance providers adhere to relevant professional standards.
- 1.3 To advise the Corporation on the scope and objectives of the work of the IAS and the financial statements auditor.
- 1.4 To ensure effective coordination between the IAS and the financial statements auditor including whether their respective work should be relied upon for the purposes of the other;
- 1.5 To consider and recommend to Corporation the audit strategy and annual internal audit plans for the IAS;
- 1.6 To advise the Corporation 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;
- 1.7 To monitor, within an agreed timescale, the implementation of recommendations arising from the management letters and reports of the financial statements and regularity auditor, and of any reports submitted by other providers of audit and assurance services to the College.
- 1.8 To consider and advise the Corporation on relevant reports by the National Audit Office (NAO), and funding bodies, and where appropriate management's response to these;
- 1.9 To establish, in conjunction with College management, relevant annual performance measures and indicators and to monitor the effectiveness of the IAS and financial statements auditors through these measures and indicators

and to decide, based on this review, whether a competition for price and quality of the audit service is appropriate.

- 1.10 To produce an annual report for the Corporation. The annual report shall:
- Summarise 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 and any significant matters of internal control included in the management letters and reports from auditors or other assurance providers.
 - Include the Committee's view of its own effectiveness and how it has fulfilled its Terms of Reference.
 - Include the Audit Committee's opinion on the adequacy and effectiveness of the College's audit arrangements, its framework of governance, risk management and control, and its processes for securing economy, efficiency and effectiveness.

The annual report shall be submitted to the Corporation before the Statement of Corporate Governance and Internal Control in the accounts is signed and shall be forwarded to the relevant funding body with the annual accounts.

- 1.11 To oversee the College's 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 (and internal auditors where appointed) 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.
- 1.12 To inform Corporation of any additional services provided by the financial statements, regularity and other audit assurance providers and explain how independence and objectivity were safeguarded.
- 1.13 To discharge responsibilities as defined under the Audit Code of Practice.

2. Authority

- 2.1 The Committee is authorised by the Corporation to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any Corporation member, committee of the Corporation or employee of the College.
- 2.2 The Committee is authorised by the Corporation to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with the relevant experience and expertise if it considers this necessary.

3. Matters Delegated to the Committee

3.1 There are no matters delegated to the Committee.

4. Membership:

4.1 The Committee shall be appointed by the Corporation and will consist of between six and nine members including up to two co-opted.

4.2 The Chair shall be appointed by the Corporation.

4.3 The Committee shall comprise individuals with an appropriate mix of skills and experience to allow it to discharge its duties effectively. Collectively, members of the Committee shall have relevant experience in risk management, finance and audit and assurance. The Committee shall not adopt an executive role.

4.4 Up to two outsiders with relevant experience may be co-opted, but excluding members of the firms who are providing the audit services to the College. A co-opted external member of the Audit Committee may not normally be appointed Chair of the Committee.

4.5 The Chair of the Corporation, members of the Finance Committee, the Principal and other Senior Postholder(s) may not be members of the Audit Committee.

4.6 In the absence of the Chair of the Committee, the Committee will appoint a temporary Chair from within its membership.

5. Quorum

5.1 Where there are six to eight Committee members, the quorum shall be three members. Where there are nine Committee members, the quorum shall be four members. Of these members at least two shall be members of the Corporation.

6. Meetings

6.1 Meetings shall normally be held once a term. This may be varied in accordance with Standing Order 81.

7. In Attendance

7.1 The Principal or other senior manager who is responsible for the College's internal control and representatives of the internal and financial statements auditors as appropriate, shall normally attend meetings at the invitation of the Committee. The Committee shall have the power to invite such other persons to attend meetings as may be desirable and necessary.

7.2 Other Corporation Members shall have a right of attendance, save that the Committee may when they consider it appropriate, meet with representatives of the internal and / or financial statements auditors without the Principal or staff members being in attendance.

7.3 The Committee shall have an opportunity to meet the Internal Auditor and External Auditors at least annually, without executive staff members present. This meeting shall usually be during the Summer Term Committee meeting.

7.4 The Clerk to the Committee shall be either the Clerk to the Corporation, or the Clerk's nominee.

8. Reporting Procedures

8.1 The Clerk to the Corporation shall circulate minutes of meetings of the committee to all Corporation members as attachments to the agenda for the next Board Meeting for information and decision as necessary.

Search Committee

Terms of Reference

Approved by Corporation on 05 December 2017

Role and Purpose

Search Committee shall advise Corporation on Corporation / Committee membership issues as well as other general governance matters.

1. Responsibilities

- 1.1 The Committee shall be responsible for nominating candidates for the approval of the Corporation to fill vacancies on the Corporation, and for recommending the process whereby candidates are nominated.
- 1.2 The Committee shall from time to time consider and make recommendations to the Corporation on the Corporation's composition and balance of the Corporation and its committees and on the procedures for appointment to the Corporation and its committees.
- 1.3 The Committee shall, within the context of considering Committee membership, make recommendations to Corporation concerning the Chair and Vice-Chair of Corporation and the Chairs and Vice-Chairs of Committees.
- 1.4 The Committee shall develop and recommend to the Corporation policies and procedures for the induction, appraisal and governance development of Corporation Members.
- 1.5 The Committee shall consider general governance matters referred to it prior to their consideration, as appropriate, by the Corporation
- 1.6 The Committee shall be responsible for co-ordinating and reviewing Governors' involvement in the delivery of the College's strategic priorities.
- 1.7 The Committee shall have the power to employ the services of such external advisers as they deem necessary to fulfil their responsibilities.
- 1.8 The Committee shall review on an annual basis confidential minutes and associated papers from all Committee and Corporation meetings.

2. Matters Delegated to the Committee

2.1 Review of Confidential Minutes & Associated Papers: Cor. Min. 2271

The Committee to determine on an annual basis what Corporation / Committee minutes and associated papers should be released into the public domain or retained as confidential.

3. Membership

- 3.1 The Committee shall be appointed by the Corporation and will consist of no fewer than five and no more than eight Corporation Members.
- 3.2 The Committee will consist of the Chair of the Corporation who shall be Chair of the Committee, the Vice Chair of the Corporation, the Principal and between two and five other members of the Corporation.
- 3.3 In the absence of the Chair of the Committee, the Committee will appoint a temporary Chair from within its membership.

4. Quorum

- 4.1 The quorum shall be three members.

5. Meetings

- 5.1 Meetings shall be held at least once a year but generally as required in accordance with Standing Order No. 81. Where there is insufficient business to justify holding a meeting, the Chair may, in consultation with the Clerk, cancel a meeting.

6. In Attendance

- 6.1 The Clerk to the Committee shall be either the Clerk to the Corporation or the Clerk's nominee.
- 6.2 Such other persons as the Committee may from time to time agree.

7. Reporting Procedures

- 7.1 The Clerk to the Corporation shall circulate minutes of meetings of the Committee to all Corporation members as attachments to the agenda for the next Board Meeting for information and decision as necessary.

Remuneration Committee

Terms of Reference

Approved by Corporation 05 December 2017

Role and Purpose

Remuneration Committee shall decide upon the remuneration and conditions of employment for the Principal, Senior Postholders and the Clerk to the Corporation.

1. Responsibilities

- 1.1 The Committee will consider and decide upon the remuneration and conditions of employment for the Principal, Senior Postholders and the Clerk to the Corporation. The Chair of Corporation will act upon the decision of the Remuneration Committee.
- 1.2 The Committee will evaluate annually the specific remuneration packages of the Principal and other Senior Postholders in line with the Remuneration Policy – Senior Postholders. In order to do this, the Committee will receive information on the Principal and other Senior Postholders' targets and achievements.
- 1.3 To advise the Chair of the Corporation on any compensation which may be payable in the event of the early termination of the employment of the Principal or other Senior Postholder or the Clerk to the Corporation. The Committee will ensure that the Corporation operates in line with appropriate legislation and guidance with regards to the payment to Senior Postholders on termination of employment. In particular the Skills Funding Agency's Financial Memorandum which states that the terms of any final agreement are agreed by the governing body and brought to the attention of the financial statements auditors.
- 1.4 To review on a continuing basis, policy relating to the remuneration of the Principal, other Senior Postholders and the Clerk to the Corporation.

2. Authority

- 2.1 The Committee is authorised by the Corporation to obtain outside legal or other independent advice and to secure the attendance of outsiders with the relevant experience and expertise if it considers this necessary.

3. Matters Delegated to the Committee

- 3.1 The Committee has delegated authority to decide upon the remuneration and conditions of employment for the Principal, Senior Postholders and the Clerk to the Corporation.

4. Membership

- 4.1 The Committee shall be appointed by the Corporation and will consist of between three and five Corporation members.
- 4.2 Members will include the Vice Chair but exclude the Chair, Principal and Staff and Student members.
- 4.3 The Corporation shall appoint the Chair of the Committee.
- 4.4 In the absence of the Chair of the Committee, the Committee will appoint a temporary Chair from within its membership.

5. Quorum

- 5.1 The quorum shall be three members.

6. Meetings

- 6.1 The Committee will arrange to meet three times a year, according to the needs of the business.

7. In Attendance

- 7.1 The Principal will normally be invited to attend, with the exception of Agenda Items concerning his / her remuneration.
- 7.2 The Clerk to the Committee shall be the Clerk to the Corporation unless the Committee is considering the post of Clerk and / or Remuneration of the Clerk in which case a member of the Committee shall be responsible for clerking those Agenda Items.

8. Reporting Procedures

- 8.1 The Minutes of the Committee will be circulated only to members of the Committee in accordance with Corporation Minute 615 of 2 July 2002 and will be available to all Governors on request (except Staff and Student Governors and the Principal where the minutes pertain to his / her remuneration).

Special Committee

Terms of Reference

Approved by Corporation on 05 December 2017

Role and Purpose

Special Committee shall examine the case for the dismissal of a senior postholder.

1. Responsibilities

- 1.1 The Committee shall examine the case for the dismissal of a senior postholder 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.
- 1.2 The Committee shall allow the person whose dismissal is to be considered the right to make representations. The representations may be made in writing or made orally, for which purpose the person whose dismissal is to be considered may be accompanied and represented by a workplace colleague or union representative.
- 1.3 In examining the case for dismissal the Committee shall 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 applicable disciplinary procedures
 - any relevant ACAS guidance
 - relevant legislation including unfair dismissal legislation, discrimination legislation and the Human Rights Act 1998
- 1.4 The Committee shall notify the senior postholder in writing of its decision and of the right to appeal to the Corporation.

2. Appeal

- 2.1 The Corporation, other than staff members holding a post junior to the person whose appeal is under consideration, and the student members, will hear the appeal.
- 2.2 The Corporation shall consider the decision of the Special Committee and any representations of the senior postholder and take such action as it considers appropriate and communicate its decision to the senior postholder and to the Special Committee.

3. Procedures for the Conduct of the Special Committee

3.1 The Procedures are attached as Appendix A.

4. Authority

4.1 The Committee is authorised by the Corporation to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee of the College.

4.2 The Committee is authorised by the Corporation to obtain legal or other independent professional advice and to secure the attendance of outsiders with the relevant experience and expertise if it considers this necessary, provided that the Committee may not incur direct expenditure in this respect in excess of £5,000 without the prior approval of the Corporation.

5. Membership

5.1 The Committee shall be appointed by the Corporation in accordance with Standing Orders 76 – 79 and shall consist of at least three members of the Corporation, but shall not include the Corporation Chair or Vice-Chair, the Principal, staff members, student members or any person who has been involved in any way in an investigation or other disciplinary action leading up to the reference of the particular matter to the Committee

5.2 The Chair shall be appointed by the Corporation or the Chair of the Corporation.

5.3 In the absence of the Chair and Vice-Chair of the Committee, the Committee will appoint a temporary Chair from within its membership.

6. Quorum

6.1 The quorum shall be three members.

7. Meetings

7.1 The Committee will be convened as soon as practicable after a reference to it and in any event shall hold its first meeting within seven working days of the reference.

8. In Attendance

8.1 No other Corporation members shall have a right of attendance.

8.2 The Clerk to the Corporation shall be the Clerk to the Committee unless the Committee is considering the post of Clerk, in which case a Corporation member shall be responsible for clerking.

9. Reporting Procedures

- 9.1 The Clerk to the Committee shall circulate minutes of the meetings of the Committee to all members of the Special Committee.

Highbury College Special Committee

Procedures

1. First Meeting

- 1.1 The first meeting of the Committee will be used to set the timeframe and the process for considering the case for dismissal.

2. Main Meeting

- 2.1 The main meeting of the Committee shall be convened as soon as is practicable, subject to a minimum of ten working days notice in writing being given by the Clerk to the Committee to the senior postholder.
- 2.2 The purpose of the main meeting shall be to examine the facts, investigate whether there may exist any grounds for dismissal or other disciplinary action, and if so the nature of those grounds, and to take appropriate action.

3. Procedure of the Special Committee Prior to its Main Meeting

- 3.1 The Committee shall require from the representative of the Corporation a full written statement setting out:
- i) the facts of the case, including statements from witnesses, and documentary and other relevant evidence; and
 - ii) the reasons why the Chair, Vice Chair or majority of members of the Corporation considers that it may be appropriate that the senior postholder be dismissed.
- 3.2 The said statement shall be made available to both the Chair of the Committee and to the senior postholder at least ten working days before the main meeting of the Committee.
- 3.3 The senior postholder shall have the opportunity to submit a written statement and other documentation in reply. Any such statement or documentation must be submitted to the Chair of the Committee and to the Corporation's representative at least five working days before the meeting of the Committee.
- 3.4 The senior postholder shall also be informed, at least ten working days prior to the meeting of the Committee, of his/her right to bring witnesses to that meeting, and to be accompanied by a workplace colleague or union representative who may present the case on his/her behalf.
- 3.5 The Clerk to the Committee will send to the Committee members copies of the Corporation's and senior postholder's statements and other documentation submitted by them five working days before the meeting.

- 3.6 Witnesses who may be called shall be notified to the other party at least three days before the meeting.

4. Procedure at the Special Committee meeting

- 4.1 If the senior postholder exercises his/her right to attend the meeting then, at the beginning of the meeting, the Chair of the Committee shall 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.
- 4.2 The Chair shall then invite each party or their representative to give a short statement outlining the submissions which they intend to make, the evidence which they intend to adduce and the witnesses they intend to call. The statement made on behalf of the Corporation shall be made first and will be followed by the statement by or on behalf of the senior postholder. Neither party is obliged to make such an opening statement.
- 4.3 After completion of the opening statements (if any are made) the Corporation shall present its case. This shall involve:
- i) bringing to the attention of the Committee documentary evidence in support of their case, explaining the significance of such evidence and making submissions in relation to it; and
 - ii) eliciting evidence from witnesses, called in support of their case.
- 4.4 After the Corporation's representative has completed his/her questioning of each witness, the senior postholder or his/her representative shall be entitled to ask questions of that witness. This shall take place before the Corporation calls its next witness.
- 4.5 After the senior postholder or his/her representative has completed the questioning of a witness, the members of the Committee shall have the opportunity to ask questions of a witness.
- 4.6 After the completion of the Corporation's case, the senior postholder or his/her representative shall be entitled to present the case for the senior postholder. The procedure to be followed shall be in accordance with that set out at 4.3 to 4.5 above.
- 4.7 After the completion of presentation of cases, the Committee shall be entitled to ask of the parties and their representatives such questions as they think fit.
- 4.8 If the Committee considers that additional evidence should be provided to it, the hearing may be adjourned for a period up to seven working days to enable additional evidence to be submitted.
- 4.9 The Committee shall have full discretion to admit or exclude evidence as it reasonably considers fit, and is not obliged to follow strict legal rules concerning admissibility of evidence. It may, if necessary, vary the procedure to be

followed at the meeting, although such alteration must not be such as to cause undue prejudice to the interests of any party to the proceedings.

5. Independent advice

- 5.1 The Special Committee shall take independent advice before making any decision to dismiss the senior postholder under (Article 16) to ensure that such action does not contravene employment law or any other relevant legislation.

6. Procedure upon completion of the Special Committee meeting

- 6.1 Upon conclusion of the hearing, the Committee shall, in private, deliberate their findings and determine such action as it considers appropriate.
- 6.2 The Committee shall notify its decision to the senior postholder without unreasonable delay and advise of the right to appeal within 14 days.

7. Appeal to the Corporation

- 7.1 A meeting of the Corporation shall take place for the purpose of considering an appeal against a decision of the Special Committee. The appeal shall take place as soon as reasonably practicable, subject to at least ten working days' notice being given by the Clerk to the Corporation to the senior postholder.
- 7.2 Members of the Special Committee shall be entitled to attend the appeal hearing.
- 7.3 A staff member may, by resolution of other members present, be required to withdraw from any part of any meeting of the Corporation at which the conduct, suspension, dismissal or retirement of any member of staff holding a post senior to his/her own is to be considered. Student members may take no part in the consideration of any such matter, and may be required to withdraw from any meeting at which such matters will be discussed.
- 7.4 The senior postholder shall have the right to attend the appeal to the Corporation, and to make representations against the decision of the Special Committee.

These representations may be written and/or oral. If oral representations are made, the senior postholder has the right to be accompanied by a workplace colleague or union representative.

- 7.5 Following the conclusion of the meeting, the Corporation shall decide the outcome of the appeal.
- 7.6 The senior postholder shall be informed, in writing, of the Corporation's decision within five days of the Corporation hearing the appeal. The decision of the Corporation shall be final.