



The College
of West Anglia

Governance and Financial Management Regulations

Approved by Corporation
19 May 2021 ¹

¹ Previous revision 20 May 2020

CONTENTS		Page
A	GENERAL	4
	Terminology	4
	Status of the Regulations	4
	Distribution	4
B	GOVERNANCE	5
	The Corporation	5
	Purpose	5
	Powers	5
	Responsibilities	5
	Membership	6
	Appointment/Re-appointment and Resignation of Members	6
	Meetings	7
	Chair's Action	9
	Election of Student Governors	9
	Election of Staff Governors	9
	Suspension of a Member	10
	Termination of a Member	11
C	CORPORATION COMMITTEES	12
	Finance and General Purposes Committee	13
	Audit Committee	16
	Search & Governance Committee	20
	Remuneration Committee	22
	Employment Policy Committee	23
	Performance Review and Quality Committee	25
	Chairs' Meeting Group	27
	Special Committee	28
D	CORPORATION WORKING GROUPS	30
E	FINANCIAL REGULATIONS	31
	Status	31
	Responsibilities	31
	Financial Management, Budgets and Targets	33
	Accounting	34
	Value For Money	35
	Income	37
	Expenditure	37
	Contracts	41
	Assets and Liabilities	43
	Subsidiary Companies and Trusts	45
F	INTERNAL CONTROL AND RISK MANAGEMENT	46
	Third Party Relationships	47
	Probity	48

CONTENTS		Page
G	AUDIT	52
	Appointment of Auditors	52
	Role of Audit	53
	Auditors' Rights	53
	Audit Independence	54
	Conduct, Planning and Reporting of Internal Audit Work	54
H	CODE OF CONDUCT FOR CORPORATION MEMBERS	56
	Introduction	56
	Purpose	56
	Interpretation	56
	Compliance and Duties (including the Nolan Principles)	57
	Statutory Accountability	58
	Skill Care and Diligence	59
	Responsibilities, Powers and Conflicts of Interest	59
	Collective Responsibility	61
	Openness and Confidentiality	61
	Complaints	62
	Attendance at Meetings	62
	Governance Development	62
H1	Summary of Responsibilities under the College's Articles of Government	64
H2	Summary of responsibilities under the Financial Memorandum	66
H3	Summary of Powers of the Corporation under the FEHE Act 1992	68
Appendix 1	Memorandum of Understanding CWA Developments Ltd	70
Appendix 2	Memorandum of Understanding CWA Enterprises Ltd	73

A GENERAL

Terminology

1 The terms used in this document have the following meanings:

ESFA	The Education and Skills Funding Agency
Funding Body	The government departments or agencies that provide funding to the College.
Corporation	The Corporation of the College, comprising members appointed under the College's charter and the relevant statutory instruments to be responsible for its affairs
Finance and General Purposes Committee	The committee of the Corporation charged with monitoring the financial affairs of the College
Clerk	The person appointed by the Corporation to act as independent Clerk to the Corporation responsible for advising the Corporation with regard to the operation of its powers; procedural matters; conduct of its business and governance practice.
Designated Senior post holders	The Principal, Vice Principal Corporate Services, Vice Principal Curriculum and Learning.
Senior Management Team	The Principal, designated senior post holders and others designated by the Principal
Vice Principal Corporate Services	The senior postholder responsible to the Principal for the College's financial management
Manager	Any member of the College's staff who has responsibility for managing part of the College's affairs or budget, including (but not limited to) heads of department, heads of faculty and members of the senior management team

Status of the Regulations

2 These Regulations are subordinate to the College's Articles of Government, to applicable legislation or regulations and to any restrictions contained in the College's Financial Memoranda with the ESFA.

Distribution

3 A controlled copy of these Regulations shall be posted on the College intranet and distributed to:

- (a) All members of the Corporation
- (b) The Clerk to the Corporation
- (c) All members of the Senior Management Team

B GOVERNANCE

THE CORPORATION

Purpose

- 1 The purpose for which the Corporation was established is:
 - (a) To determine the educational character and mission of the College and for oversight of its activities
 - (b) To ensure the provision of high quality further and higher education
 - (c) To carry on any other business or activity related to or necessary for the provision of further and higher education.

Powers

- 2 The Corporation has the following powers:
 - (a) To own, acquire and dispose of land and other property
 - (b) To enter into contracts
 - (c) To borrow money and, in connection with such borrowing, to grant mortgages, charges or other securities in respect of any land or property owned by the Corporation
 - (d) To invest any sums not immediately required for the purposes of carrying on any activities within its powers
 - (e) To accept gifts of money, land or other property and apply these, or hold and administer these on trust
 - (f) To do anything incidental to the conduct of an education institution providing further or higher education.

Responsibilities

- 3 The Corporation is responsible for, and **cannot delegate** its responsibility for:
 - (a) Determining the educational character and mission of the institution
 - (b) The approval of the annual estimates of income and expenditure
 - (c) Ensuring the solvency of the institution and the Corporation and for safeguarding their assets
 - (d) The appointment of the Principal, or holder of a senior post
 - (e) The appointment of the Clerk
 - (f) The modification or revocation of the Articles of Government.

- (g) The appraisal of the Principal
- (h) Reporting in the annual financial accounts on the adequacy of the College's systems of internal control and risk management.

Further, the Corporation **may not delegate**:

- (i) The consideration of the case for dismissal
- (j) The power to determine an appeal in connection with the dismissal of the Principal, the Clerk or the holder of a senior post other than to a committee of members of the Corporation.

The Corporation is responsible for, and **may delegate** to its committees its responsibility for, the following functions:

- (k) Approving the quality strategy of the institution
- (l) Setting a framework for the pay and conditions of service of all staff
- (m) Publishing arrangements for obtaining the views of staff and students on the determination and periodic review of the educational character and mission of the institution and oversight of its activities.

The Corporation is responsible for the approval of the College's Strategic Plan and for regularly monitoring progress against its strategic targets.

Membership

- 4 The Membership of the Corporation shall be a maximum of 21 governors of which 2 shall be staff governors, 2 shall be student governors and one the Principal.

Appointment, reappointment and resignation of members

- 5 All members shall be elected by the full Corporation.
- 6 Members of the Corporation, other than student members, shall serve for a term of office of not more than four years.
- 7 Student members shall be elected by the student body in accordance with the terms of the College of West Anglia Student Union Constitution (*approved Corporation 17 March 2021*).
- 8 Members retiring at the end of their term of office shall be eligible for re-election, subject to the limits set by the Corporation within its Standing Orders.
- 9 A member may at any time resign his office by giving notice in writing to the Clerk to the Corporation.
- 10 Should a member be absent from meetings of the Corporation or its Committees or Working Groups for a period longer than six consecutive months without the permission of the Corporation, or become unable or unfit to discharge the

functions of a member, the Corporation may, by notice in writing to that member, remove him/her from office and thereupon the office shall become vacant.

- 11 If a member is aware that, for a defined period of time during their term of office, they are unable to attend meetings due to working away from home, scheduled medical treatment or other commitments then they should notify the Clerk, giving details of the nature of their commitment and anticipated timescale. This information will be reviewed by the Chair of the Corporation and at the next meeting of the Search and Governance Committee and, at the discretion of the Chair/Committee, the member will be granted a leave of absence from meetings during the period. This sabbatical period will normally be for a period of one to two terms and would not normally extend beyond one year.
- 12 Any staff member (including the Principal) or student member shall cease to be a Corporation member if they cease to be a member of staff or student of the College, and the office shall become vacant.
- 13 A student member shall cease to hold office if he/she is expelled from the College.

Meetings

- 14 Quorum:

Corporation meetings shall be quorate if at least 40% of the members are present.

- 15 Use of Televisual and Electronic Media for Meetings:

Members are expected to attend all meetings of the Corporation and those committees of which s/he is a member in person. In exceptional circumstances, and with prior permission of the Chair, a member (including the Chair) may join a meeting using audio conferencing, televisual facilities or other visual electronic media where these are available.

Where a member has obtained the necessary prior approval to participate in a meeting using audio conferencing, televisual facilities, or other visual electronic media, to join the members who are physically present at the designated meeting place is encouraged, in advance of the meeting, to raise any issues that they would have raised at the meeting with the Chair, in order that the Chair can introduce those issues into the meeting discussion.

- 16 Chair:

- (a) The full Corporation shall appoint its Chair and Vice Chair(s) at the last meeting before the expiry of their term of office, or at the first meeting following the resignation or removal from office of the Chair or Vice Chair.
- (b) The Principal, staff and student members are not eligible to be Chair or Vice Chair, but may participate in the process of appointment.

17 In attendance:

The Clerk to the Corporation, or his/her nominee appointed by the Chair, shall attend every meeting.

18 Frequency of meetings:

The Corporation shall meet at least once in every term and shall hold such other meetings as may be necessary.

19 Summoning of meetings:

Corporation meetings shall be summoned by the Clerk to the Corporation, who shall send to the members notice of the meeting and a copy of the agenda at least seven clear days in advance of the meeting.

A special meeting of the Corporation may be called at any time by the Chair or at the request in writing of any five members. This meeting may be called with less than seven days' notice if the Chair (or in his/her absence, the Vice Chair) so directs, on the ground that there are matters demanding urgent consideration.

20 Agenda standing items:

The Clerk shall maintain a list of standing agenda items for each meeting, which shall be reviewed annually. These items shall be sufficient to discharge the Corporation's responsibilities under the Articles of Government.

21 Time limitations on decided questions:

If a decision has been resolved by the Corporation it may not be rescinded or varied at a subsequent meeting unless consideration of the rescission or variation is a specific item of business on the agenda for that meeting, ie it cannot be changed under Matters Arising.

22 Written Resolutions:

A resolution in writing agreed by a simple majority of the members who would have been entitled to vote upon it had it been proposed at a meeting shall be effective provided that:

- (a) A quorum of members, as defined under clause 12 of the Instrument of Government vote whether in support of or against the motion.
- (b) A copy of the proposed resolution has been sent to every eligible member (in hard copy or electronically) at least seven clear days in advance of the date at which the resolution shall be resolved.
- (c) The proposed resolution will be accompanied by a statement informing the member how to signify agreement to the resolution and the date by which the resolution must be passed if it is not to lapse.

23 Public access to meetings:

Meetings of the Corporation (and its sub-committees) shall not be open to members of the public, press, staff, students and other interested parties unless by prior agreement with the Chair.

Chair's Actions

- 24 There are exceptional times when it will be necessary for the Chair, or the Vice-Chair in her or his absence, to act on behalf of the Corporation between meetings. There are occasions when issues arise which should be placed before the Corporation but the next scheduled meeting is too distant and it is not thought appropriate to call a special meeting. In such circumstances, the Corporation delegates to the Chair, in consultation with the Principal, authority to take action on behalf of the Corporation, provided that such action is not contrary to the Articles of Government or other regulations. The actions taken by the Chair shall be reported to the next scheduled meeting of the Corporation, as appropriate.

Election of Student Governors

- 25 There will be two student governors, either of which can come from the FE or HE student population, with the proviso that at least one post must be filled by an FE student.

Student governors will serve for the term of their study at the college to a maximum of 4 academic years.

Elections will take place via an online poll in the summer term, and voting will be open to all students. The elected candidates will assume governor responsibilities from the start of the next academic year.

Candidates for election will come from the FE and HE class representatives and will normally be nominated in the summer term at the relevant representatives' meeting. Candidates may include FE and HE students but must include at least one FE student.

If a governor resigns mid-year, nominations for replacement governors will be sought from the relevant class representative's group with an election being held at the earliest possible opportunity. In this case, the elected candidate will be expected to begin their governor role with immediate effect.

A student who is subject to a current/ongoing disciplinary process may not be eligible to stand for the office of Student Governor.

26 **Election of Staff Governors**

Staff members shall be elected by the staff body. Where a vacancy for a Staff Governor arises, expressions of interest will be sought from interested members of staff who will be briefed by the Clerk on the role and responsibilities of a Governor. Following this, formal nominations will be invited from those who have expressed an interest. An online election process will be instigated should there be more than one candidate.

Staff members may apply for re-appointment at the end of their term of office, subject to review by the Search and Governance Committee.

A staff member who is subject to a current/ongoing disciplinary process may not be eligible to stand for the office of Staff Governor or to be considered for re-appointment.

27 Suspension of a Member* (also refers to Co-opted Non-governors*)

The Corporation may use its power to suspend a member under clause 9(3) of the Instrument of Government for a reasonable period of time, and in any event no more than a total of six months (or, in exceptional circumstances where criminal investigations are ongoing, until the end of such criminal investigations). At the end of this period, the suspended member shall either be fully reinstated as a member of the Corporation or proceedings under clause 9(2) of the Instrument of Government shall be commenced immediately.

Concerns justifying the suspension of a member of the Corporation include, but are not limited to, breach of the code of conduct, acting in a manner that has or is likely to bring the College, the Corporation or the office of governor into disrepute or being the subject of internal investigation, court or tribunal proceedings, the outcome of which may be that he or she is disqualified from continuing to hold office as a governor. Suspension of membership is a neutral act aimed at supporting the governing body, College and member.

All concerns about a member should be referred to the Clerk who shall immediately notify the Chair of the Board or in their absence the Vice Chair. The Chair will discuss concerns with the member in question together with the Clerk in the first instance.

Any concerns about the Chair should be referred to the Clerk who shall immediately notify the Vice Chair. The Vice Chair will discuss concerns with the Chair together with the Clerk in the first instance. If there is no resolution at this stage, the Chair, in consultation with the Vice Chair of Search and Governance committee, the Clerk and the Principal will determine whether the member should be suspended pending the outcome of further investigation. The suspension of the Chair shall be determined by the Vice Chair in consultation with the Vice Chair of Search and Governance committee, the Clerk and the Principal. The Vice Chair shall act as Chair of the Corporation during the Chair's suspension.

The member will be notified in writing of any decision to suspend and the reasons for this.

During any period of suspension the member shall continue to receive notification of Corporation or sub-committees meetings and a copy of the agendas, minutes and supporting documents.

During any period of suspension, the member shall not be entitled to (i) attend any meeting of the Corporation or its sub-committees (unless the member has been expressly invited by the Corporation) either as a member or as an observer, (ii) count towards the overall quorum requirements for Corporation or sub-committee meetings, and (iii) participate in the decision making process of the Corporation either at meetings or through written resolutions.

A member who has been suspended cannot be disqualified from holding office for failure to attend meetings.

28 Termination of a Member* (*also refers to Co-opted Non-governors**)

Where the Corporation has reasonable grounds to believe that any of the conditions set out in clause 9(2) of the Instrument of Government are likely to be met, the Chair will place on the agenda of the next Corporation meeting a motion to remove the member along the following lines:

That [NAME] be removed from office as member of the Corporation with [immediate] effect [from [DATE]] in accordance with clause 9(2) of the Instrument of Government for the following reasons: [include outline reasons]

Prior to the next Corporation meeting, the Clerk shall provide an overview in writing to the member to be removed of the reasons which justified the tabling of the above motion and remind the member of their right to make a statement (orally or in writing) at the next Corporation meeting.

If the Chair has had any direct participation or personal involvement in the matters leading to the tabling of the above motion, the resolution should be proposed by a member other than the Chair who has had no involvement (or as little involvement as possible) in such matters.

The member concerned should be given sufficiently early prior notification of the action proposed to be taken and of the charge that he or she will be called on to answer. The particulars set out in the notice should be sufficiently explicit to enable the member to understand the charge to be answered and to prepare his or her own case.

The member named in the motion shall have the right to reply to the allegations made against him or her, either in writing prior to or at the meeting or through an oral representation in person at the meeting. The member will be required to declare an interest in the proceedings at the meeting and may be required to leave the meeting while the motion is considered, after s/he has had an opportunity to make his/her position known to the other members of the Corporation.

At the conclusion of the debate, the Corporation will adopt or reject the resolution by a simple majority vote in accordance with clause 13 of the Instrument of Government.

If the resolution is passed, the Chair must give notice in writing to the member:

- (a) Informing the member of the resolution, its date, and the fact it was passed; and
- (b) Removing the member from office in accordance with clause 9(2) of the Instrument of Government.

C CORPORATION COMMITTEES

Establishment of committees

- 1 The Corporation shall establish and maintain the following committees:

Committee	Attendance	Standing Orders
Finance and General Purposes	Clerk Vice Principal Corporate Services Head of Finance SMT as required	Membership = 6 Quorum = 3
Audit	Clerk Vice Principal Corporate Services, SMT as required, Internal and Financial Statements Auditors, as required	Membership = 6 Quorum = 3
Search and Governance	Clerk	Membership = 5 Quorum = 3
Remuneration	Clerk Principal (if required)	Membership = 3 Quorum = 3
Employment Policy	Clerk Principal Head of Human Resources Health & Safety Officer SMT as required	Membership = 4 Quorum = 3
Performance Review and Quality	Clerk Vice Principal Curriculum and Learning SMT as required	Membership = 6 Quorum = 3
Special Committee	Clerk	Membership = 4 Quorum = 3

Committee Standing Orders

- 2 The business of each committee shall be conducted in accordance with the standing orders set out below, which shall be reviewed at least every two years by the Corporation.

Finance and General Purposes Committee

1 Purpose and responsibilities:

- (a) The Corporation is responsible for, and cannot delegate its responsibility for, the following financial matters:
- Ensuring the solvency of the College
 - Safeguarding the College assets
 - Approving an annual budget before the start of each financial year.

The purpose of the Finance and General Purposes Committee is to assist the Corporation in the discharge of these responsibilities by advising the Corporation on all financial, IT and property matters. The committee will review the following areas and make recommendations to the Corporation thereon, as required:

- The effectiveness of the use of the College's resources
- The solvency of the College
- The procedures for safeguarding College assets
- The College's management accounts and operating statements
- The annual revenue and capital budgets
- The annual financial accounts
- The financial implications of recommendations made by other committees
- The College's property strategy
- The College's IT strategy and its implementation, including an annual review of the college website
- The support provided by IT for business systems
- Progress against the strategic targets remitted to the committee for monitoring

2 Powers:

- (a) The Corporation delegates to the Finance and General Purposes Committee the power to determine financial policies and in particular (but without loss of generality):
- To approve policies relating to the borrowing of money and the grant of mortgages, charges or other securities within the limits imposed by the Financial Memorandum
 - To approve investment policies for funds not immediately required for the running of the College, subject to the requirement to invest prudently
 - To approve the policy for the setting of College fees
 - To appoint the College's bankers
 - To review and approve proposals for the setting up of companies to undertake commercial activities
 - To review and approve sub-contracting partnership activities and approve the Supply Chain Fees Policy
 - To biennially review and approve the Treasury Management Policy

- To approve minor modifications to the Financial Regulations during the year, subject to any modifications so approved being set out in full in the Committee's Minutes, which are laid before the full Corporation.
 - To approve the College's insurance and risk management policies
- (b) The Finance and General Purposes Committee has the power to request from other committees of the Corporation any information on the financial implications of matters discussed by them.
- (c) The Finance and General Purposes Committee has the power to approve contracts with a value of £500,000 or more.

3 Membership:

- (a) Six members of the Corporation, one of whom shall be the Principal
- (b) Membership may include a Co-opted Non-governor who brings additional relevant experience to the committee, as required.
- (c) Members of the Finance and General Purposes Committee, excluding Staff and Student members and any Co-opted member, shall be, ex officio, Directors of the College's subsidiary companies.

Meetings:

- (a) Quorum:
- 3 members
- (b) Chair:
- A non-executive member elected annually by the Corporation
- (c) Vice Chair:
- A non-executive member elected annually by the Committee

A Co-opted Non-governor may not serve as Chair or Vice Chair of the Committee

- (d) In attendance:
- The Vice Principal Corporate Services
 - The Head of Finance
 - The Clerk to the Corporation
 - SMT as required
- (e) Frequency:
- At least three times per year to fit with the College's reporting and planning cycle

- (f) Standing agenda items:
- The Clerk shall maintain a list of standing agenda items for each meeting, which shall be reviewed annually by the Corporation
 - The list of standing agenda items shall include the review of the management accounts
- (g) Agenda and papers distribution:
- At least seven clear days in advance of the meeting

Audit Committee

- 1 Purpose and responsibilities:
 - (a) To assess and 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 for the effective and efficient use of resources, solvency of the institution and the safeguarding of its assets
 - (b) To produce an annual report for the Corporation, summarising the committee's activities relating to the financial year under review including:
 - A summary of the work undertaken by the committee during the year
 - Any significant issues arising up to the date of preparation of the report
 - Any significant matters of internal control included in the reports of audit and assurance providers
 - The committee's view of its own effectiveness and how it has fulfilled its terms of reference
 - The committee's opinion on the adequacy and effectiveness of the Corporation's assurance arrangements, 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
 - Submit the annual report to the Corporation before the statement of corporate governance and internal control in the annual accounts is signed
 - (c) To advise the governing body on the appointment, re- appointment, dismissal and remuneration of the external auditor, reporting accountant and other assurance providers (if applicable) and establish that all such assurance providers adhere to relevant professional standards
 - (d) To ensure co-ordination between the external auditor, reporting accountant and other assurance providers so that their work is complementary and provides maximum effectiveness of audit services to the Corporation
 - (e) To review the annual audit plan based on the Corporation's risk register and make recommendations to the governing body
 - (f) To monitor, within agreed timescales, the implementation of recommendations arising from any reports of audit assurance providers
 - (g) To 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 were safeguarded
 - (h) To approve the key performance indicators for and evaluate the effectiveness/performance of both the internal and external audit services

- (i) To consider the draft annual financial statements and review the annual management letter from external auditors following completion of their audit work
- (j) To monitor the main business risks to which the College is exposed and the arrangements to mitigate or manage those risks and to satisfy itself as to the adequacy of those arrangements by reviewing the Risk Register periodically (minimum twice per annum) and through reports from management
- (k) To conduct a biennial review of and approve the Internal Controls and Risk Management Procedure
- (l) To keep itself informed of developments in audit requirements imposed by the Government, the ESFA or generally accepted auditing standards
- (m) To oversee the Corporation's policies on fraud, 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 auditor (and internal auditor if applicable) has been informed, and that appropriate follow-up action has been planned/actioned
 - That all significant cases of fraud or suspected fraud or irregularity are reported to the appropriate funding body
 - That risks around fraud have been identified and controls put in place to mitigate them
- (n) To review progress against the strategic targets remitted to the committee for monitoring
- (o) To review and approve the College Publication Scheme (Freedom of Information Act)
- (p) To review contracts, waivers and debt write-offs
- (q) The committee must not adopt an executive role

2 Powers:

The audit committee has the following powers to:

- (a) Investigate any activity within its terms of reference
- (b) Access all the information and explanations it considers necessary, from whatever source, to fulfil its remit
- (c) Obtain external professional advice
- (d) Go into confidential session and exclude any or all participants and observers, except the Clerk, but must comply with the rules of quoracy.

3 Membership:

- (a) A membership of six, the majority of whom must be governors.
 - The committee has a responsibility to maintain its independence in appointing members
 - Audit Committee members may serve on other Corporation committees providing they are not involved in any decisions regarding the management of the college
- (b) The Audit Committee has a responsibility to include individuals with an appropriate mix of skills and experience to allow it to discharge its duties effectively. Collectively, members of the committee should have recent, relevant experience in risk management, finance and assurance
- (c) Membership may include a Co-opted Non-governor who brings additional relevant experience to the committee, as required
- (d) The following may not serve on the Audit Committee:
 - The Principal
 - The Chair of the Corporation
 - Members of the Finance & General Purposes Committee
 - Staff Governors

4 Meetings:

- (a) Quorum:
 - 3 members
- (b) Chair:
 - A member elected annually by the Corporation
- (c) Vice Chair:
 - A member elected annually by the Committee

A Co-opted Non-Governor may not serve as Chair or Vice Chair of the Committee

- (d) In attendance:
 - The Vice Principal Corporate Services
 - The Clerk to the Corporation
 - Representatives of the Internal Audit Service, External Auditor or other assurance provider where appropriate/business relevant to them is being discussed
 - Any other Corporation member requested by the Audit Committee to attend
 - Other members of management where their areas of responsibility are under discussion

*The College of West Anglia
Regulations
Approved Corporation 19 May 2021*

(e) Frequency:

- At least three times per year, to fit with the needs of the planning and reporting cycles of internal and external audit
- Additional meetings at the discretion of the Chair

(f) Standing agenda items:

- The Clerk shall maintain a list of standing agenda items for each meeting, which shall be reviewed annually by the Corporation
- The list of standing agenda items shall include the review of all audit reports since the last meeting

(g) Agenda and papers distribution:

- At least seven clear days in advance of the meeting.

Search and Governance Committee

1 Purpose and responsibilities:

- (a) To approve a framework and methodology for seeking and replacing Corporation Board members
- (b) To make recommendations to the Corporation on the appointment of members (other than staff or student members)
- (c) To make recommendations to the Corporation on committee structure, membership and appointment of committee Chairs
- (d) To keep under review all aspects of governance and make recommendations to the Corporation as required
- (e) To review Governor attendance and approve requests for periods of leave of absence/sabbatical
- (f) To advise on such other matters relating to membership and appointments as the Corporation may ask it to
- (g) To evaluate the contribution made by existing individual governors prior to their re-appointment
- (h) To annually review the Governor self-assessment process/evaluation.

The Corporation shall not:

- (a) Appoint any person as a member (other than as a staff or student member) without first consulting and considering the advice of the Search and Governance Committee

2 Powers:

- (a) Reporting to the Corporation

3 Membership:

- (a) Five members of the Corporation who shall be the Chair and Vice Chair(s), Principal and one/two other members of the Corporation

4 Meetings:

- (a) Quorum :
 - 3 members
- (b) Chair:
 - Ex officio, the Chair of the Corporation

- (c) Vice Chair:
 - Ex officio, the/a Vice Chair of the Corporation
- (d) In attendance:
 - The Clerk to the Corporation
- (e) Frequency:
 - Three times per year, and additionally as required
- (f) Standing agenda items:
 - The Clerk shall maintain a list of standing agenda items for each meeting, which shall be reviewed annually by the Corporation
- (g) Agenda and papers distribution:
 - At least seven clear days in advance of the meeting

Remuneration Committee

- 1 Purpose and responsibilities:
 - (a) To determine and approve the remuneration and terms/conditions of the Principal, designated Senior Post Holders and the Clerk, having due regard to the AoC's Senior Post Holder Remuneration Code
- 2 Powers:
 - (a) Reporting to the Corporation
- 3 Membership:
 - (a) Three members, including:
 - The Chair of the Employment Policy Committee
 - Two other members
- 4 Meetings:
 - (a) Quorum:
 - 3 members
 - (b) Chair:
 - A member elected annually by the Corporation
 - (c) In attendance:
 - The Principal (as required, and except during discussions relating to the Principal's remuneration)
 - The Clerk (except during discussions relating to the Clerk's Remuneration)
 - (d) Frequency:
 - As and when required to fit in with the College's reporting and planning cycle
 - To be held directly following Employment Policy Committee meetings
 - (e) Standing agenda items:
 - The Clerk shall maintain a list of standing agenda items for each meeting, which shall be reviewed annually by the Corporation
 - (f) Agenda and papers distribution:
 - At least seven clear days in advance of the meeting

Employment Policy Committee

- 1 Purpose and responsibilities:
 - (a) To approve the framework for the pay and conditions, of staff other than the holders of designated senior posts
 - (b) To make recommendations to Corporation of pay awards to groups of staff, other than the holders of designated senior posts
 - (c) To approve the College's overall Human Resources Strategy. This will include the agreement of Human Resource aims and objectives within the medium/long term planning process and the establishment of performance indicators
 - (d) To monitor the recruitment/staffing profile/sickness absence/equality and diversity data/safeguarding/staff training and development and evaluate performance
 - (e) To approve rules
 - Relating to the conduct of staff
 - To govern the procedures for the discipline, suspension and dismissal by the Principal, of staff, other than the holders of senior posts and the Clerk, including the procedures for appeal against dismissal
 - To govern the procedures for offering staff opportunities to seek redress of any grievance relating to their employment
 - (f) To consider health and safety matters and to annually review and approve the Health and Safety Policy
 - (g) To determine and approve procedural agreements related to Collective Bargaining
 - (h) To determine and approve policies to be adopted in regard to staff development, appraisal and review. This will include the review of HR Policies and practice
 - (i) To consider such other employment matters as may arise, including updates in legislation and their potential impact on the college
 - (j) To be exceptionally involved in disciplinary and grievance matters as needed
 - (k) To review progress against the strategic targets remitted to the committee for monitoring
- 2 Powers:
 - (a) Reporting to the Corporation

- 3 Membership:
- (a) Four members, including:
 - The Chair of Remuneration Committee
 - The Principal
 - Two other members of the Corporation
 - (b) Membership may include a Co-opted Non-governor who brings additional relevant experience to the committee, as required

- 4 Meetings:
- (a) Quorum:
 - 3 members
 - (b) Chair:
 - A member elected annually by the Corporation
 - (c) Vice Chair:
 - A member elected annually by the Committee

A Co-opted Non-governor may not serve as Chair or Vice Chair of the Committee

- (d) In attendance:
 - The Clerk to the Corporation
 - The Head of Human Resources
 - Health and Safety Officer as required
 - SMT as required
- (e) Frequency:
 - At least two meetings per year to fit in with the College's reporting and planning cycle
- (f) Standing agenda items:
 - The Clerk shall maintain a list of standing agenda items for each meeting, which shall be reviewed annually by the Corporation
- (g) Agenda and papers distribution:
 - At least seven clear days in advance of the meeting

Performance Review and Quality Committee

- 1 Purpose and responsibilities:
 - (a) To monitor and review the academic performance of the College, including:
 - Student achievements
 - Hearing the Student Voice
 - Performance of curriculum areas
 - HE Provision
 - Reviewing benchmarking data against other colleges in the sector as appropriate
 - (b) To consider and monitor the Single Equality Scheme and Equality Objectives
 - (c) To monitor and review the quality of the service provided by the College, Including:
 - Self-assessment report
 - Quality Improvement Plan
 - Key Performance Indicators
 - Corporate action plans
 - Complaints
 - Value Added
 - (d) To review and recommend the College Learning Strategy to the Corporation
 - (e) To review progress against the strategic targets remitted to the committee for monitoring
 - (f) To review the annual HE Quality Assessment Report and Action Plan
- 2 Powers:
 - (a) Reporting to the Corporation
- 3 Membership:
 - (a) Six members including:
 - The Principal
 - Five other members of the Corporation
 - (b) Membership may include a Co-opted Non-governor who brings additional relevant experience to the committee, as required
- 4 Meetings:
 - (a) Quorum:
 - 3 members

(b) Chair:

- A member elected annually by the Corporation

(c) Vice Chair:

- A member elected annually by the Committee

A Co-opted Non-Governor may not serve as Chair or Vice Chair of the Committee

(d) In attendance:

- Vice Principal Curriculum and Learning
- Assistant Principal Quality & Students
- Clerk to the Corporation
- SMT as required
- Faculty & Department Managers/Representatives as required

(e) Frequency:

- At least three times per year to fit in with the College's reporting and planning cycle

(f) Standing agenda items:

- The Clerk shall maintain a list of standing agenda items for each meeting, which shall be reviewed annually by the Corporation

(g) Agenda and papers distribution:

- At least seven clear days in advance of the meeting

Chairs' Meeting Group

- 1 Purpose and responsibilities:
 - (a) To share information across all committees of the Board to enable a cohesive approach in addressing the current significant issues of the college
 - (b) This group will report to the Corporation
- 2 Powers:
 - (a) This group will not hold any delegated powers
- 3 Membership:
 - The Chair of the Corporation
 - The Vice Chairs of the Corporation
 - The Committee Chairs
 - The Principal or his deputy
- 4 Meetings:
 - (a) Quorum:
 - Three members of the Group and
 - The Principal or his deputy
 - (b) Chair:
 - A non-executive member elected by the Group
 - (c) In attendance:
 - The Clerk to the Corporation
 - Other senior managers and staff by invitation
 - (d) Frequency:
 - The group shall meet at a frequency determined by its members
 - (e) Standing agenda items:
 - The agenda will be drafted by the Clerk in agreement with the Committee Chair and Principal
 - (f) Agenda and papers distribution:
 - Ideally at least seven clear days in advance of the meeting, where the timeframe allows

Special Committee

- 1 Purpose and responsibilities:
 - (a) To examine the case for the dismissal of a designated 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 within the specified timescale
 - (b) To give the person whose dismissal is to be considered the right to make representations in writing or orally
 - (c) To consider and determine the case referred to it within the rules set out and agreed by the Corporation
 - (d) To provide a right of appeal to a quorate meeting of the Corporation Board or a committee of 4 members of the Corporation
 - (e) To seek guidance on employment issues from College solicitors, Head of Human Resources, Association of Colleges (AoC) or such other agency as it chooses
- 2 Powers:
 - (a) Reporting to Corporation.
- 3 Membership:
 - (a) The Chair of the Corporation, the Vice Chair of the Corporation, Principal, Staff and Student Governors may not sit on the Committee, nor anyone who has any interest in its findings or 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 unless it is reasonably impracticable to avoid. No person may sit on the Committee unless they are a member of the Corporation
 - (b) The Committee shall comprise 4 members of the Corporation who shall be
 - Chair or Vice Chair of Employment Policy Committee
 - Chair or Vice Chair of Finance and General Purposes Committee
 - Chair or Vice Chair of Performance Review and Quality Committee
 - One other governor selected by Corporation

Excepting that, where any of the members hold either the office of Chair or Vice Chair of Corporation, a substitute be nominated

* For the purposes of this Committee, the Principal, Clerk and members of the Senior Management Team identified at page 4 are designated "Senior Postholders"

4 Meetings:

(a) Quorum:

- 3 members

(b) Chair:

- Selected from amongst and by the members of the Special Committee

(c) In attendance:

- The Clerk to the Corporation, except where the Clerk's dismissal is the subject of the Special Committee meeting. In these circumstances an independent person shall be appointed to minute the proceedings
- If requested, a colleague or union representative to accompany the person whose dismissal is to be considered

(d) Frequency:

- As and when determined

(e) Standing agenda items:

- No requirement

(f) Agenda and papers distribution:

- A meeting shall be convened as soon as practicable after a reference to it and shall hold its first meeting within 7 calendar days of being convened

D CORPORATION WORKING GROUPS

Establishment of working groups

- 1 The Corporation has the power to establish and to delegate to working groups any of its functions for which delegation is not expressly prohibited.
- 2 As at 19 May 2021 there are no working groups in operation.

Working Group	Specialist Attendance	Standing Orders

Standing Orders/Terms of Reference

- 3 Each Working Group's business shall be conducted in accordance with the terms of reference established by the Corporation at the formation of the group.
- 4 The Working Group governor-membership shall remain as that originally elected throughout the duration of the group's existence unless determined otherwise by the Corporation. Should a working group member resign, the group will seek a replacement from within the Corporation membership and the Clerk shall advise the Board accordingly at the next Corporation meeting.

E FINANCIAL REGULATIONS

Status

Purpose

- 1 These regulations contain the policies laid down by the Corporation to govern the College's financial and contractual activities.
- 2 These regulations apply to the College and to any subsidiary companies and other subsidiary undertakings of the College. Wherever the term "College" is used in these regulations, this applies equally to the College's subsidiary companies and other subsidiary undertakings.

Financial procedures

- 3 The Regulations shall be supplemented by Financial Procedures issued by the Vice Principal Corporate Services.

Compliance with the Regulations

- 4 Compliance with both the Financial Regulations and the Financial Procedures is compulsory for all staff connected with the College. Non-compliance may result in disciplinary action under the College's disciplinary policy.
- 5 All managers are responsible for ensuring that all activities under their control comply with these regulations and any other relevant financial procedures.

Review

- 6 The Finance & General Purposes Committee is responsible for keeping these Regulations under continuous review and advising the Corporation of any necessary changes.

Responsibilities

Responsibilities in financial matters

- 7 The Corporation is responsible for, and cannot delegate its responsibility for the following financial matters:
 - (a) Ensuring the solvency of the College
 - (b) Safeguarding the College's assets
 - (c) Approving an annual budget before the start of each financial year.
- 8 In addition the Corporation has overall responsibility, but can delegate this, for:
 - (a) Ensuring that the funds provided by the funding body are used in accordance with the terms and conditions specified by that body including those in the Financial Memorandum
 - (b) Ensuring that systems of internal control and risk management are effective

- (c) Ensuring that the College complies with the Post-16 Audit Code of Practice
 - (d) Approving the College's Strategic Plan
 - (e) Appointing the internal audit service and financial statements auditor.
- 9 The Principal is the College's designated Accounting Officer and is responsible for the College's financial affairs, including ensuring that:
- (a) The College has appropriate arrangements for sound financial management, achieving value for money, keeping proper accounting records and reporting the College's financial position and performance as appropriate
 - (b) The College has adequate systems of internal control and risk management
 - (c) The uses to which the funding body's payments to the College are put are consistent with the purposes for which they have been given
 - (d) A budget is prepared for approval by the Corporation
 - (e) The College is financially viable and any transaction that could jeopardise its financial viability is reported to the Corporation
 - (f) All transactions of the College achieve value for money for public funds
 - (g) The College complies with the Financial Memorandum and all other terms and conditions of funding and advising the Corporation in writing if at any time, in his or her opinion, any action or policy under consideration by the Corporation is incompatible with the Financial Memorandum.
- 10 The Vice Principal Corporate Services is responsible for day to day financial administration including:
- (a) Maintaining adequate financial systems and records
 - (b) Preparing budgets and financial management information
 - (c) Preparing the College's annual accounts
 - (d) Preparing and reporting any financial information required by the funding body
 - (e) Ensuring that any income due from funding bodies is claimed and received
 - (f) Advising the College's Corporation and committees, the Principal and other managers on financial matters including the College's financial viability and any transactions that in his or her opinion could jeopardise its financial viability
 - (g) Advising the Principal on how to secure value for money in the College's transactions

(h) Managing the College's tax affairs.

11 All managers are responsible for:

- (a) Running the departments and/or activities which they manage so as to meet the budgets and financial targets assigned to them
- (b) Maintaining adequate financial systems and records for those activities in accordance with these Financial Regulations, the more detailed requirements in the Financial Procedures and the requirements of the Vice Principal Corporate Services
- (c) Reporting serious risks and incidents to the appropriate SMT member or the Clerk to the Corporation.

Financial management, budgets and targets

Financial targets

- 12 The College's affairs shall be run so as to achieve as far as possible the financial objectives approved by the Corporation and set out in its strategic plan.
- 13 These financial objectives shall be consistent with the overall objectives of
 - (a) Ensuring the solvency of the College
 - (b) Safeguarding the College's assets.

Budgets and budgetary control

- 14 The Vice Principal Corporate Services shall prepare a budget for the College for each financial year covering revenue income and expenditure, capital expenditure and related capital grant income, cash flow and a year-end balance sheet. The budget will be aligned to the College's strategic ambitions. The Corporation, advised by the Finance & General Purposes Committee, shall approve the budget.
- 15 It is the responsibility of all managers to manage the activities for which they are responsible so as to meet the budgets and financial targets assigned to them.
- 16 Subject to any restrictions imposed by the Vice Principal Corporate Services, managers may transfer ('vire') budget amounts between budget lines under their control provided that:
 - (a) They notify the Head of Finance so that the budget can be adjusted accordingly and
 - (b) The change does not prejudice the achievement of any overriding objectives of the College.
- 17 The Senior Management Team may approve other changes to the budget, for example to build in new activities, provided that the changes neither adversely affect the budgeted revenue surplus or deficit nor increase the budgeted capital expenditure (net of capital grant income). The Senior Management Team may

also transfer expenditure budgets from revenue to capital. Changes that adversely affect the College's surplus or deficit or increase capital expenditure except by a transfer from revenue expenditure must be approved by the Corporation.

- 18 Budget holders have no authority to carry forward balances on their budgets at the end of the year.
- 19 Unspent amounts against budgets for capital expenditure projects that by their nature extend over more than one budget year shall be carried forward until the projects are completed. The Principal may approve the carrying forward of other capital budgets for specific projects.
- 20 The Vice Principal Corporate Services shall monitor the College's financial performance against the budget and submit revised budgets as necessary during the year. The Corporation, advised by the Finance & General Purposes Committee, shall approve the revised budget.
- 21 As soon as managers become aware of any significant departures from agreed budgetary targets, they must report these to the Principal and the Vice Principal Corporate Services.

Accounting

Accounting policies

- 22 The College shall prepare consolidated accounts in accordance with UK law, applicable accounting standards and the requirements of the funding body.

Financial year end

- 23 The College's financial year-end shall be 31 July.

Accounting records and returns

- 24 The Vice Principal Corporate Services is responsible for:
 - (a) Maintaining financial records in a form that complies with legislation and is acceptable to the relevant funding bodies or authorities
 - (b) Preparing and dispatching financial returns required either by legislation, by the funding bodies or authorities within the required timescales.

Financial forecasts for external bodies

- 25 The Vice Principal Corporate Services shall prepare any financial forecasts required by the funding body. The Corporation, advised by the Finance & General Purposes Committee, shall approve these forecasts.

Financial information for the Corporation

- 26 The Vice Principal Corporate Services shall prepare and submit to the Corporation and/or the Finance & General Purposes Committee such forecasts and other financial information as they request, or as he considers necessary to

aid their understanding of the College's financial position. These shall be presented at least termly to the Corporation and monthly (except in the first month of the year) to the Finance & General Purposes Committee, and shall include:

- (a) Income and Expenditure statements against budget
- (b) Statements of capital expenditure against budget
- (c) Summarised balance sheets
- (d) Summarised cash-flow statements
- (e) Financial performance indicators
- (f) Financial health rating prepared in line with funding body requirements.

27 The Vice Principal Corporate Services is responsible for ensuring that the financial information prepared for the Corporation is complete and accurate, and for alerting senior management and the Corporation to any known, significant inaccuracies or suspected irregularities therein.

Value for Money ("VFM")

28 The College has a duty to deliver VFM in its use of the public funding it receives and to maximise the benefits to learners that it delivers from that funding.

29 All staff are responsible for ensuring that the College obtains VFM from all of its activities. SMT and managers are responsible for taking a lead in obtaining VFM, and SMT for monitoring whether the college is achieving VFM.

30 VFM is defined as the right balance of:

- Economy: minimising cost
- Efficiency: maximising productivity and minimising the effort involved in doing things
- Effectiveness: ensuring the maximum benefit in terms of delivery of the college's strategies and objectives.

31 VFM is not just buying things at the cheapest price, although that is often one aspect of it. In addition to cost, VFM might include looking at such things as fitness for purpose, convenience, delivery, reliability, durability, performance, technology, staff workload, impact on efficiency, maintenance, support, running costs, obsolescence, and disposal issues. VFM is in effect an assessment of the costs and benefits (financial and non-financial) across the whole life of a product or activity.

32 In employment matters, securing VFM might include looking at long and short term needs, qualifications, skills, experience, flexibility to cope with change, resilience to loss of key staff, market remuneration levels. VFM is one consideration to be weighed alongside others such as the College's commitment

to equality and diversity, its responsibilities as a fair employer, the priority it gives to staff development and legal / contractual obligations.

33 VFM shall be delivered in the College as follows:

- SMT shall integrate VFM principles into management strategies, planning processes and shall keep under review whether the staffing arrangements in all areas represent VFM
- SMT shall keep under review whether the college's staffing and physical infrastructure gives it the resources and the flexibility to strike the right long-term balance between effectiveness, efficiency and economy
- All managers shall integrate VFM principles into the processes within their areas of responsibility and ensure that their staff are trained and aware of what they need to do to secure VFM in their areas
- All managers and staff shall pursue VFM as an objective in all activities. This will include:
 - Striving to achieve maximum benefit for minimum cost / effort
 - Ensuring that the college delivers high quality for the public funding that it receives (including optimising student success and progression)
 - Only entering into purchases and contracts that offer acceptable quality at competitive price, based on appropriate research and by following college procurement rules
 - Utilising resources (staff and non-staff) fully and efficiently
 - Comparing the respective benefits of different forms of employment (e.g. permanent, temporary / hourly paid, trainees / apprentices)
 - Constantly seeking to improve the efficiency and effectiveness of college processes
 - Researching and adopting good practice from other organisations
 - Striving to achieve an acceptable level of control for the minimum bureaucracy and effort
- SMT and the Audit Committee (through the Internal Audit Service) shall commission VFM reviews where appropriate
- SMT shall review the college's cost base, its efficiency and the effectiveness of delivery of its objectives against other organisations eg through benchmarking, and report the results to the Corporation and/or sub-committees.

Income

Claiming and recording of income

- 34 The Vice Principal Corporate Services is responsible for ensuring that appropriate procedures and systems are in place to:
- (a) Submit claims for all grants or tax refunds due to the College by the due date
 - (b) Invoice promptly all income due from commercial clients
 - (c) Collect all fees due from students in accordance with the College's fees policy and
 - (d) Promptly bank all money received.
- 35 Individual managers are responsible for notifying the Vice Principal Corporate Services of all sources of income and establishing and maintaining the systems and records needed to collect income due in their areas promptly.

Approval of the College's charges

- 36 The Senior Management Team shall set the charges to be made by the College in accordance with the policies and framework laid down by the Finance & General Purposes Committee.

Credit control

- 37 The Vice Principal Corporate Services is responsible for establishing suitable credit control processes for monitoring and collecting outstanding debt.
- 38 To enforce the collection of outstanding student debts, SMT may authorise sanctions including the non-inclusion of names in pass lists and the withholding of tutor support from students who fail to pay their debts to the College.

Expenditure

Approval of purchase requisitions (capital and revenue)

- 39 Authority is delegated to management to approve the purchase of goods and services (other than the purchase or long-term lease of land or buildings) as follows:
- (a) Budget holding managers: up to £10,000 in their areas of responsibility
 - (b) Individual senior managers (Heads of Faculty, Heads of Department): up to £50,000 in their areas of responsibility
 - (c) Senior Management Team members (acting individually): up to £100,000.
 - (d) The Principal: up to £250,000

- (e) Contracts or purchases of £250,000 or more shall require the approval of the Finance & General Purposes Committee.
- 40 Budget holding managers may delegate the authority to approve purchase orders to other individuals.
- 41 Managers are responsible for ensuring that all purchases (made in whatever way), against their budgets:
- (a) Do not exceed the relevant budgets
 - (b) Are an appropriate use of College resources in line with the College's strategies and plans
 - (c) Represent good value for money
 - (d) Where appropriate have been tendered or competitive quotes have been obtained in line with the requirements of these regulations and other approved procedures of the College.
 - (e) Are made in compliance with the probity requirements in section F of these regulations and in particular do not involve conflicts of interest, bribes or other inducements.
- 42 Purchases must comply with EU tendering regulations (as interpreted by various UK statutory instruments). From 1st January 2020 the thresholds that apply for public funding are set out in *Government Procurement Policy Note PPN 06/19*.
- 43 Where a single requirement for goods or services is fulfilled by several separate purchases, these shall be aggregated to calculate the levels above which tendering is required. Where goods or services are purchased by instalments or on a lease or rental basis, the value of all committed instalments or rental payments shall be included.

Purchase orders

- 44 All purchases shall be ordered using the P2P system order form incorporating the College's conditions of contract except:
- (a) For genuine emergencies
 - (b) On-going bills from utility suppliers (electricity, water, gas, telephones, rates), employer engagement, and similar, under a contract approved under the provisions elsewhere in these regulations
 - (c) Renewals of annual licences (e.g. performing rights, software)

(d) Other purchases with the prior permission of the Principal.

45 Where a separate contract is used, the manager responsible shall ensure that it is approved as required elsewhere in these Regulations.

College credit cards

46 The Vice Principal Corporate Services may approve the issuing of College credit cards and other cards of a similar nature, such as Government Procurement Cards, to College employees and may also revoke such approval.

47 College credit cards shall be used for valid business purchases only. All expenditure using them shall be accounted for. Their misuse or failure to account for expenditure shall be grounds for disciplinary action. Department Managers shall be responsible for setting in place systems to monitor the use of College credit cards against their budgets and account for expenses charged through them.

Taxation

48 The Vice Principal Corporate Services is responsible for managing the College's taxation affairs, advising managers and staff on taxation issues, issuing any necessary instructions. He shall report to the Finance & General Purposes Committee on significant issues.

Reimbursement of expenses

49 Staff shall be reimbursed for any expenses incurred in performance of their College duties (including travel and subsistence costs, necessary business entertaining and small items of expenditure on consumables) in line with the Travel and Subsistence Policy and provided that:

- (a) They were necessarily or appropriately incurred on College business
- (b) Value for money is obtained
- (c) The most efficient, practical options have been used for travel and accommodation.

50 Senior managers and Corporation members' expenses shall be authorised as follows:

- (a) For the Principal: by the Chair or, in his/her absence, the Vice Chair
- (b) For other members of the Senior Management Team: by the Principal or, in his absence (the Vice Principal Corporate Services) (in which case the Vice Principal Corporate Services' expenses shall be authorised by the Chair or Vice Chair)
- (c) For the Chair: by the Principal
- (d) For the Vice Chair and all other members of the Corporation: by the Principal

- (e) The expenses of the Chair, Principal, Vice Chair and governors, together with the expenses incurred by designated senior post holders shall be reported to the Audit Committee annually for retrospective review.

51 Staff shall not benefit personally from travel on College business or from the use of College cars. For instance, promotional offers by travel organisations must be used for the benefit of the College.

Advances

52 Where it is necessary, the Principal or Vice Principal Corporate Services and the responsible department head may jointly approve advances to staff who are going to incur expenditure on the College's behalf. The Vice Principal Corporate Services shall approve the procedures for accounting for such advances.

Use of private cars on College business

53 Staff are encouraged to use their own vehicles where this is the most efficient, practical option, and shall be reimbursed at rates set in the Financial Procedures for using their own vehicles on College business.

54 Staff and governors using their own vehicles must maintain appropriate insurance cover for business use, and shall be reimbursed for the cost of this by the inclusion of an appropriate amount in the reimbursement rates.

55 Business mileage expense claims for staff and governors will be subject to production, on an annual basis, of an original and valid insurance certificate and driving licence and a copy of an original MOT certificate (if applicable).

Other payments to staff

56 The relevant Head of Department and either the Principal or the Vice Principal Corporate Services shall approve any payments to staff other than their normal remuneration and those dealt with above. The Vice Principal Corporate Services shall establish systems to record the amounts paid, the reasons and the staff members involved.

57 Advice on the legitimacy of proposed severance payments to Senior Postholders shall be taken from the External Auditor. The Corporation must approve severance pay for all Senior Postholders. The Chair of Governors must approve severance pay for employees whose gross salary exceeds £60,000.

Unusual Transactions

58 Unusual transactions are defined as those that are outside of the normal course of business for the College. They include accounting entries that are atypical in the context of the College's normal accounting records. Provisions for onerous leases are one example. Unusual transactions require specific approvals as follows:

(a) The Principal: up to £250,000

(b) The Senior Management Team (acting collectively): up to £500,000

(c) Transactions with a value of £500,000 or more shall require the approval of the

Finance & General Purposes Committee

- 59 Individuals will not initiate and be involved in the approval of unusual transactions.

Contracts

Approval of contracts other than those for the purchase, sale or long term lease of land or buildings

- 60 This section applies to all agreements that are legally binding on the College except for:
- (a) Learning Agreements with students
 - (b) Contracts covered elsewhere in these regulations (purchase orders, contracts for the purchase, sale or long term lease of land or buildings and contracts for the disposal of other College assets).
- 61 Authority is delegated to management to enter into contracts on the College's behalf, as follows:
- (a) Budget holding managers: up to £25,000 in their areas of responsibility
 - (b) Individual senior managers: up to £100,000 in their areas of responsibility
 - (c) The Principal: up to £250,000
 - (d) The Senior Management Team (acting collectively): up to £500,000
 - (e) Contracts with a value of £500,000 or more shall require the approval of the Finance & General Purposes Committee.

The value of a contract shall be the best monetary estimate of the income or expenditure associated with a contract, whichever is the greater.

- 62 Managers entering into contracts are responsible for reviewing the contracts and the proposed activities and satisfying themselves before signing that:
- (a) They comply with these Regulations, the College's Instrument and Articles of Government and any legal restrictions on the College's powers
 - (b) They are consistent with the College's agreed strategies and plans
 - (c) They represent value for money and are an efficient and effective use of the College's resources
 - (d) They are entered into in compliance with the probity requirements in section F of these regulations and in particular do not involve conflicts of interest, bribes or other inducements
 - (e) Appropriate management arrangements will be in place for carrying out the

College's obligations under the contract and maintaining any necessary systems and records

- (f) The Senior Management Team is aware of any significant risks being taken on by the College and, as a result, appropriate measures are planned to manage them and they are appropriately recorded in the College's risk management systems
- (g) A due diligence review has been carried out on the other party when appropriate (e.g. for agency or subcontracting arrangements)
- (h) The contract is appropriately worded to have the right legal effect (seeking professional legal advice if appropriate) and, when contracting with agents or subcontractors, prohibits bribes
- (i) The wording of the contract has been reviewed and approved by either the Finance & Procurement Officer, the Head of Finance or Vice Principal Corporate Services, and other managers have been consulted as appropriate
- (j) A signed original of the contract is held in the College's contracts register, currently maintained in the Finance department.

63 The Principal shall report to the Finance & General Purposes Committee all contracts over £100,000 in value signed on the College's behalf (other than routine variations to funding agreements), any other contracts that he or she considers significant to the College and any single payments in excess of £1,000,000.

Approval of contracts for the purchase, sale or long-term lease of land and buildings

- 64 The purchase, sale or long-term (defined as over 2 years) lease of land or buildings shall only be undertaken with the approval of the Corporation.
- 65 Purchases or disposals of land and/or buildings to a third party are also subject to the restrictions from time to time imposed by any of the funding bodies. Currently those require the consent where the assets were acquired with Exchequer funds.
- 66 Title deeds or long-term leases for land and / or buildings shall be deposited with the College's solicitors.

Use of the College seal

- 67 When a deed or document requires the College's seal, it must be sealed by the Clerk to the Corporation or, in his or her absence, the Vice Principal Corporate Services or, in the absence of both, the Head of Finance or any of the Personal Assistants to the Principal or other Senior Managers. The application of the seal must be authenticated by the signature of two members of the Corporation at least one of whom must be the Chair, Vice Chair or Principal.
- 68 All uses of the College's seal must be recorded in a register maintained by the Clerk to the Corporation.

Assets and Liabilities

Capital assets

- 69 Where the College holds assets, the managers responsible must ensure that they are held securely and well controlled.
- 70 The Vice Principal Corporate Services shall maintain a central register of capital assets.

Valuable and desirable items not classified as capital assets

- 71 Managers shall maintain inventories of items held in their areas which are considered to be valuable and desirable.
- 72 Checks will be undertaken annually to ensure that the items recorded on the inventory are still in the possession of the College.

Disposal of Assets

- 73 The disposal or write-off of fully or partly depreciated assets with an original cost or gross carrying value at the point of disposal in excess of £500,000 requires the approval of the Corporation on the recommendation of Finance and General Purposes Committee.

The levels of authority for writing-off fully or partly depreciated assets with an original cost or gross carrying value at the point of disposal below £500,000 are as follows:

Limit	Authorising Officer
Up to £3,000	Head of Finance
Up to £20,000	Vice Principal Corporate Services
Up to £60,000	Principal
Up to £500,000	Finance and General Purposes Committee

Stocks

- 74 Where the College holds stocks or stores, the managers responsible must ensure that:
- (a) They are held securely and well controlled
 - (b) Appropriate records and accounting systems are in operation to meet statutory or operational needs.
 - (c) For stocks with significant value, regular inspections and stock-checks are carried out, including year-end stock-checks for those items requiring valuation in the College's accounts.
- 75 The accounting records and systems and the procedures for stock-checking must have the approval of the Vice Principal Corporate Services.
- 76 Managers responsible for stocks of a hazardous nature must ensure that these are subject to appropriate safeguards and security checks, which must have the approval of the appropriate senior manager.

Debt Write-off

- 77 The levels of authority for writing-off debts deemed uneconomic to pursue or otherwise irrecoverable are:

Limit	Authorising Officer
Up to £1,000	Head of Finance
Up to £5,000	Vice Principal Corporate Services
Up to £10,000	Principal
Over £10,000	Finance and General Purposes Committee

Treasury management

- 78 The Finance & General Purposes Committee shall set the policies for cash management and for managing investments and borrowings. It is responsible for monitoring the implementation of such policies and for reviewing them regularly.
- 79 The College's policy is to generate a reasonable return on its surplus cash whilst investing only in UK investments that are considered to be low risk. Investments, (defined as "Prime" and "High Grade"), should only be made with UK organisations that have positive credit ratings with ratings agencies such as Moodys or Fitch. All borrowing shall be in the name of the College or its subsidiary undertakings.
- 80 The Principal and the Vice Principal Corporate Services (acting jointly) are authorised to maintain and use loan or overdraft facilities up to £1.5 million. The Finance & General Purposes Committee's approval shall be required for all borrowing in excess of £1.5 million and the Finance & General Purposes Committee may approve in advance borrowing up to a defined borrowing limit or a range of limits profiled over time.
- 81 The draw-down of any borrowing shall be approved by two of the College's approved cheque signatories, one of whom must be the Principal or the Vice Principal Corporate Services.
- 82 The Vice Principal Corporate Services shall be responsible for:
- (a) Maintaining sufficient cash in the College's accounts to fund day to day activities
 - (b) Investing surplus funds in one of the following:
 - Deposits with major banks
 - Money market deposits guaranteed by major banks
 - Government stocks
 - Other investments guaranteed by major banks or the Government
 - (c) Keeping the College's investment policy under review in the light of market conditions.
- 83 Executive decisions concerning borrowing, investment or financing shall (within the parameters of the policy set above and by the Finance & General Purposes Committee) be delegated to the Vice Principal Corporate Services who shall report to the Finance & General Purposes Committee on the activities of the treasury management operation.

Guarantees or indemnities

- 84 The College shall not give any guarantees, letters of comfort or indemnities incurring contingent liabilities other than in the normal course of business.
- 85 The Chair and Vice Chair of the Finance & General Purposes Committee shall be advised in advance of any guarantees, letters of comfort or indemnities to be given by the College, which shall then:
- (a) Require the prior approval of the Vice Principal Corporate Services and the Principal, or, if they benefit either of these two postholders, the prior approval of the Finance & General Purposes Committee
 - (b) Be reported to the Finance & General Purposes Committee by the Clerk to the Corporation.

Intellectual property

- 86 Any designs, inventions or discoveries made by staff in the course of their College duties shall be the property of the College. Managers are responsible for notifying the Vice Principal Corporate Services, who is responsible for ensuring that any registrations or patents are established in the College's name.

Subsidiary Companies and Trusts

Companies and investments

- 87 The College may establish companies to carry out services or business on its behalf.
- 88 The Finance & General Purposes Committee shall approve the establishment of such companies and the procedures for forming them and monitoring their financial performance and shall recommend to Corporation the appointment of directors to companies in which the College is a majority shareholder. The College may invest in other organisations for the purpose of furthering its educational aims provided that such investments are risk-assessed and approved in advance by the Finance & General Purposes Committee.
- 89 The Memoranda of Understanding for the College's subsidiary companies are included as Appendices 1 and 2.

Trust funds

- 90 The Finance & General Purposes Committee is responsible for ensuring that all the College's trust funds are operated within any relevant legislation and in accordance with the specific requirements of each trust.
- 91 The Vice Principal Corporate Services is responsible for maintaining appropriate records of the affairs of each trust fund and advising the Finance & General Purposes Committee on the control and investment of fund balances.

F INTERNAL CONTROL AND RISK MANAGEMENT

General policy

- 1 The Principal is responsible for:
 - (a) Developing and implementing a strategy to identify, assess and control the risks facing the College
 - (b) Reporting periodically to the Corporation on major, risk-bearing activities or contracts and the measures or controls implemented to manage the risks
 - (c) Monitoring the activities undertaken by the College to identify any significant emerging risks
 - (d) Reporting without delay to the Chair of the Audit Committee and the Chair of the Corporation if new risks are identified that threaten the financial stability or operational viability of the College or its ability to achieve its strategic objectives.
- 2 The Senior Management Team is responsible for managing the risk strategy and monitoring its effectiveness through the use of a risk register and other similar tools. The Audit Committee will, on behalf of the Board, regularly review and monitor risk.
- 3 All College managers are responsible for:
 - (a) Identifying any risks inherent in the projects or activities which they manage
 - (b) Implementing appropriate measures and controls to manage these risks
 - (c) Ensuring that their staff are sufficiently informed and trained to be able manage risks in their areas
 - (d) Reporting significant risks to the Principal, the appropriate senior manager or if appropriate the Clerk to the Corporation
 - (e) Participating collectively in periodic reviews to identify the main risks faced by the College as a whole and assess the adequacy of the measures or controls implemented to manage them.
- 4 All Corporation committees are responsible for overseeing internal controls and the management of risks in their areas of responsibility.
- 5 The Audit Committee is responsible for:
 - (a) Advising the Corporation 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
 - (b) Reporting in its Annual Report to the Principal and the Corporation on the above

Insurance

- 6 The Vice Principal Corporate Services is responsible for effecting insurance cover in accordance with the approved risk management strategy and dealing with claims.
- 7 All staff are responsible for notifying the Vice Principal Corporate Services immediately of any event which may give rise to an insurance claim.

Security

- 8 The Principal is responsible for the security of the College, its physical assets and its IT systems and for ensuring that the College has appropriate contingency plans.
- 9 The Principal shall ensure that the College complies with the General Data Protection Regulation and nominate a Data Protection Officer who shall monitor the College's compliance with the regulation.
- 10 All Senior Managers and Managers are responsible for maintaining proper security at all times for cash, systems, buildings, assets, stores etc under their control, consulting as necessary with the Vice Principal Corporate Services.
- 11 All staff are required to comply with the security procedures in force, including those for IT systems. Conscious breaches of security shall be a disciplinary offence.

Third party relationships

Banking arrangements

- 12 The Finance & General Purposes Committee shall appoint the College's bankers.
- 13 All bank accounts shall be in the name of the College or one of its subsidiaries. The opening and closing of bank accounts must be approved by both the Principal and the Vice Principal Corporate Services
- 14 The Vice Principal Corporate Services is responsible for:
 - (a) Liaising with the College's bankers
 - (b) Drawing up cheques and preparing other payments
- 15 The Senior Management Team shall approve those staff who shall be identified as authorised to sign cheques or approve other forms of payments. Payments over an amount set by the Vice Principal Corporate Services (currently £10,000) shall require the advance approval or, in the case of cheques, signature of two authorised signatories. Payments over £1 million to a single payee shall require the advance approval or, in the case of cheques, signature of two members of the Senior Management Team. The Head of Finance shall report

any payments over £1 million to the next available meeting of the Finance and General purposes Committee.

- 16 The Vice Principal Corporate Services is responsible for ensuring that all bank accounts are reconciled regularly and unusual items or differences investigated appropriately.

Student Union

- 17 The student union is a constituent part of the College and is accountable to the Corporation.
- 18 Subject to any constraints imposed by any regulatory body, the Corporation shall determine the level of grant, if any, to be paid annually to the student union.
- 19 The student union is responsible for running its own affairs, maintaining its own bank account and financial records and preparing its own annual accounts.
- 20 The student union accounts will be audited by the College's Finance department or a firm of auditors approved by the College and will be presented to the Corporation.
- 21 In accordance with an agreement between the College and the student union, the College's internal audit service shall have access to records, assets and personnel within the student union in the same way as other areas of the College.

Probity

Code of conduct

- 22 The College expects that all staff will act in accordance with the following principles in all College business:
- (a) They will work objectively and diligently for the objectives of the College
 - (b) They will act openly and honestly
 - (c) They will act with the utmost probity and propriety, remembering that the College is entrusted with public money for the purposes of further education
 - (d) They will comply with the seven principles of public life published in 1996 in the Second Report of the Committee on Standards in Public Life (the Nolan Committee): selflessness; integrity; objectivity; accountability; openness; honesty; and, leadership.

Use of public funds

- 23 The Principal is responsible for ensuring that the College uses the funds it receives from public bodies in accordance with the purpose(s) for which it received them and that the College's transactions represent value for money in the use of public funds. The Vice Principal Corporate Services shall maintain systems to enable the proper use of public funds to be established.

Disclosure of interests

- 24 The Clerk shall maintain a register of interests. All members of the Corporation and Senior Managers are required to declare their interests to the Clerk for entry into the register.
- 25 For this purpose, interests are defined in section H paragraphs 13 and 14 of the Corporation Code of Conduct.

Bribes, inducements, gifts and hospitality

- 26 The making or accepting of bribes or any other inducements, financial or non-financial, in respect of any transactions carried out on behalf of the College or any of its subsidiaries by any staff is a criminal offence under the Bribery Act 2010 and is forbidden. All employees should be aware that fraud and bribery will normally, dependent upon the circumstances of the case, be regarded as gross misconduct, thus warranting internal disciplinary proceedings which may include dismissal, without previous warnings. Such action may be in addition to the possibility of criminal prosecution.
- 27 Staff and Corporation members must also avoid placing themselves in a position where they might be perceived either to be influenced by the receipt of gifts or hospitality or to be attempting to influence others through gifts or hospitality. In practical terms, this means that the giving and receiving of gifts and hospitality is restricted:
- (a) Gifts must be of low value (below £40) and must not be in the form of cash or vouchers
 - (b) Hospitality should not be on a scale that might be perceived as lavish. The following are examples of acceptable hospitality:
 - Light refreshments
 - Modest working meals
 - At functions or events where it is clear that the hospitality is corporate and not personal (for example, conferences and training courses)
 - (c) The nature of gifts or hospitality should not cause embarrassment to the college or individuals if made public
 - (d) Care should be taken that gifts or hospitality cannot be interpreted as being given with the intention of influencing a business decision improperly. In particular, gifts or hospitality close to purchasing decisions or agreements should be minimised or avoided where possible.
- 28 The above restrictions apply to associated individuals (e.g. spouses, children, close relatives, business partners) and to any organisations owned by staff or governors.
- 29 The college is responsible in law for the actions of its agents or subcontractors. Staff should:
- (a) Undertake due diligence reviews before entering into relationships with

- (b) Ensure that agency or subcontracting agreements prohibit bribery.
- 30 Where gifts or hospitality have to be refused, this should be done courteously but firmly, referring if appropriate to the college's rules. If necessary, staff or governors should pay their own share of costs and, where eligible, claim these through expenses in the normal way.
- 31 Where there is any doubt over the appropriateness of gifts or hospitality, Corporation members should seek approval from the Chair or Vice-Chair of the Corporation and staff should seek approval from the Principal, any member of the Senior Management Team or the Head of Finance. Retrospective approval may be sought in exceptional circumstances.
- 32 The Clerk will maintain a register of gifts and hospitality (above £40 in value). Governors and Senior Managers will be asked to complete an annual declaration regarding any gifts or hospitality received. Where gifts have been refused, these should also be recorded by the Clerk.

Irregularities and fraud

- 33 The College shall investigate any suspected fraud or irregularity within its operations and, if proven, take legal and/or disciplinary action against the perpetrator(s).
- 34 The Vice Principal Corporate Services is responsible for ensuring that the financial systems incorporate appropriate checks and controls to minimise the risk of fraud or irregularities.
- 35 If a member of staff, a manager, a member of the Corporation, the external auditors or the Internal Audit Service discover any evidence of irregularity, fraud, corruption or any impropriety, they shall report it immediately to (as appropriate) either, the Vice Principal Corporate Services, the Clerk to the Corporation or the Head of HR, who shall immediately take such steps as are necessary to:
 - (a) Prevent the covering up of evidence
 - (b) Prevent any further losses to the College
 - (c) Instigate an investigation, including where appropriate a police investigation.
- 36 Once it is established that there are reasonable grounds to suspect any irregularity, fraud, corruption or impropriety, the following people shall be informed as soon as possible:
 - (a) The Principal
 - (b) The Vice Principal Corporate Services
 - (c) The Chair of the Corporation
 - (d) The Chair of the Audit Committee

- (e) The Head of the Internal Audit service
 - (f) The client manager at the College's external auditors
- 37 Where the Audit Committee feels that there is evidence of irregularity, fraud, corruption or any impropriety:
- (a) It shall commission a special investigation
 - (b) The Chair of the Committee shall notify the Chair of the Corporation, who shall raise the matter at the next meeting of the Corporation. Where the matter is considered significant, the Governors shall consider holding a special meeting.
- 38 The Principal, the Head of Internal Audit and the external auditors must report to any specified regulatory body, without delay any of the following of which they become aware:
- (a) Serious weaknesses which may result in significant fraud or irregularities
 - (b) Frauds over £10,000 or novel, unusual or complex frauds or frauds in which there is likely to be great public interest because of their nature or the people involved
 - (c) Major accounting and other control breakdowns.
- 39 The Principal must advise the Corporation in writing if he considers that any action or policy under consideration by it is:
- (a) Either incompatible with the requirements of the funding body or
 - (b) Would infringe the requirements of probity or regularity.

Whistleblowing

- 40 Staff who have concerns about serious malpractice (including financial irregularities, dangerous working conditions, criminal activities, serious abuse or fraud) are encouraged to raise their concerns with the Clerk to the Corporation or the Vice Principal Corporate Services. If this is not possible, for any reason, the concern should be raised with the Head of HR. The College will maintain a policy to support the raising of such concerns and will not victimise nor harass nor tolerate the victimisation or harassment of any individual doing so.

G AUDIT

Appointment of auditors

Auditors

- 1 The College shall appoint:
 - (a) An Internal Audit Service (“IAS”)
 - (b) An External Auditor and
 - (c) Such other auditors as the Audit Committee shall consider necessary which may for example include an auditor of the controls over the College’s funding systems.

Appointment of the Internal Audit Service (IAS)

- 2 The Internal Audit Service shall be appointed by the Corporation on the recommendation of the Audit Committee for a term of up to 7 years, subject to satisfactory performance as determined by annual review by the Audit Committee.
- 3 The Head of the Internal Audit Service shall rotate at least every 7 years.
- 4 The College shall:
 - (a) Devote sufficient resources to the Internal Audit Service, acting on the advice of the Audit Committee and the Head of the Internal Audit Service and
 - (b) Report any disagreement over resources to the head of External Audit.
- 5 The organisation acting as the College’s External Auditor shall not provide the Internal Audit Service.

Appointment of the Financial Statements Auditor

- 6 The External Auditor shall be appointed on the recommendation of the Audit Committee following a competitive tender and the appointment shall be subject to annual review and reappointment.

Removal or resignation of auditors

- 7 Where the IAS or External Auditor cease to hold office they must provide a statement of circumstances to the governing body. The College must comply with any externally-imposed requirements to copy this to Funding Bodies.

Role of Audit

Role of internal audit

- 8 The role of the Internal Audit Service shall be:
- (a) To provide an internal audit service to the whole college, the governing body and all levels of management
 - (b) To provide assurance to the governing body and Principal on the adequacy and effectiveness of the College's risk management, control and governance processes by evaluating and reporting to it the effectiveness of the controls for which it is responsible
 - (c) To operate within formal terms of reference agreed by the governing body on the recommendation of the Audit Committee.

Role of the External Auditor

- 9 The role of the External Auditor shall be to:
- (a) Audit and express an opinion on the Group and College financial statements in accordance with applicable law and International Standards on Auditing.
 - (b) Report on whether proper accounting records have been kept and whether the financial statements agree with the accounting records
 - (c) Report on the regularity of transactions.
- 10 The College shall comply with any externally-imposed requirements on the distribution of the financial statements audit management letter.

Auditors' rights

Access to the Audit Committee

- 11 The IAS and External Auditor shall have the right of unrestricted access to:
- (a) Any documents, assets, records, personnel, and premises, and be authorised to obtain such information and explanation as considered necessary for their work.
 - (b) The Chair of the Audit Committee and to ask the Chair to convene a meeting if necessary.
- 12 The Head of the Internal Audit Service shall have direct access to the Principal and to the governing body, normally through the Chair of Audit Committee.
- 13 The regulatory/funding body shall have unrestricted access to all records (including internal audit working papers), information and assets, which it considers necessary to fulfil its responsibilities.

Audit independence

Prohibition of audit staff from undertaking other duties

- 14 Staff undertaking the internal or external audit of the College's activities shall not have any other executive, management or operational responsibilities within or on behalf of the College.

Use of auditors for other work

- 15 The Governing body must approve any additional services by the IAS, External Auditor and/or other assurance providers on single projects above £20,000 in any 12 month period.
- 16 The governing body and Internal Audit Service must both ensure that additional services do not compromise the audit service providers' objectivity, independence or ability to achieve audit plans.
- 17 Audit Committee must be informed of all additional work undertaken by the Internal Audit Service, whatever the value.

Conduct, planning and reporting of Internal audit work

Standards of operation

- 18 The Internal Audit Service shall work in accordance with recognised professional standards.

Scope of work

- 19 The Internal Audit Service shall focus its work on core financial systems. However, the Audit Committee can commission additional work from the IAS or other appropriate bodies where additional assurance is required. This additional work may encompass:
- (a) Governance and risk management processes;
 - (b) All College activities including those of subsidiary companies and joint ventures or those carried out through collaboration with other organisations, including franchised learning provision
 - (c) The College's responsibilities towards its funding bodies and all other public bodies
 - (d) Planning systems including long term planning, forecasting, monitoring, management information and financial planning and budgeting
 - (e) All significant College systems and processes
 - (f) All College departments and personnel and any contractors who provide services that are included within the scope of the audit
 - (g) Learner information systems and funding claims

- (h) Controls to minimise the risk of irregularities and fraud.

Planning and reporting

20 Internal audit shall produce:

- (a) Strategic and annual plans, which shall be approved by the Corporation on the advice of the Audit Committee
- (b) A written report at the close of each audit assignment.

Reporting of irregularities and fraud

21 The Head of the Internal Audit Service shall issue written procedures to auditors on the action to be taken if they suspect or discover fraud or irregularity and shall arrange to be informed by the College as soon as possible of all suspected or discovered fraud whether internal or external. The procedures shall be consistent with the policy on reporting fraud and irregularity stated earlier in these Regulations.

H CODE OF CONDUCT FOR CORPORATION MEMBERS

INTRODUCTION

- 1 The Code of Conduct originally established by the Norfolk College Corporation on 31 October 1995 was amended on 16 November 1998, to apply to Corporation Members of The College of West Anglia, and further revised on 16 March 2016

Purpose of the Code of Conduct

- 2 This Code is intended as a guide for Corporation Members, to indicate the standards of conduct and accountability which are expected of them, to enable them to understand their legal and ethical duties and to assist them both in carrying out their duties and in their relationship with the Corporation and the Principal as the Chief Executive. The Code is therefore aimed at promoting effective and well-informed College governance, and is not intended to be a definitive or authoritative statement of the law or good practice.
- 3 In addition to this Code, Members are recommended to familiarise themselves with the following:
 - The College's Instrument and Articles of Government⁽¹⁾
 - The College's Strategic Plan, including its Mission and Values
 - The current Financial Memorandum entered into by the College with the ESFA
 - The Governance and Financial Management Regulations (Standing Orders)
 - The Post-16 Audit Code of Practice
 - The Foundation Code of Governance
 - College Governance: A Guide (published by the Department for Business Innovation and Skills August 2014)
- 4 Sections H1, H2 and H3 are attached to this Code for easy reference to summarise the requirements, as they affect Corporation Members, of respectively:
 - The Articles of Government
 - The College's Financial Memorandum with the ESFA
 - The Further and Higher Education Act 1992, as amended.

They should not be read as an exhaustive statement of duties, powers or provision, and Members should refer to the source documents listed above.

- 5 If a Member is in doubt about the provision of this Code or any of the source documents, the Clerk shall be consulted and, if necessary, professional advice shall be obtained. However, ultimate responsibility for the appropriateness of conduct as a Corporation Member of the College and for any act or omission in that capacity rests with the individual Member.

Interpretation

- 6 In this Code "College" means the College of West Anglia. "Member", "Chair", "Principal" and "Clerk" mean respectively the Member of the Corporation, the Chair of the Corporation, the Principal of the College and the Clerk of the Corporation. All other definitions have the same meanings as given in the

College's Instrument and Articles of Government, and words importing one gender will import any gender.

Compliance with the Code of Conduct

- 7 This Code applies to every committee, working party or other subsidiary body of the Corporation to which Members may be appointed.
- 8 By accepting appointment to the Corporation of the College of West Anglia, each Member agrees to accept the provisions of this Code and agree that any breach of the Code by them may lead to the termination of their appointment as a Member, in accordance with clause 9 of the Corporation's Instrument and Articles of Government.
- 9 Members will be asked to sign a statement explicitly acknowledging their acceptance of the Code of Conduct. Regardless of this, acceptance of appointment as a Member of the Corporation will be construed as acceptance of this Code.

DUTIES OF CORPORATION MEMBERS

10 "Nolan" Principles of Public Life

Members are required to conform to the seven principles set down by the Second Report of the Committee on Standards in Public Life (the Nolan Committee) in 1996:

- (a) *Selflessness*
Take decisions solely in the public interest, not to gain financial or other material benefits for themselves, their families or their friends.
- (b) *Integrity*
Not place themselves under financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.
- (c) *Objectivity*
Make choices on merit.
- (d) *Accountability*
Be accountable for their decisions and actions and submit themselves to whatever scrutiny is appropriate.
- (e) *Openness*
Be as open as possible about decisions and actions, giving reasons and restricting information only when the wider public interest clearly demands this.
- (f) *Honesty*
Declare any private interests relating to their public duties and take steps to resolve any conflicts arising in a way that protects the public interest.

(g) *Leadership*

Promote and support these principles by leadership and example.

- 11 Members owe a fiduciary duty to the College. This means that they should show it the highest loyalty and act in good faith in its best interests. Each Member should act honestly, diligently and, subject to the provisions appearing in paragraph 29 of this Code relating to collective responsibility, independently. The actions of Members should promote and protect the good reputation of the College and the trust and confidence of those with whom it deals.
- 12 Decisions taken by Members of the Corporation and its committees must not be for any improper purpose, or for personal motive. Decisions taken must always be for the benefit of the College, its students and staff and other users of the College and must be taken with a view to, safeguarding - public funds. Accordingly, Members must not be bound in their speaking and voting by mandates given to them by other bodies or persons (including but not limited to the bodies that elected them).
- 13 Members must observe the provisions and responsibilities contained in the College's Instrument and Articles of Government and, in particular, the duty to give immediate notice to the Clerk should they become disqualified from continuing to hold office.
- 14 In the event that a Member is the subject of unresolved criminal proceedings or investigations, the Member shall immediately advise the Chair and the Clerk. Where the Member concerned is the Chair, the Chair shall immediately advise the Vice Chair and the Clerk. The Member may then be suspended in accordance with clause 27 of the Corporation Standing Orders (Governance and Financial Regulations), until the outcome of the proceedings/investigation is resolved (and for the avoidance of doubt, in these circumstances a suspension could exceed the normal maximum six months).
- 15 Members should comply with the Standing Orders and terms of reference of the Corporation and its committees to ensure that the Corporation conducts itself in an orderly, fair, open and transparent manner. Members must keep those Standing Orders and terms of reference under periodic review.

Statutory Accountability

- 16 Members are collectively responsible for observing the duties set out in the Financial Memorandum and the funding agreements which the College has entered into with the Education Skills Funding Agency (ESFA) as a condition of receiving public funds. A summary of some of the more important requirements of the Financial Memorandum is set out in section H2.
- 17 Members should note that they are also responsible for the proper use of income derived from other sources, such as the Higher Education Funding Council for England (HEFCE) and the European Union (EU) and for the control and monitoring of expenditure of such income, in order to meet the requirements of the relevant funding body and audit.

Skill, Care and Diligence

- 18 A Member should in all his/her work for the College exercise such skill as he/she possesses and such care and diligence as would be expected from a reasonable person in the circumstances. This will be particularly relevant when Members act as agents of the College, for example, when functions are delegated to a committee of the Corporation or the Chair. Members should be careful to act within the terms of reference of any committees on which they serve.

Responsibilities of the Corporation and its Members

- 19 Members must observe the provisions of the College's Instrument and Articles of Government and in particular the responsibilities given to the Corporation by Article 3(1) of the College's Articles of Government. Those responsibilities, including a list of "reserved" responsibilities, which are so important that they must not be delegated, are set out in the summary of the provisions of the Articles within this Code of Conduct (H1).
- 20 Members should also have regard to the different, but complementary, responsibilities given to the Principal as the College's Chief Executive. Whereas it is the Corporation's function to decide strategic policy and overall direction and to monitor the performance of the Principal and any other senior post holders, it is the Principal's role to implement the Corporation's decisions, and to manage the College's affairs within the budgets and framework fixed by the Corporation. Members should work together so that the Corporation and the Principal perform their respective roles effectively.

Powers

- 21 Members are responsible for taking decisions that are within the powers given to the Corporation by Sections 18 and 19 of the Further and Higher Education Act 1992, as amended. A summary of those powers is included in section H3.
- 22 If a Member thinks that the Corporation is likely to exceed its powers by taking a particular decision, he/she should immediately refer the matter to the Clerk for advice.

Conflicts of Interest

- 23 Like other persons who owe a fiduciary duty, Members and senior staff should seek to avoid putting themselves in a position where there is a conflict (actual or potential) between their personal interest and their duties to the Corporation.

They should not allow any conflict of interest to arise, which might interfere with the exercise of their independent judgement.

- 24 Members are also reminded that under the College's Instrument of Government and the general law they must disclose to the Corporation any direct or indirect financial interest which they or their spouse, partner, children, or other close relatives or business associate have, or may have, in:

(a) The supply of work or goods to or for the purposes of the College;

- (b) Any contract or proposed contract concerning the College; or
 - (c) Any other matter relating to the College; or
 - (d) Any duty which is material and which conflicts, or may conflict, with the interests of the Corporation.
- 25 An interest does not have to be financial for the purposes of disclosure. If it is likely or would, if publicly known, be perceived as being likely to interfere with the exercise of a Member's independent judgement, then the nature of the interest, financial or otherwise, should be:
- (a) Reported to the Clerk; and
 - (b) Fully disclosed to the Corporation before the matter giving rise to the interest is considered.
- 26 If the Member concerned is present at a meeting of the Corporation, or any of its committees, at which such supply, contract or other matter constituting the interest is to be considered, he/she should:
- (a) Not take part in the consideration or vote on any question with respect to it and shall not be counted in the quorum for that meeting; and
 - (b) Withdraw from that part of the meeting at which the matter giving rise to the interest is considered, where required to do so by a majority of the members of the Corporation or committee present at the meeting, and on no account may vote in relation to the matter.
- 27 A staff member shall withdraw from the meeting if the matter under consideration relates to pay and conditions under negotiation and the staff member is representing any of the staff concerned in those negotiations.
- 28 Failure to disclose a relevant interest may lead to a Member being in breach of the Code of Conduct. It may also result in the Member being subject to legal action and personal liability for breach of trust. Such breaches may lead to the Corporation considering the possibility of suspending or terminating the Member's membership of the Corporation. Such breaches by a senior member of staff may lead to disciplinary action being taken under the College's staff disciplinary procedure.
- 29 Members must not receive gifts, hospitality or benefits of any kind from a third party which might be in breach of the Bribery Act 2010 and the College's anti-bribery policy or be seen to compromise their personal judgement or integrity.
- Any offer or receipt of such gifts, hospitality or benefits should immediately be reported to the Clerk.
- 30 The Clerk will maintain a Register of Members' Interests which will be open for public inspection. Members must disclose routinely to the Corporation all business interests, financial or otherwise, which they or persons associated with them may have, and the Clerk will enter such interests on the Register. Members must give sufficient details to allow the nature of the interests to be

understood by enquirers. Members should inform the Clerk whenever their circumstances change and interests are acquired or lost.

Collective Responsibility

- 31 The Corporation operates by Members taking majority decisions at quorate meetings, including meetings held by telephone and by alternative methods such as written resolutions, as provided for in the Instrument and Articles of Government. Therefore, a decision of the Corporation, even when it is not unanimous, is a decision taken by the Members collectively and each individual Member has a duty to stand by it, whether or not he was present at the meeting of the Corporation when the decision was taken.
- 32 If a Member disagrees with a decision taken by the Corporation, his /her first duty is to have any disagreement discussed and minuted. If the Member strongly disagrees, he should consult the Chair and, if necessary, then raise the matter with the Corporation when it next meets. If no meeting is scheduled, the Member should refer to clause 11(4) of the College's Instrument of Government as to the power to call a special meeting and, if appropriate, exercise it, requesting the Clerk to circulate the Member's views in advance to the other Members. Alternatively, the Member may decide to offer his/her resignation from office, after consulting the Chair.

Openness and Confidentiality

- 33 Because of the Corporation's public accountability and the importance of conducting its business openly and transparently, Members should ensure that, as a general principle, students and staff of the College have free access to information about the proceedings of the Corporation. Accordingly, agendas, minutes and other papers relating to meetings of the Corporation are normally available for public inspection when they have been approved for publication by the Chair.
- 34 There will be occasions when the record of discussions and decisions will not be made available for public inspection for example, when the Corporation considers sensitive issues or named individuals, matters relating to commercial transactions and or legal matters, or matters relating to negotiations which, if known, would disadvantage the College, and for other good reasons.

Such items will be kept in a confidential folder by the Clerk, and will be circulated in confidence to members, save those members who have a conflicting interest in the particular sensitive matter. Some confidential items are likely to be of a sensitive nature for a certain period of time only. The Corporation should specify how long such items should be treated as confidential or, if this is not possible, such items should be regularly reviewed to consider whether the confidential status should be removed.

- 35 Members should be aware that items designated "confidential" may still be required to be disclosed under the Freedom of Information Act. The limits on the requirements to disclose information are determined by law and are not affected by any Corporation decision to designate an item as "confidential".

- 36 Staff and Student Members have no right of access to minutes dealing with matters in respect of which they are required to withdraw from meetings under the College's Instrument of Government.
- 37 It is important that the Corporation and its committees have full and frank discussions in order to take decisions collectively. To do so, there must be trust between Members with a shared corporate responsibility for decisions. Members should keep confidential any matter which, by reason of its nature, the Chair or Members of any committee of the Corporation are satisfied should be dealt with on a confidential basis.
- 38 Members should not make statements to the press or media or at any public meeting relating to the proceedings of the Corporation or its committees without first having obtained the approval of the Chair or, in his absence, the Vice Chair.
- 39 It is unethical for Members publicly to criticise, canvass or reveal the views of other Members which have been expressed at meetings of the Corporation or its committees.
- 40 The requirements of the Data Protection Act 1998, the Freedom of Information Act 2000 and the General Data Protection Regulation (GDPR) 2018 will apply, as appropriate, to any request for information from a third party.

Complaints

- 41 In order to ensure that the affairs of the College are conducted in an open and transparent manner, and that the College is accountable for its use of public funds but also to its employees, its students and the community it serves, it is important for there to be appropriate complaints procedures in place and for these to be well publicised. Members have a specific responsibility, under the Articles of Government, to make rules specifying the procedures in accordance with which employees may seek redress of any grievances relating to their employment, of having formal complaints procedures in place to handle issues raised by students and third parties, and of the legal requirement to have a whistle blowing procedure in place.

Attendance at meetings

- 42 A high level of attendance at meetings of the Corporation and its Committees and Working Groups and for training/planning sessions is expected. Apologies should be given in advance of the meeting as appropriate
- 43 Members should fully prepare for meetings; actively engage in discussions; contribute in a considered and constructive way, listen carefully and challenge sensitively.

Governance Development

- 44 The Corporation shall seek to ensure that all Members are appointed on merit, in accordance with an open selection procedure, carried out by the Search and Governance committee, and are drawn widely from the community which the College serves so as to be representative of the community. The Corporation

should have regard to the provisions relating to membership in the College's Instrument of Government, the need to combat discrimination and to promote equality, and the need to make available a range of necessary skills and experience to ensure that the Corporation carries out its functions under the College's Articles of Government.

- 45 Members must obtain a thorough grounding in their duties and responsibilities by participating in the College's governance induction and training programmes, including regular refresher workshops.
- 46 In order to promote more effective governance, Members will carry out an annual review of the performance by the Corporation of its duties and responsibilities, and of their own performance and training needs, as part of a continuing and critical process of self-evaluation.

H1 Summary of Members' Responsibilities under the College's Articles of Government^[1]

- 1 Under Article 3 (i) of the College's Articles of Government the Corporation shall be responsible for:
 - (a) The determination of the educational character and mission of the institution and for oversight of its activities;
 - (aa) Publishing arrangements for obtaining the views of staff and students on the determination and periodic review of the educational character and mission of the institution and the oversight of its activities;
 - (b) Approving the quality strategy of the institution
 - (c) The effective and efficient use of resources, the solvency of the institution and the Corporation and safeguarding their assets;
 - (d) Approving annual estimates of income and expenditure;
 - (e) The appointment, grading, suspension, dismissal and determination of the pay and conditions of service of the holders of senior posts and the Clerk (including where the Clerk is, or is to be appointed as, a member of staff, the Clerk's appointment, grading, suspension, dismissal and determination of pay in the capacity of a member of staff);
 - (f) Setting a framework for the pay and conditions of service of all other staff.
- 2 "Senior Post" means the post of Principal and such other senior posts as the Members may determine for the purposes of the Articles.

Responsibilities which must not be delegated

- 3 Article 9 of the Articles of Government prohibits the Corporation from delegating the following:-
 - (a) The determination of the educational character and mission of the institution;
 - (b) The approval of the annual estimates of income and expenditure;
 - (c) The responsibility for ensuring the solvency of the institution and the Corporation and for safeguarding their assets;
 - (d) The appointment or the dismissal and determination of an appeal of the Principal; or holder of a senior post;
 - (e) The appointment or the dismissal and determination of an appeal of the Clerk (including where the Clerk is, or is to be, appointed as a member of staff the Clerk's appointment or, subject to article 17, dismissal in the capacity as member of staff);
 - (f) The modifying or revoking of the Articles of Government.

- 4 The Corporation may, from time to time, resolve to add other matters, which must not be delegated to this list of “reserved” responsibilities.

H2 Summary of Members' Responsibilities under the Financial Memorandum

The Financial Memorandum

- 1 The Financial Memorandum is the agreement under which public funding is currently provided to the College. Its provisions are a legal obligation on the College. The Memorandum consists of two parts.
 - (a) Part 1, the Memorandum itself, contains those conditions which might be expected to apply generally to the further education sector for a number of years.
 - (b) Part 2, issued annually, is specific to each College and consists of the annual funding agreement (the training provision the College has to deliver and the funding which will be provided) and any specific conditions applying to the College (e.g. any additional borrowing restrictions).

- 2 A summary of the main provisions of Part 1 appears below.

Overall role

- 3 The roles of the ESFA, the Governing Body, the Principal and the Clerk are defined as follows:

The Chief Executive of Skills Funding (accountable to Parliament)	Providing funding to organisations which deliver education and training to secure education and training of a reasonable quantity taking into account the needs of learners and employers Ensuring regularity and propriety of expenditure Making the best use of resources
The Governing Body (accountable to the College's stakeholders)	Setting objectives for the College Appointing an Accounting Officer, usually the Chief Executive of the College Ensuring the College's financial viability Demonstrating the achievement of value for money in the use of public funds
The Principal (the Chief Executive of the College appointed by the Governing Body)	Managing the College towards the objectives and within the limits set by the Board Ensuring compliance with the Financial Memorandum Responsible as Accounting Officer, for the College's use of public and College funds
The Clerk	Advising the Corporation on the operation of its powers; procedural matters; the conduct of business and governance practice Administrative support for the Corporation, its sub-committees and Board members Intervening when s/he considers that the board is acting inappropriately or beyond its powers

Responsibilities

- 4 The responsibilities of the Board are determined by statute, the Instrument and Articles of Government, the Financial Memorandum and any directions made by the ESFA. The non-delegable responsibilities of the Board are set out in Section H1 – Summary of members’ responsibilities under the College’s Articles of Government.
- 5 The Board is specifically required to establish an Audit Committee and a Search Committee (known as the Search and Governance Committee)

Funding

- 6 Funding Bodies allocate funds to the College in return for meeting targets. These funds may only be used for the purpose for which they have been allocated, i.e. education eligible for ESFA funding.

Disposal of Land or Buildings

- 7 Where the Corporation disposes of or rents or leases land or buildings that have been acquired or developed with the help of capital funds from the ESFA or predecessor bodies, it must inform the ESFA in writing and the ESFA reserves the right to require repayment of some or all of the associated grant.

Accounts and financial management

- 8 The College must keep proper accounting records and supply the ESFA with audited accounts, signed by the Principal and Chair (or nominated Board member), within timescales that may be determined by the ESFA.
- 9 The Principal must notify the ESFA in writing if at any time there is a significant deterioration in its financial position.

Audit

- 10 The College must arrange external and internal audit in accordance with the Joint Audit Code of Practice and any succeeding or supplementary publications.

Information

- 11 The College is required to supply the ESFA with annual accounts.

Requirement to inform the ESFA of changes

- 12 The College must notify the ESFA in writing of
 - (a) The vacating or filling of the posts of Chair, Principal or Clerk
 - (b) When the Principal will be absent for an extended period, the name of the person who will act as Principal during his absence.

H3 Summary of the Powers of the Corporation under the Further and Higher Education Act 1992 (Amended by the Learning and Skills Act 2000 and further modified by the Education Act 2011)

Principal Powers

- 1 Under Section 18 of the Further and Higher Education Act 1992 a further education corporation may:
 - (a) Provide further and higher education; and
 - (b) Supply goods or services in connection with their provision of education.

These powers are known as the Corporation's "principal powers".

Supplementary Powers

- 2 Under Section 19 of the 1992 Act a further education corporation may do anything which appears to it to be necessary or expedient for the purpose of or in connection with the exercise of any of the principal powers conferred by Section 18 of the Act, including in particular the following:
 - (a) The power to acquire and dispose of land and other property.
 - (b) The power to enter into contracts, including in particular:
 - Contracts for the employment of teachers and other staff for the purposes of or in connection with carrying on any activities undertaken in the exercise of their principal powers; and
 - Contracts in respect of carrying on by the Corporation of any such activities;
 - (c) The power to borrow such sums as the Corporation thinks fit for the purposes of carrying on any activities they have power to carry on or to meet any liability transferred to them under Sections 23 to 27 of the 1992 Act (i.e. when the College achieved its corporate independence on 1st April 1993) and in connection with such borrowing, the power to grant any mortgage charge or other security in respect of any land or other property of the Corporation;
 - (d) The power to invest any sums not immediately required for the purposes of carrying on any activities they have power to carry on;
 - (e) The power to accept gifts of money, land or other property and apply it, or hold and administer it on trust, for any of those purposes; and
 - (f) The power to do anything incidental to the conduct of an educational institution providing further or higher education, including founding scholarships or exhibitions, making grants and giving prizes.
- 3 The Corporation may also provide facilities of any description (including accommodation and recreational facilities for students and staff and facilities to meet the needs of students having learning difficulties) which appear to be

necessary or desirable for the purposes of or in connection with the carrying on of the principal powers.

- 4 The powers conferred by Section 19 of the Act are known as “supplementary powers”.
- 5 The Further and Higher Education Act 1992 was amended by the Learning and Skills Act 2000 and further modified by the Education Act 2011.

APPENDIX 1

Memorandum of Understanding – CWA Development Ltd

Purpose and Scope of the Memorandum

The aim of this document is to define the relationship between CWA Development Ltd (the Company) and the College of West Anglia (the College).

The primary purpose of the Company is to provide a premises design and build service.

Terminology

The Corporation means the Corporation of the College of West Anglia. The F&GP Committee means the Finance and General Purposes sub-committee of the Corporation of the College of West Anglia.

Ownership of the Company

The Company is a company limited by share and the total shareholding of the Company is owned by the College. The College shall not create or dispose of shares in the Company without the express permission of the full board of the Corporation. All of the Company's profits will be covenanted back to the college according to the judgement of the company directors.

Representation

The following arrangements will apply:

- Members of Finance and & General Purposes committee, excluding staff, students and any Co-opted member shall be ex officio Directors of the Company
- The Principal of the College will act as managing director of the Company
- No director may be a member of the audit committee of the College
- A member of the management team of the College shall be appointed as company secretary
- The College Senior Management Team shall appoint a shareholders' representative at the company AGM.

Business Plan

Each year the company, the College and any subsidiary companies of the College shall jointly produce a three year strategy and a budget for the next year. The College's senior management team shall decide which of those activities shall be carried out by the company. The company will not undertake any activities which fall outside the scope of the joint strategy and business plan without prior authorisation of the Corporation, nor any activities outside the scope allocated to it by the College without prior authorisation from the College's senior management team.

The company shall not, except with specific authorisation of the Corporation:

- Set up any overseas operations or incur expenditure on any significant

- overseas activity
- Employ any staff
- Purchase any fixed assets that have not been included within a consolidated capital budget of the College that has been approved by the Corporation.

Use of College Resources

The College will make resources available to the Company for use in its commercial activities (including but not limited to):

- Teaching accommodation
- Teaching equipment
- Learning resources
- Teaching staff
- Administrative staff.

College Staff Remuneration

No college staff will be provided with any remuneration from company resources without the prior approval of the Corporation.

Reporting Arrangements

The College's management reporting shall cover as appropriate all aspects of the Company's performance in one report, integrated with the College's own activities. To this end, the Company will provide to the College all necessary information for reporting in the necessary timescales.

Financial Control and Audit Arrangements

The company will operate within the framework provided by the College's financial regulations. So far as possible the Company will follow the College's financial procedures and any differences between the Company's and the College's financial procedures will be documented and approved by the College's F&GP Committee or Corporation.

The company shall appoint the same internal and external auditors as the College. The College's auditors and any auditors appointed by external regulatory bodies shall have the same rights of access to the Company records and activities as they have to the College's.

The Company stationery shall contain the logo of the College.

The company will establish its own bank account and borrowing facilities without requiring the college as guarantor. Borrowings by the Company shall require the same approval by the Corporation or F&GP Committee as would borrowings by the College.

Termination

Any decision to dispose of the College's investment in the company will be ratified by the Corporation and notified to the board of directors of the company.

Actions of CWA Development Ltd Requiring Approval by the Corporation

- The appointment of directors
- The acquisition and disposal of land or buildings.

Review

This memorandum will be reviewed annually and any changes approved by the Corporation and the Company's board of directors.

APPENDIX 2

Memorandum of Understanding – CWA Enterprises Ltd

Purpose and Scope of the Memorandum

The aim of this document is to define the relationship between CWA Enterprises Ltd (the Company) and the College of West Anglia (the College).

The primary purpose of the Company is the procurement and maintenance of training facilities and the provision of recreational and training services.

Terminology

The Corporation means the Corporation of the College of West Anglia. The F&GP Committee means the Finance and General Purposes sub-committee of the Corporation of the College of West Anglia.

Ownership of the Company

The Company is a company limited by share and the total shareholding of the Company is owned by the College. The College shall not create or dispose of shares in the Company without the express permission of the full board of the Corporation. All of the Company's profits will be covenanted back to the college according to the judgement of the company directors.

Representation

The following arrangements will apply:

- Members of Finance and & General Purposes committee, excluding staff, students and any Co-opted member shall be ex officio Directors of the Company
- The Principal of the College will act as managing director of the Company
- No director may be a member of the audit committee of the College
- A member of the management team of the College shall be appointed as company secretary
- The College Senior Management Team shall appoint a shareholders' representative at the company AGM.

Business Plan

Each year the company, the College and any subsidiary companies of the College shall jointly produce a three year strategy and a budget for the next year. The College's senior management team shall decide which of those activities shall be carried out by the company. The company will not undertake any activities which fall outside the scope of the joint strategy and business plan without prior authorisation of the Corporation, nor any activities outside the scope allocated to it by the College without prior authorisation from the College's senior management team.

The company shall not, except with specific authorisation of the Corporation:

- Set up any overseas operations or incur expenditure on any significant overseas activity
- Employ any staff
- Purchase any fixed assets that have not been included within a consolidated capital budget of the College that has been approved by the Corporation.

Use of College Resources

The College will make resources available to the Company for use in its commercial activities (including but not limited to):

- Accommodation
- Equipment
- Learning resources
- Staff

College Staff Remuneration

No college staff will be provided with any remuneration from company resources without the prior approval of the Corporation.

Reporting Arrangements

The College's management reporting shall cover as appropriate all aspects of the Company's performance in one report, integrated with the College's own activities. To this end, the Company will provide to the College all necessary information for reporting in the necessary timescales.

Financial Control and Audit Arrangements

The company will operate within the framework provided by the College's financial regulations. So far as possible the Company will follow the College's financial procedures and any differences between the Company's and the

College's financial procedures will be documented and approved by the College's F&GP Committee or Corporation.

The company shall appoint the same internal and external auditors as the College. The College's auditors and any auditors appointed by external regulatory bodies shall have the same rights of access to the Company records and activities as they have to the College's.

The Company stationery shall contain the logo of the College.

The company will establish its own bank account and borrowing facilities without requiring the college as guarantor. Borrowings by the Company shall require the same approval by the Corporation or F&GP Committee as would borrowings by the College.

Termination

Any decision to dispose of the College's investment in the company will be ratified by the Corporation and notified to the board of directors of the company.

Actions of CWA Enterprises Ltd Requiring Approval by the Corporation

- The appointment of directors
- The acquisition and disposal of land or buildings.

Review

This memorandum will be reviewed annually and any changes approved by the Corporation and the Company's board of directors.