



## West Highland College UHI Governance Manual

### Scheme of Delegation Appendix one

#### TERMS OF REFERENCE

##### Board of Management

###### **General**

The Board shall observe the Articles of Association and Standing Orders in all its business.

The Board has overall responsibility for overseeing the business of the College, determining its future direction and fostering an environment in which the College mission is achieved and the potential of all learners is maximised.

The Board of Management must ensure compliance with the statutes, ordinances and provisions regulating the College and its framework of governance and, subject to these, take all final decisions on matters of fundamental concern to the College.

The decisions of the Board of Management will be minuted and published when approved except, exceptionally, for sections which are confidential or commercially sensitive.

The Chair or Convenors may attend meetings of other College or Board committees, normally at the invitation of the respective convenor and subject to business.

###### **Terms of Reference**

The following items are retained for approval by the Board, upon advice from or recommendation by the relevant Committee where appropriate and may not be delegated:

1. to approve the planning cycle and calendar for production proposed by the Senior Management Team for the preparation of the College Strategic Plan and College Operational Plan, and to approve the Plans before publication;
2. to approve the annual accounts, following consideration by the Finance & General Purposes Committee;
3. to approve the College budget proposals, following consideration by the Finance & General Purposes Committee, and to set annually the parameters for College staff pay awards and conditions;
4. to approve the policies and strategies of the College;

5. to approve the appointment of the Principal and Chief Executive and to participate in the appointment process relative to the appointment of members of the College's senior management team;
6. to approve any payments in excess of statutory provisions for severance following consideration by the Performance Review and Remuneration Committee;
7. to approve membership of new Board Members, following consideration by the Search and Nomination Committee;
8. to approve appointment of convenors to all committees;
9. to approve membership of all committees;
10. to ensure that the arrangements made to implement the College Health and Safety Management System are effective;
11. to assume responsibility for identifying, evaluating and managing the College's significant risks, and review the operating, financial and compliance controls that have been implemented to mitigate these risks; in doing so, it will comply with the regional strategic body's policy on risk management and risk management arrangements;
12. to take overall responsibility for the definition and on-going review of the educational philosophy, policy and academic standards of the College in respect of learning, teaching and academic standards.

### **Membership**

The membership of the Board will be constituted as required by the Further and Higher Education (Scotland) Act 1992, and the College Articles of Association.

The Chair shall be appointed by the Board on the recommendation of the Search & Nominations Committee.

A quorum shall consist of six members of the Board with independent directors in a majority at the meeting.

The Board must be chaired by an independent member.

The Board may appoint advisors who are not members of the Board of Management and who have particular, relevant experience or expertise to attend meetings of the Board and/or its committees.

Advisors may not convene the Board or any committee, nor may they vote in any decisions determined in this way by the Board or committee.

### **Attendees**

The Vice-Principal Finance and Corporate Services, the Vice Principal Academic Affairs, and the College Secretary to the Board, or their equivalent positions, shall normally be in attendance.

### **Frequency of Meetings**

The Board shall meet no less than four times each year.

## **Audit Committee**

### **General**

The Committee shall report to the Board of Management at each meeting.

The Committee shall act in partnership with the Audit Committee of the UHI.

The Committee shall observe the Standing Orders in all its business.

The Committee shall conduct its business in accordance with the requirements of any guidance and/ or codes of practice issued from time to time by the SFC and the regional strategic body and/ or any other relevant statutory or regulatory authority, as directed by the Board of Management. The Committee may direct the College Secretary to the Board of Management to report to other committees or the College Principal on behalf of the Audit Committee.

### **Membership**

The Committee should comprise not less than six members.

At least one member of the Committee should be financially qualified or have considerable financial experience.

Membership of the Committee should be in compliance with the Code of Audit Practice (as approved by Audit Scotland and the Auditor General for Scotland), and/or other appropriate guidance as directed by the Board of Management.

The following persons, who may serve on the Board, are excluded as members of the Committee:

- the Principal

- members of the College Executive acting on behalf of the Principal

- the Chair of the Board of Management

- the student member

- an employee or partner of the College's solicitors, bankers, auditors, insurers or other professional advisors or other similarly connected person

- any current member of the Finance and General Purposes Committee (or its equivalent).

### **Quorum**

A quorum shall consist of three members of the Committee who have an entitlement to vote on committee business.

### **Attendees**

The following persons should normally be invited to attend meetings:

- any member of the senior management team including the Principal

- the Head of Internal Audit UHI (or equivalent position)

- the External Auditor (who should attend, as a minimum, any meetings of the Audit Committee where relevant matters are being considered, such as planned audit coverage, the audit report on the College's financial statements, or the audit management letter

- the Internal Auditor.

The Chair of the Board of Management may be invited to attend meetings of the Committee.

The Vice Principal Finance and Corporate Services and the College Secretary to the Board, or their equivalent positions, shall normally be in attendance.

The Committee may, whenever it is satisfied it is appropriate, go into confidential sessions and request that any, or all, non-members leave.

### **Frequency of Meetings**

The Committee will meet no less than four times each year.

### **Responsibilities**

The Committee's main responsibility is to review and monitor the following aspects of the College's operations, and to advise the Board appropriately:

- Governance and management of the College.
- Risk management.
- Adequacy of the College's financial management.
- Adequacy of the internal control and non-financial management systems.
- Adequacy of, and support for, the internal and external audit processes.
- Effectiveness of arrangements for safeguarding the assets of the College and the public funds at its disposal.
- Economy, efficiency and effectiveness of the College's activities.
- Whistle-blowing (public interest disclosure) arrangements.

### **Terms of Reference**

Specifically, the Audit Committee will:

#### **Internal and external auditors' reports**

1. review the reports submitted by the College's Internal Auditors and receiving progress reports from College Management on the Internal Audit recommendations;
2. jointly with the Board's Finance and General Purposes Committee, review the annual report of the College's external auditors and the associated College financial statements on which that report is based;

#### **Risk**

3. receive updates to and review the contents of the risk register maintained by the College;
4. establish a framework for the monitoring and controlling of risk, subject to direction from the Board of Management;
5. in conjunction with other committees, keep the risk register under review and recommend any changes or mitigation to the Board;

#### **Policies**

6. review relevant new and revised policies of the College and recommend approval to the Board (as appropriate);

#### **Reporting to and advising the Board of Management**

7. present an annual report for the Board of Management;
8. assume authority from the Board to investigate any matters within its remit to which purpose full access to any information and personnel required will be granted.

## **Finance and General Purposes Committee**

### **General**

The Committee shall report to the Board of Management at each meeting

The Committee shall observe the Standing Orders in all its business.

### **Membership**

The Committee should normally be comprised of not less than six Board Members, including the Chair and Principal who are members ex officio.

At least one member of the Committee should be financially qualified or have considerable financial experience.

### **Quorum**

A quorum shall consist of three members, including two independent members, of the Committee who have an entitlement to vote on Committee business.

### **Attendees**

The Vice Principal Finance and Corporate Services, the Vice Principal Academic Affairs, and the College Secretary to the Board, or their equivalent positions, shall normally be in attendance.

### **Frequency of Meetings**

The Committee shall meet no less than four times each year.

### **Responsibilities**

The Committee has delegated responsibility within the Financial Memorandum between the College and the regional strategic body for the direction and oversight of the College's financial and corporate affairs.

The Committee has responsibility for the College's existing buildings and estates, including, but not limited to, adopting all reasonably practicable measures to:

- ensure compliance with statutory and regulatory requirements;
- ensure that the College's existing buildings and estates are fit for purpose;
- ensure that the College's existing buildings and estates are maintained to an appropriate standard;
- ensure that the College's existing buildings and estates are reasonably accessible and comply with the terms of the Equality Act 2010; and
- provide a healthy and safe environment for the College's staff, students and visitors.

The Committee has delegated responsibility for the direction and oversight of all personnel matters relating to the function of the Board of Management as employer of the College's staff. The Committee may call for reports from the Principal on any item which refers to human resources matters.

The Committee shall oversee the development and auditing of all human resource strategies and work streams and this shall include:

- the Human Resources Strategy and Annual Action Plan;

- HR policies and practices within the College, including those relating to recruitment and selection, terms and conditions of employment including Discipline and Grievance, Health and Safety, and training and development;
- the development of human resources services within the College and monitor external contracts, including the provision of Employment Law advice, Occupational Health support, the provision of computerised human resources systems and a Job Evaluation system;
- progress against Race, Disability and Gender Equality Scheme Action Plans;
- the Investors in People standard (or equivalent) and the provision of appropriate staff training and development.
- any effective Performance Management framework monitored through regular statistical reports to the Committee.

The Committee will recommend to the Board of Management any proposals which would lead to a major change to pay and conditions of service.

### **Terms of Reference**

Specifically, the Finance & General Purposes Committee will:

1. advise the Board on financial strategy;
2. review the effectiveness of financial management within the College;
3. consider financial benchmarking information and monitor unit costs;
4. monitor the financial control of the College and to keep the College Financial Regulations under review;
5. recommend to the Board the College's annual budget;
6. consider any changes proposed to the approved budget and make recommendations to the Board of Management, unless they fall within the delegated approval arrangements as outlined in the Financial Regulations;
7. monitor actual expenditure and income against budget, note any key variances and report by exception to the Board on any necessary action;
8. monitor capital expenditure against agreed development plans;
9. consider and report on the annual financial statements;
10. review and approve the establishment of any arrangements to provide the College with banking facilities (subject to the authorisation limits set in accordance with the terms and conditions of the Financial Memorandum agreed between the regional strategic body (University of the Highlands and Islands) and West Highland College UHI for the drawing down of loans);
11. review relevant new and revised policies of the College and recommend approval to the Board (as appropriate);
12. in conjunction with other committees, keep the risk register under review and recommend any changes or mitigation to the Board;
13. consider and report on any other financial matters which the Board may delegate or refer from time to time.

## **Performance Review and Remuneration Committee – Terms of Reference**

### **General**

The Committee shall make its report to the Board of Management as appropriate.

The Committee shall observe the Standing Orders in all its business.

### **Membership**

Membership of the Committee shall comprise the Chair of the Board of Management and the convenor of the Finance & General Purposes Committee, a staff representative member, the student representative member, and at least two other directors. The Principal shall be excluded from membership of the Committee.

The Committee must be convened by a member of the Finance & General Purposes Committee; the Chair of the Board of Management may not convene this Committee.

### **Quorum**

A quorum shall consist of three members of the Committee with an entitlement to vote on committee business.

### **Attendees**

The Vice Principal Finance and Corporate Services, Human Resources Manager and the College Secretary to the Board, or their equivalent positions, shall normally be in attendance. The Principal may be invited to attend but must withdraw from the meeting when his/her remuneration is discussed.

### **Frequency of Meetings**

The Committee shall meet at least once each year, at a date to fit into budget planning process

### **Responsibilities**

The Committee has responsibility for the remuneration package, conditions of service, and severance payments for the Principal and executive leadership team.

### **Terms of Reference**

1. The Committee shall consider and /make recommendations to the Board on the remuneration package and conditions of service, and any changes thereof, of the College Principal and such other senior staff as is considered appropriate, taking into account:
  - 1.1 that College senior management should be fairly rewarded for their individual performance and contribution to the College's overall
  - 1.2 where, in terms of senior management remuneration, the College stands in relation to other comparable institutions in the sector, organisations of a similar size and the local market;
  - 1.3 the Scottish Government's approach to remuneration in the public sector;
  - 1.4 the relationship between the remuneration of the senior management and that of other employees of the College;
  - 1.5 the benefits granted to senior management; and

- 1.6 The adequacy of pension arrangements and also the cost implication of pension arrangements including the pension effect of remuneration proposals.
2. Normally, one member of the Board of Management shall represent the Board on the interview panel for senior management appointments.
3. The Committee shall consider such other matters delegated by the Board of Management which the Chair shall from time to time determine.
4. Where any severance payments are in excess of statutory provisions, the Committee shall be required to consider and make recommendations to the Board taking cognizance of the Financial Memorandum.

## **Search and Nominations Committee – Terms of Reference**

### **General**

The Committee shall make its report to the Board of Management as appropriate.

The Committee shall observe the Standing Orders in all its business.

### **Membership**

Membership of the Committee shall comprise the Chair of the Board, a staff representative member, the student representative member and at least three further individuals. The Principal shall be excluded from membership of the Committee.

### **Quorum**

A quorum shall consist of three members of the Committee who have an entitlement to vote on committee business.

### **Attendees**

The College Secretary, or equivalent position, shall normally be in attendance

### **Frequency of meetings**

The Committee shall meet at least once each year.

### **Responsibilities**

The Committee has responsibility to oversee the process of recruitment of the Principal, Board members, the induction of new members, and the maintenance of a skills' matrix.

### **Terms of Reference**

1. Inform the Chair of the Board, through the College Secretary, of forthcoming vacancies as Board Members complete their terms of office, with an eye to succession planning.
2. Maintain a skills matrix of current Board Members to assist the Committee to determine the skills and experience required of prospective members.
3. Develop and monitor procedures for the appointment, reappointment, induction and governance arrangements of Board Members, including arranging elections where appropriate.
4. Take responsibility to seek a range of candidates and recommend new members and consider the reappointment of current members to the Board of Management; approval of membership rests with the Board of Management.
5. Give due regard to issues of diversity and equality of opportunity in any appointment made, and will ensure that so far as is reasonably practicable the appointment process is conducted fairly, equitably, and in a non-discriminatory manner.

## **Estates Project Group - Terms of Reference**

### **General**

The Estates Project Board is a sub-committee of the Finance & General Purposes Committee and shall make its report to it.

The Group shall observe the Standing Orders in all its business.

### **Membership**

Membership of the Group shall comprise not less than four Finance & General Purposes Committee Members, including the Principal *ex officio*.

### **Quorum**

A quorum shall consist of three members of the Board who have an entitlement to vote on Estates Project Group business.

### **Attendees**

The Vice Principal Finance and Corporate Services and the College Secretary, or the equivalent positions, shall normally be in attendance.

The Project Sponsor shall normally be in attendance.

### **Frequency of meetings**

The Group shall meet as required for the duration of estates development projects.

### **Responsibilities**

The Group has responsibility for overseeing the progress of the estates projects on behalf of the Board of Management. It will operate in an advisory capacity and concern itself with the efficient and effective management and organisation of estates projects, including but not limited to:

### **Terms of Reference**

1. Maintain visible and sustained strategic commitment to the delivery of projects.
2. Appoint the Project Sponsor and approve the key appointments to the Project Team.
3. Review reports from the Project Steering Group and Project Manager.
4. Maintain oversight of the implementation of the Estates Strategy as it relates to new estates development.
5. Ensure that communication and consultation strategies are in place for projects.
6. Monitor the risk register established for projects.
7. Monitor regular budget reports.
8. Consider any necessary changes to estates projects and making recommendations to the Finance and General Purposes Committee.
9. Evaluate the business case and investment proposals for each project to ensure that it is satisfied that risks associated with an estate project are being managed effectively and that the project remains affordable (in the event that any gateway review identifies serious deficiencies, difficulties or budget concerns in respect of a project, the Estates Project Group shall determine the appropriate means of addressing and remedying such serious deficiencies, difficulties or budget concerns).
10. Review and scrutinise the performance of each of: the Project Steering Group; the Project Sponsor; the Project Manager; and the Project Team against their respective responsibilities all as set out in the Project Implementation Plan( in the event that the Estates Project Group considers that: the Project Steering Group;

the Project Sponsor; the Project Manager; and/or the Protect Team have failed to meet any such responsibilities, the Group shall determine the appropriate means of addressing and remedying such failure).

11. Ensure that a post-implementation review is provided and reported to the Board of Management, via the Finance & General Purposes Committee.