

- NEW COLLEGE CORPORATION -

CORPORATION PROCEDURES, COMMITTEE MEMBERSHIP AND TERMS OF REFERENCE

This paper summarises the Corporation's agreed procedures on access to meetings, publication of papers, terms of office, and its decisions on the structure, membership and terms of reference of its committees. All these matters are subject to the college's Instrument and Articles of Government.

1. Access to Meetings

- i. A standing invitation is extended to a minuting secretary and vice-Principal to attend as observers at all meetings of the Corporation and its finance and audit committees.
- ii. Access to Corporation and committee meetings for other members of New College staff is at the invitation of the Principal in consultation with the Chairman of the Corporation or committee as appropriate.
- iii. In accordance with the Audit Code of Practice, the college's internal audit service has an open invitation to attend all meetings of the audit committee, as has the college's financial statements auditor to all meetings of the committee where business relevant to them is being discussed. Additionally in line with the Code of Practice, a standing invitation to attend meetings of the Audit Committee is extended to the Principal and vice-Principal.
- iv. Exceptionally other persons may be invited to attend meetings, or parts of meetings of the Corporation or its committees at the invitation of the Principal in consultation with the Chairman of the Corporation or committee as appropriate.
- v. Except as prescribed above no persons other than the members of the Corporation and the Clerk may attend any meetings of the Corporation or its committees unless the Corporation resolves otherwise.
- vi. Where the Principal is required to withdraw from a meeting of the Corporation or its committees by provisions of the Instrument and Articles of Government, all non Corporation members, except the Clerk and where relevant the Internal Audit Service and Financial Statements Auditors' representatives, are required to withdraw. Where other members of the Corporation are required to withdraw from a meeting of the Corporation or its committees, the question as to whether any or all non Corporation members, except the Clerk and where relevant the internal audit service's and financial statements auditors' representatives, shall also withdraw shall be decided by resolution of the meeting.
- vii. Unless by resolution of the Corporation otherwise, staff members of the Corporation are not required to withdraw from that part of a Corporation meeting considering Remuneration Committee recommendations on senior staff salaries. Unless by resolution of the Corporation otherwise, the student member is required to withdraw from that part of a Corporation meeting considering Remuneration Committee recommendations on senior staff salaries.

2. Publication of Papers

- i. An open Corporation minute book containing all agendas, reports and minutes of the Corporation and its committees, except those papers where open inspection is prohibited by the Instrument and Articles of Government or by resolution of the Corporation or its committees, is to be kept in the college office available for general inspection. Unconfirmed open minutes are included with agenda papers for the next subsequent meeting of the Corporation or relevant committee, and are placed in the open minute book at the time of circulation.

- ii. A confidential or closed Corporation minute book containing all parts of agendas, reports and minutes of the Corporation and its committees where open inspection is prohibited by the Instrument and Articles of Government or by resolution of the Corporation or its committees, is to be kept in the college office. Unconfirmed confidential minutes are included with agenda papers for the next subsequent meeting of the Corporation or relevant committee, and are placed in the confidential minute book at the time of circulation. Access to the confidential minute book is through the Clerk. Normally the confidential minute book is available only to members of the Corporation, or others with proper cause including the financial statements auditors.
- iii. The Corporation and its committees will go into confidential session when considering items required by the Instrument and Articles of Government to be excluded from public inspection. The Corporation and its committee will also go into confidential session where by resolution it is considering a matter which, by reason of its nature, the Corporation or its committees is satisfied should be dealt with on a confidential basis.
- iv. The Corporation will review annually all records and papers related to confidential matters, other than those where public access is prohibited by provisions in the Instrument and Articles of Government, to consider whether confidentiality is still warranted.

3. Terms of Office – Chairman, Vice Chairman & Committees

- i. The Chairman and vice-Chairman of the Corporation are to be elected annually by the Corporation.
- ii. Members of the Corporation’s committees are to be elected annually by the Corporation.
- iii. Each committee of the Corporation is to elect annually a Chairman (and where appropriate a vice-Chairman) from amongst its members.
- iv. All members and officers of the Corporation and its committees shall be eligible for re-appointment.

4. Committees and Membership

The following committees of the Corporation are established. All committee members must be members of the Corporation with membership determined annually:

- (i) **Finance and General Purposes**
Membership – Principal, Chairman (ex-officio) and 3 others (excluding staff Members), total 5.
- (ii) **Remuneration**
Membership – Principal, Vice-Chairman (ex-officio) and 3 others (excluding staff members) majority to be general members, total 5.
- (iii) **Audit**
Membership – 5 members (excluding F & P members) to include one member with relevant financial or audit expertise, total 5.
- (iv) **Discipline and Suspension**
Membership – 5 members (excluding Principal, Chairman, Vice-Chairman, staff and student members), total 5.
- (v) **Search**
Membership – 5 members

- (vi) **Student Achievement and Standards**
Membership – Principal and 4 others. At least 2 of the 4 to be neither staff nor student members, total 5.

5. Quorums

- i) The quorum for Corporation meetings is 8 members. For all the Corporation's committees the quorum shall be a simple majority of members.

6. Committee Terms of Reference

(i) Finance and General Purposes Committee

1. To advise the Principal on the preparation of annual estimates of college income and expenditure (the budget plan) and three year financial forecast for consideration by the Corporation.
2. To monitor and review college income and expenditure against its budget plan, and report progress to the Corporation. This will include a mid year review of the budget, and consideration of the Annual Report and Financial Statements.
3. To consider and determine proposals from the Principal to vire sums above £20,000 and not exceeding £50,000 between major expenditure headings, and report decisions to the Corporation.
4. To review the Corporation's physical assets or other resources and make proposals on their efficient and effective use for consideration by the Corporation.
5. To advise the Corporation and make recommendations on the college's accommodation strategy.
6. To advise the Corporation on major capital expenditure proposals.
7. To advise the Corporation on the college's charging, investment and borrowing policies, and within approved policy, monitor insurance and banking arrangements.
8. To advise the Corporation on financial matters other than those covered by the Audit Committee.
9. To determine bad debt write offs in excess of £500.
10. To advise the Corporation on all aspects of employment policy.
11. To determine such matters as are referred to it by the Corporation.
12. Where appropriate, advise the Corporation on changes to financial regulations, standing orders and the scheme of delegation.

(ii) Remuneration Committee

1. To advise Corporation on the remuneration of senior staff and, where necessary, advise the Principal on the remuneration of staff other than senior staff within the framework determined by the Corporation.

(iii) **Audit Committee**

1. To advise the governing body on the adequacy and effectiveness of the college's systems of internal control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money).
2. To advise the governing body on the appointment, reappointment, dismissal and remuneration of the financial statements auditor and the internal audit service.
3. To advise the governing body on the scope and objectives of the work of the financial statements auditor, funding auditor and the internal audit service.
4. To ensure effective co-ordination between the internal audit service, funding auditor and financial statements auditor including whether the work of the funding auditor should be relied upon for internal audit purposes.
5. To consider and advise the governing body on the audit strategy and annual internal audit plans for the internal audit service.
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 and funding auditor, and management's response to these.
7. To consider and advise the governing body on relevant reports by the National Audit Office and the Learning and Skills Council and other funding bodies, and where appropriate, management's response to these.
8. To monitor, within an agreed timescale, the implementation of agreed recommendations relating to internal audit assignment reports, internal audit annual reports, the funding auditor's management letter and spot check reports and the financial statements auditor's management letter.
9. To establish, in conjunction with college management, relevant annual performance measures and indicators and to monitor the effectiveness of the internal audit service 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.
10. To produce an annual report for the governing body and accounting officer which should include the committee's advice on the effectiveness of the college's risk management control and governance processes and any significant matters arising from the work of the internal audit service, the funding auditor and financial statements auditor.
11. To ensure that all allegations of fraud and irregularity are properly followed up.
12. To be informed of all additional services undertaken by the internal audit service, funding auditor and financial statements auditor.

In order to exercise its role the audit committee has the power to:

- i. investigate any activity within its terms of reference;
- ii. seek any information it requires from the internal audit service, the financial statements auditor, governors, committees and college employees, plus relevant information from subcontractors and other third parties;
- iii. obtain external professional advice.

(iv) **Discipline and Suspension Committee**

1. To act as the Special Committee and Appeal Committee in accordance with the Personnel Handbook and Articles of Government in relation to disciplinary sanctions against senior staff or the Clerk.
2. To consider and determine appeals against dismissal and disciplinary sanctions by members of staff other than senior staff.
4. To consider and determine appeals against suspension or expulsion by students.
5. To act as the grievance committee in accordance with the procedures set out in the Corporation's personnel handbook.

(v) **Search Committee**

1. To advise the Corporation on the appointment of general members.
2. To monitor and oversee the arrangements for the nomination of staff, parent, and student members.
3. To advise the Corporation on such matters relating to membership and appointments as the Corporation may remit to them.

(vi) **Student Achievement and Standards Committee**

1. To advise the Corporation on all matters concerned with student achievement and standards.
2. To consider the college's quality reports and advise the Corporation on their contents.
3. To consider the college's self assessment reports and advise the Corporation on their contents.
4. To determine such matters as are referred to it by the Corporation.