

**HERTFORD REGIONAL COLLEGE
FURTHER EDUCATION CORPORATION**



COMMITTEE TERMS OF REFERENCE

UPDATED JULY 2023

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| Committee | |
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| AUDIT | |
| Status | Established as a condition of funding and the Post-16 Audit Code of practice. |
| Purpose | To advise the corporation on the adequacy and effectiveness of its assurance framework; play a robust role in good stewardship and risk management and advise and support the corporation in explaining, in its annual accounts, the measures taken to ensure it has fulfilled its statutory and regulatory responsibilities. |
| Membership | A minimum of three but no more than eight members. Co-opted members are permitted but Corporation members must be in the majority. It may not include the Corporation Chair, the Principal or members of the Resources Committee. |
| Expertise | Members with an appropriate mix of skills and experience to allow the Committee to maintain its independence and objectivity, discharge its duties effectively and support, challenge, and warn the Corporation as required. Collectively, the committee shall have recent, relevant experience in risk management, finance and assurance and include relevant financial and non-financial areas. |
| Chair | A Corporation member elected by Board members. If the Chair is unable to attend, the Members present will determine who will act as Chair for that meeting. External Co-opted Members will not normally be eligible to be Chair |
| Attendees | The Principal & Deputy Principal Finance & Resources, providers of audit services and any others specifically invited. |
| Quorum | <ul style="list-style-type: none"> ▪ Meetings of the Committee shall be quorate if 40% of the determined membership is present. If the number assembled for a meeting of the Committee does not constitute a quorum the meeting shall not be held. ▪ If another quorate meeting cannot be summoned before the next meeting of the full Board then agenda items may be referred direct to the Board for decision. ▪ A meeting of the Committee that is in-quorate from the outset or becomes in-quorate in the course of its business may conduct an informal discussion of the agenda in order that informed recommendations may be presented to the Corporation when decisions are made |
| Meetings & conduct of business | <ul style="list-style-type: none"> ▪ At least once per term to reflect the needs of planning and reporting cycles of the audit services. Additional meetings will be scheduled at the discretion of the Chair. Where three meetings are not held, an explanation shall be provided within the audit committee's annual report. ▪ Papers: Agenda and Papers will be circulated electronically by Clerk of the Corporation not later than seven days before meeting ▪ Clerking: The Clerk to the Corporation or an approved deputy. |
| Remit & Powers | <ul style="list-style-type: none"> ▪ In order to exercise its role, the Audit Committee has the power to investigate any activity within its terms of reference; and the right to access all the information and explanations it considers necessary, from whatever source, to fulfil its remit ▪ To take a holistic view with all aspects and systems, financial and non-financial, being in scope depending on their impact and effect on the corporation. ▪ As a matter of best practice, the committee may also oversee such other additional matters as may be appropriate. |
| Terms of Reference | <p>1. To:</p> <ul style="list-style-type: none"> 1.1 Assess and provide the Corporation with an opinion on the adequacy and effectiveness of the Corporation's assurance arrangements and framework of governance. This may include the board assurance framework, risk management and control processes for the effective and efficient use of resources, solvency of the institution and the safeguarding of its assets 1.2 Consider the development of members and put in place appropriate training to ensure their skills and knowledge are up to date. Where a gap is identified in its existing skillset, training and development is to be provided to address this in the first instance. 1.3 Ensure that there is in place a policy for the regular retendering of the external audit service with such a contract to be put out to tender at least every 5 years with consideration given to the quality of the audit service required as well as the price. |

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| <p>Terms of Reference</p> | <p>1.4 Consider and ensure that there is in place any further assurance arrangements that may be required or the Committee to be able to advise the corporation on the adequacy and effectiveness of its assurance frameworks, risk management and fulfilment of statutory and regulatory responsibilities</p> <p>1.5 Advise the Corporation on the appointment, reappointment, dismissal and remuneration of the external auditor (Financial Statements), reporting accountant, internal audit (as applicable) and other assurance providers (as applicable) and establish that all such assurance providers adhere to relevant professional standards</p> <p>1.6 Inform the Corporation of any additional services provided by the External Auditor, reporting accountant and other assurance providers (if applicable) and explain how independence and objectivity are safeguarded</p> <p>1.7 Review and consider the reports of the external auditor, reporting accountant, internal audit (as applicable) and other assurance providers (as applicable), and monitor the implementation of recommendations to agreed timescales.</p> <p>2 Oversee the Corporation's policies on and processes around fraud, irregularity, impropriety and whistleblowing, and ensure:</p> <p>2.1 The proper, proportionate and independent investigation of all allegations and instances of fraud and irregularity</p> <p>2.2 That investigation outcomes are reported to the Audit Committee</p> <p>2.3 That the external auditor (and internal auditor if applicable) has been informed of investigation outcomes and any other matters of fraud, irregularity and impropriety, and that appropriate follow-up action has been planned/actioned</p> <p>2.4 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 authority authorities. as soon as possible. Any actual or suspected cases of significant fraud, including cybercrime, will be reported to ESFA via the 'allegations' mailbox at allegations.mailbox@education.gov.uk.</p> <p>2.5 Risks around fraud have been identified and controls put in place to mitigate them</p> <p>3 Take a holistic view with all aspects and systems, financial and non-financial, being in scope depending on their impact and effect on the corporation; and may also oversee additional matters such as data breaches, GDPR issues and health and safety incidents.</p> <p>4 Immediately, notify the ESFA of the resignation of external auditors mid-term, or where the corporation removes the external auditors before the expiry of their term of office. Where auditors have resigned, other than at the end of their agreed term, the audit committee shall copy to the ESFA an explanation from the auditors. Where the corporation elects to remove the auditors, the audit committee shall notify ESFA of these reasons.</p> <p>5 Before the signing of the statement of corporate governance and internal control in the annual accounts, to produce and submit to the Corporation an annual report, summarising the Committee's activities relating to the financial year under review, including:</p> <p>5.1 A summary of the work undertaken by the Committee during the year, the number of meetings held in the year, and attendance records for each audit committee member</p> <p>5.2 Any significant issues arising up to the date of preparation of the report</p> <p>5.3 Any significant matters of internal control included in the reports of audit and assurance providers</p> <p>5.4 The details of the date of appointment of the external auditors and the remaining term of the contract</p> <p>5.5 The Committee's view of its own effectiveness and how it has fulfilled its Terms of Reference</p> <p>5.6 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 of the institution and the safeguarding of its assets</p> |
| <p>Review</p> | <p>Last reviewed: November 2022 Updated: June 2023 Next Review: June 2024</p> |



| Committee QUALITY, STANDARDS & BUSINESS PLANNING | |
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| Purpose | In line with statutory requirements and good practice*, to exercise oversight of and advise on College academic performance, the development of provision and engagement with its community. Other than those non-delegable matters outlined in the Articles of Government, it will have delegated powers to make decisions for any purpose or function assigned to it by the Corporation on such matters |
| Membership | a. Not more than 8 Corporation members, comprising Business Members, the Principal, Staff and Student members. Expertise may be further enhanced through the co-option of additional members b. Membership shall be reviewed annually. |
| Chair | a. A Corporation Business member elected by Board members annually. If the Chair is unable to attend, the Members present will determine who will act as Chair for that meeting. |
| In attendance | a. Governors who are not members of the Committee may attend and speak but may not vote. b. Members of College Management may be invited to attend meetings to provide information and present reports. |
| Quorum | a. Meetings of the Committee shall be quorate if 40% of the determined membership is present. If the number attending does not constitute a quorum, or becomes inquorate during the course of business, matters may be discussed informally so that informed recommendations may be presented to the Corporation. b. If another quorate meeting cannot be summoned before the next meeting of the full Board then agenda items may be referred direct to the Board for decision. |
| Meetings & business | a. Meetings will be at least once per term in-line with the reporting and planning cycle of the Board b. Agenda and Papers will be circulated electronically by Clerk not later than seven days before meeting c. Clerking: The Clerk to the Corporation or an approved deputy. |
| Terms of Reference | a. Oversight of College academic performance, quality standards and improvement via: <ul style="list-style-type: none"> ▪ Periodic review of its Quality Improvement Strategy ▪ Recommendations to the Board about and monitoring performance against strategic objectives and annual performance and quality improvement targets and indicators by scrutiny and challenge of reports on the impact and outcomes of quality assurance procedures, including observations of teaching and learning and assessment, quality health checks, student satisfaction surveys and performance management and staff development activity. ▪ Review and recommending for approval the annual Self-Assessment Report and the Board's Self-Assessment of its own performance and its contribution to College improvement. ▪ Review of reports and any action plans for the continuous improvement of provision and to make recommendations regarding any assurances to be given to external agencies about the student academic experience, outcomes b. Oversight of the College response to local needs and planning and engagement with communities, and stakeholders via review of: <ul style="list-style-type: none"> ▪ The educational character and direction and making recommendations regarding any change. ▪ Proposals for the planning and overall development of provision and consideration of any potential gaps in and response to meeting any needs identified. ▪ Consideration of market intelligence and action to improve College and employer stakeholder responsiveness. ▪ Any reports about its brand and reputation ▪ Review and consideration of the development and utilisation of facilities in promoting greater community involvement. c. Oversight of compliance with relevant statutory requirements through review of arrangements, policies, procedures and reports |
| Review | (I) Last reviewed January 2022; (ii) Updated June 2023; (iii) Next Review June 2025 |

* Statutory Instrument & Articles of Government; The Department for Education (DfE) Accountability Agreement; S52b Further & Higher Education Act 1992 (as amended by the Skills & Post-16 Education Act 2022) - duty to review provision in relation to local needs; Association of Colleges Code of Good Governance for English Colleges

| Committee | RESOURCES |
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| Purpose | a. In line with statutory requirements and good practice*, to assist the Corporation in the discharge of its responsibilities by providing a forum for consideration of financial strategy and by making recommendations on financial planning and performance and resource management for all aspects of the college group including subsidiary companies. |
| Membership | a. Not more than eight Corporation members, including the Principal. Expertise may be further enhanced through the co-option of additional members as appropriate. Members of the Audit Committee are ineligible for membership. |
| Committee Chair | a. A Corporation member appointed by the Board. If the Chair is unable to attend, the Members present will determine who will act as Chair for that meeting. |
| In attendance | a. Governors who are not members of the Committee may attend and speak but will not be eligible to vote. b. Appropriate members of the College Management may be invited to attend Committee meetings to provide information and to present reports. |
| Quorum | a. Meetings of the Committee shall be quorate if 40% of the determined membership is present. If the number attending does not so that informed recommendations enterprise may be presented to the Corporation. b. If another quorate meeting cannot be summoned before the next meeting of the full Board then agenda items may be referred direct to the Board for decision. |
| Meetings & conduct of business | a. Frequency - meetings will be at least once per term in-line with the reporting and planning cycle of the Board b. Agenda and Papers will be circulated electronically by Clerk not later than seven days before meeting c. Clerking: The Clerk to the Corporation or an approved deputy. |
| Terms of Reference | To ensure that the Corporation meets all financial responsibilities, the Committee will review and scrutinise the College's finances and corporate services and advise the Corporation: a. After consideration of financial strategy, of any recommendations regarding financial planning, including the annual budget and proposals that relate to finance or have financial implications b. In association with the Audit Committee, regarding the approval of the annual Financial Statements c. Of financial performance and resource management, through review of monitoring reports, including: <ul style="list-style-type: none"> • Monthly management accounts and Key Performance Indicators • ILR and student numbers • Procurement • Subcontractor financial performance • Apprenticeship financial performance • Financial Regulations • Fee policies • Human Resources and Key Performance Indicators and Policies • Health and Safety • Equipment, estates and infrastructure d. Other responsibilities delegated by the Corporation from time to time e. Reviewing its Terms of Reference biennially. |
| Review | Last reviewed: January 2022 Updated: June 2023 Next Review: June 2025 |

HERTFORD REGIONAL COLLEGE CORPORATION
TERMS OF REFERENCE: REMUNERATION COMMITTEE



| Committee REMUNERATION | |
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| Purpose | a. In line with statutory requirements and good practice*, to assist the Corporation in the discharge of its responsibilities through consideration of the terms, conditions, performance and pay of the Principal, & Chief Executive, any designated senior post holders and the Clerk to the Corporation; and to make recommendations to Corporation as appropriate |
| Membership | a. Up to six Corporation members, excluding the Principal and the staff and student members Expertise may be further enhanced through the co-option of additional members |
| Committee Chair | a. The Corporation Vice Chair shall be Committee Chair. If the Chair is unable to attend, the Members present will determine who will act as Chair for that meeting. |
| In attendance | a. Governors who are not members of the Committee may attend and speak but will not be eligible to vote. b. Appropriate members of the College Management may be invited to attend Committee meetings in order to provide information and to present reports. |
| Quorum | a. Meetings of the Committee shall be quorate if 40% of the determined membership is present. If the number attending does not constitute a quorum, or becomes inquorate during the course of business, matters may be discussed informally so that informed recommendations enterprise may be presented to the Corporation. b. If another quorate meeting cannot be summoned before the next meeting of the full Board then agenda items may be referred direct to the Board for decision. |
| Meetings & conduct of business | a. Frequency: twice per annum to fit in with the reporting and planning cycle. b. Papers: Agenda and Papers will be circulated electronically by Clerk of the Corporation not later than seven days before meeting c. Clerking: The Clerk to the Corporation or an approved deputy. |
| Terms of Reference | The Committee is responsible for: <ul style="list-style-type: none"> ▪ Oversight and review of the framework for Pay and Conditions of Service for holders of Senior Posts and the Clerk to the Corporation for approval by the Corporation in accordance with statutory requirements and good practice* ▪ Making arrangements for the appointment, appraisal, development, grading, suspension and dismissal of holders of Senior Posts and the Clerk to the Corporation in accordance with the Articles of Government of the College ▪ Receiving the report of the Chairman on his annual appraisal of the Principal and the Clerk to the Governing Body and to consider the report of the Principal on the appraisal of the other designated senior post-holders using the agreed framework for the performance management of SPHs. ▪ Preparing a policy framework covering other employment issues affecting holders of Senior Posts and the Clerk to the Corporation ▪ Making recommendations to the Corporation on the remuneration of the holders of Senior Posts and the Clerk to the Corporation ▪ Reviewing its Terms of Reference biennially. |
| Review | (i) Last reviewed: January 2022; (ii) Updated June 2023; (iii) Next Review June 2025 |

* Statutory Instrument & Articles of Government; HM Treasury "Managing Public Money"; ESFA Guidance – "Senior Pay Controls"; (iii) "FE & Sixth Form College Corporations: Governance Guide"; (iv) Association of Colleges Code of Good Governance for English Colleges & Remuneration Code

HERTFORD REGIONAL COLLEGE CORPORATION
TERMS OF REFERENCE: SEARCH & GOVERNANCE COMMITTEE



| Committee SEARCH & GOVERNANCE | |
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| Purpose | a. In line with statutory requirements and good practice*, to advise on the appointment of members and to deal with other such matters relating to Board membership and the maintaining and development of strong corporate governance |
| Membership | a. Up to 6 members to usually comprise the Corporation Chair, the Principal and Committee chairs. Expertise may be further enhanced through the co-option of additional members as appropriate. b. Membership shall be reviewed annually. |
| Chair | a. The Chair of the Corporation. If the Chair is unable to attend, the Members present will determine who will act as Chair for that meeting. |
| In attendance | a. Governors who are not members of the Committee may attend and speak but will not be eligible to vote. b. Appropriate members of the College Management may be invited to attend Committee meetings in order to provide information and to present reports. |
| Quorum | c. Meetings of the Committee shall be quorate if 40% of the determined membership is present. d. If the number present does not constitute a quorum, or becomes inquorate during the course of business, matters may be discussed informally so that informed recommendations may be presented to the Corporation. e. If another quorate meeting cannot be summoned before the next meeting of the full Board then agenda items may be referred direct to the Board for decision. |
| Meetings & conduct of business | a. Frequency: at least once per term aligned with the reporting and planning cycle Papers: Agenda and Papers will be circulated electronically by Clerk of the Corporation not later than seven days before meeting b. Clerking: The Clerk to the Corporation or an approved deputy. |
| Terms of Reference | <ul style="list-style-type: none"> ▪ The Committee shall: ▪ Make recommendations to the Board regarding its governance structure, composition and balance of the board, its membership and Committees ▪ Be responsible for determining the approach to and advise on matters relating to succession planning ▪ Be responsible for determining and exercise oversight of the appointment process and making recommendations regarding the appointment of candidates and membership re-appointments for Corporation approval ▪ Be responsible for determining the approach to and ensure that there is in place an effective programme of member support and development ▪ Be responsible for determining the arrangements for and exercise oversight of governance performance reviews, including external reviews. ▪ Update the Corporation on other issues concerning the development of governance as appropriate ▪ Review its Terms of Reference biennially. |
| Review | (i) Last reviewed: January 2022; (ii) Updated June 2023; (iii) Next Review June 2025 |

* Education & Skills Funding Agency's Accounts Direction; Learning & Skills White Paper; Department for Education (DfE) External governance reviews: guide for FE college corporations and designated institutions; FE and Sixth Form College Corporations Good Governance Guide, the Association of Colleges Code of Good Governance for English Colleges