



GOVERNANCE HANDBOOK

January 2022

When reading electronically, each section and sub-section may be directly accessed from this contents page by holding control and left clicking the appropriate section and/or sub-section.

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Section One: Introduction and Strategy



Introduction

This Governance Handbook has been created to draw together all relevant governance documents for the use of governors, staff, students and the communities of Neath Port Talbot and Powys which NPTC Group of Colleges serves (henceforth, the Group or the College).

Whilst large, the Handbook may be approached through its Chapters and Sections so that aspects of governance at NPTC Group of Colleges may be studied on a modular basis.

The Group's Mission and Strategy

The Governors of NPTC Group of Colleges have been involved in the strategic consultation undertaken to examine and re-define the mission of the College. Here, the mission and strategies are set out; this to ensure that NPTC Group of Colleges provides the community with *More Than Just an Education*.

Mission

The Group mission statement is 'Inspiring Learning, Enriching Lives, Delivering Success'.

We also use a strapline, which is, 'More than just an Education'. For the Group, the strapline conveys what students get as a whole package at the Group. Students will get outstanding education and training, but they will also have access to all of the extra curricula activities, the sports, the clubs, the music and dance and much more.

Strategy

The Group's mission statement is underpinned by the group's strategic documents:

- NPTC's Strategic Plan
- Academic Services Strategy
- Corporate Services Strategy
- Financial Services Strategy
- HR Strategy
- Operational Services Strategy
- Student Recruitment and Support Strategy

In essence, the vision for the Group is to be a recognised outstanding provider of education with students, parents, employers and Government. To be a college that values diversity and equality of opportunity and has chosen to embed these principles across our strategic aims. A college that promotes an entrepreneurial culture through our studies, while promoting Welsh and bilingualism. We want to prepare all of our

students for either university or employment, depending on their choice. We want to be known for our engagement with technology both within the classroom and within the operation of our business. We want to develop a culture where outstanding educators, managers and business support staff want to work within the group, because of our reputation. We would wish to make a recognisable contribution to tackling poverty and improving prosperity. We would wish to do this in outstanding buildings, which are fit for the delivery of this vision, now and into the future.

Any questions related to this Handbook and its content should be directed to the Assistant Principal: Governance (Governance Officer), Gemma Charnock, who may be contacted by telephone on 01639 648005, by e-mail through gemma.charnock@nptcgroup.ac.uk or by post to NPTC Group of Colleges, Neath Campus, Dwr-y-Felin Road, Neath, SA10 7RF.

Diversity Statement | Datganiad Amrywiaeth

NPTC Group of Colleges welcomes diversity and is striving to promote equal opportunities for all students, staff, visitors and members of the wider community.

Discriminatory or offensive comments and behaviour on the grounds of religion or belief, gender identity, age, marital or partnership status, disability, pregnancy, sex, race or sexual orientation will not be tolerated.

Any person who fails to comply with this statement will be held accountable and appropriate action will be taken.

Mae Grŵp Colegau NPTC yn croesawu amrywiaeth wrth anelu at hyrwyddo cyfle cyfartal ar gyfer yr holl fyfyrwyr, staff, ymwelwyr ac aelodau o'r gymuned ehangach.

Ni oddefir sylwadau neu ymddygiad gwahaniaethol neu sarhaus ar sail crefydd neu gred, hunaniaeth rhywedd, oedran, statws priodasol neu bartneriaeth, anabledd, beichiogrwydd, rhyw, hil neu dueddfryd rhywiol.

Ystyrir unrhyw unigolyn sy'n methu â chydymffurfio â'r datganiad hwn yn atebol a rhoddir y gweithrediadau priodol ar waith.

Current Strategic Documents

The Group's Strategic Plan



Strategic Plan

2019-2023



Our Existing Priorities

Learner Success • Student and Staff Support • Employability

Our Increased Focus

Making Learning More Innovative

Enriching Teaching and Learning with Technology



Corporate and Community Standing

Community Engagement and Low Cost Business Start-up

What Remains Important?

- Financial Success
- Education and Skills
- Estates
- Health and Wellbeing
- Tackling Poverty
- International
- Welsh Language
- Socially Responsible
- Equality and Diversity
- Professional Development

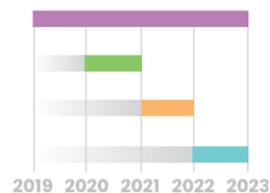
Comparing our sectors – Where will we be?

- 1st** Leading the way in Further Education
- 1st** Remain the best performing apprenticeship provider in Wales
- 93%** Our success for all courses in the area of Adult and Community Learning
- 99%** Maintaining the 13 year trend of A Level pass rate, with positive value added outcomes
- 1st** The most successful provider of University education in the FE sector
- 1st** A College recognised at the forefront of technology
- 1st** A College engaged and embedded in our communities

Timetable for Key Projects

The following shows the timetable for key projects in the next four years. Indicating our priorities.

- Technology Development
- Brecon Development
- Newtown Development
- Harbourside Campus



Academic Services Strategy



Academic Services Strategy 2019-2023



Our Existing Priorities

Learner Success · Student and Staff Support · Employability

Our Increased Focus

Making Learning more Inspirational

Enhancing teaching and learning through technologies to inspire and engage all

Curriculum focused on employment

All levels of curriculum enriched with core and employability skills

What Remains Important?



Where will we be?

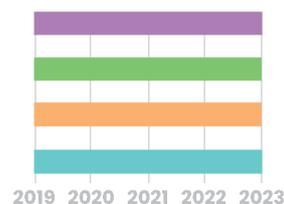
Innovative teaching and learning supported by advanced technology engaging learners to excel

- Excellent outcomes from Estyn in all inspection areas
- Reflective and inspiring teachers
- 100% Attainment for all main qualifications
- Robust data architecture that supports our academic services
- Personal development to obtain positive value added scores
- Leading provider of university education for our communities
- Skilled, resilient, confident and employable learners
- Delivering bilingual education in priority areas
- Digitally competent staff and students
- Embedded and supported delivery in our communities
- Supportive student centred learning
- Accessible and inclusive for all to achieve their potential

Timetable for Key Projects

The following shows the timetable for key projects in the next four years

- Innovative teaching and learning supported by advanced technology
- Robust data architecture that supports our academic services
- Digitally competent staff and students
- Embedded and supported delivery in our communities



Corporate Services Strategy



Corporate Services Strategy 2019-2023



Our Existing Priorities

Increase Income Diversification · Supporting Skills Development

Our Increased Focus

Corporate & Community Standing

Community engagement and
low cost business start-up

Building Commercial Resilience

Adapting to Employer needs

What Remains Important?

Customer Relationship Management

Maximising non-core income

Doing things differently

International

Apprenticeship Opportunities

Social Responsibility

Statutory Compliance

Employer Engagement

Where will we be?

Remain the best Apprenticeship provider in Wales

Leading in community engagement

1st choice for employers

Exceptional and profitable international training delivery

Increase non-core income surplus

Enable the growth of resilient communities

Active and visible within global skills networks

Excellent strategic relationship engagement

Timetable for Key Projects

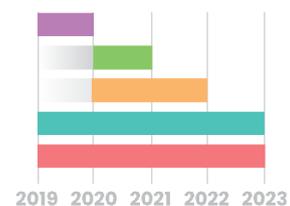
Successful work-based learning procurements

Expansion of overseas delivery of education and training. 10,000 overseas learners enrolled to NPTC Group of Colleges

Born Digital

Returning cash surpluses to support Group activities in the UK, including the target of providing free Higher Education for local communities in Neath Port Talbot and Powys

Greatest number of competitors at World Skills



Financial Services Strategy



Financial Services Strategy 2019-2023



Our Existing Priorities

Financial Success - Ensure Core Activities are Resourced

Our Increased Focus

Support College Strategies

Allocate financial resources to support the new strategies

Measure Performance through EBITDA

Use EBITDA (Earnings Before Interest, Tax, Depreciation, Amortisation) as the primary measure of financial performance

What Remains Important?



Financial Viability



Fair Financial Policies to Widen Access



Value for Money



Ethical and Sustainable Procurement with Support for Local SMEs



Effective Internal Controls

Where will we be?



Earning a sustainable EBITDA each year, sufficient to meet College needs



Sufficient reserves to fund future investment plans

Timetable for Key Projects

The following shows the timetable for key projects in the next four years. Indicating our priorities

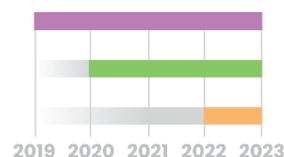
Ethical and Sustainable Procurement



Sustainable EBITDA



Sufficient Reserves



Operational Services Strategy



Operational Services Strategy 2019-2023



Our Existing Priorities

Employer of Choice · Distributed Technology · Inspirational Estates

Our Increased Focus

Support Staff Wellbeing

Digital First Mindset

Inspiring Estates

Enriching Staff and Student Experiences through Technology

What Remains Important?



Where will we be?

- The number one choice for employment in the local and wider community
- A College recognised at the forefront of technology
- Accommodated in 1st class estates appropriate for 21st century
- Excellent provision of professional CPD
- A leader in virtual learning

Timetable for Key Projects

- Technology development
- Newtown Development
- BYOD
- Integrated online application system
- Brecon Development
- Harbourside Campus
- AVR
- WIFI improvements



Student Recruitment and Support Strategy



Student Recruitment and Support Strategy 2019-2023



Our Existing Priorities

Great Support for Students · Student Recruitment · Progression for Learners
Learner Centred · Student Involvement · Safeguarding

Our Increased Focus

Wellbeing of Students

Excellent support in a safe, healthy and resilient community, while empowering learners to shape their experience

Integrated and Unified Student Recruitment

A college-led aspirational brand, with a transparent application journey, promoting our excellent facilities

What Remains Important?



Where will we be?

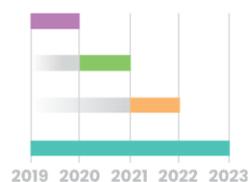
- The number one choice for education in Wales
- Have great progression rates for all students
- Have excellent full-time enrolments
- Build outstanding relationships with schools

- A college that meets the "Healthy Colleges and Universities Standards"
- A College with ASD friendly status
- An award winning College for student support

Timetable for Key Projects

The following shows the timetable for key projects in the next four years

- Paperless Enrolment
- Digital innovation in schools liaison
- Website Redevelopment
- Marketing campaign signposting developments



Section Two: Corporation Board and SMT



Corporation and Senior Management Team: Membership

Corporation Board Members		Senior Management Team	
Position	Name	Position	Name
Chair	Rhobert Lewis	Principal and CEO (and Board Member)	Mark Dacey
Vice-Chair and Chair of Audit	James Hehir	Deputy CEO/Deputy Principal	Catherine Lewis
Staff Governor	Clare Cluer	Vice Principal: Academic Services	Kelly Fountain
Governor	Ceri Stephens	Vice Principal: Operational Services	Eleanor Glew
Student Governor (Student Union President)	-----	Vice Principal: Financial Services	Katheryn Holley
Governor; Co- Chair, R&GP Committee	Graham Cragg	Vice Principal: External Relations and Group Company Secretary	Gemma Charnock
Governor	Heather Turner	Assistant Principal: Quality	Fran Green
Governor	Helen Morgan	Assistant Principal: Curriculum	Geraint Jones
Governor	Jill Harding	Assistant Principal: Students	Siân Jones

Governor	James Williams	Assistant Principal: World Wide Operations	Steve Rhodes
Governor; Co- Chair, R&GP Committee	Mandy Ifans	Assistant Principal: Skills	Nicola Thornton- Scott
Governor	Matthew Harvey	Assistant Principal: Higher Education	Prof. Richard Tong
Governor	Matthew Dorrance	Assistant Principal: Student Recruitment	Tessa Jennings
Co-opted Adviser	Susan Ann Jones		
Staff Governor	Tony Burgoyne		

Corporation Board Membership

To be updated.

SMT Membership



Tîm Uwch-reolwyr Senior Management Team



Mark Dacey
Pennaeth / Prif Weithredwr
Principal / Chief Executive Officer



Catherine Lewis
Dirprwy Bennaeth /
Dirprwy Brif Weithredwr
Deputy Principal /
Deputy Chief Executive Officer



Kathryn Holley
Is-bennaeth:
Gwasanaethau Ariannol
Vice Principal:
Financial Services



Eleanor Glew
Is-bennaeth:
Gwasanaethau Gweithredol
Vice Principal:
Operational Services



Kelly Fountain
Is-bennaeth:
Gwasanaethau Academaidd
Vice Principal:
Academic Services



Gemma Charnock
Is-bennaeth:
Cysylltiadau Allanol ac
Ysgrifennydd Cwmni'r Grwp
Vice Principal:
External Relations and
Group Company Secretary



Fran Green
Pennaeth Cynorthwyol:
Ancwdd
Assistant Principal:
Quality



Geraint Jones
Pennaeth Cynorthwyol:
Cwricwlwm
Assistant Principal:
Curriculum



Siân Jones
Pennaeth Cynorthwyol:
Myfyrwyr
Assistant Principal:
Students



Steve Rhodes
Pennaeth Cynorthwyol:
Gweithrediadau Byd-eang
Assistant Principal:
Worldwide Operations



Nicola Thornton-Scott
Pennaeth Cynorthwyol:
Sgiliau
Assistant Principal:
Skills



Richard Tong
Pennaeth Cynorthwyol:
Addysg Uwch
Assistant Principal:
Higher Education



Tessa Jennings
Pennaeth Cynorthwyol:
Recriwtio Myfyrwyr
Assistant Principal:
Student Recruitment

Board Members Information and Pen Portrait

Corporation Board Chair: Dr Rhobert Lewis



NAME

Dr Rhobert Lewis

GOVERNOR CATEGORY:

Community

COMMITTEE MEMBERSHIP:

Audit – Interim Chair

PERIOD OF OFFICE:

Appointed: 03.05.18 to 03.05.24

RESIDES:

Powys

EDUCATION

Holds BSc. In Chemistry and PhD. In Physical Chemistry. Awarded Fellowship of the Royal Society of Chemistry (FRSC) in 1996 for 'Outstanding Contributions to Chemistry'. Awarded an Honourary Fellowship of the University of South Wales for Distinguished Services in HE in December 2017.

EMPLOYMENT:

Currently an Independent Member of the Powys Teaching Health Board and a Director of Green Inc. Ltd.

Corporation Board Vice-Chair and Audit Chair: James Hehir



NAME:

James 'Jim' Hehir

GOVERNOR CATEGORY:

Business Member
Corporation Vice-Chairman

COMMITTEE MEMBERSHIP:

Chairs' (Search & Governance)

Audit

PERIOD OF OFFICE:

Appointed: 29.03.06 to 04.04.23

RESIDES:

Swansea

EDUCATION:

Following secondary education to 'A' Level standard at Southwark College, James Hehir went on to gain a BA Honours degree in Law at South Bank Polytechnic and an MBA at the University of Glamorgan. He is a qualified solicitor.

EMPLOYMENT

Clerk to the Dyfed Powys and North Wales Justices. Currently on detached duty with Criminal Justice System Common Platform Programme.

Corporation Board Governor: Clare Cluer



NAME:
Clare Cluer

GOVERNOR CATEGORY:
Staff Governor

COMMITTEE MEMBERSHIP:
Resources and General Purposes

PERIOD OF OFFICE:
Appointed: 03.05.19 to 03.05.23

RESIDES:
New Tredegar

EDUCATION:
Graduated from the University of Wales, Newport, with a BA in Multimedia in 2002. In 2004 graduated from the same university with a PGCE in Primary Teaching. From 2013 – 2014 Clare undertook a Post Graduate Certificate in Educational Leadership and Management Development with the University of South Wales. In 2015 Clare completed the new Digital Literacy Practitioner's course.

EMPLOYMENT
Joined NPTC Group in April 2008 at the Brecon Campus, while the college was previously Coleg Powys. The ILT Development Officer is a role that changes year on year depending on the college's requirements and current projects. Aspects of the role have also changed relating to ongoing technological requirements and/or Welsh Government policies. Main responsibilities include supporting, maintaining and training staff on the following college wide software: the VLE (Moodle), SharePoint, Office 365, Digital Tools, plus any other ILT related software or hardware that may get introduced into the college.

Before working in the College, Clare worked on a community website project in the boroughs of Merthyr Tydfil and RCT, helping small community groups have a web presence.

Clare also has a PGCE in Primary Education and two years experiences in teaching Year 5 and Year 6 students.

Clare has also many years experience working as an Historical Costumed Interpreter and Murder Mystery Actor for Llancaiach Fawr Manor house in Caerphilly and for the Chance Encounters Historical Interpretation Company.

From 2003 – 2018 Clare had 15 years experience managing a team of volunteers to run public paranormal events, including charity activities and events which raised over £30,000 for the Cystic Fibrosis trust, and coordinated and co-wrote 3 published books.

Corporation Board Governor: Ceri Stephens



NAME:

Ceri Stephens

GOVERNOR CATEGORY:

Business

COMMITTEE MEMBERSHIP:

Resources and General Purposes

PERIOD OF OFFICE:

Appointed: 04.04.19 to 04.04.24

RESIDES:

Powys

EDUCATION:

- NVQ level 4 in Management
- Institute of Leadership & Management - manage the use of financial resources, develop and manage teams and individuals to enhance performance
- Part Higher National Diploma in Business, Finance & Tourism
- BTEC National Diploma in Business, Finance & Tourism
- 8 GCSE's grade C or above including Maths & English

EMPLOYMENT:

Group Manager at Mid Wales Manufacturing Group
Office Manager at Shared Apprenticeship Scheme (Wales) Ltd

Corporation Board Governor: Graham Cragg



NAME:

Graham Cragg

GOVERNOR CATEGORY:

Business

COMMITTEE MEMBERSHIP:

Resources & General Purposes, *Co-Chair*

Chairs' (Search & Governance)

Remuneration

Director of LSI Ltd.

PERIOD OF OFFICE:

Appointed: 10.12.98 to 11.07.21

RESIDES:

Brecon

EDUCATION:

Cardiff High School

IPFA Qualified Accountant

EMPLOYMENT:

Worked in Cardiff, Southampton, Swansea and Powys mainly in Local Government (mostly Education) and the NHS. Now retired from role as Finance Director and Deputy Chief Executive.

Corporation Board Governor: Heather Turner



NAME:
Heather Turner

GOVERNOR CATEGORY:
Co-opted Member

COMMITTEE MEMBERSHIP:
Audit Committee

PERIOD OF OFFICE:
Appointed: 29.01.20 to 29.01.24

RESIDES:
To be updated.

EDUCATION:
To be updated.

EMPLOYMENT:
To be updated.

Corporation Board Governor: Helen Morgan



NAME:

Helen Morgan

GOVERNOR CATEGORY:

Co-opted Member

COMMITTEE MEMBERSHIP:

Resources & General Purposes

Health and Safety Working Group Student Management Group

Director of Learn-Kit Ltd.

PERIOD OF OFFICE:

Appointed: 08.06.11 to 13.11.24

RESIDES:

Neath

EDUCATION:

Certificate in Education Glyndwr University (NEWI) Bachelor of Education (B.Ed)
University of Wales

Post Graduate Diploma in Leadership and Management (Further Education)
University of Wales

EMPLOYMENT:

Employed in Education for 31 years; 5 in the Secondary Sector and 26 in Further Education Sector. Posts held Head of Department. Manager the Business Support and Innovation Centre, Bridgend College Enterprises Ltd. Manager of two outreach Community Colleges. Associate Assessor for Estyn. Advisor and Project Manager for Investors in People. Project Leader for three Welsh Assembly funded Education projects.

Corporation Board Governor: James Williams



NAME:

James Williams

GOVERNOR CATEGORY:

Co-opted

COMMITTEE MEMBERSHIP:

Audit

PERIOD OF OFFICE:

Appointed: 22.10.2020

RESIDES:

Llandrindod Wells, Powys

EMPLOYMENT:

Working within the UK water industry since 2008, James is currently employed as an Operational Technology (OT) Senior Manager with Dwr Cymru Welsh Water.

A Chartered Engineer (CEng), James has undertaken a range of programme, project, operational and design management roles across a wide range of engineering construction and technology projects. He is a full member of the Institution of Engineering & Technology (MIET) and the Association of Project Management (MAPM).

Outside of work, James is currently Chair of Governors at Ysgol Cefnlllys in Llandrindod Wells, and a parent member of Powys County Council's Schools Admission Forum.

EDUCATION:

Attending Coleg Powys in Newtown for further education, James later attended Worcester College of Technology part-time to gain a Foundation Degree in Electrical Systems Engineering.

More recently James completed a MA in Strategic Leadership & Management with the University of Chester and NEBOSH National Certificate in Construction Health & Safety.

Corporation Board Governor: Jill Harding



NAME:

Jill Harding

GOVERNOR CATEGORY:

Community Member

COMMITTEE MEMBERSHIP:

Resources & General Purposes

PERIOD OF OFFICE:

Appointed: 22.10.08 to 04.04.24

RESIDES:

Neath

EDUCATION:

BA Hons Sociology with Professional Studies CQSW (Social Work Qualification)

PGCE

Certificate in Management (Open University)

EMPLOYMENT:

Previously employed as an Assistant Director of Neath Port Talbot Council for Voluntary Services (NPTCVS) with overall responsibility for volunteering and HR. Prior employment includes the role of Social Worker before lecturing and providing training in the field of Social Care.

Corporation Board Governor: Mandy Ifans



NAME:

Mandy Ifans

GOVERNOR CATEGORY:

Business Member

COMMITTEE MEMBERSHIP:

Resources & General Purposes, *Co-Chair*

Chairs' (Search & Governance)

Remuneration

Director of Jobforce Wales

PERIOD OF OFFICE:

Appointed: 08.06.11 to 07.06.21

RESIDES:

Kidwelly

EDUCATION:

Former pupil of Llandysul Grammar School, Mandy went on to gain a BA (Hons) in History at University of Wales, Aberystwyth. Subsequently, she obtained a Postgraduate Diploma in Careers Guidance from Polytechnic of Wales, Pontypridd.

EMPLOYMENT

Member of Senior Management Team at Careers Wales West where she is employed as Head of Service Delivery for Mid and West Wales and is responsible for the delivery of all careers and related services to schools, colleges, WBL providers, adults and NEET clients throughout NPT, Swansea, Carmarthenshire, Ceredigion, Pembrokeshire and Powys.

Corporation Board Governor: Matthew Harvey



NAME:

Matthew Harvey

GOVERNOR CATEGORY:

Co-opted Member

COMMITTEE MEMBERSHIP:

Audit

PERIOD OF OFFICE:

Appointed: 28.04.16 to 28.04.24

RESIDES:

Port Talbot

EDUCATION:

St. Clares
Porthcawl
Swansea
University L'ESC
Brest (France)

EMPLOYMENT:

PwC – September 2003 – June 2015. Senior Manager

Dr Organic Limited – July 2015 – present. Group Finance Director

Corporation Board Governor: Matthew Dorrance



NAME

Matthew Dorrance

GOVERNOR CATEGORY:

Community

COMMITTEE MEMBERSHIP:

T.B.C.

PERIOD OF OFFICE:

Appointed: 20.11.2020

RESIDES:

Brecon

EDUCATION

BA (Hons) Politics, Philosophy and Economics (The Open University, 2011) DipEcon Diploma in Economics (The Open University, 2011).

EMPLOYMENT:

Office Manager to Dawn Bowden MS (January 2020 – present), Caseworker/Communications Officer (July 2016 – January 2020). Office Manager to Jenny Rathbone AM (2011 – 2016). Powys Teaching Health Board: Independent Member/Non-Executive Director (2014 – present). Powys County Council: County Councillor (2012 – present). Campaigns Officer to Huw Lewis AM (2010 – 2011). The Labour Party: Regional Organiser (2009 – 2010). Powys County Council: Mental Health Community Support Officer (2006 – 2008).

Corporation Board Co-opted Adviser: Susan Anne Jones

NAME:

Susan Anne Jones

GOVERNOR CATEGORY:

Co-opted Adviser

COMMITTEE MEMBERSHIP:

None at present.

PERIOD OF OFFICE:

Appointed:

RESIDES:

Port Talbot

EDUCATION:

St Joseph's Comprehensive School Port Talbot

SRN NMC registration achieved via West Glamorgan School of Nursing 1975

SCM registration achieved via West Glamorgan School of nursing 1977

BSc 1st Class Honours in Community Public Health achieved via Swansea University
2006

NMC registered Specialist Public Health Community Nurse [School Nursing] 2006

EMPLOYMENT

1972 -1980 NHS Paediatric staff nurse [left for career break to have children]

1986 – 2021 NHS School Nursing [retired January 2021]

Corporation Board Governor: Tony Burgoyne



NAME:

Tony Burgoyne

GOVERNOR CATEGORY:

Staff

COMMITTEE MEMBERSHIP:

Audit

PERIOD OF OFFICE:

Appointed: 31.07.14 to 03.05.22

RESIDES:

Llandrindod Wells Powys

EDUCATION:

John Beddows comprehensive School Presteigne O levels & GCSEs
Montgomeryshire College of further education NVQ 1 & 2 Christchurch polytechnic,
Bournemouth level 3 Hospitality & Catering PGCE certificate in Education, University
of Newport South Wales

EMPLOYMENT:

Worked in England, Wales, France, Italy, in Europe, and around the world
Worked as a *sous-chef* in Perth Australia
A second chef in America West Coast San Diego
Head chef in Dubai and Abu Dhabi, United Arab Emirates
Private chef in Hong Kong
Coleg Powys/NPTC Group since 1999

OTHER ROLES

Senior lecturer for HCA School Rugby, youth coach Llandrindod Wells
Member and Guild for Scout pack Llandrindod Wells

Senior Management Team Information and Pen Portrait

Principal and CEO: Mark Dacey



NAME:

Mark Dacey - NPTC Group of Colleges Principal/Chief Executive Officer

EDUCATION:

Having left Lewis Boys' Grammar School, Pengam at 16 years of age with no formal qualifications, Mark Dacey progressed via Ystrad Mynach, Pontypridd and Bridgend Colleges of Further Education, through a series of City & Guilds and BTEC National and Higher National Certificates in Construction and Surveying.

In addition to a Certificate in Education from Cardiff University, he holds a BSc Degree in Building from the Polytechnic of Wales, an MSc Degree in Facilities Management from the University of Strathclyde and a Diploma in Building Surveying from the College of Estates Management. He also holds extensive professional qualifications in Building, Surveying, Health & Safety and Law. He is a Fellow of the Royal Institution of Chartered Surveyors.

EMPLOYMENT:

Mark has worked as an Instructor, Associate Lecturer, Lecturer, Curriculum Development Manager, Head of Department, Dean of Faculty and Campus Principal. He has worked in numerous colleges in Wales and in England. In 1999, Mark was appointed by the Queens Privy Council, and became one of Her Majesty's Inspectors (HMI) for Education and Training working for the Office of Her Majesty's Chief Inspector in Wales, prior to being appointed Principal of Neath Port Talbot College on 1 April 2004, and subsequently Group Chief Executive on 1 August 2013.

OTHER ROLES:

Mark is Chair of the Children's Rights Unit, a member of the Public Service Board, a member of the Children and Young Peoples Leadership Group, a member of the Building Safe and Resilient Communities Leadership Group, the Chair of the Wales Negotiating Committee for Further Education and the Chair of the 14-19 Network. He is also a Director of six companies wholly owned by the NPTC Group of Colleges, including the UKs No. 1 English Language School, LSI Portsmouth.

PROFESSIONAL QUALIFICATIONS:

- Fellow of the Royal Institution of Chartered Surveyor
- Fellow of the Chartered Association of Building Engineers
- Fellow of the Chartered Management Institute
- Member of the Chartered Institute of Building
- Associate of the Chartered Institute of Arbitrators

Deputy CEO/Deputy Principal: Catherine Lewis



NAME:

Catherine Lewis – Deputy CEO/Deputy Principal

EDUCATION:

Completed secondary education at Lewis Girls School and Porth County Comprehensive School followed by an LL.B Honours law degree at University College London, University of London. Became a qualified Solicitor following completion of the Law Society Finals at the then Polytechnic of Wales and two years as an Articled Clerk to Morgan Bruce Solicitors in Pontypridd and Cardiff.

Obtained a Post Graduate Diploma in Human Resource Management from the then University of Glamorgan (USW).

A Member of the Law Society of England & Wales and a Fellow of the Chartered Institute of Personnel and Development.

EMPLOYMENT:

Worked for Morgan Bruce Solicitors, which became Morgan Cole and now Blake Morgan from 1992 – 2005. Qualified as a solicitor there in 1994 working in their Pontypridd and Cardiff offices. In 1994 became a HR/ Employment Law specialist eventually responsible for the Swansea team of lawyers within the Firm.

From 2005 to 2012 worked for Eversheds LLP based in Cardiff but working all over the UK, becoming a Principal Associate.

Catherine has been the Vice Principal Corporate Services at NPTC Group of Colleges since 2012.

RESPONSIBILITIES:

- Strategic Corporate Lead
- Deputy Chief Executive
- Group Legal Advisor
- Lead on internal investigations
- GDPR Data Controller
- Commercial activities and Hafren Theatre
- GDPR
- World Wide Operations
- Skills
- Employer Engagement

- Link Director for each subsidiary company

OTHER ROLES:

Chair of the Welsh Netball Association since 2011 and joined the Netball Europe Board in 2014. Treasurer of the South East Wales Netball Association. Also spent 16 years on the Committee of the SW Wales CIPD Branch in a variety of roles.

Kelly Fountain: Vice Principal: Academic Services



NAME:

Kelly Fountain – Vice Principal: Academic Services

EDUCATION:

Kelly attended Mynyddbach Comprehensive School in Swansea for secondary school education before completing her A levels at Swansea College in Psychology, English Language & Literature and Law.

Furthermore, Kelly's academic background comprises of a Bachelor of Arts degree in Psychology attained from Cardiff University, PGCE/FE lecturing qualification again successfully completed at Cardiff, several leadership courses including the Colegau Cymru: Leading Wales Management Programme in 2016 and the ILM level 7 Postgraduate Certificate and also Postgraduate Diploma in Strategic Leadership and Management.

EMPLOYMENT:

Kelly has worked as a lecturer and course-coordinator and International Baccalaureate lead across both the English and Welsh FE sectors, working in Hampshire for a number of years before returning 'home' to Wales in 2006.

Kelly has worked as a Deputy Head of School and Head of School for Maths & Science before successfully being appointed as the first Director of Study within the College for the Sixth Form Academy, which resulted in the merging of two schools (MAS and SSL). Kelly was successfully appointed as Vice Principal for Academic Services in March 2020.

As Vice Principal Academic Services, Kelly has strategic responsibility for all aspects of the College's academic performance including Curriculum, Quality, Higher education, Management Information and Examinations. Kelly is also the named contact for all communication and meetings with Estyn, including acting as the nominee in any inspections within Further education and Adult Community Learning.

OTHER ROLES:

Kelly is currently a trained Peer Inspector with HMI Estyn, completing her most recent inspection of a Sixth Form College in March 2019. Kelly was also selected as only one of four FE representatives to work in an advisory role with Welsh Government officials, regarding the reform of Post Compulsory Education and Training.

Kelly has been an active member of the General Education network group for a number of years and currently participates in the Senior Curriculum and Quality group along with other providers of post 16 education. Kelly played a pivotal role in the initial roll out of the Welsh Government Seren hub programme across Neath Port Talbot and Powys which was extended further into the pre-16 seren hub programme across all partner schools. Kelly is currently overseeing the roll out of the Welsh Government PLA programme across the College. Kelly is chair of the Adult Community learning

Partnership for both Neath Port Talbot and Powys. Kelly is an active member of the RLSP provider group and also the Learning and Skills Network Executive group. Kelly is also currently one of only a small number of FE representatives working with Professor Bill Lucas to develop job role silhouettes for the FE, WBL and ACL Sectors which has been commissioned by WG and is being led by the Education Workforce Council.

PROFESSIONAL QUALIFICATIONS:

- PGCE/FE Cardiff University
- Leading Wales: Management Certificate
- ILM 7 Postgraduate Certificate in Leadership and Management
- ILM & Postgraduate Diploma in Strategic Leadership and Management
- Estyn Peer Inspector

Vice Principal: Operational Services: Eleanor Glew



NAME:

Eleanor Glew – Vice Principal: Academic Services

RESIDES:

Neath

EDUCATION:

Educated to A-level at Bishop Gore Senior Comprehensive School in Swansea. Eleanor then completed a BSc. Economics in Business Administration, at Cardiff University.

On returning to full time study, Eleanor successfully gained an MA in Personnel Management at the University of the West of England.

Eleanor has been a fully chartered member of the Chartered Institute of Personnel and Development (CIPD) for over 15 years.

EMPLOYMENT:

Since September 2003 Eleanor has worked within the HR Unit at NPTC Group of Colleges (formerly Neath Port Talbot College) initially as a Senior Officer: HR and since July 2005 as the head of the department. As Assistant Principal: HR, Eleanor has the strategic responsibility for Human Resources, Staff Development and Diversity.

Previously Eleanor has held management HR roles in Avon Ambulance Services NHS Trust and at the Young Offenders Institute at Premier Prison Services, HMP & YOI Ashfield, in Bristol.

Prior to moving into HR, Eleanor was a Corporate Analysis Manager for the Equifax Database Company, based in Wexford, Eire.

RESPONSIBILITIES:

- Strategic Operational Lead
- Human Resources
- Staff Health & Wellbeing

- Equality and Diversity
- Staff Development
- IT Services
- Director of JGR & Llandarcy Park Ltd subsidiary company

Vice Principal: Financial Services: Kathryn Holley



NAME:

Kathryn Holley – Vice Principal: Financial Services

RESIDES:

Swansea

EDUCATION:

Educated to A-level at Olchfa Comprehensive School in Swansea and then completed a BSc (Econ) Joint Honours Degree in Economics & Accounting at Cardiff University. Joined Coopers & Lybrand (later known as PricewaterhouseCoopers (PwC)) on an Institute of Chartered Accountants of England & Wales (ICAEW) training contract after university and after three years of professional exams and practical experience, successfully qualified as a Chartered Accountant (ACA).

EMPLOYMENT:

As well as working for PwC pre and post qualification in the Business Assurance department, she has also worked for Legal & General Group Plc first as a senior internal auditor and then as a manager in Group Finance.

Kathryn has been the Vice Principal: Financial Services at NPTC Group of Colleges since December 2005.

RESPONSIBILITIES:

- Development and implementation of finance strategies across the entire College group;
- Ensuring appropriate and sufficient financial planning, forecasting and other financial controls are applied by the College and all of its subsidiary companies;
- Preparing the College accounts and financial reports and those for all other legal entities under the control of the College as well as the Group consolidation;
- Development and oversight of the Group's risk management processes.

Vice Principal: External Relations and Group Company Secretary: Gemma Charnock



NAME:

Gemma Charnock – Vice Principal: External Relations and Group Company Secretary

RESIDES:

Maesteg

EDUCATION:

Completed secondary education at Maesteg Comprehensive School followed by an LL.B Honours law degree at Cardiff University. Became a qualified Solicitor following completion of the LPC Law Society Finals at Cardiff Law School and two years as a Trainee Solicitor to Edwards Geldard Solicitors Cardiff.

Obtained a Post Graduate Certificate in Corporate Governance (Distinction) from CIPFA

EMPLOYMENT:

Worked for Edwards Geldards Solicitors, (Geldards LLP), 2002 – 2013. Qualified as a solicitor there in 2004. In 2006 promoted to Associate, 2009 to Senior Associate.

RESPONSIBILITIES:

- Clark & Legal Advisor to Corporation Board and Company Secretary for Group
- Annual Governance Reporting to Welsh Government
- Designated Whistle-blowing Officer and FoI Officer
- Head of Complaints
- Hafren Theatre Board Member
- GDPR Advisor
- Stakeholder Engagement
- Lead on NPT Asset Based Community Development
- Presiding Officer for Student Union Elections
- Student Union Constitution Adviser
- Governance Budget
- Business Development Unit
- Community Engagement and Responsible Business
- IT Services
- Refectory Services
- Nursery

OTHER ROLES:

School Governor, Cwmfellin Primary School since 2017
A Member of the Law Society of England & Wales
Assistant Principal: Quality: Fran Green



NAME:

Fran Green – Assistant Principal: Quality

RESIDES:

Porthcawl, Mid Glamorgan

EDUCATION:

West Hatch Technical High School, Chigwell, Essex – A-Levels

Tottenham College of Technology - Advanced Levels in beauty Therapy & Hairdressing Middlesex Polytechnical – Cert. Ed. in FE

University of Newport - Post Grad Certificate in Leadership and Management

EMPLOYMENT:

Assistant Principal: Quality at NPTC group of Colleges since October 2016, Director of Studies from 2012 to 2016

Head of School: HAT from December 2010 to October 2016 Lecturer/Senior Lecturer for Hairdressing and Beauty Lecturer at Tottenham College of Technology+

Stylist and Manager in salons

Therapist in an Acupuncture Clinic in the London area

RESPONSIBILITIES:

- Quality Assurance
- Examinations
- Teaching & Learning
- Value Added
- Performance Data
- MAT-Vocational
- Appeals
- Nominee – Awarding Organisations
- Budget responsibilities

Assistant Principal: Curriculum: Geraint Jones



Name: Geraint Jones – Assistant Principal: Curriculum

Geraint has been the Assistant Principal Curriculum at NPTC Group of Colleges since 2009 and prior to this date he was the Head of School for Sport and Public Services at the College throughout 2003-2008.

Geraint has strategic responsibility for the management of the College curriculum, along with the organisation of the Welsh Baccalaureate and the 14-19 Learning Pathways curriculum across the College.

Geraint has overall responsibility for Bilingualism within the College and line manages the Director of Bilingualism, Bilingual Development Co-ordinator and the 14-19 Partnership Officer. Geraint is the chair of the College's Bilingual Working Group and 14-19 Working Group.

Geraint works closely with key stakeholders in forming partnerships and developing curriculum opportunities.

Geraint is a Director of Llandarcy Park Ltd, which is one of the College's Subsidiary Companies.

Assistant Principal: Students: Siân Jones



NAME:

Sian Jones – Assistant Principal: Students

RESIDES:

Ynyswen – Upper Swansea Valley, Powys

EDUCATION:

Completed O Levels at Newbridge Grammar School then moved onto the new Crosskeys Tertiary College to study A Levels. Completed a BSc Joint Degree in Earth and Environmental Pollution Sciences at the Polytechnic of Wales.

Completed the Certificate in Social Services whilst employed by Somerset Social Services and then made the decision to go back into education to undertake a PGCE – 11 to 18 with a Science and Environmental Science specialism at Bath College of Higher Education.

To support the current role have completed a certificate in Counselling and more recently around merger completed the Level 5 in Operational Management.

EMPLOYMENT:

NPTC Group of Colleges - Assistant Principal: Students – August 2013 to Present

Coleg Powys - Assistant Principal: Student Services, Assistant Principal: Quality Development and Assistant Principal: South Powys - 2001 to 2013

Pembrokeshire College - Quality and Professional Development Manager, Curriculum Manager and Curriculum Leader - 1993 to 2001

Pembrokeshire College and Ebbw Vale College - Lecturer 1989 to 1993

Mid Glamorgan CC - Alternative to Custody and Care Worker (Rhondda) -1989 to 1991

Somerset CC - Youth and Community Worker –1988 to 1989

Gwent and Somerset Social Services - Residential Social Worker –1983 to 1988
Since 1993 have been an approved Estyn Peer Assessor and Peer Inspector for FE and ACL

RESPONSIBILITIES:

- Safeguarding Lead for the College and DSP
- Creating a safer learning community plan
- Safeguarding Team
- Student Vulnerable groups
- Wellbeing and counselling services
- Transition information collection

- Study Support
- Additional Learning Needs Support – discrete and main stream, exams arrangements assessment and support
- Student Finance
- Student Transport
- Front of House Operational Services
- Student absence reporting
- ALN Transformation
- Student Involvement
- FCF fund
- ALS fund
- Cynydd

Assistant Principal: World Wide Operations: Steve Rhodes



NAME:

Steve Rhodes – Assistant Principal: World Wide Operations

RESIDES:

Neath

EDUCATION:

Exeter College of Art and Design: Bachelor of Arts (Hons.) in Graphic Design

Doncaster Institute of Further and Higher Education: Certificate in Education (Post 16)

Rotherham College of Arts and Technology: Counselling in the Workplace

The University of Sheffield: Master of Education in Collaborative Networked Learning

Rotherham College of Arts and Technology: Certificate in Management Studies

EMPLOYMENT:

South Yorkshire Skills Training Association: Restart Tutor - working with unemployed groups

Rotherham College of Arts and Technology: Lecturer in Graphic Design, Senior Lecturer within Creative Arts, Head of Division: Production Arts and Head of Faculty: Creative Arts

Wakefield College: Director of Academy: Culture, Media and Sport with strategic responsibility for International and Enterprise.

MCA Cooper Associates: Associate Director for International Business Development. Consultant: International and Enterprise.

Assistant Principal Worldwide Operations at NPTC Group of Colleges

RESPONSIBILITIES:

- Director of Language Specialists (International) subsidiary company
- International Business Development
- International Office
- International programmes
- Budget Responsibilities
- Home Office Tier 4 Key Contact
- Oversight of International Projects
- College International Advisor
- Department of International Trade Lead Contact

- British Council Lead Contact
- Welsh Government International Relations Key Contact
- Department for International Development India Key Contact
- Chair of (Informal) ColegauCymru International Managers network

Assistant Principal: Skills: Nicola Thornton-Scott



NAME:

Nicola Thornton-Scott – Assistant Principal: Skills

RESIDES:

Swansea

EDUCATION:

MA in Leadership and Management (Education), University of South Wales, Newport.
Post Graduate Certificate in Training & Development, Wolverhampton University.
Further Education Teachers' Certificate, Swansea Institute of Higher Education.

EMPLOYMENT:

Assistant Principal Skills at NPTC Group of Colleges, (January 2010 to date).
Joined the College in May 1997 as an Assessor and became the Senior Officer of Pathways Training before taking over as Manager in March 2003.

RESPONSIBILITIES:

- International strategy
- Skills Academy Wales
- Work-Based Learning Consortium;
- The planning, delivery and review of the College's Work-Based Learning portfolio in line with Welsh Government's policy drivers;
- The lead in respect to Skills and all Sector Skills Councils;
- Raising the College's national profile in Work-Based Learning;
- Supporting the planning and delivery of Gwendraeth Valley Community Enterprise (t/a Jobforce Wales) and Learnkit Limited's Work-Based Learning provision;
- Director of Jobforce Wales and Learnkit Ltd;
- Business Development and Employer Engagement;
- Skills for Growth European Projects (Skills for Industry and Upskilling@Work);
- The promotion of Skills Competitions.

OTHER ROLES:

Peer Inspector for Her Majesty's Inspectorate for Wales (Estyn) and member of the National Training Federation for Wales (NTfW).

Assistant Principal: Higher Education: Prof. Richard Tong



NAME:

Professor Richard Tong – Assistant Principal: Higher Education

EDUCATION:

Richard has been educated at South Glamorgan Institute of Higher Education gaining a BA (Hons) Human Movement Studies and a PGCE in Physical Education and Mathematics. He progressed to Loughborough University, receiving a Science and Engineering Council (SERC) scholarship where he gained an MSc in Sport and Exercise Science. He completed his PhD with the University of Wales in 2001 and was awarded a Personal Chair by the University of Wales in 2011.

EMPLOYMENT:

Richard is a Professor of Sport and Exercise Science who began his career as a lecturer in sports physiology at Brunel University before moving to Cardiff Metropolitan University. During his early teaching career, Richard was involved in delivering physiology to undergraduate and postgraduate students and providing sport science support to elite sports' performers. He became the Programme Director for the first single honours degree in Sport and Exercise Science in Wales, progressed to become the Director of Learning and Teaching and was then appointed as the Dean of the Cardiff School of Sport in 2013.

OTHER ROLES:

Richard has made a significant contribution to the development of learning and teaching, both nationally and internationally, working for the Higher Education Academy, Quality Assurance Agency, the Teaching Excellence Framework (TEF) and the University of Wales. He was a founding member of the national endorsement panel for sport and exercise science degrees in the UK and is Chair of the British Association of Sport and Exercise Science.

PROFESSIONAL QUALIFICATIONS:

- National Teaching Fellow of the Higher Education Association;
- Principal Fellow of the Higher Education Association;
- Fellow of the British Association of Sport and Exercise Sciences;
- Postgraduate Certificate in Leadership and Management.

RESPONSIBILITIES:

- HE Planning
- HE Portfolio
- HE Validations

- HE Annual Monitoring
- HE Partner Approvals/ Reviews
- Fee and Access Plan
- Budget responsibilities
- HE Bursaries

Assistant Principal: Student Recruitment: Tessa Jennings



NAME:

Tessa Jennings – Assistant Principal: Student Recruitment

EDUCATION:

Having studied A-Levels at Porthcawl Comprehensive School, she subsequently progressed to Glamorgan University to read Law and complete the Legal Practice Course.

EMPLOYMENT:

Tessa has worked as a Lecturer, Senior Lecturer, Deputy Head of School, Head of School and Director of Studies. Her current role sees her responsible for Admissions, Marketing and Communications.

OTHER ROLES:

Tessa has been involved in the forthcoming Wales Curriculum 2022; contribution has been mainly focused in the Humanities Area of Learning and Experience. She is also an Estyn peer inspection.

PROFESSIONAL QUALIFICATIONS:

- LLB (Hons);
- LPC

RESPONSIBILITIES:

- Student Recruitment Planning
- Digital Marketing
- Publications and Events
- Internal Communications
- External Communications
- Admissions Process – applications and enrolment
- School Liaison Programme
- Student Recruitment Events
- Strategic Lead for Partner Schools
- Budget responsibilities

Campus Locations

Neath Campus

Dwr-y-Felin Road, Neath
Neath Port Talbot, SA10 7RF

Afan Campus

Margam, Port Talbot,
Neath Port Talbot, SA13 2AL

Pontardawe Campus

Tawe House, Alloy Industrial Estate,
Pontardawe, Neath Port Talbot SA8 4EN

Swansea Campus

St. Davids Close, Llansamlet, Morriston,
Swansea, SA6 8QL

Queen Street Campus

Queen Street, Neath, Neath Port Talbot,
SA11 1DL

Llandarcy Academy of Sport Campus

Llandarcy Park, Llandarcy, Neath,
Neath Port Talbot, SA10 6JD

Brecon Beacons Campus

Penlan, Brecon, Powys, LD3 9SR

Llandrindod Campus

Spa Road, Llandrindod Wells, Powys, LD1 5ES

Newtown Campus

Llanidloes Road, Newtown, Powys, SY16 4HU

Fronlas Farm

Mochdre, Newtown, Powys, SY16 4JA

Maesteg Campus

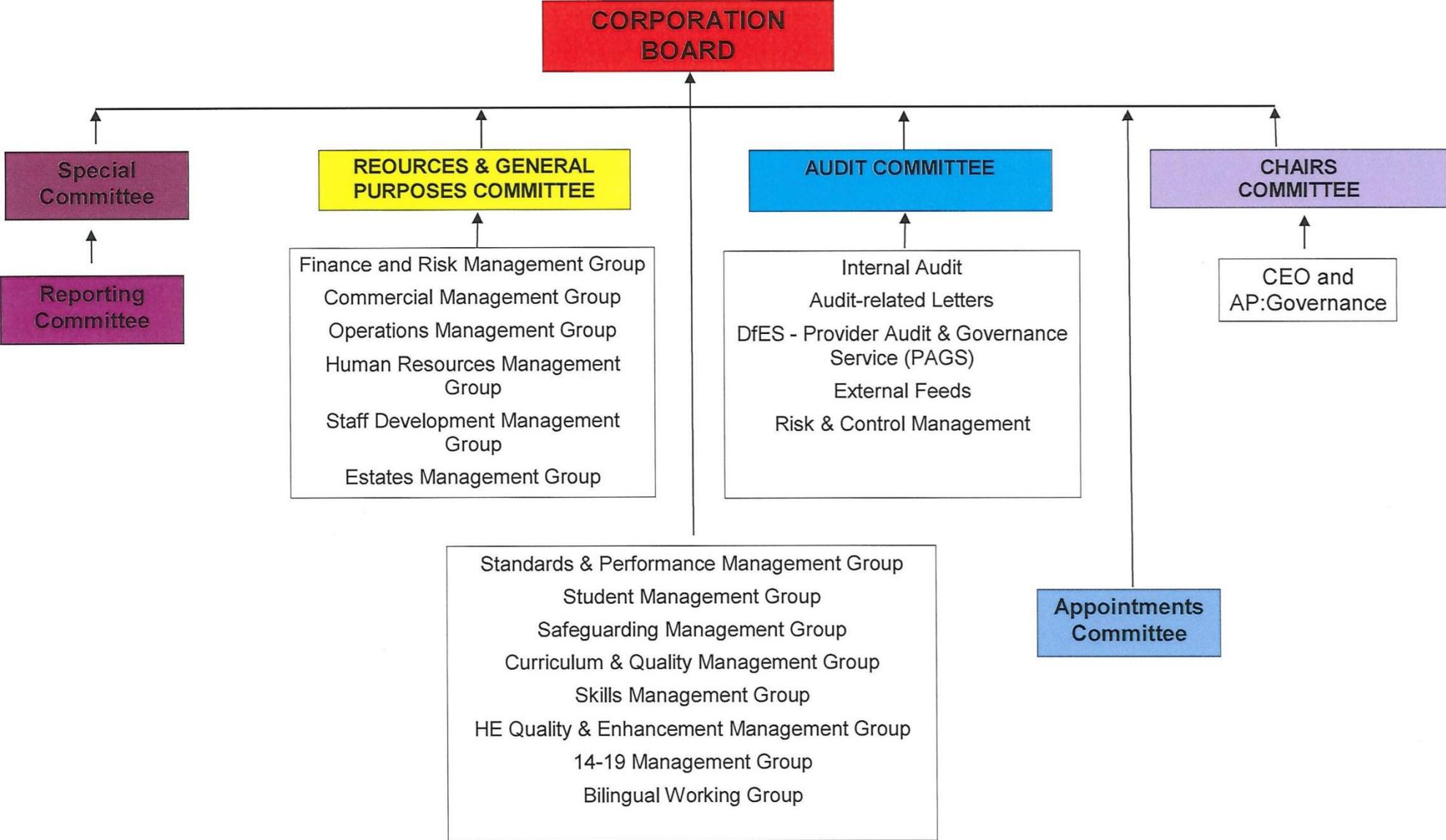
Unit 7, Spelter Industrial Centre, Maesteg, CF34 0TY

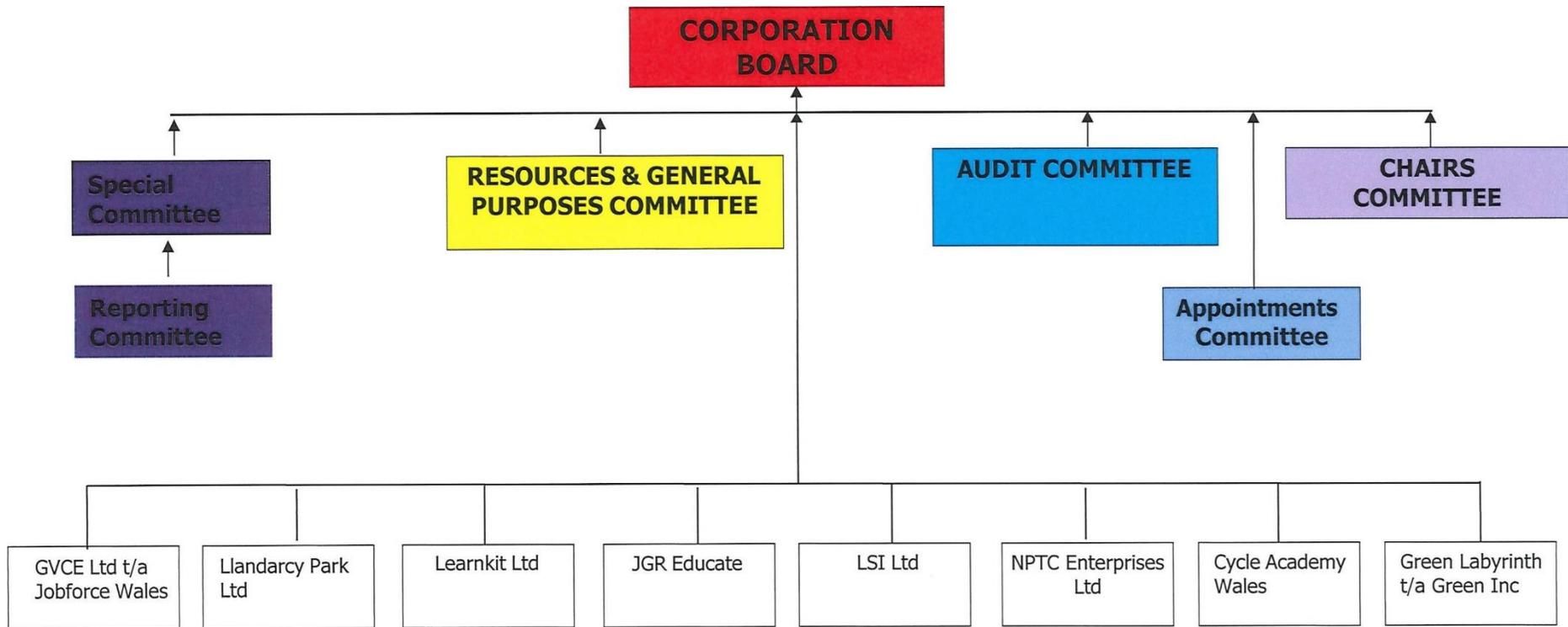
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Section Three: Organisational and Structural Information



Governance Structure Charts

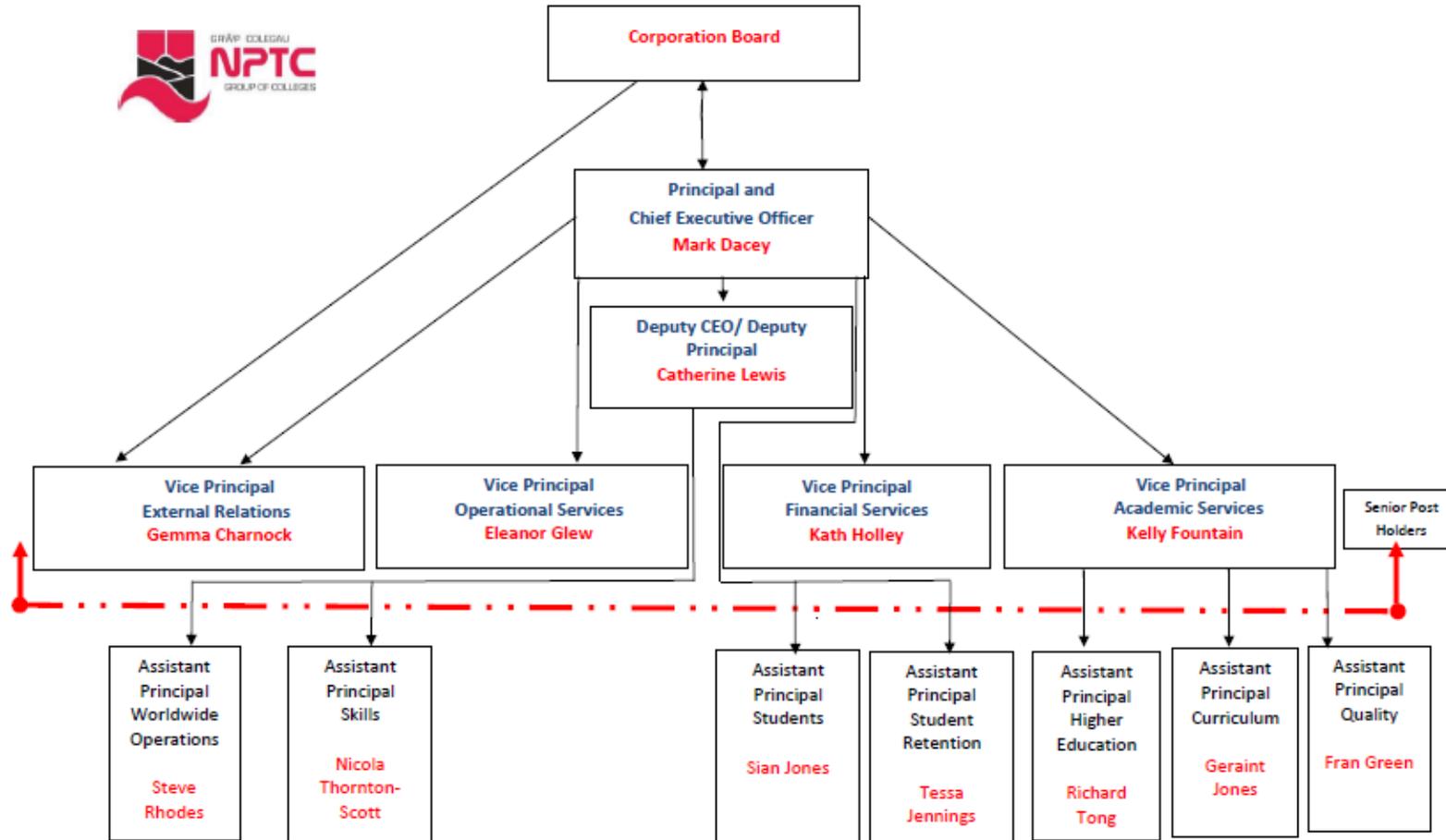




Corporation Committee, Sub-Committees and Subsidiaries Membership

NAME	Audit	Chairs	R&GP	Corporation	Cycle Academy	JGR Educate	Jobforce Wales	Llandarcy Park	LSI	NPTC Enterprise	Green Inc.
Governors											
Clare Cluer											
Graham Cragg			C								
Helen Morgan											
James Hehir				C							
James Williams											
Jill Harding											
Mandy Ifans			C								
Mark Dacey											
Matthew Harvey											
Matthew Dorrance											
Rhobert Lewis		C		C							
Susan Ann Jones											
Tony Burgoyne											
Vice Principals											
Catherine Lewis											
Eleanor Glew											
Kathryn Holley											
Kelly Fountain											
Assistant Principals											
Nicola Thornton-Scott											
Steve Rhodes											
Geraint Jones											

Senior Management Team and Executive Officers



Executive Areas of Responsibility and Accountability

SENIOR MANAGEMENT TEAM ROLES & RESPONSIBILITIES

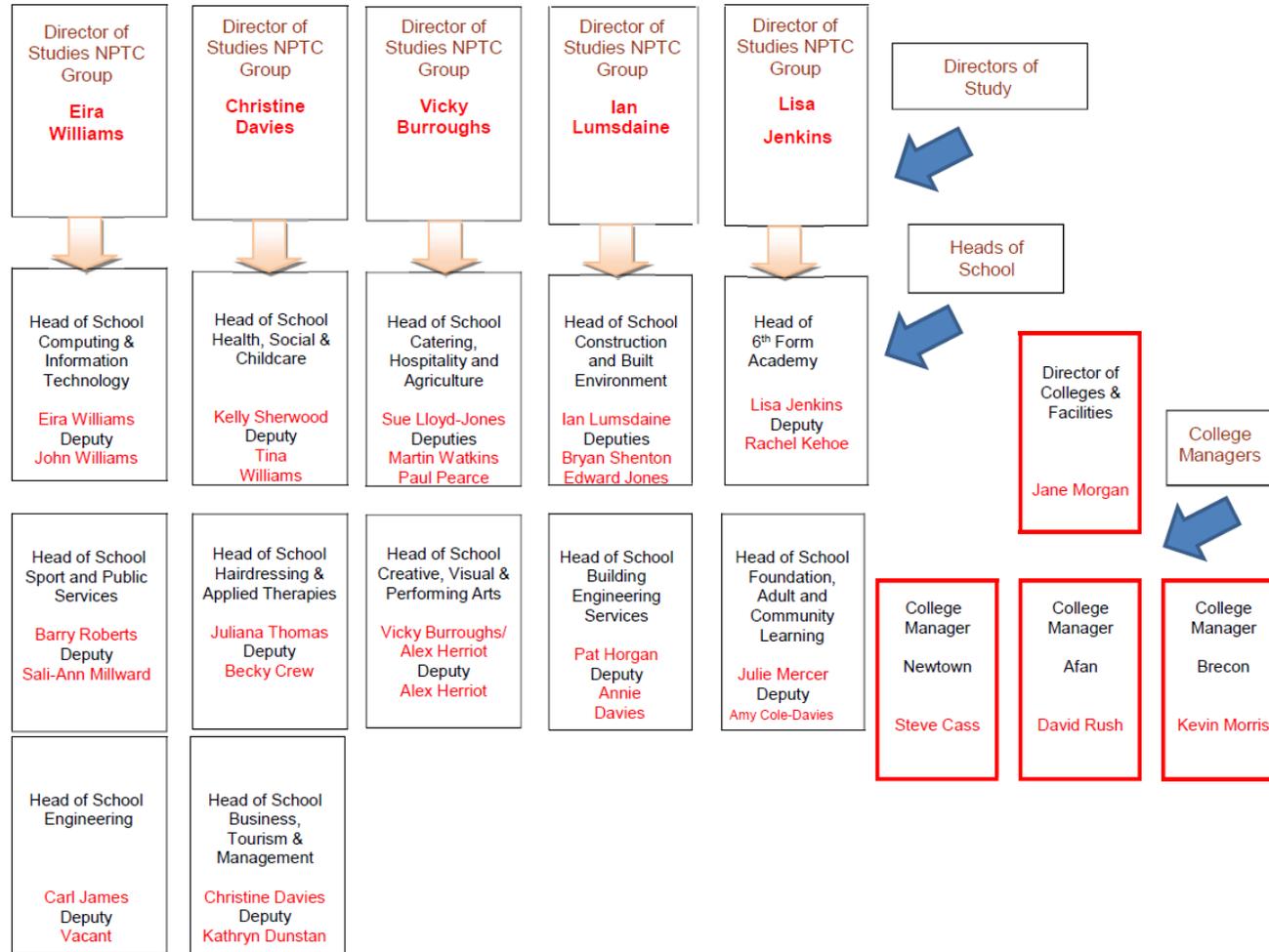
EXECUTIVE TEAM				
Principal/Chief Executive Officer	Deputy CEO/Deputy Principal	VP: Academic Services	VP: Operational Services	VP: Financial Services
<ul style="list-style-type: none"> • Overall strategic vision and direction • Lead, inspire and develop the college • Strategic external liaison • Strategic business and corporate development • Students • Strategic Estates issues • Capital Projects • Strategic Planning • Chief Accounting Officer • Home Office Tier 4 Licence Authorising Officer • Director for each subsidiary company • Line management of Executive Team • Line management of <ul style="list-style-type: none"> ▪ AP: Students ▪ AP: Student Recruitment ▪ Project Surveyor: Estates ▪ PA to Chief Executive 	<ul style="list-style-type: none"> • Strategic Corporate Lead • Deputy Chief Executive • Group Legal Advisor • Lead on internal investigations • GDPR Data Controller • Commercial activities and Hafren Theatre • GDPR • World Wide Operations • Skills • Employer Engagement • Link Director for each subsidiary company • Line management of: <ul style="list-style-type: none"> ▪ AP: WWO ▪ AP: Skills ▪ Director: College & Facilities ▪ Managing Directors /General Managers of each of the 5 subsidiary companies ▪ DPO 	<ul style="list-style-type: none"> • Strategic Academic Lead • Curriculum • Standards and Quality • Higher Education • Funding • Examinations • Library Services • Adult Community Learning • Bilingualism • Business Information System • Line management of <ul style="list-style-type: none"> ▪ AP: Curriculum ▪ AP: Quality ▪ AP: HE ▪ Manager: BIS ▪ Directors of Study ▪ Manager: Library Services ▪ PA to VP: Academic Services/Operational Services 	<ul style="list-style-type: none"> • Strategic Operational Lead • Human Resources • Staff Health & Wellbeing • Equality and Diversity • Staff Development • IT Services • Refectory Services • Nursery • Director of JGR & Llandarcy Park Ltd subsidiary company • Line Management of <ul style="list-style-type: none"> ▪ HR Manager ▪ SD Manager ▪ Head of Information and Learning Technology ▪ Senior Officer Catering ▪ Senior Officer Project Coordinator ▪ Senior Officer Nurseries 	<ul style="list-style-type: none"> • Strategic Financial Lead • All finance matters for the College and Group • Groupwide Risk Management • Groupwide Insurance • Internal and external audit liaison • Procurement • Director for each subsidiary company • Line Management of <ul style="list-style-type: none"> ▪ Finance Manager ▪ Reporting Accountant ▪ Procurement Officer ▪ PA to VP: Financial Services/Corporate Services

EXECUTIVE TEAM	ASSISTANT PRINCIPALS (AP)		
VP: External Relations and Group Company Secretary	AP: Quality	AP: Skills	AP: Curriculum
<ul style="list-style-type: none"> • Clark & Legal Advisor to Corporation Board • Annual Governance Reporting to Welsh Government • Company Secretary for Group • Designated Whistle-blowing Officer • Designated FoI Officer • Head of Complaints • Hafren Theatre Board Member • GDPR Advisor • Stakeholder Engagement • Lead on NPT Asset Based Community Development • Presiding Officer for Student Union Elections • Student Union Constitution Adviser • Governance Budget • Hafren Theatre • Employer Engagement • Business Development Unit • Community Engagement and Responsible Business • Refectory Services • Nursery • Line Management: <ul style="list-style-type: none"> ▪ Complaints Officer 	<ul style="list-style-type: none"> • Quality Assurance • Examinations • Teaching & Learning • Value Added • Performance Data • MAT-Vocational • Appeals • Nominee – Awarding Organisations • Budget responsibilities • Line Management: <ul style="list-style-type: none"> ▪ T&L Manager ▪ Exams Manager ▪ MAT Co-ordinator ▪ ALPs Co-ordinator ▪ Learning & Performance Management Officer 	<ul style="list-style-type: none"> • Skills Academy Wales • Work-Based Learning • Business Development • Skills for Growth Projects • Budget responsibilities • Director of Green Inc. (EU) Ltd. • Director of Gwendraeth Valley Community Enterprises (trading as Jobforce Wales) • Director of Learn-kit Ltd. • Line management: <ul style="list-style-type: none"> ▪ Skills Academy Wales Manager ▪ Pathways Training Manager ▪ Business Development Manager ▪ Assistant Manager Skills for Growth ▪ Senior Officer: Projects and Funding 	<ul style="list-style-type: none"> • Curriculum Content • Curriculum Planning • Welsh Language/Bilingualism • 14-19 Partnerships • Budget responsibilities • Enterprise and Employability • Core Skills including Literacy, Numeracy, Digital and SCC WBQ • Support to SLs Skills and Progression • Director Llandarcy Park Ltd. subsidiary company • Tutorial Content ESTEP • ESDGC Awareness • Line management of <ul style="list-style-type: none"> ▪ Core Skills Manager ▪ 14-19 Schools Partnership and Liaison Manager ▪ Enterprise Staff x3 ▪ WBQ Co-ordinator ▪ Digital Learning Co-ordinator ▪ ESW Cross College Co-ordinator ▪ Director of Bilingualism ▪ Bilingual Development Co-ordinator

<ul style="list-style-type: none"> ▪ Hafren Theatre Manager ▪ Executive Administrative Officer ▪ Senior Officer Catering ▪ Senior Officer Nurseries ▪ BDU Manager 			
AP: Higher Education	AP: World Wide Operations	AP: Students	AP: Student Recruitment
<ul style="list-style-type: none"> • HE Planning • HE Portfolio • HE Validations • HE Annual Monitoring • HE Partner Approvals/ Reviews • Fee and Access Plan • Budget responsibilities • HE Bursaries • Line Management: <ul style="list-style-type: none"> ▪ HE Administrator ▪ HE Senior Officer 	<ul style="list-style-type: none"> • Director of Language Specialists (International) subsidiary company • International Business Development • International Office • International programmes • Budget Responsibilities • Home Office Tier 4 Key Contact • Oversight of International Projects • College International Advisor • Department of International Trade Lead Contact • British Council Lead Contact • Welsh Government International Relations Key Contact • Department for International Development India Key Contact 	<ul style="list-style-type: none"> • Safeguarding Lead for the College and DSP • Creating a safer learning community plan • Safeguarding Team • Student Vulnerable groups • Wellbeing and counselling services • Transition information collection • Study Support • Additional Learning Needs Support – discrete and main stream, exams arrangements assessment and support • Student Finance • Student Transport • Front of House Operational Services • Student absence reporting • ALN Transformation • Student Involvement • FCF fund • ALS fund • Cynydd 	<ul style="list-style-type: none"> • Student Recruitment Planning • Digital Marketing • Publications and Events • Internal Communications • External Communications • Admissions Process – applications and enrolment • School Liaison Programme • Student Recruitment Events • Strategic Lead for Partner Schools • Budget responsibilities • Line management: <ul style="list-style-type: none"> ▪ Head of Marketing and Communications ▪ Senior Officer: Admissions ▪ Admission Team x 2

	<ul style="list-style-type: none"> • Chair of (Informal) ColegauCymru International Managers network • Co-Chair of China UK Vocational Education Cooperation and Development Committee • Supervision of: <ul style="list-style-type: none"> ▪ South East Asia Recruitment Office Manager ▪ India Associates (x2) ▪ China Associates (x2) • Line management: <ul style="list-style-type: none"> ▪ International Coordinator 	<ul style="list-style-type: none"> • Line management: <ul style="list-style-type: none"> ▪ Head of Student Support ▪ ALN Transformation project manager ▪ PA to the Assistant Principals 	
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Head of School Structure



Section Four: Appointments and Induction



Role and description for Members of the Corporation Board

Appointment

- Board Members are appointed by the Corporation Board following recommendation from the Chairs' Committee – as set out in the Terms of Reference of the Chairs' Committee.
- The period of office is up to four years. The Board Member is eligible, subject to the consideration and recommendation of the Chairs' Committee for re-appointment for at least one further term of office.
- The Board Member may, at any time, resign by notice in writing to the Clerk.
- If at any time the Corporation Board is satisfied that the Board member is unable or unfit to discharge their function, the Corporation Board may remove him or her from office by giving notice in writing.
- Before the Board Members can be removed, a resolution shall be put to the Corporation Board by a member not personally involved, and the member concerned should have the opportunity to reply in writing or in person at a meeting of the Governing Board. The resolution will be passed on a simple majority vote of the Members present.

Role and Responsibilities

Comply with legislation

- Members must comply with relevant legislation and the provisions of the following documents as they apply to the role of Members of the Board:
 - Instrument and Articles of Government
 - The Financial Memorandum
 - Board of Governors Code of Conduct
 - Code of Good Governance for Colleges in Wales
 - Seven Principles of Public Life (Nolan Principles)
 - By-laws for the conduct of meetings
 - College Financial Regulations and Financial Procedures
 - Conflict of Interest Policy
- Members are charity trustees and must comply with charity legislation and case law and be mindful of the provisions of the Charity Commission guidance *The*

essential trustee: what you need to know, what you need to do (as seen in this Handbook's Annex).

- Members must participate in Safeguarding and PREVENT training.

Act ethically, with integrity and in the best interests of the College

- Members must act in the best interests of the College, rather than selectively or in the interests of a particular constituency.
- Members must act with honesty, frankness and objectivity, taking decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
- Members must support decisions reached by the Board or a committee of the Board on the basis of collectively responsibility even if the member has spoken against the proposal in debate at the meeting.
- Members must respect the confidentiality of discussions at Board and Committee meetings.
- Members must complete and keep up to date the register of financial and other interests.

Commit passion, knowledge and experience, and time to the responsibilities of being a member of the Board

- Members should be there to support and challenge the executive by ensuring the student interest is always put first.
- Members should bring their knowledge, expertise and experience to the table.
- Members should ensure that they have or acquire sufficient understanding of the work of the college and the educational landscape to be able to engage fully in the affairs of the Board, participating in training which enhances their contribution to the Board.
- Members must be committed and contribute pro-actively to meetings.
- Members should allocate sufficient time to undertake their duties effectively and give due priority to attending meetings of the Board, appropriate Committees of the Board and an annual away-day event.
- Members should serve on at least one Committee of the Board and, if appointed, to act as a Chair or Vice-Chair of the Board, or a Committee of the Board.
- Members should participate in the Link Governor scheme.
- Members should attend College events (such as student prize-giving) so as to gain an understanding and appreciation of the work of the College, and to meet students and staff.
- Members should be advocates of, and ambassadors for the College.
- Act as a Director on one or more of the College's subsidiary companies.

The personal characteristics and skills of a Board member

Interpersonal skills and team work	Able to work positively with others, participating in debate whilst maintaining a constructive atmosphere.
Communication skills	Able to express ideas in a clear manner and to challenge and listen actively to other views; able to communicate effectively.
Professional or other relevant skills	Possess skills and experience which contribute to the overall balance of skills and experience on the Board which might include one or several of the following: general management, financial management, personnel and human relations management, education and the curriculum, law, estates management, employment in private/public sector, local authority service, community involvement, Welsh language, delivering equal opportunities, public relations marketing and communications, governance experience.
Strategic perspective	Able to see the wider perspective and assess the long-term impact.
Personal qualities	Possessing the qualities of integrity, ability to understand and interpret complex arguments, passion and enthusiasm for further education, widening opportunity and raising standards.
Experience	Ability to demonstrate an understanding and appreciation of the principles of governance, including collective responsibility, discharge of fiduciary duties and the seven principles of public life.
Circumstances	Available to attend scheduled meetings of the Corporation Board, its Committees (as appropriate) and to attend other College functions and events.
Equality and Diversity	Committed to equality of opportunity.

Appointment of Staff Members

Staff Governors are appointed in accordance with the College's Staff Governor Policies.

Appointment of Student Members

Student Members of the Corporation Board are appointed in accordance with the Student Union Constitution, and the Student Union Articles of Association.

Induction Process for New Board Members

Pre-Induction:

- I. Potential Members receive Prospective Governors' Information Pack:
 - Information on the Group via Annual Report; and
 - Governance Handbook

- II. If short-listed, the applicant may be invited to:
 - Visit the College;
 - Meet the Chair, CEO and Assistant Principal: Governance; and
 - Attend an interview with the Chairs' Committee.

On-to-one Induction:

Induction materials covered by the CEO/ Assistant Principal: Governance on appointment:

- I. Individual Induction Session lasting 60 minutes, covers:

Who's Who (As detailed in the handbook)	
FE Code of Governance Document	
Instrument and Articles of Governance and 2014 amendments.	
Meeting Dates	
Declarations of Eligibility	
Skills Survey	
Governor Link Details	
GDPR Information Consent	
Code of Conduct and IT Policy Declaration	

Regular Information:

- In addition to Board papers, Members are provided with:
 - Access to Group newsletters
 - Governance group in Microsoft Teams

First Year Training:

- Financial & Data Training (as is available from ColegauCymru)
- Operational / Educational / academic issues and training is offered to all governing body members.

External Activities:

Members may attend relevant external training events/conferences organised by bodies such as the Welsh Government, Department for Education and Skills (DfES), Association of Colleges, ColegauCymru etc.

Opportunities will be highlighted to members by the Assistant Principal: Governance

Course fees and travel costs will be met by the college. Please contact the Assistant Principal: Governance for details.

Governing Body Training:

An annual training questionnaire is completed by governors to ensure training needs are identified and met.

Following completion of the questionnaire relevant events will be arranged.

Governor development sessions are held at the beginning of each Corporation Board meeting.

A Governor Strategic Development Event will take place annually, in September.

An annual Governor's Training event will be held over a two day period the training agenda shall be agreed by the Chairs' Committee.

General:

The governing body undertakes a regular skills self-assessment process which informs the development of the board training programme.

Members are able attend open committees, subject to the approval of the Committee Chair, other than those on which they serve, to gain a fuller understanding of the work of the Governing Body.

Role of the Corporation Chair

Introduction

The Chairperson, and in his/her absence the Vice-Chairperson, has an important role to play in discharging the duties and responsibilities of the Corporation, particularly in the period between scheduled meetings of the Board. However, members are of the view that a balance needs to be achieved between allowing the decision-making process to proceed without either overburdening the Chairperson or them abdicating their collective responsibility for College governance.

Chair's role

The role of the Chairperson of the Corporation outlined below:

- In the intervening period between one scheduled meeting and the next scheduled meeting of the Corporation, the Chairperson shall be empowered to approve action taken by the Principal or other officers of the College in implementing prior recommendations of the Board;
- In the event of being unable to obtain the prior approval of the Corporation, arrangements made by the Principal on behalf of him/herself and other senior post holders to undertake overseas activities on behalf of the College shall be approved by the Chairperson;
- Any such action taken by the Chairperson will be reported by him/her to the Corporation at its next scheduled meeting;
- The Chairperson of the Corporation may apply the Seal of the Corporation and authenticate its use by his/her signature;
- In the absence of the Principal, the Corporation Chairperson is authorised to talk to the media on strategic, but not operational matters, affecting the College;
- Where the Chairperson, acting in good faith, knows or has reason to believe that the Corporation or any committee thereof has, is or intends to act illegally, he/she shall be empowered, without further recourse to the Corporation or any member thereof, to seek independent legal advice;

- When independent legal advice is sought, the Chairperson is authorised to incur expenditure up to, but not more than £1,000, such action and advice received being notified in writing to all members of the Corporation as soon as possible thereafter;
- The exercise of the above-mentioned powers by the Chairperson shall be undertaken sparingly and only as a last resort to ensure the continued efficient operation of the College;
- In the absence of the Chairperson, the powers outlined herein shall devolve to the Vice-Chairperson of the Corporation; and
- For the avoidance of doubt, the powers outlined herein do not relate to the Chairpersons of Committees of the Corporation.

Role of the Staff Governor

Staff Governors are appointed in accordance with the Appointment of Staff Governors Policy.

The role is unique in that, by definition, staff are involved in the day-to-day running of the College and yet are asked as Governors to put this to one side and be 'strategic managers'. This is not always easy to do! However, the role of the staff governor offers an opportunity to make a real contribution to the strategic management of the College, providing an interesting and rewarding dimension to work.

It is important for staff governors to establish a rapport with the body which elected him/her, whilst continuing to maintain the strategic approach to governance. Although being available to advise staff on appropriate routes of action is a very important aspect of the role, it is vital that Staff Governors do not personally become involved in individual concerns. Apart from the possibility of this jeopardising appropriate complaints and appeals procedures, no Governor has the authority to act individually on behalf of the College.

Staff Governors are representative staff members rather than representatives of staff, bringing a staff viewpoint and perspective to discussion and debate. They should not be seen as a 'go-between' or staff delegate. They act according to their own conscience and should follow the appropriate rules of Governor protocol and confidentiality.

To effectively fulfil the role, Staff Governors:

- have equal rights with all other Governors;
- should not participate in discussions where they have a personal interest in the outcome;
- should not participate in discussions about colleagues' pay;
- should feel free to express their own personal views, it being recognised that this is not necessarily the view of the majority of staff;
- do not have a mandate to express any views other than their own. However, they should report in good faith any widely held staff views, even if in a vote they decide to vote differently;
- should agree with the rest of the governing body how decisions can be shared with staff (not what was actually said) unless the matter is deemed confidential;
- should be aware of the sensitivity of governing body meeting discussions and clarify after such discussions which items can be reported and which items the governing body wish to remain unreported until the minutes of the meeting have been confirmed.

Achieving a balance between being an impartial representative member of staff and regular involvement in day to day issues, can sometimes be very difficult. Some practical ways to achieve this balance include:

- never press your own personal agenda at the expense of others;
- always be clear about what information can be reported back to colleagues;
- never promise to 'solve a problem' on your own;
- be wary of bringing an individual issue to meetings without following the agreed procedures;

- keep yourself aware of staff views and concerns; and

- play an active part in governor meetings.

Although this is a very delicate role, there is ample support and training available. Effective Staff Governors will find working alongside the other members of the governing body both interesting and rewarding in that their efforts will ensure that the work of the governing body fulfils its duties to all stakeholders.

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Section Five: Governing Policies and Procedures



Code of Conduct for Corporation Members

Introduction

- 1.1 This Code is intended as a guide for Corporation Members to indicate the standards of conduct which are expected of them, to enable them to understand their legal duties and to assist them both in carrying out their duties and in their relationship with the Corporation and the CEO. This 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.
- 1.2 In addition to this Code, members are recommended to familiarise themselves with the following, which will be supplied to them on appointment:
 - a. the College's Instrument of Government;
 - b. the College's Articles of Government;
 - c. the Financial Memorandum entered into by the College with the Department for Education & Skills (DfES) of the Welsh Government (WG).
- 1.3 If a member is in doubt about the provisions of any of these documents, the Assistant Principal: Governance should be consulted, and, if necessary, legal advice should be obtained. However, ultimate responsibility for the appropriateness of conduct as a member of a corporate body and for any act or omission in that capacity rests with the individual member.
- 1.4 This Code applies to every committee, working group or other subsidiary body of the Corporation to which members may be appointed.
- 1.5 Acceptance of appointment as a member of the Corporation will be construed as acceptance of this Code.
- 1.6 If any stakeholder requires assistance in understanding, accessing or implementing this policy, particularly where the reasons for this are related to disability, race, gender, sexual orientation, age or religion or belief, they should contact the Assistant Principal: Governance to the Corporation, the Human Resources Unit or Diversity Officer, in the first instance, for advice.
- 1.7 Copies of this document are available upon request in alternate formats, e.g. Braille, large print, audio, etc.

Definitions

- 2.1 In this Code, 'College' means NPTC Group, 'Member', 'Chairperson', 'Principal' and 'Assistant Principal: Governance' refer respectively to the Member, Chairperson, Principal and Governance Officer for the time being 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 all genders.

Duties

- 3.1 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 interests. Each member should act honestly, diligently and, subject to the provisions appearing in Paragraph 7 of this Code relating to collective responsibility, independently.
- 3.2 Whatever decisions members take at meetings of the Corporation and its committees and working groups must be for the benefit of the College as a whole and not for any improper purpose or for personal motive. The 'benefit of the College' can be taken to mean, first and foremost, the interests of its students and other users of the College's services, and the safeguarding of public funds. Members should have regard to those interests, and must not allow any sectional interest to take precedence. In particular, members are not appointed as 'representatives' or 'delegates' of any outside body, and may not lawfully be bound by mandates given by others.
- 3.3 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 include a list of 'reserved' responsibilities which are so important that they must not be delegated.
- 3.4 Members should also have regard to the different, but complementary, responsibilities given to the CEO as the College's Chief Executive. Whereas it is the Corporation's function to decide strategic policy and overall direction CEO'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 CEO perform their respective roles effectively.
- 3.5 Members are collectively responsible for observing the duties set out in the Financial Memorandum which the College has entered into with DfES as a condition of receiving public funds.
- 3.6 Although DfES is the main provider of funds to the College, members should note that they are also responsible for the proper use of income derived from other funding

bodies, such as the Higher Education Funding Council for Wales (HEFCW), and the European Union (EU).

Skill, care and diligence

- 4.1 A member should in all his or her work for the College exercise such skill as he or 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 Chairperson.

Powers

- 5.1 Members are responsible for taking decisions which are within the powers given to them under the College's Instruments and Articles of Governance.

Conflicts of interest

- 6.1 Like other persons who owe a fiduciary duty, members should seek to avoid putting themselves in a position where there is a conflict (actual or potential) between their personal interests 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.
- 6.2 Members are reminded that under Paragraph 11 (1) of the College's Instrument of Government, they must not take or hold any interest in any of the College's properties or receive any remuneration for their services (save as a member of the College's staff) without the written approval of the First Secretary of the National Assembly of Wales.
- 6.3 Members are also reminded that under Paragraph 11 (2) of the College's Instrument of Government, they must disclose to the Corporation any financial interest which they 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.
- 6.4 However, an interest does not have to be financial for the purposes of disclosure. If it is likely or, if publicly known, perceived as being likely to interfere with the exercise of a member's independent judgement, then the interest, financial or otherwise, should:

- a. be reported to the Governance Officer; and
 - b. be fully disclosed to the Corporation before the matter giving rise to the interest is considered.
- 6.5 Members should withdraw from that part of the meeting at which the matter giving rise to the interest is considered, and on no account may vote in relation to the matter.
- 6.6 Members and senior post holders should use their professional judgement in the acceptance of gifts, hospitality and other benefits and that acceptance thereof should be recorded retrospectively in writing at the end of each academic year. Whenever in doubt, members and senior post holders should seek advice from the Assistant Principal: Governance to the Corporation on such matters.
- 6.7 Members and senior post holders involved in a tendering process are required to refuse acceptance of gifts, hospitality and other benefits.
- 6.8 The Assistant Principal: Governance will maintain a Register of Members Interests which will be open for public inspection. Members should routinely disclose to the Corporation all business interests, financial or otherwise, which they or their spouses, children or other close relative may have, and the Assistant Principal: Governance will enter such interests on the Register. Members must inform the Assistant Principal: Governance whenever their circumstances change and interests are acquired or lost. In any event, the Assistant Principal: Governance shall undertake to update the Register annually.

Collective responsibility

- 7.1 The Corporation operates by members taking majority decisions at quorate meetings. 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.
- 7.2 If a member disagrees with a decision taken by the Corporation, his or her first duty is to have any disagreement discussed and recorded in the minutes. If the member strongly disagrees, he or she should consult the Chairperson and, if necessary, then raise the matter with the Corporation when it next meets. If no meeting is scheduled, the member should refer to Paragraph 12 (4) of the College's Instrument of Government as to the powers to call a special meeting and, if appropriate, exercise them, requesting the Assistant Principal: Governance to circulate the member's views in advance to the other members. Alternatively, the member may decide to offer his or her resignation from office, after consulting the Chairperson.

Confidentiality

- 8.1 Because of the Corporation's public accountability, 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 available for public inspection when they have been approved by the Chairperson.
- 8.2 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 and for other good reasons. Such excluded items will be kept in a confidential folder by the Assistant Principal: Governance and will be circulated, in confidence, to members. However, staff and student members may not have access to minutes dealing with matters in respect of which they are required to withdraw from meetings under Paragraph 14 (4), (7) or (8) of the College's Instrument of Government.
- 8.3 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 Chairperson or the members or the Chairperson or members of any Committee of the Corporation are satisfied should be dealt with on a confidential basis.
- 8.4 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 Chairperson or, in his or her absence, the Vice-Chairperson. 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.

Attendance at meetings

- 9.1 A high level of attendance at meetings of the Corporation is required so that members can perform their functions properly. Each member's attendance will be monitored by the Assistant Principal: Governance and reported annually to the Corporation Board in the Autumn Term of each academic year.

Governance development

10.1 It is a condition of appointment to the Corporation Board that a member obtains a thorough grounding in their duties and responsibilities by participating in the College's induction and training programmes, including regular refresher events. Such training will involve diversity issues.

AS A MEMBER OF THE NPTC GROUP CORPORATION, I AGREE TO OBSERVE THIS CODE OF CONDUCT AND OPERATE WITHIN THE PRINCIPLES OUTLINED IN THE MEMBER OFFICER PROTOCOL TO THE BEST OF MY ABILITIES.

Name of Member (Block Capitals please): _____

Signature: _____ **Dated**

Member Officer Protocol

Introduction

The purpose of this Protocol is to guide Members and Officers of NPTC Group of Colleges in their relations with one another in such a way as to ensure the smooth running of the Corporation.

It also seeks to reflect the principles underlying the respective Codes of Conduct which apply to Members and Officers. The shared object of these codes is to enhance and maintain integrity and, therefore, demand very high standards of personal conduct.

In line with the reference in the Code to 'mutual respect' it is important that any dealings between Members and Officers should observe reasonable standards of courtesy and that neither party should seek to take unfair advantage of their position.

Underlying Principles

The following general principles apply to all relations involving Members and Officers. All relations shall be conducted:

- with respect for others and in a way which promotes equity;
- with honesty and integrity;
- acknowledging the duty to uphold the law and act in accordance with the trust placed in them by the public;
- in a way that promotes objectivity, accountability and openness;
- acknowledging the duty of confidentiality that exists in relation to information given in confidence and information which the College is entitled by law to treat as confidential; and
- with a view to establishing and promoting positive working relationships.

Working Relations & Courtesy

Members and Officers shall establish sound and effective working relations that engender mutual respect and put aside any personal differences.

Members will comply with the Members' Code of Conduct.

Members and Officers must recognise their different roles, needs and objectives.

They must be ready to discuss positively how working relations between each other can most effectively be developed. Members and Officers must set aside any personal differences in the interests of maintaining effective working relations.

As mentioned above, it is important that any dealings between Members and Officers should observe reasonable standards of courtesy and that neither party should seek to take unfair advantage of their position. The use of threats, intimidation or verbal abuse will be regarded as serious breaches of this protocol.

It is not acceptable for a member to bully or harass an Officer. Any action against an Officer would be considered as bullying or harassing if the intention was to improperly or unfairly influence his/her opinion or his/her activity. There is no room for personal abuse in a discussion between Member and Officer and it is not considered appropriate for one to voice a complaint against the other publicly in a committee or in the press, or publicly by any other means (e.g. e-mail or internet), without first using the internal arrangements within the College to try and solve the complaint. In discussing College business publicly a Member should not name a specific Officer.

Members and Officers should have regard to the formality of the occasion as to the mode of address they choose to adopt. In particular, in formally convened meetings and/or meetings open to the public a formal mode of address should be adopted. In all other cases Members and Officers will respect preferred modes of address.

Responsibility of the Corporation

As laid out in the Articles of Government at Article 3, there is a very clear distinction between the role of the Corporation as exercised by the Members through its Board and Committees and the role of Officers operating on a day to day basis under the ultimate direction of the CEO. The Corporation is to be responsible for:

- the determination of the educational character and mission of the institution and for oversight of its activities;
- the effective and efficient use of resources, the solvency of the institution and the Corporation and for safeguarding their assets;
- approving annual estimates of income and expenditure;
- the appointment, grading, appraisal, suspension and determination of the pay and conditions of service of the holders of senior posts and the Assistant Principal: Governance (including where the Assistant Principal: Governance, or is to be appointed as, a member of staff, his or her appointment, grading, suspension and determination of his or her pay in his or her capacity as a member of staff);
- the dismissal of the holders of senior posts and the Assistant Principal: Governance (including where the Assistant Principal: Governance is, or is to be appointed as, a member of staff, his or her dismissal in his or her capacity as a member of staff);
- setting a framework for the pay and conditions of service of all other staff; and

- ensuring that arrangements are in place for advising the CEO on the standards, planning, co-ordination, development and oversight of the academic work of the institution, including arrangements for the admission, assessment and examination of learners and the procedures for the expulsion of learners for academic reasons.

Responsibility of the CEO

Noted in the Articles of Government at Article 3, there is a very clear distinction of the role and responsibilities of the Principal who is the Chief Executive Officer of the institution. Subject to the responsibilities of the Corporation outlined above, the Principal is the Chief Executive Officer of the institution and responsible for:

- making proposals to the Corporation about the educational character and mission of the institution, and for implementing the decisions of the Corporation;
- the organisation, direction and management of the institution and leadership of the staff;
- the appointment, assignment, grading, appraisal, suspension, and determination, within the framework set by the Corporation, of the pay and conditions of service, of staff other than the holders of senior posts or the Assistant Principal: Governance;
- the dismissal of staff other than the holders of senior posts or the Assistant Principal: Governance;
- the determination, after consultation with the Academic Board (if any), or if there is to be no Academic Board, after consultation with the Corporation, of the institution's academic activities, and the determination of its other activities;
- preparing annual estimates of income and expenditure, for consideration and approval by the Corporation, and the management of budget and resources, within the estimates approved by the Corporation; and
- maintaining learner discipline and, within the rules and procedures provided for within these Articles, suspending or expelling learners on disciplinary grounds and implementing decisions to expel learners for academic reasons.

Role of Officers

The role of Officers is to work for and serve the College as a whole.

They shall be responsible for the day-to-day managerial activities and operational decisions which the Corporation takes.

The Chief Executive Officer/ Principal, Vice Principals and Assistant Principles shall be entitled to offer advice at meetings of all member bodies if he/she thinks it is necessary to ensure that all relevant matters are taken into account.

Officers having delegated decision-making authority are entitled, where considered expedient, to refer a matter to the Corporation Board or appropriate Sub-Committee for decision. Officers of the Senior Management Team are responsible for the contents of all reports submitted in their name.

Members must acknowledge that Officers within a department are accountable to their Director. Officers should always be prepared to assist Members, but they cannot go beyond the bounds of the Authority given to them by their Director and they must not be asked to do so. Members must also recognise that Officers are bound by professional standards, codes of conduct and professional ethics and they should not be asked to go outside of the bounds set in such codes.

Criticism of Members and Officers

As employer, the College has a duty to provide and maintain a working environment which is reasonably tolerable to all employees and to protect them from unacceptable treatment and behaviour and unauthorised interference in work duties.

All Members must ensure they discharge their duties as employer fairly and impartially and not do anything to undermine the relationship of mutual trust and confidence which must exist between the College and its employees.

No public comment will be made on on-going disciplinary proceedings as it could prejudice their outcome.

Balancing Scrutiny & Strategy

With regards to scrutinising and reviewing decisions made, as well as reviewing documentation, the Board or a Committee may require any member of the Senior Management Team to attend before it to explain in relation to matters within their remit:

- any particular decision or series of decisions;
- the extent to which the actions taken implement College policy; and/or
- the performance of their duties.

It is the duty of those persons to attend if so required.

Where any Officer is required to attend a meeting of the Board or Committee under this specific provision, the Chair of that Committee will inform the Assistant Principal: Governance to the Corporation who will inform the Officer in writing giving at least fifteen working days' notice of the meeting at which they are required to attend. The notice will state the nature of the item on which they are required to attend to give account and whether any papers are required to be produced. Where the account to be given to the Committee will require the production of a report, then the Officer concerned will be given sufficient notice to allow for preparation of that documentation i.e. an additional 10 working days.

Where, in exceptional circumstances, the Officer is unable to attend on the required date then the Board or Committee shall in consultation with the Officer arrange an appropriate alternative date for attendance. In setting the dates the Assistant Principal: Governance will take into account exceptional circumstances, for example illness or planned holidays.

Personal Relationships

No Member or Officer should allow any personal connection or relationship with any other Member or Officer to affect the performance of his/her official responsibilities, or the taking of any action or decision by or on behalf of the College. This includes, for example, any family relationship, membership of the same household, or any business connection. Members and Officers should always consider how such a relationship or connection would be likely to be regarded by anyone outside the College, or by any other Member or Officer, and avoid creating any impression of bias or unfairness.

Correspondence

Correspondence between an individual Member and an Officer should not normally be copied by the Officer to any other Member. Where exceptionally it is necessary to copy the correspondence to another Member, this should be made clear to the original Member. In other words, a system of "silent copies" should not be employed.

Official letters on behalf of the Corporation should normally be sent in the name of the Assistant Principal: Governance or appropriate Officer, rather than in the name of a Member. It may be appropriate in certain circumstances (e.g. representations to a Government Minister) for a letter to appear in the name of a Member, but this should be the exception rather than the norm. Letters which, for example, create obligations or give instructions on behalf of the Corporation should never be sent out in the name of a Member.

Confidentiality of Reports and Correspondence

College information provided to a Member must only be used by the Member for the purpose for which it was provided; that is, only to enable the proper performance of the Member's duties as a Governor. This point is emphasised in the Members' Code of Conduct in the following terms:

Members should keep confidential any matter which, by reason of its nature, the Chairperson or the Members or the Chairperson or members of any Committee of the Corporation are satisfied should be dealt with on a confidential basis.

Any College information provided to a Member must only be used by that Member for the purpose for which it was provided, i.e. in connection with the proper performance of a Member's duties as a Governor. Members should never disclose or use confidential information, for their personal advantage or of anyone known to them, or to the disadvantage or the discredit of the College or anyone else.

Once a report has been issued within Part II of the agenda for a meeting and until a Committee decides that it should not be discussed in the absence of the press and public, Members and Officers must respect the confidentiality of the report and not disclose it to any third party.

Code of Good Governance for Colleges in Wales [Further Education Code of Practice]

This section was taken from Colleges Wales. Please refer to:
<http://www.collegeswales.ac.uk/documents/Resources/178/en-gb/code%20of%20governance%20final%20210116%20e.pdf>

Code of Good Governance for Colleges in Wales



Ariennir gan
Lywodraeth Cymru
Funded by
Welsh Government

Foreword



Judith Evans
Chair of ColegauCymru

Governors are the backbone of college accountability and are the faithful custodians of public funds. They work hard to ensure the best interest of our students and, through this Code, wish to further demonstrate that trust is well placed.

Wales' further education (FE) colleges are seen as strategic partners by the Welsh Government and other key partners including schools and businesses. Colleges have a central role in supporting the attainment of young people and adults, preparation for employment and further study, continued skills development and economic growth. Colleges play a major role in shaping democratic, sustainable, inclusive communities and promoting the Welsh language and its culture.

These well-defined purposes allow governors and trustees through constructive challenge and effective support to demonstrate the public benefit of our work. Compared with many countries in the world, colleges in Wales enjoy a higher degree of self-government. This independence in governance is a cornerstone of our system and lies at the heart of the sector's success. It will continue to be of the highest importance as colleges become increasingly innovative and entrepreneurial in meeting the education and skills needs of Wales and responding to key economic and social agendas.

Excellence in governance is now at the centre of the FE college sector in Wales. The need for appropriately trained governors who are able demonstrate exemplary practices will be even more important as the sector continues to commercialise and diversify.

By adopting and implementing this Code, governing bodies will publicly demonstrate their leadership and stewardship in relation to their own college, answer openly any criticism and, in doing so, protect their college's reputation and that of the wider sector and provide appropriate assurance to key stakeholders.

More importantly, adopting the new Code is an opportunity to rethink and refresh approaches as the sector strives to be at the forefront of best practice in governance. It signals a willingness to enter into a new era of governance with the energy and commitment to ensure the very highest standards for our stakeholders.

The Code contains:

- An initial statement of the core values and expectations that provide the context for the way in which college governance is conducted.
- The seven governance elements that support these values and are vital to successful implementation.
- A more detailed consideration of each element.
- A list of references and links to source documents and good practice examples.

The Code

The Code is written to support governance practice, which in turn will help colleges to work successfully towards meeting their mission and strategy. The Code needs to be read alongside each college's Instrument and Articles of Government and the relevant legal and regulatory requirements. The Code is based on a set of shared values and expectations. Governing bodies will work within the 'spirit' of the Code as well as its 'letter'. As a sector, our approach to governance is to be committed and pro-active.

This Code applies to General Further Education Colleges (GFECs), Sixth Form Colleges (SFCs) and Further Education Institutions (FEIs), although there will be variations in the manner in which these entities will implement the Code due to their differences in corporate form. The term '*governing body*' has been used throughout to cover the corporation board or board of directors.

The term '*principal*' includes the role of 'accounting officer' under the financial memoranda of the Welsh Government. The post may also be known as the chief executive.

The term '*clerk*' has been used throughout and covers the role of governance officer. The principal regulator is '*Welsh Ministers*', through the Welsh Government's sponsoring department.

The Code sets out the elements and practices which any college in the sector will need to adopt in order to show that it is conducting its business in the best interest of its students, key stakeholders and funders. Adoption of the Code should not limit innovation in governance or stifle the dynamic nature of colleges.

The Code uses the usual 'must and should' convention for governance codes. A 'must' is an area of activity which is covered by statute and/or is the minimum expected by the principal regulator and funder. Activities which exceed these basic requirements and represent good or enhanced governance practice are noted as 'should'.

Acknowledging the multiplicity and responsible autonomy of the sector, governing bodies are free to achieve the expectations of the 'must' and 'should' statements in whatever manner they see fit. Where a governing body has adopted the Code, but for good reason does not comply with particular provisions within it, the governing body should explain its rationale and how its approach meets the spirit of the Code.

Each college should state its adoption of the Code in the corporate governance statement contained in its annual audited statements.

This Code itself will be reviewed regularly by ColegauCymru and its partners to ensure that it remains fit for purpose. This will normally take place every three years, or earlier if there is a substantial change of circumstance.

The Core Values of College Governance

High quality further education, which commands public confidence and promotes the reputation of individual colleges and the sector, must rest on a number of shared values. By implementing such values the governing body can: ensure quality education and training for its students; demonstrate public benefit; provide the basis for its own effectiveness; support college autonomy; support the sustainability of the service and enhance the reputation of the sector; and, by example, demonstrate dynamic leadership.

A failure to adopt and implement a set of agreed values has implications beyond the college concerned by potentially undermining the collective reputation of all colleges and the wider sector.

In setting out core values, the Code adopts and builds on the Seven (Nolan) Principles of Public Life which provide an ethical framework for the personal behaviour of governors. In addition, given the specific nature of further education, the Code also adopts the values and behaviours of being:

- Respectful
- Professional
- Prudent
- Committed and enthusiastic about good governance.

The Code is based on the following expectations of good governance, which illustrate the values and beliefs of college governors and trustees:

- Putting the learner first, promoting high expectations and ambitions for learners and staff
- Listening to learners, parents, employers and staff
- Promoting inspirational teaching and learning
- Creating a safe environment for learners to learn and develop
- Providing strong strategic leadership and challenge to the senior team
- Setting the strategy and acting as guardians of the college's mission
- Promoting Welsh language and culture
- Providing post-16 education and skills leadership to the community the college serves
- Demonstrating accountability to all stakeholders, including publishing accurate and timely information on performance
- Using revenue, capital and human resources in a prudent and cost effective manner for the benefit of learners
- Ensuring the achievement of equality of opportunity and diversity throughout the college
- Using the college's autonomy and independence responsibly to meet local education and skills needs.

The Seven Elements of Good Governance

In order to implement and embed the values and expectations in the college, the governors, trustees, and senior leaders will undertake to give effect to the following seven elements of good governance:

Element 1:
Strategy and Leadership

Formulate and agree the **mission, vision and strategy** including defining the ethos of the college.

Element 2:
Collectively Accountable

Be **collectively accountable** for the operation of the college, taking all decisions on all matters within their duties and responsibilities.

Element 3:
Financial Strategy and Audit

Adopt a **financial strategy and funding plans** which are compatible with the duty to ensure sustainability and solvency of the college and, in doing so, ensure that **effective control and due diligence** takes place in relation to all matters including acquisitions, subcontracting and partnership activity.

Element 4:
Teaching and Learning

Foster **exceptional teaching and learning by ensuring** there are **effective underpinning policies and systems** which foster and facilitate the **student voice**.

Element 5:
Responsiveness

Ensure that the college is **responsive to workforce trends** by adopting a range of strategies for engaging with employers and other stakeholders.

Element 6:
Equality and Diversity

Meet and aim to exceed its statutory responsibilities for equality and diversity.

Element 1: Strategy and Leadership

1.1 The governing body provides the overall strategic leadership for the college. The governing body must formulate and agree the mission, vision and strategy including defining the ethos of the college. The governing body should consider setting down its aspirations for the college in a vision statement.

1.2 The governing body must formally approve the strategic plan. This plan should cover all aspects of the college's work including partnerships and subsidiary companies. The governing body should ensure that the strategic plan is realistic and underpinned by a financial strategy.

1.3 The strategic plan should be based on an assessment of need. The plan should adequately reflect the interest and views of students, parents, employers and the community.

1.4 Governing body members should be able to explain the underpinning rationale and be familiar with the supporting evidence base and with the results of any horizon scanning exercises.

1.5 The governing body should ensure that managers have established an operating plan that identifies those aspects of the strategic plan being implemented in any particular year.

1.6 In order to ensure successful implementation, the governing body must be clear how performance of the strategy will be measured. It should identify and adopt a set of key performance indicators (KPIs) that cover financial health, teaching and learning and student experience and outcomes, staff performance and stakeholder opinions. In doing so the governing body should make clear the division of responsibilities between strategic governance and leadership by the governing body and the operational management and leadership by the college's senior management team led by the principal.

1.7 Governing body members should monitor and scrutinise the college's activities effectively, including using external benchmarks, challenge shortfalls in performance, and ensure that weaknesses are addressed.

1.8 The mission and strategy should be published, and if necessary refreshed annually, and reviewed at least every three years through a process that involves key stakeholders.

1.9 The governing body may wish to go further and amplify the mission along the lines of a 'public benefit statement', describing how the college aims to add value to the social, economic and physical well-being of the communities it serves.

1.10 To secure implementation of the agreed strategy, the governing body must ensure there are effective underpinning policies and systems in place.

1.11 The governing body must endorse a set of appropriate policies that describe how the strategy is being implemented. Examples of what may be covered include: access, recruitment, teaching and learning, assessment and validation, use of technology, student voice, involvement and engagement, reward and recognition for students, careers advice and progression, quality and standards, and enrichment and citizenship.

1.12 The governing body, through constructive challenge and effective support, should monitor policy implementation.

1.13 The governing body must be assured that there are management-led policies and systems in place to provide the best learning experience for every student, including those undertaking learning activity off-site or provided under a subsidiary or partnership arrangement.

1.14 The governing body must ensure they have in place a scheme to actively promote the principle that the Welsh language will be treated no less favourably than the English language when dealing with the public in Wales. The public includes college staff and current students along with prospective students and the public in general in Wales.

Student Voice

1.15 The governing body must have close regard to the voice of its students and the quality of the student experience, which should be central to all governing body decisions.

1.16 Students should be actively engaged in the college and effective ways should be found to ensure that the student voice is heard through both college and student led processes. The governing body should receive regular reports on how students are being engaged and what impact their voice is having on college life.

1.17 The governing body must provide a safe environment and have a robust and regularly assessed and monitored safeguarding policy. This policy may, for example, also include the duties arising from the Counter-Terrorism and Security Act 2015 (or this could be covered in a separate policy).

1.18 There must be clear and published complaints and whistle-blowing procedures. The governing body should receive regular reports (at least annually) on the number and types of complaint and how complaints are resolved.

Element 2: Collectively Accountable

2.1 The governing body must be collectively accountable for the operation of the college, taking all decisions on all matters within its duties and responsibilities.

2.2 Members of the governing body must comply with the legislation relevant to their legal form of incorporation. Governing body members are charity trustees and must comply with charity legislation and case law.

2.3 The governing body must set out its primary responsibilities in the Articles of Government (or similar legal document) and its rules of governance within the Instrument. These should be published and be known to all governors. These responsibilities should be supported by a schedule of delegation which sets out how each responsibility is to be met and by whom, including those items which the governing body delegates to the principal.

2.4 The governing body must seek assurance that it meets all legal and regulatory requirements imposed on it as a corporate body, and college compliance should be kept under regular review.

2.5 The governing body should conduct its affairs as openly and transparently as possible, consulting fully on its plans and delivery. The general principles and requirements of the Freedom of Information Act must apply, so that staff and learners have access to information about the governing body's proceedings.

2.6 Public reporting is important and contributes to confidence in the sector. An annual members' report and audited financial statements should be made widely available both internally and externally.

2.7 The annual governors' report should be published and include a section that sets out the governance arrangements - including the extent to which this Code has been adopted - and the policies on public disclosure.

2.8 The governing body should ensure that learners and the public are given honest, accurate and timely information about all aspects of provision and that the governing body has the necessary information to be able to challenge.

2.9 Governing body members are required to fulfil their duties in line with accepted standards in public life. Governing body members must avoid conflicts of interest and act solely in the interests of the college at all times. Governors, whose views are not consistent with the decisions of the governing body as a whole, must abide by the principle of collective decision making and stand by the decisions of the governing body.

Element 3: Financial Strategy and Audit

Financial Strategy

3.1 The governing body must adopt a financial strategy and plan which is compatible with the duty to ensure sustainability and solvency of the college and, in doing so, ensure that effective control and due diligence takes place in relation to all matters including acquisitions, subcontracting and commercial activity. The governing body must set and approve the annual budget. Responsibility for its approval must be reserved for the collective decision of the governing body, without delegation.

3.2 The governing body must adopt effective systems of control and risk management that promote value for money, efficient use of the capital estate and technology, meet mandatory audit requirements, and produce accurate and quality-assured college data.

3.3 The governing body must ensure compliance with the financial memoranda and must understand and meet the conditions of funding, as set by the funders.

3.4 The governing body must inform the sponsoring division of the Welsh Government of any “materially adverse” change in the college’s circumstances.

3.5 Colleges must have financial regulations and appropriately documented delegations and procedures, approved by the governing body, which specify its financial responsibilities and authority and those of its committees and its staff.

3.6 The governing body should ensure that it has confidence in the arrangements for the provision of accurate and timely financial information and, therefore, also in the financial systems used to generate such information.

3.7 Day-to-day financial control should be exercised by the staff of the college under delegation from the governing body and principal. Responsibility for financial management and advising on financial matters is generally delegated through the principal to a senior member of staff such as a director of finance (or equivalent).

Audit

3.8 The governing body must ensure that a statement on internal controls explaining the risk management arrangements that are in operation is contained in the corporate governance section of the audited financial statements.

3.9 The governing body must comply with the funders mandatory requirements relating to audit including adherence to the relevant audit guide which sets out the minimum requirements. This may differ for FE institutions and it is important that a FE institution’s board is clear on its responsibilities and delegated functions. The governing body should approve an annual audit plan linked to the college’s risk register and be confident in the expertise and quality

of any internal auditors engaged by the college. The governing body should consider using different sets of expertise for different audit requirements.

3.10 The audit committee must support the governing body and the principal by reviewing the comprehensiveness, reliability and integrity of assurances including the college's governance,

risk management and internal control framework and produce an annual audit report for the governing body.

3.11 The governing body must ensure effective arrangements are in place for the management and quality assurance of data. This assurance should include a statement on data quality from the audit committee. The governing body should use the college's annual report to account to all stakeholders for the performance and prospects of the college as well as to demonstrate compliance with statutory and regulatory requirements.

New Ventures

3.12 Colleges are dynamic and progressive. They grow, innovate and adapt to the changing circumstances. This responsiveness should be encouraged as collaborative and commercial relationships will be central to ensuring the college's financial sustainability. The governing body should facilitate and enable this activity.

3.13 In establishing new business, the governing body must ensure effective governance arrangements are put in place with appropriate control, reporting and delegation systems. The governing body should ensure that particular scrutiny is exercised on new and external activities with significant potential financial or reputational risks. Where such activities involve commercial transactions, care must be taken to ensure that arrangements conform to the requirements of charity law and regulation.

3.14 New ventures (such as acquiring new companies or creating colleges in other countries) present colleges with both opportunities and significant challenges and risks. The governing body must ensure that not only does it approve such strategic developments, but also that the executive produces regular reports on the performance of all strategic partnerships and external businesses.

3.15 For all subsidiary entities (for example, separate operating companies or charitable trusts), the governing body should:

- Ensure that the entity's governing body possesses the attributes necessary to provide proper stewardship and control
- Appoint suitably qualified directors or trustees to the entity who are not members of the governing body or staff/learners of the college and
- Ensure that the entity's governing body conducts business in accordance with a recognised and appropriate code of governance.

Group Structures

3.16 Where the governing body governs through a group structure, the governing body should be clear about its responsibilities in relation to any other corporate governance arrangements and associated reporting, and should document and publish these relationships.

Element 4: Teaching and Learning

4.1 The governing body must foster exceptional teaching and learning. The governing body must, where appropriate, seek to secure coherent provision for learners that leads to further learning or apprenticeships and/or employment. The governing body must ensure appropriate mechanisms are in place for effective oversight of the quality and inclusivity of the learning experience.

4.2 The governing body should ensure the college's self-assessment report is benchmarked against UK norms and best practice. The report should be detailed enough to provide governors with the assurance they need that the learning experience is being monitored and the appropriate learning resources have been made available.

4.3 The governing body should look to the senior leadership team to provide external validation of any internal teaching and assessment observation reports and, where weaknesses are found, make sure the executive quickly takes action.

4.4 The governing body should be alert to college issues and use various methods to meet with learners, for example, through the students' union. The governing body should also have in place ways to meet staff, parents and employers, such as learning walks and having link governors.

4.5 In agreeing the human resource/workforce strategy, the governing body should ensure it reflects the ethos of the college and aids excellence in quality, teaching, learning and assessment.

4.6 The governing body should be aware of new initiatives in teaching and learning, for example, blended and/or virtual learning and, through careful appraisal, consider their adoption. The governing body must be aware of the expectations of external bodies, in particular their expectations of good quality. Governing body members should be able to explain how they benchmark quality and learner achievement.

4.7 The governing body should see the results of learner surveys including destination data and be able to monitor improvement plans.

4.8 To ensure a quality learning experience, the governing body should use best practice when overseeing the recruitment, development and performance of teaching and support staff. Appropriate teaching, learning and success performance indicators which are in line with the college's overall key performance indicators (KPIs) should be developed in order to monitor quality and progression.

Element 5: Responsiveness

5.1 The governing body must ensure that the college is responsive to the community and relevant employment trends, including building strong two-way relationships with employer-led local groups. In order to facilitate learner progression to further study or employment, the governing body should ensure that the college has in place a range of strategies for engaging with employers, universities and other stakeholders.

5.2 The governing body should ensure that the college is well informed about the various local, national and business stakeholders it serves, including having a dialogue with the colleges and universities that are engaged in partnership and progression.

5.3 The college should have systems in place which facilitate engagement with external stakeholders regularly, proactively and effectively so that it can identify and prioritise their present and future needs for education and training and discuss how they can best be met. These relationships need to be two-way.

5.4 Stakeholders comprise all those organisations, individuals and groups of individuals that the governing body intends should benefit from the college's services. These stakeholders might include: prospective learners, schools, colleges and universities, parents, local and regional authorities, employers of all sizes and their representative bodies, and other public service agencies such as Jobcentre Plus, and health care, police and prison services.

5.5 The main purpose of these discussions should be to ensure that the college's programme is relevant and seen to be responsive to local needs and the needs of the learners whose next step will be further progression into college, university, workbased apprenticeships and/or employment. The governing body should also consider community and commercial use of the college's assets and facilities.

5.6 The governing body should publish on the college website (at least annually) an account of the college's engagement with the main communities that it serves, the progress made towards meeting their needs for education and training, and how it aims to meet future needs.

5.7 The governing body should ensure that arrangements are in place to assess the extent to which the stakeholders served by the college are satisfied with the services provided. Each college should discuss with stakeholder and community representatives the coverage and timing of any reports, and should offer them opportunities to discuss its reports more fully.

Element 6: Equality and Diversity

6.1 The governing body must meet – and should aim to exceed – its statutory responsibilities for equality and diversity through its own actions and behaviour in all aspects of its affairs. The governing body must promote equality and diversity throughout the other 6 elements.

6.2 The governing body should approve and review the college's equality and diversity strategy and adopt agreed performance indicators for implementation.

6.3 The governing body has a number of legal obligations in relation to equality and diversity which it must understand and comply. These go much further than avoiding discrimination: they require the active promotion of equality in a number of defined areas. The governing body must therefore ensure that agreed policies are progressed and actioned throughout the college. The governing body may also wish to consider advice issued by government departments and other agencies on equality, diversity and safeguarding.

6.4 The governing body should ensure that the HR strategy takes into account equality and diversity. Specific equality and diversity responsibilities fall on the remuneration committee (or equivalent) in respect of the determination of pay and other rewards. This committee's report to the governing body should explain how its decisions take account of the college's equality and diversity policy.

6.5 The governing body and, where it exists, the search committee (or equivalent), should agree its own approach to equality and diversity in relation to appointing new members, and should take full regard of the implications of the college's overall equal opportunity and diversity policy, including any measurable objectives that may be relevant.

6.6 It is important that the governing body reports fully on its actions on equality and diversity in the operation of governance. The annual report should include a description of its policy, including any measurable objectives, and should outline progress on implementation. For those colleges that produce a separate equality and diversity report that addresses such matters, a simple cross reference would be sufficient.

Element 7: Effective Governance

7.1 The principles of effective governance are the same for all governing boards. Because of the different legal structures, this section applies specifically to GFECs. However, the concept behind each statement should also be considered and adapted by FE institutions' boards. The governing body must ensure that there are organised and clear governance and management structures with well-understood delegations, including regular review of governance performance and effectiveness.

7.2 The governing body and its committees should be of an appropriate size and have the appropriate balance of skills, experience and knowledge to enable them to discharge their duties and responsibilities effectively.

7.3 For GFECs the principal should be a governor but, subject to the articles of government, may elect not to serve. The governing body must include student and staff governors and appoint a clerk. The clerk should be independent, report directly to the governing body, and have the appropriate skills and experience to facilitate effective governance.

7.4 The full governing body should meet as often as is required to undertake its responsibilities. The governing body should have rules for the conduct of its meetings. Members should attend all meetings where possible, and the governing body must establish the number and category of members constituting a quorum.

7.5 There should be a presumption of openness and engagement, with all matters open to discussion by the whole governing body. Occasionally there will be matters where specific governors should not be party to discussions; these should be dealt with either by 'conflict of interest' declarations, or by enforcing agreed policy on the confidentiality of business.

7.6 The governing body may delegate some of its activities to committees and/or the chair, but should agree a formal schedule of matters reserved for collective decision.

7.7 At a minimum this should include final decisions on:

- Vision, mission and strategy
- The review and approval of the college's annual revenue and capital budgets and cash forecasts together with its audited financial statements
- The appointment and (if necessary) dismissal of the principal, senior post holders or the clerk.

7.8 The governing body should determine in writing the terms of reference, membership and delegated authority of all committees, approved on an annual basis with clear arrangements for their reporting back.

Remuneration of Senior Post Holders

7.9 The governing body must determine the pay and conditions of service of the principal, other senior post holders and the clerk and may establish a remuneration committee to advise the governing body. Remuneration decisions should be informed by benchmarking data and by recent performance appraisals.

7.10 Where severance payments are under consideration, advice should be taken from the external auditor to ascertain the legitimacy of any proposed payment. The reports on matters to do with remuneration and severance should provide sufficient detail to enable the full governing body to satisfy itself that the recommendations and resulting decisions made are compliant with its policies and relevant legislation. In line with the funding agreement, the governing body must draw any payments to the attention of the college's regulatory auditors.

The Chair

7.11 The governing body must appoint a chair from amongst its members (excluding the principal, staff and student members). One or more vice-chair or deputy chair should be appointed to act in the absence of the chair. The process by which the chair is nominated and elected should be agreed by the governing body as a formal part of the college's governance procedures and s/he should have a role description agreed by the governing body.

7.12 The chair is responsible for the leadership of the governing body and ultimately responsible to the stakeholders for its effectiveness. The chair should take particular care that the governing body observes the values of college governance, as set out in this Code.

7.13 The chair is a non-executive role and should not be drawn into day-to-day management. S/he should promote the effective and efficient operation of the governing body, ensuring that members work together effectively.

7.14 The chair should foster a supportive and constructively challenging working relationship particularly between the chair, the vice-chair, the principal and the clerk but also involving other members of the governing body and the senior leadership team.

7.15 The chair should ensure that there is effective communication between the governing body and all its stakeholders, both internal and external.

7.16 The chair is responsible for providing support to the principal and the clerk as required, and for leading the regular assessment of their performance, drawing on the views of other governors.

Governing Body Members

7.17 Governing body members should be committed, contribute proactively to meetings, and seen to be advocates of the college. They should bring their knowledge and expertise to the table and be there to support and challenge the executive by ensuring the learner interest is always put first.

7.18 All members should be able to allocate sufficient time to undertake their duties effectively. The governing body should agree an indication of the time expected of its members together with an appropriate role description.

7.19 Members must act in the best interest of the college, rather than selectively or in the interests of a particular constituency. Members must act with honesty, frankness and objectivity, taking decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

7.20 The governing body should set out in writing and regularly review agreed governance procedures, often described as Standing Orders. These should include levels of delegated authority and of any sub-delegations annually.

The Principal

7.21 The principal must be responsible for the executive management of the college and its day-to-day direction. S/he should understand and respect the role of the governing body and ensure that appropriate matters are brought to the governing body, taking advice from the clerk and senior leadership team as necessary. The specific responsibilities of the principal in relation to governing body business must include:

- Ensuring that governing body decisions are implemented through the college's management structure
- Advising the governing body as required
- Undertaking the role of accounting officer.

7.22 The principal is also responsible for prompt and coherent management reports to governors on the college's activities and prospects, including the emergence of major new risks and opportunities; and for facilitating appropriate opportunities for governing body members to see first-hand the work of the college and meet with learners and staff.

The Clerk/Governance Officer

7.23 A GFEC governing body must appoint a person to act as the clerk/governance officer to the governing body. In dealing with governing body business, the clerk should be solely responsible to the governing body and have a direct reporting line to its chair. The governing body must protect the clerk's ability to carry out his/her responsibilities, including appropriate training and development and ensuring adequate time and resources are available for the role to be undertaken effectively.

7.24 The clerk must inform the governing body if s/he believes that any proposed action would exceed its powers or involve regulatory risk or (where the clerk has other management responsibilities at the college) if there is a potential conflict of interest between his/her clerking and management roles.

Governing Body Member Appointments: Term of Office, Induction and Training

7.25 The governing body should adopt a formal and open policy for recruiting governors. This policy should include:

- A regular review of the existing governing body to ensure that it has the appropriate diversity of skills, experience, and backgrounds to provide strong governance, and to identify any need for new governors with particular skills

Term of Office

7.31 All members, excluding the principal, should be appointed for a given term, which should be renewable subject to satisfactory performance. Renewal should not be automatic and should only take place after proper consideration of the governor's attendance, contribution to the work of the college and assessment against the skills audit. Governors should not normally serve for more than two terms (or a maximum of eight years) except where subsequently undertaking a new and more senior role, for example, as chair. There are variations in the length of term for which chairs are appointed - whether it is annually or after a four year term, reappointment should only take place after consideration is given to college need and performance.

Governing Body Member Remuneration

7.32 The governing body should adopt policies and procedures for reimbursing the travel and other incidental expenses of members. The governing body must seek Charity Commission approval if they wish to remunerate external members for being a trustee/ governor.

Training and Induction

7.33 The chair and clerk should ensure that new governing body members receive a full induction on joining the governing body, and should regularly refresh their skills and knowledge through development activities and briefings funded by the college.

7.34 All governing body members should ensure that individually and collectively they have or acquire sufficient understanding of the work of the college and the educational landscape to be able to engage fully in the affairs of the governing body. The clerk should keep records of the development activity of all governing body members.

Governance Review

7.35 The governing body must regularly review its effectiveness ensuring continuous improvement, thereby not only enhancing its own performance but providing an example to the college. The review should include an assessment of performance against the values and principal responsibilities set out in this Code.

7.36 The governing body should define in writing and regularly review the respective responsibilities of the chair, principal, clerk and individual governors.

7.37 The governing body should annually reflect on the extent to which its committees have met their terms of reference and remain fit for purpose.

7.38 In reviewing its effectiveness, the governing body should reflect on the success of the college as a whole in meeting strategic objectives and associated performance measures and the contribution the governing body has made to that success. The governing body should, where possible, benchmark its performance and processes against other comparable colleges and relevant institutions outside the FE sector and establish a simple set of measures which are then used to monitor performance.

7.39 Account should be taken of the views of the executive and relevant bodies and of staff, parents, trustees, employers and learner communities. Any review should include an external perspective, for example, by using a suitable external facilitator or a suitably experienced governor and/or clerk from another college. The timing should be in line with the production of the college annual self-assessment.

7.40 Acting on the outcomes of effectiveness reviews is as important as undertaking them. The outcomes and associated actions should be published widely, including in the annual report.

Definitions, references and links to source material

- Definitions**
- 1 The 14 colleges include 10 FE corporations including St David's Catholic College; the FE institution – WEA YMCA Community College Cymru; and The College Merthyr Tydfil, Coleg Sir Gâr and Coleg Ceredigion which are part of university groupings.
 - 2 The terms 'FE college' and 'college' are used to cover FE colleges and FE institutions.
 - 3 The term 'FE corporation' is a legal term describing the governing body of an incorporated FE college.
 - 4 The common term for 'members of a corporation' is 'governor'. The word 'governor' is used in this document.
 - 5 Principal Regulator:
<http://gov.wales/topics/educationandskills/learningproviders/furthereducation/principal-regulator/?lang=en>

- The Code**
- 1 2014 FHE Act notes regarding minimum requirements for revised I&A's including the official status of the Welsh language in Wales, given effect in accordance with the Welsh Language (Wales) Measure 2011
http://www.legislation.gov.uk/anaw/2014/1/pdfs/anaw_20140001_en.pdf
 - 2 Nolan principles: [Seven Principles of Public life: Selflessness Integrity Leadership Openness Honesty Objectivity Accountability](#)
 - 3 UK Corporate Code: which sets what is expected of Governors and Trustees:
<https://www.frc.org.uk/corporate/ukcgcode.cfm>
 - 4 Code Voluntary Sector:
<http://www.governancecode.org/summary-code-of-governance>

1. Strategy and Leadership

- 1 Policy on Education and Skills
<http://gov.wales/topics/educationandskills/skillsandtraining/?skip=1&lang=en>
Statistics: Further education, work-based learning and community learning
<http://gov.wales/statistics-and-research/further-education-work-based-learning-community-learning/?lang=en>

- 2 Wise Wales
- 3 Further Education, Work-Based Learning and Community Learning in Wales 2013/14 SDR
- 4 The Minister for Education and Skills publish his/her annual Priorities Letter for FE.
<http://gov.wales/docs/dcells/publications/140530-priorities-for-furthereducation-sector-2015-2016-en.pdf>

2. Collective Accountable

- 1 2014 FHE Act notes regarding minimum requirements for revised I&A's:
http://www.legislation.gov.uk/anaw/2014/1/pdfs/anaw_20140001_en.pdf Data Protection Act 2000
- 2 Estyn: Dealing with student complaints
<http://www.estyn.gov.uk/english/news/news/more-consistency-needed-inmanaging-learner-complaints-in-further-education-institutions/>
- 3 English Guide for school and academy governors
http://www.nga.org.uk/getattachment/Guidance/Legislation,policies-andprocedures/Government-advice-and-guidance/Governors-Guide-to-theLaw/Governors_Handbook-January-2015.pdf.aspx
- 4 Counter Terrorism and Security Act 2015
<http://services.parliament.uk/bills/2014-15/counterterrorismmandsecurity.html>

Prevent guidance

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/388934/45584_Prevent_duty_guidance-a_consultation_Web_Accessible.pdf

'Promoting British Values'.

<https://www.gov.uk/government/news/consultation-on-promoting-britishvalues-in-school>

3. Teaching and learning

- 1 Inspection
<http://www.estyn.gov.uk/english/inspection/inspection-reports/>

DfES – Policy for Education and Skills

<http://gov.wales/topics/educationandskills/skillsandtraining/?lang=en>

Quality Assurance Agency for Higher Education

<http://www.qaa.ac.uk/en>

4. Responsive

- 1 Estyn: Learners benefit from shaping their education
<http://www.estyn.gov.wales/news/learners-benefit-shaping-their-education>
- 2 Horizon Scanning – UK Commission for Employment & Skills (UKCES) -
<https://www.gov.uk/government/organisations/uk-commission-for-employment-and-skills>
- 3 Colleges in their Community

<http://shop.niace.org.uk/colleges-in-their-communities.html>

- 4 It's about work... Excellent adult vocational teaching and learning
<http://cavtl.excellencegateway.org.uk/commission-news/its-about-work>

5. Financial strategy and Audit

- 1 Further Education Audit Code of Practice 15 March 2015
<http://gov.wales/topics/educationandskills/publications/guidance/furthereducation-audit-code-of-practice/?lang=en>
- 2 Financial Memorandum, DfES, Welsh Government
<http://gov.wales/docs/dcells/publications/150306-financial-memorandum-en>
- 3 Acquisitions
<https://www.gov.uk/government/publications/governance-in-multiacademy-trusts>
- 4 Subcontracting – SFA Advice
<https://www.gov.uk/government/collections/sfa-subcontracting-using-funding-to-offer-education-and-training>
- 5 Mides, AoC benchmarking
<https://www.aoc.co.uk/governors%E2%80%99-use-data-and-the-mides-online-benchmarking-tool>
- 6 Ofsted Data Dashboards
<http://dashboard.ofsted.gov.uk/>
- 7 DfE Financial Dashboards

6. Equality and diversity

- 1 Equality and Human Rights Commission
<http://www.equalityhumanrights.com/legal-and-policy/legislation/equality-act-2010/equality-act-codes-practice-and-technical-guidance>
- 2 Women's Leadership Network
<http://www.wlnfe.org/>
- 3 Network of Black and Asian Professionals
<http://www.nbp.org.uk/>
- 4 Violence Against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015
<http://www.legislation.gov.uk/anaw/2015/3/contents/enacted>

7. Effective governance

- 1 The FHE Bill 2013
<http://www.senedd.assembly.wales/documents/s500001701/Bill%20as%20passed.pdf>
- 2 The nature of FE governance has been subject to two government-led enquiries: The Review of Governance Arrangements of FE Institutions in Wales by John Griffiths AM published in 2010.5
<http://dera.ioe.ac.uk/3726/1/110526stakeholdreviewen.pdf>

The Humphreys Review published in June 2011

<http://gov.wales/topics/educationandskills/publications/wagreviews/fegovreview/?lang=en>

- 3 Further and Higher Education (Governance and Information) (Wales) Act 2014
<http://www.senedd.assembly.wales/mglIssueHistoryHome.aspx?IId=6429>
- 4 Board Reviews
<https://www.aoc.co.uk/sites/default/files/Board%20self%20evaluation.pdf>
- 5 Remuneration of Governors: Charities Commission Advice
<https://www.gov.uk/guidance/payments-to-charity-trustees-what-the-rules-are>
- 6 Research and Development: Education Training Foundation
<http://www.et-foundation.co.uk/>
- 7 All matters to do with Governance AoC: College Governance:
<http://www.aoc.co.uk/term/governance>

Further Education Audit Code of Practice [Further Education (Audit) Code of Practice]

This section was taken from the Welsh Government. Please refer to:
<https://gov.wales/sites/default/files/publications/2018-02/further-education-audit-code-of-practice.pdf>



Llywodraeth Cymru
Welsh Government

Further education audit Code of Practice

Codes of Practice

Codes of Practice document no: 008/2015

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www.gov.wales

Further education audit Code of Practice

Audience	Further education institutions and their stakeholders.
Overview	This document sets out the Welsh Government’s mandatory requirements in relation to further education institutions’ audit arrangements, which represent conditions of funding under the Welsh Government’s Financial Memorandum with further education institutions, and provides guidance on good practice, effective from the 1 August 2014.
Action required	None – for information only.
Further information	<p>Enquiries about this document should be directed to:</p> <p>Post-16 Policy Branch Department for Education and Skills Welsh Government Rhodfa Padarn Llanbadarn Fawr Aberystwyth Ceredigion SY23 3UR e-mail: post16policybranch@wales.gsi.gov.uk</p> <p>All enquiries for Provider of Audit and Governance Services (PAGS) should also be directed to the e-mail address above.</p>
Additional copies	This document can be accessed from the Welsh Government’s website at www.wales.gov.uk/educationandskills



Glossary of terms

Designated Officer	Principal of the Institution
DFES	Department for Education and Skills
Governing Body	Corporation Board [has the meaning given by section 90(1) of the Further and Higher Education Act 1992, but subject to any provision made by virtue of section 90(2) of that Act.]
HEFCW	Higher Education Funding Council for Wales
Institutions	Institutions conducted by further education corporation, designated institutions within the meaning of section 28(4) of the Further and Higher Education Act 1992 and colleges that are wholly owned subsidiaries of institutions within the higher education sector as defined in section 91 of the Further and Higher Education Act 1992
Internal Control System	<p>The whole network of systems established in an organisation to provide reasonable assurance that organisational objectives will be achieved, with particular reference to:</p> <ol style="list-style-type: none">the effectiveness of operations;the economical and efficient use of resources;compliance with applicable policies, procedures, laws and regulations;the safeguarding of assets and interests from losses of all kinds, including those arising from fraud, irregularity and corruption;the integrity and reliability of information, accounts and data.
IPPF	International Professional Practices Framework
ISA	International standards of Auditing issued by the International Auditing and Assurance Standards Board (IAASB)
PAGS	Provider Assurance and Governance Service
Principal	Principal, Chief Executive or equivalent
PSIAS	Public Sector Internal Audit Standards
SFA	Skills Funding Agency
SFC	Scottish Funding Council

WAO

Wales Audit Office

WG

Welsh Government

1. Introduction

1.1 The Audit Code of Practice (the Code), sets out the Welsh Government's mandatory requirements in relation to Institutions' (including Further Education institutions, colleges that are wholly owned subsidiaries of a Higher Education institution and designated Institutions) audit arrangements, which represent conditions of funding under the Welsh Government's Financial Memorandum with institutions and provides guidance on good practice for their Audit Committees and their external and internal auditors. The Code also sets out the role and responsibilities of the Welsh Government's Provider Assurance and Governance Service (PAGS) in relation to institutions and other Providers of Education and Training.

1.2 The primary purpose of this framework for audit is to provide the Additional Accounting Officer of the Department for Education and Skills (DfES), as Accounting Officer for public funding received by providers of education and training providers, with independent assurance that the providers have established appropriate arrangements for internal control to ensure that the requirements of the Welsh Government's Financial Memorandum are satisfied.

1.3 Within the Code, 'must' and 'will' denote mandatory requirements and 'should' denotes the Welsh Government's view of good practice which it will look to providers to follow. The list of mandatory requirements for institutions is provided at Annex A.

1.4 The Code is primarily for the use of institutions' governing bodies, Audit Committees, internal and external auditors and senior management. The Code should be read in conjunction with any relevant publications by the Auditing Practices Board and Public Sector Internal Audit Standards (PSIAS) in relation to internal audit. More detailed advice on any aspect of the Code is available from the PAGS.

1.5 The Code is not intended to be a manual. Internal and External Audit services should develop their own audit manuals which detail specific arrangements and procedures for audit related matters.

1.6 It may be necessary, from time to time, for the Code to be updated. The Welsh Government intends to keep the operation of the Code under review and will consult interested parties before making any significant amendments.

1.7 A Glossary of Terms used throughout this Code can be found at the beginning of the document.

Further education institutions

1.8 Institutions are responsible for ensuring that funds from the Welsh Government are used only in accordance with the Learning and Skills Act 2000 (the Act), their Financial Memorandum with the Welsh Government and any other conditions which the Welsh Government may from time to time prescribe. Institutions must ensure that they have in place appropriate risk management, control and governance processes sufficient to safeguard public funds and ensure that they are only used in accordance with the conditions under which they have been made available. In addition, institutions are responsible for securing the economic, efficient and effective management of their resources and expenditure.

1.9 Where an institution receives funds from both the Welsh Government and the Higher Education Funding Council for Wales (HEFCW), the Code which will apply will be that derived from the body providing the greater proportion of funds to the institution. In this Code, references to funds received from the Welsh

Government should also be taken to include any funds received from the HEFCW.

1.10 Institutions must keep proper accounts and accounting records and provide, in respect of each financial year, financial statements prepared in accordance with approved Sector Accounting Policies and any relevant legislation. Institutions are required to appoint external auditors to audit the financial statements in accordance with Auditing Standards and Guidelines and this Code as it relates to external audit.

2. The role of audit in the further education sector in Wales

Elements of audit

2.1 Institutions are required to have adequate risk management, control and governance arrangements to ensure public funds are safeguarded and used for the purposes for which they are provided. The institution is also required to have an effective system of internal control. The internal audit function provides the Governing Body with assurance on the institution's risk management, control and governance processes. There are two bodies to which institutions are accountable in this respect - Parliament, and the Welsh Government. Each of these bodies has established appropriate arrangements to safeguard its interests.

Parliament and National Assembly for Wales

2.2 Parliament's interest is to see that public funds are properly accounted for and are used economically, effectively and efficiently by recipients. This role is formally discharged through the work of the Committee of Public Accounts. The Government of Wales Act, 1998 provided for the appointment of an Auditor General for Wales and an Audit Committee which may take evidence on behalf of the House of Commons Public Accounts Committee if requested by that Committee. The Auditor General for Wales, head of the Wales Audit Office (WAO), is the external auditor of the Welsh Government and has the right to inspect the accounts of any institution in receipt of grant and to carry out value for money exercises. The WAO are selective in their use of inspection rights; most of the financial audit work can be undertaken at the Welsh Government. Value for money studies normally involve a sample of institutions. The Auditor General for Wales reports the results of his audit examinations to the National Assembly for Wales. His reports are considered by the Assembly's Audit Committee.

The Welsh Government

2.3 Public funds are channelled through DfES and the Principal Accounting Officer of the Welsh Government is accountable to the National Assembly for Wales and Parliament for the funds which are issued to the Welsh Government. The Principal Accounting Officer, and Additional Accounting Officer of DfES, as Accounting Officer for the public funds to the sector, must be satisfied that proper arrangements are being operated in the financial management and other controls applied by the Welsh Government to safeguard public funds and ensure that they conform with the requirements of propriety and good financial management.

2.4 In order to obtain this assurance, the PAGS may periodically assess the internal management controls of institutions. The PAGS will seek to achieve this in the most efficient way for example through reliance on the work of institutions ' own internal and external auditors.

Further education institutions

2.5 The Governing Body of an institution is responsible for ensuring that funds from the Welsh Government are used only in accordance with the Learning and Skills Act 2000, the Financial Memorandum and any other conditions as prescribed by the Welsh Government from time to time. It is also responsible for ensuring that the financial and management controls established by the institution are sufficient to safeguard funds from the Welsh Government.

2.6 The Governing Body will require the Principal to take personal responsibility, as accounting officer, which may not be delegated, to assure them that there is compliance with the terms and conditions of the Financial Memorandum. The Principal may be required to appear before the Committee of Public Accounts or National Assembly Audit Committee on matters relating to grant paid to the institution.

2.7 Details of the Internal and External audit arrangements for institutions are set out in sections 4 and 5. The Governing Body should not appoint the same external provider to provide the institution with the internal and external audit service.

Irregularities including fraud and corruption

2.8 An institution's management has responsibility for managing the risk of irregularity, including fraud and corruption. To discharge this responsibility, management must ensure that an adequate system of risk management, control and governance is established, this should include a comprehensive anti-fraud policy and response plan, approved by the Audit Committee. The Principal must inform, without delay, the Welsh Government Additional Accounting Officer, the Chair of the institution's Audit Committee and the Chair of the institution's Governing Body, of any serious weakness, significant fraud or major accounting breakdown.

2.9 The internal auditor should be informed of all suspected or detected fraud to enable the adequacy of the relevant controls and any impact on the opinion on risk management, control and governance to be considered. Internal Audit, in the planning and conduct of all its work should be alert to risks and exposures which might give rise to the possibility of irregularities. All irregularities must be reported, immediately to the Principal, who must immediately (subject to the provisions of the Proceeds of Crime Act 2002) inform the PAGS of serious weaknesses, significant frauds or major accounting breakdowns.

2.10 In this Code, a serious weakness includes one that has resulted in an attempted, suspected or actual significant fraud or irregularity. Significant fraud is usually where one or more of the following applies:

- a. the particulars of the fraud are novel, unusual or complex; or

- b. there is likely to be public interest because of the nature of the fraud or the people involved.

There may be circumstances that do not fit this definition. In these cases institutions should seek advice or clarification from the PAGS.

2.11 The CIPFA publication 'A Handbook for Audit Committee Members in Further and Higher Education' provides further guidance on the role of audit in the Further Education Sector.

3. Audit Committees in further education institutions

3.1 The Governing Body of an institution must ensure that its responsibilities for proper financial management, for the effectiveness of the risk management, control and governance systems and for the economy, efficiency and effectiveness of the institution's activities, have been properly discharged. To ensure that its responsibilities are met, the Financial Memorandum requires the Governing Body to establish an Audit Committee. An effective Audit Committee, independent of executive management, with sufficient authority, can provide the Governing Body with impartial and authoritative advice on audit related matters.

3.2 The Audit Committee must be formally constituted to ensure that its relationship with the Governing Body, to whom it is accountable, is clear. It must be given written terms of reference, set for it by the Governing Body, which deal adequately with its membership, authority and duties. The duties of the Audit Committee will have to be determined in light of the institution's needs but should normally include those described in the model terms of reference provided at Annex B.

3.3 The Audit Committee must be properly constituted, appointed and given sufficient authority and resources by the Governing Body. The Governing Body should make funds available to the Audit Committee to take independent advice when the Audit Committee reasonably believes it is necessary to do so. It must have the right to obtain all the information it considers necessary and to consult directly with the internal and external auditors. The Committee must be advisory and must report directly to the Governing Body.

Membership of the Audit Committee

3.4 The Audit Committee must consist of at least three members and the Committee should be able to co-opt members with particular expertise. A co-opted member of the Audit Committee must not be appointed as its Chair, since the Chair has to be able to attend, as of right, all meetings of the Governing Body. Subject to this, co-opted members must be treated as having the same status on the Audit Committee as full Governing Body members.

3.5 At least one member should have recent and relevant financial experience, but membership should not be drawn exclusively from people with such a background. The Chair of the Governing Body should not be a member of the Audit Committee. In order to ensure independence and objectivity, members must not be members of the Finance Committee or its equivalent, or be a student governor. The Articles of Government for institutions permit employees of the corporation, excluding those in senior posts to be included in the membership. This is a matter for Governing Bodies to determine, however, they should have regard to any potential conflicts of interest that may exist. Where employees are appointed, a clear mechanism must be established for dealing with conflicts

of interest as they arise. All members of the Audit Committee should act in the interests of the whole organisation rather than their specific business area.

3.6 The Governing Body should assess the training required to meet its own needs and those of its subcommittees and should establish a programme of training to meet those needs, including an induction programme for Audit Committee members.

3.7 Further advice on any aspect of Audit Committee membership is available from the PAGS.

Proceedings of the Audit Committee

3.8 The Audit Committee should be given maximum discretion to determine its proceedings, within the terms of reference approved by the Governing Body. The Audit Committee must meet at least three times per academic year to ensure that sufficient time is available to cover all of the routine areas of business. The timing and content of the meetings should follow, as far as possible, the planning and reporting cycles of internal and external audit. The Audit Committee has the right, whenever it is satisfied that it is appropriate, to go into confidential session and exclude any or all participants and observers.

3.9 The internal auditor and the Director of Finance or representative should normally attend Audit Committee meetings. Other staff should also be invited to attend as appropriate, where their area of responsibility is under consideration. The external auditor should normally attend any meetings where business relevant to them is being considered. Both the internal and external auditor must have the right of direct access to the Chair of the Audit Committee and also the right to require the Chair to convene a meeting, if necessary.

3.10 The Clerk to the Governing Body should normally be the Clerk to the Audit Committee. In some circumstances it may be appropriate to appoint an alternative independent officer. Where the Clerk has significant responsibilities at senior management level within the institution, the Governing Body should consider whether the independence of the Clerk's position is compromised and whether the role should be transferred to someone else or whether sufficient safeguards can be built into existing arrangements. If doubt exists as to the appropriateness of the Clerk having other responsibilities this should be queried with PAGS.

3.11 The Audit Committee must have explicit authority to investigate any matters within its terms of reference and full access to information and personnel.

3.12 The Audit Committee is responsible for establishing effective audit arrangements for the institution and these should include:

- a) advising the Governing Body on the scope of audit coverage;
- b) reviewing the institution's mechanisms for the assessment and management of risk;
- c) reviewing assurance mechanisms for ensuring compliance with the institution's corporate governance requirements;
- d) consideration of significant audit findings, conclusions and opinions;
- e) monitoring of responses to all audit recommendations, to ensure effective action is taken;
- f) monitoring the performance of the institution's auditors; and
- g) consideration and approval of the institution's strategy for value for money initiatives.

Further guidance on the duties of the Audit Committee is provided at Annex B.

3.13 Where the scope of internal audit coverage is restricted, or audit recommendations are not implemented, the Audit Committee should expressly consider the risks involved and how this affects the assurance to the Governing Body on the institution's risk management, control and governance processes.

3.14 The work of the Audit Committee should inform the Governing Body's assessment of the effectiveness of its systems of risk management, control and governance. This will have particular relevance to the statement of Governors' responsibilities in the statutory accounts and to the Corporate Governance statement. The Audit Committee's annual report should therefore be considered by the Governing Body prior to the signature of the statutory accounts to ensure consistency.

3.15 The Audit Committee must produce an annual report to the Governing Body. This must provide the Audit Committee's opinion, drawing on the work of internal and external audit and any other work conducted during the year, on the extent to which the Governing Body, in discharging its responsibilities, may rely on the institution's risk management, control and governance processes. The report should also record the work of the Committee, including a review of:

- a) the external auditors' Management Letter and Communication with Those Charged with Governance;
- b) the internal auditors' annual report; and
- c) value for money exercises and any PAGS or other relevant work conducted during the year.

3.16 The report should highlight significant weaknesses identified and also any key issues for the institution arising out of its activity over the year. Further guidance on the content of the Audit Committee annual report is set out in Annex C. A copy of the annual report must be submitted, without delay, to the PAGS and include the internal audit annual report as an attachment. The Audit Committee's annual report should be submitted to the Governing

Body before the members' responsibility statement, the Corporate Governance statement in the annual financial statements are signed.

3.17 The Audit Committee should establish appropriate performance measures for internal and external audit and monitor their performance annually. The review should form the basis of the recommendation to the Governing Body for the annual reappointment of the external auditors. Guidance on suitable performance measures is set out in Annex D.

3.18 The Audit Committee should review annually its terms of reference and its own effectiveness and recommend any necessary changes to the Governing Body.

4. Internal audit arrangements in further education institutions

4.1 The prime responsibility of the internal audit function is to provide the Governing Body, Principal and line management, with assurance on the adequacy and effectiveness of the institution's risk management, control and governance processes. Responsibility for the operation of these processes rests fully with line management.

4.2 An institution must ensure that it has sound systems of risk management, control and governance. These comprise the policies, procedures and operations in place to:

- a) establish and monitor the achievement of the institution's objectives;
- b) identify, assess and manage the risks to achieving the institution's objectives;
- c) advise on, formulate, and evaluate policy, within the responsibilities of the Principal and the Governing Body;
- d) ensure adherence to management's policies and directives and compliance with other relevant procedures, behavioural and ethical expectations, legislation and regulations;
- e) ensure the economical, efficient and effective use of resources;
- f) safeguard the institution's assets and interests from losses of all kinds, including those arising from fraud, irregularity or corruption; and
- g) ensure the integrity and reliability of accounting records, other information and data including internal and external reporting and accountability processes.

Role and scope

4.3 The scope of the internal audit service must embrace all of the risk management, control and governance processes of the institution covering all of its activities, including those not funded by the Welsh Government. However, audit strategies will be developed on a risk basis to cover those areas deemed as a priority for coverage, in agreement with the Audit Committee of the institution.

4.4 The primary responsibility of internal audit is to provide assurance to the institution's Principal and Governing Body on the adequacy and effectiveness of risk management, control and governance processes in operation at the institution.

4.5 As an integral part of its responsibility to evaluate the control system, internal audit will examine the controls established by management to secure value for money. In addition to this, the Audit Committee may consider it appropriate to use the services of the internal auditors to undertake specific value for money studies. The use of internal audit resources in this way should be included in the audit strategy and in the plans derived therefrom, to ensure that an adequate basis exists for the provision of assurance on the adequacy and effectiveness of governance, risk management and internal control processes.

4.6 Internal audit should be alert in all their work to risks and exposures that allow irregularity, fraud and corruption, although the primary responsibility for prevention and detection rests with management, who should establish adequate and effective systems of risk management, control and governance. The internal auditor should be informed of all suspected or detected fraud to enable the adequacy of the relevant controls and any impact on the opinion on risk management, control and governance to be considered.

Terms of reference

4.7 The internal audit service should have formal terms of reference agreed by the Governing Body, on the recommendation of the Audit Committee. An illustrative model terms of reference is set out in Annex E. These terms of reference should form part of any contract or engagement letter for the provision of internal audit services.

4.8 The operation and conduct of the institution's internal audit service must be in accordance with IIA International Professional Practices Framework (IPPF) which includes Code of Ethics and International Audit Standards. Where the internal auditor considers that compliance with the IPPF is not appropriate for any reason, the departure must be approved in advance by the Audit Committee and must be reported, in advance, to the PAGS.

Independence and status

4.9 Independence is fundamental to the effectiveness of internal audit. Accordingly, internal auditors must avoid any official, professional and personal relationships or interests which might cause them to limit the extent and character of their audit. Internal audit must determine its own priorities, within plans prepared after consultation with senior management and these must be approved by the Governing Body, on the recommendation of the Audit Committee. If internal audit is called upon to carry out specific investigations, such reviews must not compromise its objectivity, independence or achievement of the audit plan.

4.10 Internal audit must be a separate function from the management of the institution and must not have any management or executive responsibilities other than for internal audit. For day-to-day administrative purposes, the internal audit service will be responsible to a senior officer within the institution. In selecting this officer regard should be had to the potential for conflicts of interest and arrangements should be established to safeguard the auditor in this respect.

4.11 To be effective, internal audit should have sufficient status and be seen to have respect and support within the institution. The internal auditor must have direct access to the institution's Principal and to the Governing Body, normally through the Chair of the Audit

Committee. The internal auditor must also have unrestricted access to all records, assets, personnel and premises, and be authorised to obtain such information and explanations as they consider necessary.

Approach

4.12 Internal audit should adopt a risk based strategy. Internal auditors may, in addition to their core role of providing assurance, undertake work of an advisory nature to assist management to improve the risk management, control and governance processes. The provision of an opinion is not required in these situations.

4.13 The prime objective of the audit is to evaluate the effectiveness of the risk management, disclosing weaknesses and non-effectiveness, over control and poor value for money. To achieve this, the internal auditor should:

- a) identify and record objectives, risks and controls;
- b) establish the congruence of the objectives with higher level corporate objectives;
- c) evaluate management's risk analysis, taking account of their acceptance of specific risks;
- d) evaluate the controls in principle to decide whether or not they are appropriate and can be reasonably relied upon to achieve their purpose;
- e) identify any instances of over-control;
- f) evaluate the impact of any decision by management to accept risks rather than transfer or treat them;
- g) determine an appropriate strategy to test the effectiveness of risk management and controls;
- h) arrive at conclusions and report, making recommendations as necessary and providing an opinion on the effectiveness of risk management and control in the audited area.
- i) ascertain whether systems and controls are working to achieve the most economic, efficient and effective use of resources;
- j) draw attention to uneconomical or otherwise unsatisfactory performance arising from management's decisions, practices or policies; and
- k) liaise with external auditors and with the PAGS.

4.14 This approach enables the internal auditor to reach the conclusions necessary to form an opinion on the adequacy and effectiveness of the risk management, control and governance processes within the institution. The degree of control should be related to the risks involved and it is management's responsibility, under the oversight of the Governing Body, to exercise judgement in establishing the balance between risk and control.

Planning

4.15 The work of the internal auditor should be planned for each individual audit assignment and should be agreed with the institution before the audit commences.

4.16 Each internal audit cycle should start with a formal assessment of the institution's audit needs. This assessment must be used to develop an audit strategy which should include:

- a) identification of all areas for review using the institution's objectives and risk assessment as a primary resource. The strategy must include any risk which the internal auditor considers to be material to the institution's risk management control and governance, even if it is not included in managements risk priorities.;
- b) provision for systematic review of how effectively the institution's risks are managed by its policies, procedures and operations;
- c) establishment of the resources and skills required for the delivery of the audit strategy;
- d) identification of the audit techniques selected as most effective for delivery of the audit objectives; and
- e) provision for consideration, at least annually of the institution's risk management framework.

The internal and external auditors should liaise at the planning stage, to ensure that duplication of work is avoided and that it is clear where external audit intend to place reliance on the work of internal audit.

4.17 Internal audit should prepare periodic work plans designed to implement the audit strategy. The periodic plans should set out the assignments to be completed in the period, establishing broad resource and skills requirements and setting relative priorities for each assignment.

4.18 It is the responsibility of the Audit Committee, on the advice of the internal auditor, to make recommendations to the Governing Body regarding the level of audit coverage and corresponding expenditure on internal audit, having regard to the assessment of audit risk.

4.19 The audit strategy and periodic work plans must be approved by the Governing Body, on the recommendation of the Audit Committee. Any significant restriction of the level of audit coverage and the associated risk should be drawn to the attention of the Principal and the Governing Body and notified to PAGS.

Reporting

4.20 Internal audit reporting arrangements should be determined by the Governing Body, on the advice of its Audit Committee and should safeguard the independence and objectivity of the internal auditor.

4.21 At the conclusion of each audit assignment, the internal auditor should provide a report to management. This sets out the findings and recommendations arising and, for all risk based audits, expresses an opinion on the adequacy and effectiveness of risk management, control and governance for the area examined.

4.22 The internal auditor must produce an annual report. The report should be for the institution's accounting period and should be submitted in time to inform the preparation of the Audit Committee's annual report and the Governing Body's Corporate Governance statement. The report must be addressed to the Governing Body and Principal and be considered by the Audit Committee. As a minimum it must include the internal audit assessment of the adequacy, and effectiveness of the institution's risk management, control and governance processes. This opinion should be placed in its proper context - that is, the work undertaken has been based on the audit strategy and on the work carried out in the year, as well as incorporating the results of audits in previous years. If newly appointed, the Head of Internal Audit should take into account the work and opinions of the previous internal audit service. Further guidance on the content of the annual report is given in Annex H.

Standards

4.23 The operation and conduct of the internal audit service must comply with IIA International Professional Practices Framework (IPPF) (subject to the provisions of paragraph 4.10 of the Code) and guidance from relevant professional auditing and accountancy bodies and any additional guidance which may be issued by the Welsh Government from time to time.

Provision of service

4.24 There are a number of ways of procuring an internal audit service, these are as follows:

- a) appoint an 'in-house' team. This may also be supplemented, from time to time, with external consultants or contractors, under the direction of the internal auditor, to meet any peaks in workload or provide specialist skills; or
- b) contract with an external provider. Where an external provider is contracted to deliver internal audit services, this will preclude the provider from delivering external audit

services. This requirement is necessary to enable the objective review of internal audit by external audit.

- i. Institutions may choose to form a consortium with one or more other institutions as the basis for procuring internal audit services. Consortia may be organised on an 'in-house' basis, be contracted to an external provider or as a mixture of the two.
- ii. It is for each institution, advised by its Audit Committee, to establish which method is the most suitable and cost effective way of obtaining an internal audit service. Whatever method is adopted, institutions should consider market testing the internal audit services at least every five years. Guidance is provided in Annex J.

Quality measurement

4.27 The Audit Committee should implement measures whereby the effectiveness of the service can be monitored on an ongoing basis. In addition, in order to discharge their responsibility for assessing the performance of internal audit, the Audit Committee should review the effectiveness of internal audit and its compliance with relevant policies and standards. The Audit Committee should consider the performance measures used by internal audit. The external auditor should indicate the extent to which it has been able to rely on the work of the internal auditor and also draw the attention of the Principal and Audit Committee to any significant weaknesses in their operation noted during the course of their work. The Audit Committee should use this information to contribute towards their annual assessment of the performance of the internal audit service.

Change of internal audit service

4.28 Incoming auditors should take into account relevant audit documentation, work and opinions of the previous auditor in the preparation of the audit strategy, periodic audit plans and annual report. Institutions should also consider making arrangements for the incoming auditors to meet with the outgoing auditors. For institutions whose internal audit is provided on a contract basis, such arrangements should be included in the contract.

4.29 Where internal audit is provided on a contract basis, a fixed term of contract should be agreed and market testing at the expiry of the term should be considered. In the event of a change of auditors, institutions should ensure that there is no gap in provision.

4.30 Where possible, a change in internal auditors should be planned to coincide with the completion of a cycle of work and the submission of an annual report to the Audit Committee.

Removal or resignation of auditors

4.31 The Governing Body (or other body responsible for the appointment of auditors) may by resolution remove the internal auditors before the end of their term of office in the event of serious shortcomings being identified.

4.32 Where the internal auditors cease to hold office for any reason, they should provide the Governing Body with a statement of any circumstances connected with their removal or resignation which they consider should be brought to the Governing Body's attention. The internal auditors may also requisition a special meeting of the Governing Body to consider the statement and make representations.

4.33 The Governing Body must inform the PAGES immediately of the removal or resignation of the internal auditors. In addition, the PAGES must be sent a copy of any statement provided to the Governing Body by the outgoing auditors.

Restriction of auditors' liability

4.34 Where the internal audit service is provided through a contractual arrangement with an external provider, the provider may ask the institution to agree to a restriction in the auditors' liability arising from any default by the auditors. Governing bodies are not prohibited from accepting a restriction in liability, so long as they take into account the risks and potential consequences of any loss suffered as a result of negligence, the level of professional indemnity held and the wider interest of the institution's responsibility for public funds, as set out in the Financial Memorandum. The Governing Body, advised by the Audit Committee, must consider and approve such a request for a liability restriction.

Fraud and irregularity

4.35 Internal audit should be alert in all their work to risks and weaknesses in control that allow irregularity, fraud and corruption to occur. The primary responsibility for prevention and detection rests with management, who must establish adequate and effective systems of risk management, control and governance. The internal auditor should be informed of all suspected or detected fraud to enable the adequacy of the relevant controls and any impact on the opinion on risk management, control and governance to be considered.

Relationships with other auditors

4.36 The internal auditors should liaise with the institution's external auditors and the PAGES to enhance the level of service provided to the institution. External audit should seek to place reliance on the work of Internal Audit where appropriate.

4.37 Copies of internal audit reports should be provided, as a matter of course, to the external auditors. The internal auditors should also receive copies of the external auditors' Management Letter and Communication with Those Charged with Governance and any other relevant reports produced by other agencies for the institution.

4.38 Where institutions are categorised by the Welsh Government as unsatisfactory (Category D) for financial health purposes, copies of internal audit reports, including action plans of how the institution will address the issues raised in that report, must be sent to the PAGES.

4.39 The PAGES must be allowed unrestricted access to the work of the internal and external auditors. This must be stipulated in the engagement letters of both the internal audit service and the external auditor.

5. External audit arrangements in further education institutions

Role of external audit

5.1 The primary role of external audit is to report on the financial statements of institutions and to carry out such an examination of the financial statements and underlying records and control systems as is necessary to form an opinion on the statements. The report must state whether funding received from the Welsh Government (and other bodies and restricted funds where appropriate) has been properly applied for the purpose provided and in accordance with the Financial Memorandum. External auditors should have regard to the arrangements for securing economy, efficiency and effectiveness during the course of their work. However, no additional external audit work on the existence of arrangements to secure value for money is specifically required, although this may be undertaken at the request of a Governing Body.

5.2 Governing bodies may also request the external auditor to carry out work relating to the corporate governance statement. Where this is the case the external auditor's opinion should clearly state the scope of the work in this area.

Qualification of external auditors

5.3 Institutions must ensure that their auditors are eligible for appointment as external auditors and registered with the appropriate professional body. The Welsh Government has determined in devising this Code that the criteria for eligibility as external auditors of further education institutions should match those set in statute for higher education institutions (Schedule 7 of the Education Reform Act 1988). These are that the auditor must be:

- a) an individual, or firm, eligible for appointment as a company auditor under part 42 of the Companies Act 2006;
- b) a member of the Chartered Institute of Public Finance and Accountancy; or (c) a firm each of the members of which is a member of that institute.

Selection criteria and procedures

5.4 Unless an institution's constitution prescribes otherwise, the Governing Body is responsible for appointing the external auditors. Selection criteria and procedures should be determined in advance of receiving proposals and should be endorsed by the Audit Committee. Further guidance on market testing is given in Annex J.

5.5 The respective duties of an institution and its external auditors should be presented clearly, in agreed terms of reference, in the letter of engagement.

Letter of engagement

5.6 The institution must send a copy of the letter of engagement and any subsequent changes to it, to the PAGES immediately on appointment, if the letter departs in any material way from ISA210 and the example paragraphs at Annex I.

Additional services

5.7 Whether or not the external auditors provide additional services, beyond the scope of the statutory audit, is generally a matter for the institution. However, any additional work must not impair the independence of the external auditor. An institution should agree precise requirements with the auditors and the Audit Committee should be invited to consider the extent and nature of the work to be undertaken. In order to provide a basis on which to judge the relationship between an institution and its external auditors, the institution must disclose separately, by way of a note to its financial statements, the fees paid to its external auditors for other services.

5.8 Where an external provider is contracted to provide the external audit service, this precludes that provider from also providing the internal audit service.

Reporting arrangements

5.9 As part of the audit of institutions' financial statements, the external auditors must report to the institution by way of a Management Letter and Communication with Those Charged with Governance, highlighting any significant matters arising from the audit. These documents, together with management responses, should be made available to the institution's Audit Committee in time to inform the drafting of the Committee's annual report. Institutions must send final copies of their external auditors' Management Letter and Communication with Those Charged with Governance and management responses to the PAGES by the last day of December of that year. The external auditors must report serious weaknesses, significant frauds or irregularities, or any major accounting breakdown to the Chair of the Governing Body, the Chair of the Audit Committee and the Principal.

5.10 The Principal of an institution must immediately report to the Welsh Government all serious weaknesses, significant frauds or irregularities, or any major accounting breakdowns which come to light. This process is necessary to assist the Director General in fulfilling his responsibilities as Additional Accounting Officer.

Audit report

5.11 The external auditors will report in accordance with International Standards on Auditing and the guidance and example opinion set out in the latest annual Accounts Direction, including whether the financial statements present a true and fair view, funds for specific purposes have been properly applied and the degree of compliance with the Companies Act or other appropriate statutes.

5.12 External auditors will also be required to review the statement of corporate governance included within the annual financial statements and may be requested by the Governing Body to review the corporate governance statement. External auditors should make reference to this review in the financial statements in their audit opinion.

Reappointment of external auditors

5.13 Institutions should re-appoint the external auditors formally each year. The Audit Committee should assess the auditors' work each year, to ensure that the institution is receiving a service of sufficiently high standard and achieving value for money. The Committee should then make an appropriate recommendation to the Governing Body regarding the re-appointment of the auditor. Performance measures should be used as part of the assessment process. Provided that the service is satisfactory, it will not be necessary to repeat the full selection process each year, but market testing should be considered at least every five years and the length of the term of office of the assignment partner should not exceed seven continuous years.

Removal or resignation of auditors

5.14 The Governing Body may, by resolution, remove the external auditors before the end of their term of office in the event of serious shortcomings being identified.

5.15 The external auditors who have resigned, or been removed from office for reasons not connected with any tendering process, will be entitled to attend, or make representations to, the meeting of the Governing Body at which their term of office would otherwise have expired, or at which it is proposed to fill the vacancy caused by their resignation or removal. They should receive notices of the meeting, and should be heard, on any part of the business which concerns them as former auditors of the institution, at that meeting.

5.16 Where the external auditors cease to hold office for any reason, they should provide the Governing Body with a statement of any circumstances connected with their removal, which they consider should be brought to the Governing Body's attention. The auditors may also

requisition a special meeting of the Governing Body to consider the statement and make representations. These provisions are analogous to those of the Companies Acts.

5.17 The Governing Body must immediately inform the PAGES of the removal or resignation of the external auditors. In addition, the PAGES must be sent a copy of any statement provided to the Governing Body by the outgoing auditors.

5.18 In order to decide whether or not to accept the appointment, any firm proposing to take up office as external auditors should obtain the institution's permission to communicate with the outgoing auditors. Outgoing auditors should be granted permission by the institution to discuss its affairs freely with the proposed auditors and should disclose fully all information required by the proposed auditors which is relevant to the appointment. These provisions are in accordance with the ethical guidance published by the professional accountancy bodies.

Restriction of auditors' liability

5.19 Section 532 of the Companies Act 2006 prohibits any capping of the auditors' liability in respect of audit opinions on financial statements given under the Act. Institutions must not agree to any such restriction in liability.

5.20 For other types of work performed by the external auditors, the provider may ask the institution to agree to a restriction in the auditors' liability arising from any default by the auditors. Institutions are not prohibited from negotiating a restriction in liability, so long as the outcome takes into account the risks and potential consequences of any loss suffered as a result of negligence, the level of professional indemnity held and the wider interest of the institution's responsibility for public funds as set out in the Financial Memorandum. The Governing Body, advised by the Audit Committee, must consider and approve any request for a liability restriction.

Welsh Government access to external auditors

5.21 On occasion, the PAGES may wish to meet with institutions' external auditors. Access must not be limited in any way by the institution. Formal discussions with the external auditors will normally be arranged through the institution's Principal or representative. The PAGES will exchange letters where necessary with both parties which deal with confidentiality and the terms under which access is given.

Audit arrangements for the Welsh Government

DfES monitoring arrangements

6.1 Public funds are channelled through DFES and the Principal Accounting Officer of the Welsh Government is accountable to the National Assembly for Wales and Parliament for the funds which are issued to the Welsh Government.

6.2 The Principal Accounting Officer, and Additional Accounting Officer of DfES, as Accounting Officer for the public funds to the sector, must be satisfied that proper arrangements are being operated in the financial management and other controls applied by the Welsh Government to safeguard public funds and ensure that they conform with the requirements of propriety and good financial management.

Role and scope

6.3 The PAGES is responsible for evaluating the risk management, control and governance processes, of institutions funded by the Welsh Government and giving assurance, to the Director General of DfES on those internal control arrangements. This is normally completed by evaluating the annual returns but may include visits to assess internal control arrangements.

6.4 The PAGES has no executive role nor does it have any responsibility for the development, implementation or operation of systems. It may, however, provide advice on risk, control and governance and related matters, subject to the need to maintain objectivity.

6.5 All institutions receiving funding from DfES fall within the scope of PAGES review. Rights of access to undertake examination of financial and management controls are provided for in the Financial Memorandum between the Welsh Government and each institution.

Access

6.6 The Head of the PAGES has a direct right of access to the Additional Accounting Officer of DFES, as Accounting Officer for the public funds to the sector.

6.7 The PAGES has access to all records, information and assets of each institution funded by the Department and can require any officer to give any explanation which it considers necessary to fulfil its responsibilities.

Reporting

6.8 The Head of the PAGES will directly submit an annual report to the Director General of DfES. This report will include an assessment of the adequacy and effectiveness of the sector's risk management, control and governance processes based on the review of the returns and any other work conducted.

Standards

6.9 The operation and conduct of the PAGES should conform to PSIAS. The PAGES should also have regard to relevant guidance provided by professional auditing and accountancy bodies.

Liaison

6.10 The PAGES will liaise, where appropriate, with the Wales Audit Office, the Welsh Government internal audit service, institutions' internal and external auditors, the Skills Funding Agency (SFA), the Scottish Funding Council (SFC) and any other relevant organisation.

Annex A: Mandatory requirements for further education institutions

The following requirements within this Code are mandatory:

1. Institutions must keep proper accounts and accounting records and provide, in respect of each financial year, financial statements prepared in accordance with approved Sector Accounting Policies and any relevant legislation. Each institution must ensure their internal audit function, complies with the IIA International Professional Practices Framework (IPPF) which includes Code of Ethics and International Audit Standards.
2. Each institution must have an effective external audit function, which must produce a Management Letter and Communication with Those Charged with Governance to the Governing Body.
3. Each institution must have an effective Audit Committee, which must meet at least three times per year and produce an annual report to the Governing Body.
4. Each institution must have sound risk management, control and governance processes.
5. The internal audit service must cover the whole process of risk management, control and governance of the institution.
6. The Audit Committee of each institution, advised by its internal audit service, must satisfy itself that satisfactory procedures are in place to audit the arrangements to secure economy, efficiency and effectiveness.
7. The internal auditor must have direct access to the institution's Principal, the Chair of the Audit Committee and, if necessary, the Chair of the Governing Body. Internal auditors must also have unrestricted access to all records, assets, personnel and premises and be authorised to obtain whatever information and explanations the head of the internal audit service considers necessary.
8. DFES' Audit Service, PAGS, must have access to all records, information and assets and be able to require any officer to give any explanation which it considers necessary to fulfil its responsibilities. This includes access to any work of, and correspondence between, the internal and external auditors.
9. A copy of the Audit Committee's annual report, with the internal auditors' annual report and a copy of the external auditors' Management Letter and Communication with Those Charged with Governance, together with the institution's response, must be provided by institutions, to the PAGS, by the last day of December of that year.
10. The Principal must report without delay, to the Welsh Government Additional Accounting Officer, the Chair of the Audit Committee and the Chair of the Governing Body serious weaknesses, significant frauds or major accounting breakdowns.

11. The Governing Body must inform the PAGES, without delay, of the removal or resignation of the internal or external auditors and provide a copy of any letter of representation that they have made.
12. No member of the Audit Committee may also be a member of the Finance Committee or its equivalent or be a student governor.
13. The Governing Body must not accept any restriction of liability in respect of the external audit of the institution's financial statements.
14. Where institutions are categorised by the Welsh Government as unsatisfactory (Category D) for financial health purposes, copies of internal audit reports must be sent to the PAGES by the institution.
15. The operation and conduct of the institution's internal audit service must be in accordance with IPPF.
16. The Governing Body must not appoint the same accountancy firm to provide the institution both with the internal and external audit service.

Annex B: Model terms of reference for an Audit Committee

1 These terms of reference are provided for guidance. It is for the Governing Body of an institution to determine the terms of reference of the Audit Committee. In so doing it should have regard to this Code of Practice and, in particular, should comply with the mandatory items contained in Annex A.

Constitution and membership

2 The Governing Body will establish a Committee of the Governing Body to be known as the Audit Committee.

3 The Committee and its Chair will be appointed by the Governing Body and will consist of members with no executive responsibility for the management of the institution. There shall be not less than three members. A quorum shall be at least two members. The Chair of the Governing Body will not be a member of the Committee. The Chair of the Committee will be a member of the Governing Body. At least one member should have recent and relevant financial experience, but membership should not be drawn exclusively from people with such a background. The Committee may co-opt members with particular expertise. No member of the Committee may also be a member of the Finance Committee or its equivalent or a student at the institution (including student governors). The Principal must not be a member, but may be invited to attend meetings where the Committee deems that this is appropriate.

Authority

4 The Committee is authorised by the Governing Body to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

5 The Committee is authorised by the Governing Body to obtain independent professional advice and to secure the attendance of non-members with relevant experience and expertise if it considers this necessary.

Proceedings

6 The Committee must meet at least three times per academic year to ensure that sufficient time is available to cover all of the routine areas of business. The external or internal auditors may require a meeting if they consider it necessary. The Director of Finance (or equivalent) and the internal auditors should normally attend Audit Committee meetings, together with other staff invited to attend where appropriate. The external auditors should normally attend any meetings where business relevant to them is being discussed. However, at least once a year the Committee should meet with the institution's auditors without any officers present.

Duties

- 7 The duties of the Committee include:
- a) ensuring the institution complies with the mandatory requirements of the Code;
 - b) reviewing the institution's mechanisms for the assessment and management of risk;
 - c) reviewing the assurance mechanisms for ensuring compliance with the institution's corporate governance requirements;
 - d) advising the Governing Body on the appointment and terms of engagement of the internal auditors, the audit fee, the provision of non-audit services by the internal auditors and any question of resignation or dismissal of the internal auditors;
 - e) advising the Governing Body on whether the institution has adequate systems and procedures in place to promote economy, efficiency and effectiveness;
 - f) advising the Governing Body on the appointment and remuneration of the external auditors and the scope of their work, including any non-audit services provided and any question of resignation or dismissal, monitoring the rotation of the assignment partner in compliance with applicable United Kingdom ethical guidance, and making a recommendation on annual reappointment of the external auditors to the Governing Body;
 - g) agreeing the nature and scope of audit work;
 - h) discussing findings and conclusions arising from audits, including a review of the external auditor's Management Letter and Communication with Those Charged with Governance incorporating management responses;
 - i) considering the institution's draft annual financial statements, after review by the Finance Committee and prior to submission to the Governing Body for formal approval. This review should include specific consideration of significant accounting policies and any changes in those policies, members' responsibilities and any corporate governance statement. The Committee's view on any statement of the effectiveness of the internal control system will be provided to the Governing Body as part of the Committee's annual report;
 - j) reviewing the effectiveness of internal control systems and, in particular, to review the external auditors' Management Letter and Communication with Those Charged with Governance, the internal auditors' annual report and management responses;
 - k) reviewing and recommending to the Governing Body the internal auditor's audit strategy and the audit plan, including any changes made during the year;

- l) considering major findings of internal audit investigations and management's response;
- m) promoting co-ordination between internal and external auditors;
- n) ensuring that the resources made available for internal audit are sufficient to meet the institution's needs;
- o) monitoring the implementation of agreed audit recommendations;
- p) reviewing relevant reports from the PAGS, WAO and other organisations and monitoring the implementation of relevant recommendations;
- q) monitoring the performance and effectiveness of external and internal audit as the basis for recommendations to the Governing Body concerning their reappointment;
- r) overseeing the institution's policy on fraud and irregularity, including any action taken under that policy;
- s) reviewing the institution's whistle-blowing arrangements, i.e. the process by which staff or Governors of the institution may, in confidence, formally raise concerns;
- t) ensuring that all significant losses have been properly investigated and that the internal and external auditors and the PAGS have been fully informed of the matter; and
- u) monitoring the implementation of audit related letters and guidance.

Reporting procedures

8 The Committee will circulate the minutes of its meetings to the Governing Body and there should be an opportunity at meetings of the Governing Body to discuss matters raised by the minutes.

9 The Committee will produce an annual report which it will submit to the Governing Body, accompanied by the internal auditors' annual report, summarising the activity for the year. It will give the Committee's opinion, based on the work of internal and external audit and any other work conducted during the year, on the effectiveness of the internal control system, including risk management and governance arrangements. The report should be submitted in time to be taken into account by the Governing Body in its consideration of the members' responsibility statement in the annual financial statements. Guidance on the content of the annual report is provided in Annex C.

Clerking arrangements

10 The Clerk to the Governing Body (or other appropriate independent individual) should be the Clerk to the Audit Committee.

Annex C: Guidance on the content of an Audit Committee Annual Report

1 This Code of Practice requires each Audit Committee to produce an annual report to the Governing Body (paragraph 3.15) summarising the Audit Committee's opinion on the effectiveness of the institution's audit arrangements and its opinion on the extent to which the Governing Body can rely on the risk management, control and governance arrangements of the Institution. These opinions are drawn from the work of internal and external audit and any other work conducted during the year. This annex provides guidance on what could be included in the report.

Introduction

2 The period covered, which should specifically relate to the Audit Committee's work on the relevant financial year. However, any additional issues should be covered where appropriate, particularly if they affect the opinion.

Membership

3 Details of the names and terms of office of Audit Committee members, details of membership changes and dates thereof. Identification of the Chair, and details of the clerk to the committee.

Meetings

4 Dates of meetings and summary of members' attendance.

Terms of reference

5 If applicable, details of changes to the Audit Committee's terms of reference and their effect on the work of the committee.

Internal audit

6 Name of internal audit provider and details of any changes made or due as a result of market testing.

7 Review of the internal audit annual report (which should be attached to the audit committee annual report) including the degree of completion of planned work and consideration of and comment on the internal auditors' overall opinion on risk management, control and governance arrangements.

8 Review of the audit risk assessment and strategy as appropriate, including the number of audit days provided and details of any restrictions placed on the work of the internal auditors.

9 Review of the significant findings from audit reports and the Audit Committee's view of management responses to the findings and recommendations, and details of any significant recommendations outstanding.

External audit

10 Name of external audit provider and details of any changes made or due as a result of market testing. Audit Committee's confirmation to governing body of recommendation of annual re-appointment.

11 Review of the external auditors' Management Letter and Communication with Those Charged with Governance report (ISA 260), including significant points arising and the Audit Committee's view of management responses to the findings and recommendations.

Other work done

12 Review of the risk management strategy of the institution.

13 Other work done, which may include:

- a) A review of Audit Related Letters and management's responses;
- b) Value For Money studies and reports;
- c) special reports or investigations arising not dealt with elsewhere (for example on fraud or irregularity);
- d) review of Financial Regulations including amendments; and
- e) Issues not relevant to the reporting year, such as forthcoming events and issues relating to prior years.

Opinion

14 The audit committee's opinion on the effectiveness of the institution's audit arrangements and its opinion on the extent to which the Governing Body can rely on the risk management, control and governance arrangements of the Institution.

Annex D: Guidance on the performance indicators for internal and external audit

1 Paragraph 3.17 of this Code of Practice requires each Audit Committee to establish appropriate performance measures for internal and external audit and monitor their performance annually. The review is to form the basis of the recommendation to the Governing Body for the annual reappointment of the external auditors. This annex provides guidance on performance indicators that could be included in the list adopted.

2 An ideal set of performance measures is difficult to devise. In many cases, the most successful indicators necessarily contain a large degree of subjective opinion. Table 1 contains suggested performance measures for the internal audit service. This list is not exhaustive nor necessarily appropriate to all institutions. An appropriate set of performance measures may consist of a selection from those listed below. Each measure is given a suggested frequency of monitoring.

Table 1: Suggested Performance Measures for Internal Audit

<i>Indicator</i>	<i>Timing</i>
Cost of Service	
cost of service year-on-year	annual
external comparisons with other institutions	as possible
Planning submission of plans to the Audit Committee in time for agreement by the Governing Body at the start of year to which they relate, and in any event, before the commencement of work	annual, at time of planning
Audit Coverage	
actual days input compared to the annual plan	annual
completion of every audit assignment in the annual plan, subject to variations agreed by the Audit Committee	annual
Audit Reports fulfilment of the scope and objectives of each assignment in the annual plan	
evaluation of all systems objectives and control objectives identified for each system reviewed.	after each assignment
conformity with the Audit Code of Practice	annual

requirements, especially on the internal auditor's annual assurance given to the Governing Body and Principal

Indicator	Timing
issue of draft and final reports within the period specified in the internal audit service's terms of reference	after each assignment
performance of follow-up work within an agreed timescale following finalisation of reports	annual
Relationships evidence of co-ordination between the internal audit service and the external auditor	annual
attendance at audit committee	each audit committee meeting
senior management's opinion of the internal audit service	annual
Other results of review of the work of the internal audit service by the external auditor if they intend to rely on it	annual
results of review of the work of the internal audit service by the PAGS	as appropriate

3 Table 2 contains suggested performance measures for external audit services. As above this list is not exhaustive nor necessarily appropriate to all institutions and an appropriate set of performance measures may consist of a selection from those listed below.

Table 2: Suggested Performance Measures for External Audit

<i>Indicator</i>	<i>Timing</i>
Cost of Service cost of service	Annual
external comparisons with other institutions	as possible
Quality of Audit	
the adequacy of the work done to produce the Management Letter and Communication with Those Charged with Governance letter	Annual
the depth, impact and usefulness of recommendations in the Management Letter and Communication with Those Charged with Governance letter	Annual
Indicator	
Timing	
the degree of acceptance of recommendations and their actual implementation (this may also indicate a poor response from management)	Annual
whether any subsequent material errors within the financial statements were detected	Annual
Indicator	
Timing	
the make-up, skills and stability of the external audit team against expectations	Annual
Timeliness of Audit completion of audit work in accordance with timetable	annual
Relationships evidence of co-ordination between the internal audit service and the external auditor	annual
attendance at Audit Committee	each audit committee meeting invited to
senior management's opinion of the external auditor	annual
Other	

results of review of the work of the external auditor by as appropriate
the PAGS

Annex E: Illustrative model terms of reference for an internal audit service

Role

- 1 The role of internal audit is to provide management with independent assurance on the adequacy and effectiveness of the risk management, governance and control processes. In itself, internal audit represents a key part of an institution's internal control system, because it provides assurance on the adequacy, effectiveness and reliability of other controls in order that:
 - a the Governing Body and senior management can assess the extent to which they may rely on the whole control system; and
 - b individual managers can assess how reliable the systems and controls are, for which they are responsible.
- 2 It remains the duty of management, under the oversight of the Governing Body, not the internal auditors, to establish the system of internal controls. It is for management to determine whether to accept and implement recommendations made by the internal auditors, or alternatively, to recognise and accept the risks resulting from not taking action.

Scope

- 3 The work of the internal auditors must embrace the whole internal control system of the institution, including all its activities, funded from whatever source. The internal audit service will consider the adequacy and effectiveness of the risk management, governance and control processes in all areas. It will seek to confirm that management have taken the necessary steps to achieve these objectives. Academic audit is specifically excluded from this process.
- 4 It is not within the remit of the internal auditors to question the appropriateness of policy decisions. However, the internal auditors are required to examine the management arrangements of the institution by which such decisions are made, monitored and reviewed. The internal audit service may also conduct any special reviews requested by the Governing Body, Audit Committee or Principal, provided such reviews do not compromise their objectivity, independence or the achievement of their plan to audit the internal control system.

Planning

- 5 The work of the internal auditors should be fully planned. Plans should be prepared, which detail the work to be undertaken. These plans should be approved by the Governing Body, on the advice of the Audit Committee.

Responsibilities

- 6 The internal auditors are required to give an annual opinion to the Governing Body, through the Audit Committee, on the adequacy and effectiveness of the risk management, governance and control processes.

Standards and approach

- 7 The internal auditors' work will be performed with due professional care, in accordance with the requirements of the Code and should comply with the Auditing Guideline 'Guidance for Internal Auditors'. Internal auditors must also comply with PSIAS (subject to the provisions of paragraph 4.10 of the Code).
- 8 In achieving their objectives, the internal auditors should:
- a identify and record objectives, risks and controls;
 - b establish the congruence of the objectives with higher level corporate objectives;
 - c evaluate management's risk analysis, taking account of their acceptance of specific risks;
 - d evaluate the controls in principle to decide whether or not they are appropriate and can be reasonably relied upon to achieve their purpose;
 - e identify any instances of over-control;
 - f evaluate the impact of any decision by management to accept risks rather than transfer or treat them;
 - g determine an appropriate strategy to test the effectiveness of risk management and controls;
 - h arrive at conclusions and report, making recommendations as necessary and providing an opinion on the effectiveness of risk management and control in the audited area.
 - i ascertain whether systems and controls are working to achieve the most economic, efficient and effective use of resources;
 - j draw attention to uneconomical or otherwise unsatisfactory performance arising from management's decisions, practices or policies; and
 - k liaise with external auditors and with the PAGS.

The internal auditor should agree performance indicators with the Audit Committee and should periodically report actual performance against these.

Independence

- 9 The internal auditors will have no executive role, nor any responsibility for the development, implementation or operation of systems. The internal auditors may provide advice on control and related matters, subject to the need to maintain objectivity and subject to resource constraints.
- 10 The Audit Committee will advise the Governing Body on all matters concerning internal control. Within the institution responsibility for internal control rests fully with management, as does responsibility for implementing audit recommendations.

Access

- 11 The internal auditors have right of access to all of the institution's documents, records, information and assets, which they consider necessary to fulfil their responsibilities.
- 12 The internal auditors have a direct right of access to the Chair of the Audit Committee, the Chair of Governors and the Principal.

Reporting

- 13 The internal auditors should submit, in advance of the year, an audit plan derived from an audit strategy to the Audit Committee, for consideration and agreement. This should then be forwarded to the Governing Body for approval.
- 14 The internal auditors are accountable to the Principal and the Governing Body, through the Audit Committee, for the performance of the service. They should also report audit results to appropriate line management. The internal auditors will keep the Principal informed of audit results and draw the attention of the Audit Committee to significant findings or recommendations.
- 15 The internal auditors will report in writing, usually within one month of completion of each audit, giving an opinion on the adequacy, effectiveness and reliability of the control framework for the area reviewed and making recommendations where appropriate. Reports should be copied to the Principal and to the Audit Committee. Appropriate managers will be required to respond to each audit report, usually within one month of issue, stating their agreed action in response to the recommendations and the dates by which such action will be implemented.
- 16 The internal auditors should follow up significant recommendations within six to twelve months to confirm the status of agreed action. Significant recommendations should be reported to the Audit Committee and in the internal auditors' annual report, where the agreed action has not been taken. In addition the Audit Committee must monitor the implementation of audit recommendations by management.

- 17 The internal auditors should also submit an annual report to the Governing Body and Principal, giving an opinion on the adequacy and effectiveness of the risk management, control and governance processes within the institution.
- 18 The internal auditor's annual assurance to the Governing Body and the Principal will cover:
- a) the internal auditor's opinion on the adequacy and effectiveness of the risk management, control and governance processes within the institution and the extent to which the Governing Body can rely on it. In providing this assurance the scope of the work performed, any limitations placed on internal audit and any other factors affecting the quality of the assurance given should be clearly indicated;
 - b) details of the achieved coverage against audit plans and explanations of significant variations;
 - c) details of the extent to which the audit needs of the institution have been met;
 - d) any significant audit recommendations, which the internal auditors consider have not received adequate management attention; and
 - e) a statement confirming that the periodic audit plan has been reviewed, and concluding that either no changes are necessary or, if changes are proposed, a revised periodic audit plan should be provided and reasons for the proposed changes explained.

Irregularities including fraud and corruption

- 19 The internal auditors must report any serious weaknesses, significant fraud or major accounting breakdown identified during the course of their work to the Principal and the Audit Committee.
- 20 Management may wish to consider utilising the knowledge and experience the internal auditors have of the Institution's systems to conduct an independent investigation into an actual or suspected fraud or irregularity (subject to the provisions of the Proceeds of Crime Act 2002). Such work should not compromise planned audit work.

Liaison

- 21 The PAGS must be allowed unrestricted access to the work of the internal auditors. This must be stipulated in the engagement letter.
- 22 The internal auditors should liaise with the institution's external auditors and the PAGS to enhance the level of service provided to the institution.

Annex F: Guidance on the content of an internal audit annual report

Introduction

- 1 Paragraph 4.25 of this Code and PSIAS require the internal auditor to produce an annual report to the Governing Body and Principal giving an opinion on the adequacy and effectiveness of the risk management, control and governance processes within the institution. The annual report should include the following areas.

Internal audit planned coverage and output

- 2 This opinion should be placed in its proper context - that is the work undertaken has been based on the audit strategy and on the work carried out in the year, as well as incorporating knowledge of audits in previous years (including from a previous auditor).
- 3 The level of internal audit input (days) agreed to by the Governing Body for the year.
- 4 Details of:
 - a) the approved plan of reviews;
 - b) the type of review (systems audit, compliance audit, controls self-assessment, etc.);
 - c) the planned number of days for each review; and
 - d) the actual time against plan.

Management action on recommendations

- 5 Details of any significant audit recommendations, which internal audit considers have not received adequate management attention.

Overall assurance

- 6 Details of the factors taken into account in providing reasonable assurance to the Governing Body that there are no major weaknesses in the college's risk management, control and governance processes. These will include:
 - a) all audits undertaken during the year reported upon
 - b) any follow-up action taken in respect of audits from previous periods
 - c) any significant recommendations not accepted by management and the consequent risks
 - d) the effects of any significant changes in the college's objectives or systems
 - e) matters arising from previous reports to the Governing Body
 - f) any limitations which may have been placed on the scope of internal audit
 - g) the extent to which resource constraints may impinge on the head of the Internal Audit Service's ability to meet the full audit needs of the college
 - h) that proportion of the college's audit need has been covered to date

Opinion

- 7 The Head of Internal Audit's overall conclusion as to the adequacy and effectiveness of the college's risk management, control and governance processes to manage the achievement of the college's objectives.
- 8 The opinion expressed in the annual Internal Audit on the organisation's internal control system will form an important source of assurance for the corporate governance statement, and should highlight any issues which the internal auditor considers to be particularly relevant to the preparation of the corporate governance statement.

Performance of the internal audit service

- 9 The annual report should provide a set of internal audit performance measures (agreed with the Audit Committee), compare these with the actual performance, and provide explanatory comments as appropriate.
- 10 The report should include a statement confirming that the audit needs assessment has been reviewed, and concluding that either no changes are necessary or, if changes are proposed, that a revised audit needs assessment will be provided and reasons for the proposed changes.
- 11 Confirmation that Internal Audit have complied with the Government Internal Audit Standards (PSIAS) and the requirements of the WAG Audit Code of Practice.

The external auditors should provide an institution with a letter of engagement for each year of appointment. The letter should comply with the provisions of ISA 210 and should cover the areas set out in the example paragraphs below. The institution is required to notify the PAGS of any significant departure from ISA 210 or the paragraphs below.

Appointment and qualification

- 1 We understand that the Governing Body will consider annually the reappointment of the auditors and that a competitive selection process may be held at least every five years. Remuneration will be fixed by the Governing Body on the advice of the Audit Committee.
- 2 We confirm that we are eligible for appointment as auditors in accordance with the Part 42 of the Companies Act 2006 and as set out in Schedule 7 of the Education Reform Act 1988.

Responsibilities of the institution

- 3 We recognise that the Governing Body is responsible, on behalf of the institution, for:
 - a) establishing and maintaining a system of controls, financial and otherwise, in order to carry on the operation of the institution in an orderly and efficient manner, ensure adherence to management policies, safeguard the assets, ensure that funds have been applied for the purposes for which they were given and secure, as far as possible, the completeness and accuracy of the records;
 - b) ensuring that the institution maintains proper accounting records and for preparing financial statements that:
 - i. comply with the institution's Instrument and Articles, all statutory requirements relating to the institution's financial affairs, the Financial Memorandum, any other requirements of the Welsh Government, and any other regulations relating to the constitution and activities of the institution which are relevant to its financial affairs;
 - ii. show a true and fair view of the state of the institution's affairs at 31 July and of the income and expenditure, recognised gains and losses and cashflows of the institution for the year then ended, taking into account where relevant and appropriate all required statutory and other disclosure requirements; and
 - c) preparing other returns in accordance with Welsh Government instructions.
- 4 The institution will send copies of the audited financial statements to the Governing Body, to its Audit Committee and to the Welsh Government.

Reporting

- 5 We, as auditors:
- a) are responsible for reporting to the Governing Body on the periodic financial statements, which are laid before the Governing Body in respect of our tenure of office;
 - b) are required to provide an audit report on returns as required by Welsh Government, which should be consistent with our audit report on the institution's financial statements.
- 6 We will also report to the Governing Body whether monies, expended out of Welsh Government grants and other funds from whatever source administered by the institution for specific purposes, have been properly applied to those purposes and, if appropriate, managed in compliance with all relevant legislation.

Access

- 7 We expect to have access to the internal auditors' files and working papers. We agree to comply with any request from the PAGES, with the consent of the institution, to provide access to any relevant files and working papers obtained or prepared by us as auditors of the institution. The PAGES will exchange letters, where necessary, with both parties which deal with confidentiality and the terms under which access is given.
- 8 We shall have the right of direct access to the Chair of the Audit Committee, the right to require the Chair to convene a meeting of the Audit Committee if necessary and the right to attend Audit Committee meetings where relevant business is to be discussed.

Annual meetings

- 9 We will be entitled to attend the institution's meeting, at which its annual reports and financial statements of account are presented and to receive all notices of, and other communications relating to, such a meeting, which any member of the Governing Body is entitled to receive and to be heard at any such meeting, on any part of the business which concerns us as auditors.

Termination of appointment

- 10 In the event of serious shortcomings on our part, the Governing Body may, by resolution, remove us before the expiration of our term of office, without compensation, notwithstanding any agreement between us and the institution.

Annex H: Guidance on the process for market testing of internal and external audit

- 1 The Code recommends that institutions should consider market testing their internal and external audit services at least every five years. In this way institutions can periodically reassess whether they are obtaining value for money from their audit providers and whether there are benefits to be realised through a change.
- 2 There are a number of ways of procuring an internal audit service which would meet the requirements of the Financial Memorandum. These are:
 - a) appoint an 'in-house' team. This may also be supplemented, from time to time, with external consultants or contractors, under the direction of the internal auditor, to meet any peaks in workload or provide specialist skills; or
 - b) contract with an external provider. Where an external provider is contracted to deliver internal audit services, this will preclude the provider from delivering external audit services. This requirement is necessary to enable the objective review of internal audit by external audit.
- 3 Market testing should be conducted in accordance with institutions' financial regulations and procurement procedures. This will normally involve a competitive tendering exercise through which the institution can explore the market for such services by inviting providers to bid on the basis of a detailed contract specification.
- 4 Institutions will also need to ensure they comply with EC Procurement Directives where these apply. Guidance on how a competitive tendering exercise should be conducted is set out below.

Timing

- 5 Market testing should take place as far in advance of the start date of the contract as possible, to allow for continuity of service and to allow the new auditors sufficient time to prepare properly for their work. Contracts should normally be coterminous with the year end of the institution.

The tender process

- 6 Preparation of the contract specification is a key element in the market testing process. The specification should be clear and concise with sufficient detail to enable audit providers to assess accurately the institution's requirements. The information provided should include:
 - a) an indicative audit needs assessment, to be reviewed by the incoming internal auditor on appointment;

- b) details of the regularity framework under which the auditor would be expected to operate;
- c) details of the institution.

Only in this way can institutions ensure that bids for the contract are made on a consistent basis and are comparable. It will also ensure that contracts are not subject to excessive variations where the institution has to flex the contract to meet unplanned needs.

- 7 Preparation of the contract specification will normally require some specialist input on finance and audit issues. Therefore, it should usually involve the institution's Finance Director or equivalent.
- 8 Where the institution establishes a Review Panel to oversee the market testing process the Panel should also be involved in the preparation of the contract specification.
- 9 The Audit Committee will be responsible for overseeing the provision of audit services to the institution under its terms of reference approved by the Governing Body. Therefore, the Committee should approve the contract specification and will be more closely involved in its preparation where a review panel has not been established.
- 10 The tender documentation should also include or refer to the proposed terms of reference under which the institution will require the audit provider to operate. For external audit, this will normally be the model letter of engagement incorporating the paragraphs shown at Annex D. For internal audit this will normally be the model terms of reference shown at Annex C.
- 11 The institution's financial regulations or procurement procedures should specify how audit providers will be invited to bid. This should normally be through open advertisement or the use of a select list. Whatever the method, the Audit Committee or Review Panel should agree selection criteria that enable it to assess the appropriateness of audit providers and the quality of service on offer. In making its recommendation to the Governing Body, the Audit Committee should seek to obtain the best value for money for the institution.
- 12 Tender bids should be sought from at least three providers. A reserve list of possible providers may be earmarked. At this stage in the proceedings, the institution may invite providers to discuss the tender documents to clarify any points of uncertainty. The institution should take care to ensure that the same access is granted to all providers invited to bid.
- 13 Tender bids should be evaluated by the Review Panel or Audit Committee, against the predetermined selection criteria. This may include inviting the audit providers to make presentations of their proposals. The evaluation should be documented to provide a formal record of the process and the final selection.
- 14 The selection criteria may include, inter-alia:
 - a) qualifications including, for external audit, those set out in part 42 of the Companies Act 2006 and in Schedule 7 of the Education Reform Act 1988;

- b) experience, both general and specific to the institution. This may relate to the audit provider and individual auditors;
- c) overall price, price per audit day or price per auditor grade;
- d) perceived quality in terms of the mix of audit grades proposed;
- e) the range of services on offer, particularly specialised areas such as computer audit, contract audit and value for money work;
- f) geographical location, where there are perceived benefits from local service delivery; and
- g) specific terms, such as proposals to restrict liability.

Approval

- 15 Once a selection has been made it should be recommended to the Governing Body for acceptance and approval.

Contracts

- 16 The institution should ensure that formal contracts are signed with the appointed auditors. These contracts may be signed by the Principal, or other delegated officer, on behalf of the institution.

The PAGS

- 17 On appointment, institutions should inform the PAGS Head of Provider Assurance and Governance of their selection and provide a contact point for future dealings.
- 18 Institutions may seek advice from the PAGS on any aspects of process during any market testing exercises.
19. Following consultation with the sector, the former Further Education Funding Council issued its original guidance on the definition of *Reportable Events* to the sector in May 1999. The aim of the definition was to ensure that the Council became aware of events in a timely manner and to facilitate additional monitoring where this was deemed necessary.

20. This guidance still applies and has been reissued by the WAG in the form of an Audit Related Letter (ARL/FE/20). The detailed guidance is reproduced below :

Reportable events guidance

Without prejudice to the terms in the Financial Memorandum, the Audit Code of Practice or any other instrument which require the institution to inform the Department for Education and Skills in advance, or immediately on occurrence, of specific events which may impact on the financial position of the institution or the security of its assets, the institution is required to inform the Department for Education and Skills immediately of any event or circumstance which is expected to, or anticipated may, significantly alter the institution's financial situation.

This should include:

- a) all events or circumstances that either significantly restrict or increase the level of the institution's income or expenditure or its operations and service provision;
- b) events that significantly change the nature or delivery of provision;
- c) events that significantly change the organisation and structure of the institution;
- d) events that affect the institution's ability to produce adequate management information; and
- e) changes in the key positions listed.

"Significant" is not defined in this context as, in practice, it will vary between institutions. Designated Office Holders will be required to exercise judgement and discretion in deciding what events to report. Where there is doubt, events should be reported.

An illustrative list of events and circumstances that should be reported is provided below:

- I. changes in the positions of the Chair of Governors, Chair of Audit Committee, Principal, Director of Finance (or equivalent) and Clerk to the Governing Body. This should include situations of prolonged periods of absence.
- II. significant changes in forecast financial position and cash flow projections where these indicate a deterioration in financial position, including significant variations between actual results and forecasts.
- III. significant litigation, judgements or claims against the institution.
- IV. significant restructuring projects involving changes to staffing and/or physical infrastructure.
- V. significant estates projects or problems arising, particularly involving health and safety issues and/or unforeseen commitments.
- VI. divergence into new areas of activity.
- VII. planned self funding activities that run into deficit.
- VIII. any other events that are considered to be novel and/or contentious by their size and nature.

This list is not exhaustive.

All reportable events falling within the above criteria should be notified to:

Head of Governance and Assurance

Department for Education and Skills

Tŷ'r Afon

Bedwas Road

Bedwas

Caerphilly

The Higher Education Code of Governance [Higher Education Code of Practice]

This section was taken from the Committee of University Chairs. Please refer to:
<https://www.universitychairs.ac.uk/wp-content/uploads/2015/02/Code-Final.pdf>

The Higher Education Code of Governance

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Section 1: Introduction

Preface

Good governance is at the heart of the higher education (HE) sector in the UK, and will continue to be of the highest importance as it continues to develop. To support members of governing bodies, this HE Code of Governance (the Code) has been developed after wide consultation with CUC members and HE stakeholders.

The Code's primary audience is members of HE institution (HEI) governing bodies, and its purpose is to identify the key values and practices on which the effective governance of UK HEIs is based, in order to help deliver institutional mission and success. But achieving good governance within institutions does not rely solely on the adoption of the Code itself. Good governance requires a set of strong relationships based on mutual respect, trust and honesty to be maintained between the governing body, the Clerk to the Board, the ViceChancellor and the senior management team. By visibly adopting the Code, governing bodies demonstrate leadership and stewardship in relation to the governance of their own institutions, and in doing so help to protect institutional reputation and provide a level of assurance to key stakeholders, partners including the student community, and society more widely. The Code needs to be read alongside the governing instruments of HEIs and relevant legal and regulatory requirements that, so far as possible, are not repeated in the Code itself. As the expectations of governance change, this Code itself will be reviewed regularly to ensure that it remains fit for purpose; normally this will take place every four years, in consultation with the sector.

The Code is in three parts:

1. An initial statement of the core values providing the basis for the way that HE governance is conducted.
2. Identification of the seven primary elements of governance that support the values.
3. More detailed consideration of each of the primary elements providing illustrative guidance of how governing bodies could implement them.

In addition, the CUC website (www.universitychairs.ac.uk) holds detailed briefing papers providing extensive coverage of areas of concern to governing bodies, alongside illustrative practice drawn from across the sector on how institutions are meeting governance challenges.

Using the Code The diversity of the HE sector within the UK means that governing bodies will need to decide whether/how best to implement each primary element in order for it to be proportionate and effective; in particular Scottish institutions will need to look first to the Scottish Code of Good Higher Education Governance (<http://www.scottishuniversitygovernance.ac.uk>).

Governing bodies will also need to consider how best to communicate to their stakeholders how they apply the primary elements. Reflecting these points, the Code is premised on an 'apply or explain' basis.

Reporting on the adoption of the Code is a valuable source of assurance to stakeholders who need to have confidence in the governance arrangements of organisations within the sector. Organisations that adopt the Code confirm that they do so within the framework of publicly available reporting on corporate governance e.g. annual reports or financial statements.

The primary elements are the hallmarks of effective governing bodies operating in the UK HE sector and 'apply or explain' means that in order to report that an institution has applied the Code a governing body needs to:

1. be confident that it has in place all of the primary elements. In order to do so it will be necessary for a governing body to meet or exceed the requirements of the supporting 'must' statements that prescribe essential components within the element; or
2. explain where it considers a whole primary element or supporting 'must' statements inappropriate. In such cases the rationale should be clearly noted and the alternative arrangements summarised within an institution's report on its use of the Code.

Using the Code

Throughout the Code, ‘should’ statements illustrate the activities that are normally conducted in order to achieve the ‘musts’ outlined under each primary element. The ‘should’ activities are in turn accompanied by illustrative practice identified with the word ‘could’ that describes practices that engender positive governance outcomes.

Recognising the strength derived from the diversity and autonomy of the sector, governing bodies are free to achieve the expectations of the ‘must’ statements by the means and mechanisms appropriate to their own context and do not need to report where arrangements differ from those illustrated by the Code; however governing body members will wish to understand what those alternative mechanisms are and why they are more appropriate than the examples identified within the Code.

The additional guidance published on the CUC website is for information and reference only; organisations adopting the Code are not under an obligation to report whether, or how, the guidance is utilised.

While the Code is, in a literal sense, voluntary, it sets out principles and practices which any organisation operating within the sector will need to apply in order to show that it conducts its business with due respect for the public interest.

Further guidance on the interpretation of terms used within the code can be found in Appendix 2.

The Core Values of Higher Education Governance

High-quality HE which commands public confidence and protects the reputation of the UK system rests on a number of shared values. A failure to adopt and implement agreed values in the practice of governance has implications beyond the institution concerned, by potentially undermining the collective reputation of UK HEIs.

In setting out core values, this Code adopts and builds on the ‘Nolan Principles of Public Life¹’, which provide an ethical framework for the personal behaviour of governors.

In addition, given the nature of HE, this Code is also based on the expectation that alongside specific measures of the Code, governing bodies will commit to: The Core Values of Higher Education Governance

- **Autonomy as the best guarantee of quality and international reputation.**
- **Academic freedom and high-quality research, scholarship and teaching.**
- **Protecting the collective student interest through good governance.**
- **The publication of accurate and transparent information that is publicly accessible.**
- **A recognition that accountability for funding derived directly from stakeholders requires HEIs to be clear that they are in a contract with stakeholders who pay for their service and expect clarity about what is received.**
- **The achievement of equality of opportunity and diversity throughout the institution.**
- **The principle that HE should be available to all those who are able to benefit from it.**
- **Full and transparent accountability for public funding.**

Within institutions it is important that the Executive, governing body and Secretary develop a shared understanding of these expectations and how they wish to apply the individual primary elements of the Code. Good governance requires more than the development of processes, since it is built on strong relationships, honest dialogue and mutual respect.

1 - Defined by the Nolan Committee as selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

See:
<https://www.gov.uk/government/publications/the-7-principlesof-public-life> for further information.

This Code identifies the following primary elements of governance that underpin the values and beliefs outlined in the previous section:

1 The governing body is unambiguously and collectively accountable for institutional activities, taking all final decisions on matters of fundamental concern within its remit.

2 The governing body protects institutional reputation by being assured that clear regulations, policies and procedures that adhere to legislative and regulatory requirements are in place, ethical in nature, and followed.

3 The governing body ensures institutional sustainability by working with the Executive to set the institutional mission and strategy. In addition, it needs to be assured that appropriate steps are being taken to deliver them and that there are effective systems of control and risk management.

4 The governing body receives assurance that academic governance is effective by working with the Senate/Academic Board or equivalent as specified in its governing instruments.

5 The governing body works with the Executive to be assured that effective control and due diligence take place in relation to institutionally significant external activities.

6 The governing body must promote equality and diversity throughout the institution, including in relation to its own operation.

7 The governing body must ensure that governance structures and processes are fit for purpose by referencing them against recognised standards of good practice.

Each of these primary elements is outlined in detail within the following pages of the Code.

Section 2

The Code

The governing body is unambiguously and collectively accountable for institutional activities, taking all final decisions on matters of fundamental concern within its remit.

1.1 The governing body has a responsibility for all decisions that might have significant reputational or financial implications (including significant partnerships or collaborations). It must therefore seek assurance that the institution meets all legal and regulatory requirements imposed on it as a corporate body, including through instruments of governance such as statutes, ordinances and articles.

1.2 The regulatory and legal requirements will vary depending on the constitution of individual HEIs, but, for most governing bodies, members are charitable trustees and must comply with legislation governing charities and case law in the exercise of their duties. Some institutions are constituted as companies, and governing body members are normally the company's directors; the primary legislation in this case will be the requirements of the Companies Acts.

1.3 In both instances members are required to discharge their duties in line with the accepted standards of behaviour in public life, ultimately accepting individual and collective responsibility for the affairs of the institution. The main accountability requirements falling upon the governing body in respect of public funding are set out in financial memoranda issued by the funding bodies and these **must** be followed.

1.4 Student and staff members of the governing body share the same legal responsibilities and obligations as other members and **must not** be routinely excluded from discussions.

Element 1

In meeting these legal obligations the governing body should:

Options the governing body could consider:

Seek assurance that decisions which might have significant reputational or financial risks undergo a rigorous process of due diligence.

Adopting a clear scheme of delegation. Asking its Audit Committee to ensure due diligence processes are reviewed.

Obtain assurances that appropriate policies and procedures are consistently applied, and that there is compliance with relevant legislation.

Including an opinion to this effect within the annual Audit Committee Report by the governing body.

Conduct its affairs in an open and transparent manner

Including in its annual report a corporate governance statement which sets out the institution's governance arrangements (including the extent to which it has adopted this Code), policies on public disclosure and making the report widely available. Publishing agendas and minutes of its meetings.

Clearly define and communicate the scope of its own responsibilities in the context of legislation, governing instruments and guidance including the HE code through a Statement of Primary Responsibilities².

2 - See Appendix 1

The governing body protects institutional reputation by being assured that clear regulations, policies and procedures that adhere to legislative and regulatory requirements are in place, ethical in nature, and followed.

2.1 In protecting the reputation of the institution the governing body will want to ensure the highest standards of ethical behaviour among its members, who **must** act ethically at all times in line with the accepted standards of behaviour in public life, and in the interests of the institution.

2.2 As such, members of governing bodies **must** act, and be perceived to act, impartially, and not be influenced by social or business relationships. A member who has a pecuniary, family or other personal interest in any matter under discussion **must** disclose the interest. A member does not necessarily have a pecuniary interest merely because he/she is a member of staff or a student.

2.3 The governing body must ensure that its decision-making processes are free of any undue pressures from external interest groups, including donors, alumni, corporate sponsors and political interest groups.

2.4 Members whose views are not consistent with the decisions of the governing body should abide by the principle of collective decision making and avoid putting specific interests before those of the institution. Individually they **must not** make any agreement for which they do not have authority.

2.5 Legislation requires that the governing body **must** take practical steps to ensure that the students' union or association operates in a fair, democratic, accountable and financially sustainable manner. This requirement is **in addition to** corporate and charity legislation that many student organisations are independently subject to.

Element 2

In meeting these key requirements the governing body should:

Approve a policy framework on ethics which includes appropriate measures of assurance.

Approve a whistleblowing policy.

Receive assurance that its publications provide accurate and honest information about its activities.

Benchmark institutional policies and practice against sector practice and external requirements.

Options the governing body could consider:

Receiving an annual report on the work of appropriate institution committees, possibly supplemented by the work of the Audit Committee. Developing specific policies of compliance and reporting in relation to aspects of research governance which raise particular sensitivities (e.g. animal experimentation) and which have well-established codes of practice.

Seek assurance that whistleblowing is effectively managed, for example by getting an annual report on numbers and outcomes of any whistleblowing; it might also ask about the extent to which the associated protocols are widely known within the institution. Asking its Audit Committee to get assurance on 'whistleblowing'.

Asking for an audit review of quality management systems within the publications process.

Requesting its Audit Committee discuss with internal auditors how the institution compares with other organisations in areas undergoing audit.

3.1 The governing body is responsible for the mission, character and reputation of the institution at a strategic level, and members will need to be adequately informed in order to carry out this key responsibility. They can expect the head of the institution to help them by providing strategic advice and guidance on the mission and strategic development of the institution.

3.2 The strategic plan plays a crucial role in ensuring the successful performance of the institution, and the governing body will want to demonstrate its commitment to and support for the plan by formally approving or endorsing it in accordance with its constitution. Aligned to this, it must ensure there is an appropriate financial strategy and be responsible, without delegation, for the approval of the annual budget.

3.3 It must rigorously assess all aspects of the institution's sustainability, in the broadest sense, using an appropriate range of mechanisms which include relevant key performance indicators (KPIs) not just for the financial sustainability of the institution but also for its impact on the environment.

3.4 In ensuring sustainability, the governing body must be in a position to explain the processes and the types of evidence used and provide any assurances required by funders. Where such assessments indicate serious issues which could affect future sustainability, the governing body must undertake appropriate remedial action.

Regulatory requirements

3.5 The governing body must receive assurance that the institution is meeting the conditions of funding as set by regulatory and funding bodies and other major institutional funders which include the requirements of the financial memoranda. These include the need to: use public funds for proper purposes and achieve good value for money; have a sound system of risk management, financial control and governance; ensure the use of regular, reliable, timely and adequate information to monitor performance and track the use of public funds; and safeguard institutional sustainability

Element 3

3.6 The governing body **must** periodically review the delegated authority of the accountable officer (usually the Vice-Chancellor) and inform its funding body of any 'material adverse' change in its circumstances and any serious incident which, in the judgement of the accountable officer and the governing body, could have a substantial impact on the interests of the institution.

3.7 Requirements of governing bodies as stipulated by the funding bodies relating to audit include: appointing the Audit Committee; considering and, where necessary, acting on the annual report from the Audit Committee; appointing the external auditors; considering the annual report of the internal audit service; and receiving and approving the audited annual financial statements (this responsibility to be reserved to the governing body for its collective decision, without delegation).

3.8 Data submitted for funding purposes on behalf of the governing body must comply with directions published by the respective funding body and includes: annual accountability returns; any data requested by the Higher Education Statistics Agency (HESA); any information needed for the purpose of charity regulation; and other information the funding body may reasonably request to understand the institution's risk status.

Day-to-day operations

3.9 Operational financial control will be exercised by officers of the institution under delegation from the governing body, and responsibility for financial management and advising on financial matters is generally delegated to the Director of Finance (or equivalent). That individual must have access to the head of the institution whenever he/she deems it appropriate.

3.10 The governing body **must** get assurance that there are effective arrangements in place for the management and quality assurance of data. To do so the governing body could seek assurance from the Audit Committee about data quality.

Audit

3.11 The Audit Committee needs to be a small, well-informed authoritative body which has the expertise and the time to examine risk management control and governance under delegation from the governing body. It cannot confine itself to financial matters, and its role extends to all areas of institutional activity. While responsibility for devising, developing and maintaining control systems lies with the Executive, internal audit provides independent assurance to the governing body which should have an approved annual audit plan (it can delegate to its Audit Committee the power to agree the plan on its behalf).

3.12 The Audit Committee **must** be composed of a majority of independent members (who may also be drawn from outside the governing body) and produce an annual report for the governing body, including: its opinion on the adequacy and effectiveness of the institution's risk management, control and governance arrangements; processes for promoting value for money (VFM) through economy, efficiency and effectiveness; and (in institutions receiving funding body support) the management and quality assurance of data.

Remuneration

3.13 The proper remuneration of all staff, especially the Vice-Chancellor and his/her immediate team, is an important part of ensuring institutional sustainability and protecting the reputation of the institution. Accordingly governing bodies **must** establish a Remuneration Committee to consider and determine, as a minimum, the emoluments of the Vice-Chancellor and other senior staff as prescribed in constitutional documents or by the governing body.

3.14 The Remuneration Committee composition **must** include the Chair of the governing body, be composed of a majority of independent members (who, as with audit, may also be drawn from outside the governing body) and have appropriate experience available to it. The Vice-Chancellor or other senior staff may be members of, or attend, the Remuneration Committee but **must not** be present for discussions that directly affect them.

3.15 The Remuneration Committee **must** consider comparative information on the emoluments of employees within its remit when determining salaries, benefits and terms and conditions and ensure that all arrangements are unambiguous and diligently recorded. It **must** report on its decisions and operation at least annually to the governing body; such a report should not normally be withheld from any members of the governing body.

3.16 Remuneration Committee members **must** consider the public interest and the safeguarding of public funds alongside the interests of the institution when considering all forms of payment, reward and severance to the staff within its remit.

In meeting these key requirements the governing body should:

Be assured that the strategy is realistic, supported by, and aligned to other institutional strategies.

Be clear how institutional performance is measured, and identify what institutional-level KPIs and other performance measures are to be adopted within a risk-based framework and monitor these on a regular basis.

Be confident that the needs and interests of all stakeholders are adequately reflected in the strategic plan.

Have oversight of its approach to corporate and social responsibility.

Have clear policies on a range of institutional-level processes that it deems significant.

Options the governing body could consider:

Considering, approving and reviewing a number of sub-strategies. This will vary according to type of institution, but might, for example, include the widening participation strategy, financial and other resource strategies and internationalisation strategy.

Looking to the head of the institution to provide reports and updates on those aspects of the strategic plan being implemented in the year in question, and the resulting actions and results (such a report might explicitly demonstrate how the different sub-strategies are aligned and support the delivery of the overarching strategy).

Requiring an annual report including appropriate benchmarks to be produced and published.

Taking advice from the head of institution and other relevant sources (such as the ASSUR (annual sustainability assurance report) guidance), while being clear that the adoption of agreed KPIs is a governing body responsibility.

Look for specific references to some or all indicators of student satisfaction, research quality, business engagement, student experience and supporting graduate employment

Receive reports from an appropriate committee, or agree a policy and ask for monitoring reports on implementation.

Periodically reviewing policies, for example, on access, alumni and development, treasury management, investment management, debt management and grants and contracts.

Requesting that these processes are properly examined by the institution's auditors.

In meeting these key requirements the governing body should:

Options the governing body could consider:

Have confidence in the arrangements for the provision of accurate and timely financial information, and in the financial systems used to generate such information.

Relying on assurances from its auditors.

Understand the financial implications of its institution's pension arrangements and any potential deficits.

Asking for a briefing from its Director of Finance.

Commissioning an independent review by appropriate external firms.

Obtain assurance that potential deficits on pension funds are properly reported in the annual accounts

Receiving assurance from its auditors.

Ensure that the Audit Committee undertakes regular reviews of its effectiveness, including benchmarking against good practice for audit committees in HE and more widely as appropriate.

Incorporating an assessment of compliance within any assessment of governance effectiveness.

Have an agreed annual audit plan.

Delegating to its Audit Committee the power to agree the plan

Approve financial regulations.

The annual corporate governance statement should describe the work of the Remuneration Committee.

The governing body receives assurance that academic governance is effective by working with the Senate/Academic Board or equivalent as specified in its governing instruments in order to maintain quality.

4.1 A high-quality student experience and, where appropriate, research portfolio are determinants of institutional sustainability and are therefore core governing body responsibilities which it shares with the wider institutional community. This, taken with the governing body's responsibility for the long-term reputation of the institution, means that it **must** satisfy itself that academic governance is operating effectively.

4.2 The underlying principles of sound academic governance are based upon collegiality, and it follows that the governing body **must** therefore respect the role, as defined within charters, statutes or articles, of the Senate/Academic Board and other bodies involved in academic governance. However governing bodies will still wish to receive assurance that academic risks (such as those involving partnerships and collaboration, recruitment and retention, data provision, quality assurance and research integrity) are being effectively managed.

4.3 The governing body **must** understand and respect the principle of academic freedom, the ability within the law to question and test received wisdom, and to put forward new ideas and controversial or unpopular opinions, without placing themselves in jeopardy of losing their jobs or privileges, and its responsibility to maintain and protect it as enshrined in freedom of speech legislation.

Element 4

In meeting these key requirements the governing body should:

Options the governing body could consider:

Oversee an effective academic strategy that it has approved. This strategy need not be a separate document, but may be embedded in an overall institutional strategy or be articulated in separate teaching, research and other strategies.

Receiving reports from Academic Board/Senate and monitoring with relevant performance measures that are credible to the academic community. Examining the outcomes of academic governance effectiveness reviews and requesting that they be regularly conducted (nominally every four years). Adopting and reviewing an internationalisation strategy (if active internationally).

Have oversight of all major academic partnerships involving significant institutional-level risks.

Agreeing a scheme of delegation and a process of due diligence that defines major risk and allocates responsibility for decisions. Receiving annual reports from relevant committees on the current status of high-risk partnerships.

Actively encourage student engagement in academic governance.

Receiving regular reports from students' union or association officers and/or institution/student representation committees. Receiving assurance that honest, accurate and timely information is provided to students, stakeholders and the public about all aspects of academic provision.

Seek assurance that student complaints are effectively addressed and that the welfare and wellbeing of students are secured.

Requiring that summary reports are produced and considered (at least annually) on student complaints and appeals, taking into account – where appropriate – the requirements of the Office of the Independent Adjudicator.

The governing body works with the Executive to be assured that effective control and due diligence takes place in relation to institutionally significant external activities.

5.1 As already noted, the governing body has a responsibility to ensure the long-term sustainability of the institution and maintaining its reputation. It will therefore want assurance on external activities with significant potential financial or reputational risks. Where such activities involve commercial transactions, care **must** be taken to ensure that arrangements conform to the requirements of charity law and regulation. This is particularly the case where institutions have established subsidiary entities, for example separate operating companies or charitable trusts.

5.2 The governing body will also want to ensure that fund-raising, donations, corporate sponsored research and partnerships and similar activities do not inappropriately influence institutional independence, mission or academic integrity.

In meeting these key requirements the governing body should:

Options the governing body could consider:

Get assurance on external activities with significant, institutional-level financial or reputational risks.

Agreeing a scheme of delegation to make clear the authorisation requirements for approving such arrangements, including the circumstance where governing body approval is required.

Get assurance that the board of any subsidiary entity possesses the attributes necessary to provide proper stewardship and control.

Appointing suitably qualified directors or trustees to its board. Requiring the entity's board to conduct its business in accordance with a recognised and appropriate code of governance.

Be clear about its responsibilities in relation to any other corporate governance arrangements and associated reporting.

Incorporating into its standing orders (or equivalent) its responsibilities regarding any group structures.

Retain unambiguous responsibility for approving and monitoring a clear institutionwide policy³ on development and fund-raising which identifies the processes for the scrutiny of proposed donations.

Receiving an annual report on development and fund-raising activity

3 - This would describe clear lines of responsibility and identify the individuals authorised to act.

The governing body must promote equality and diversity throughout the institution, including in relation to its own operation.

6.1 HEIs are required by law to comply with extensive equality and diversity legislation, and governing bodies are legally responsible for ensuring the compliance of their institution. The legislation covers the individual rights of staff and students not to suffer discrimination on the grounds of a number of protected characteristics⁴. Legislation in this area does not distinguish between domestic and international students and staff.

6.2 Beyond this there is evidence that board diversity promotes more constructive and challenging dialogue, which in turn can improve governance outcomes by helping to avoid 'groupthink' and that as a result there is a strong business case for diversity alongside legal and moral expectation.

6.3 The governing body **must** ensure that there are arrangements in place to:

- eliminate unlawful discrimination, harassment and victimisation;
- advance equality of opportunity between people who do and do not share a protected characteristic; and
- foster good relations between people who share and those who do not share a protected characteristic.

6.4 This means going further than simply avoiding discrimination, and it requires the active promotion of equality in a number of defined areas. The governing body **must** therefore satisfy itself that agreed action plans to implement the equality and diversity strategy are progressed throughout the institution.

6.5 The governing body **must** also routinely reflect on its own composition and consider taking steps to ensure that it reflects societal norms and values.

Element 6

4 - see:

<https://www.gov.uk/discrimination-your-rights/>

In meeting these key requirements the governing body should:

At a minimum, receive an annual equality monitoring report detailing work done by the institution during the year, identifying the achievement of agreed objectives, and summarising data on equality and diversity that institutions are required to produce (e.g. on staff recruitment and promotion).

Demonstrate through its own actions and behaviour its commitment to equality and diversity in all aspects of its affairs, particularly by agreeing its policy on recruiting new members.

Approve, review and report on the institution's approach to equality and diversity and its agreed indicators that measure performance.

Options the governing body could consider:

Discussing reports based on HESA data on staff and student profiles, the National Student Survey and material from the Equality Challenge Unit.

Requiring its committees to explain within their annual reports how decisions have taken account of the institution's equality and diversity policy.
Setting itself targets in terms of its own membership.
Advertising vacancies locally and nationally, including in local ethnicminority publications, and via social media.
Using alumni, particularly as they may give access to a more diverse and younger pool of potential applicants.
Drawing on search consultancies who can sometimes access a broader pool.
Building a diverse pool for the future by providing training for potential governors, appointing them to sub-committees to gain experience, and providing other opportunities for their participation in board-related events.

Ensuring that the human resource management strategy takes equality and diversity into account and is monitored.
Approving and monitoring the delivery of a stand-alone equality and diversity strategy.
Including in its annual report a description of its policy on diversity, including any measurable objectives that it has set, and outlining progress on implementation.
Producing a separate equality and diversity report with a simple cross reference to the annual report.

The governing body must ensure that governance structures and processes are fit for purpose by referencing them against recognised standards of good practice.

Composition and appointments

7.1 The governing body **must** have a majority of external members, who are independent of the institution. All members should question intelligently, debate constructively, challenge rigorously, decide dispassionately and be sensitive to the views of others both inside and outside governing body meetings.

7.2 The governing body **must** have the power to remove any of its members from office, and must do so if a member breaches the terms of his/her appointment.

7.3 The governing body **must** establish a Nominations Committee (or similar) to advise it on the appointment of new members and the terms of existing members as well as the perceived skills balance required on the governing body. Normally final decisions on appointment are taken by the governing body.

7.4 The governing body will need to ensure suitable arrangements exist for the continuation of business in the absence of the Chair. In some cases arrangements for a Deputy Chair are codified within institutions' governing instruments; where they are not, the Nominations Committee can advise the governing body on what arrangements should be.

7.5 The Chair and Secretary will want to ensure all members receive an appropriate induction to their role and the institution as necessary.

7.6 There is an expectation, often enshrined within the constitutional documents of HEIs, that governing bodies will contain staff and student members and encourage their full and active participation.

7.7 Current normal practice is not to remunerate external members and to pay only travelling and other incidental expenses. However, if the governing body decides it is appropriate to remunerate, it will need to consider the:

- provisions of charity and employment law;

- implications for the division of responsibilities between the governing body and the executive;
- public service ethos which applies generally among HE governors;
- need to be explicit about time commitments;
- need to apply a formal process of appraisal to the remunerated governor.

Where it is decided to remunerate, payments would need to be both commensurate with the duties carried out and reported in the audited financial statements.

Operation

7.8 The Secretary (or Clerk) is responsible to the governing body for the provision of operational and legal advice in relation to compliance with governing instruments, including standing orders. He/she is also responsible for ensuring information provided to the governing body is timely, appropriate and enables an informed discussion so that it may effectively discharge its responsibilities.

7.9 All members of the governing body **must** have access to the services of the Clerk. Arrangements for the appointment or removal of the Secretary/Clerk may be defined by governing instruments; where they are not, it **must** be a decision for the governing body as a whole.

Review

7.10 Governing bodies need to adopt an approach of continuous improvement to governance, in order to enhance their own effectiveness and provide an example to institutions about the importance of review and evaluation.

7.11 Accordingly, governing bodies must conduct a regular, full and robust review of their effectiveness and that of their committees, the starting point for which should be an assessment against this Code and the statutory responsibilities alongside those which it has assumed and articulated independently (e.g. through a statement of primary responsibilities). Many governing bodies find an external perspective in this process useful, whether provided by specialist consultants or peer support from other governing bodies.

7.12 Codes of governance in other sectors adopt a period of two or three years. Recognising the need to balance the cyclical nature of HE and the impact this can have on the implementation and embedding of new practices, and the swiftly evolving HE and broader legislative environment, reviews **must** be conducted at least every four years with, as a minimum, an annual summary of progress towards achieving any outstanding actions arising from the last effectiveness reviews.

Acting on the outcomes of effectiveness reviews is as important as undertaking them, and it is desirable that outcomes and associated actions are reported widely, including in the corporate governance statements.

In meeting these key requirements the governing body should:

Ensure that the governing body has sufficient skills, knowledge and independence, including through the appointment of an independent Chair, to enable it to discharge its responsibilities.

Ensure it has rigorous and systematic processes agreed by the governing body for recruiting and retaining governors (including the Chair), on the basis of personal merit and the contribution they can bring to a governing body.

Options the governing body could consider:

Regularly refreshing members' skills and knowledge through development activities funded by the institution, including annual appraisal with the Chair.

Appointing members for a given term, renewable subject to satisfactory performance. Renewals therefore are at the recommendation of the Nominations Committee and not an automatic process. External members not normally serving for more than two terms of four years, or three terms of three years, except where subsequently undertaking a new and more senior role (for example as Chair).

Satisfying itself that members are able to allocate sufficient time to undertake their duties effectively.

Giving an indication of the time expected of its members.

The formalisation of the role of a 'Deputy Chair', a role which – in addition to acting for the Chair in his/her absence – can provide a sounding board for the Chair, can act as an intermediary with other members as may be required, and potentially can be helpful if there are significant differences of view within a governing body or with the Executive. As a Deputy Chair may assume the responsibilities of the Chair, the expectation is they would be similarly independent of the institution.

Satisfying itself that plans are in place for an orderly succession of its membership, so as to maintain an appropriate balance of skills and experience with the progressive refreshing of key roles.

Including written role descriptions and an analysis of the skills, experience and attributes required for membership.

Widely advertising vacancies in order to increase the pool of talent available.

Communicating and funding development opportunities within members' networks.

Appointing external members with direct senior experience of HE could also be considered to provide such understanding.

Issue an annual corporate governance statement describing the work of the key committees.

Including the governing body's recruitment policy and practices, and a description of its policy on equality and diversity and any measurable objectives that it has set together with progress in their implementation within the corporate governance statement.

Annually reflect on the performance of the institution as a whole in meeting strategic objectives and associated measures of performance, and the contribution of the governing body to that success.

Reflecting on the extent to which it and its committees have met their terms of reference and – where they exist – their annual work plans.

Benchmarking its performance and processes against other comparable HEIs, and relevant institutions outside the HE sector.

Annual review meetings of members with the Secretary compiling a report on the feedback provided.

Asking the Clerk to do an annual self-assessment (which could simply be an update from previous year) to assure the governing body that it properly and appropriately adheres to the principles of the Code.

Taking account of the views of the Executive, and relevant bodies such as the Senate/Academic Board, and staff and student communities.

Section 3: Appendices

Appendix 1: Statement of Primary Responsibilities

The principal responsibilities of the governing body should be set out in its Statement of Primary Responsibilities, which must be consistent with the institution's constitution. While there may be some variations because of different constitutional provisions, the principal responsibilities are likely to be as follows:

- 1 To approve the mission and strategic vision of the institution, long-term academic and business plans and key performance indicators, and to ensure that these meet the interests of stakeholders.
- 2 To ensure that processes are in place to monitor and evaluate the performance and effectiveness of the institution against the plans and approved key performance indicators, which should be – where possible and appropriate – benchmarked against other comparable institutions.
- 3 To delegate authority to the head of the institution, as chief executive, for the academic, corporate, financial, estate and human resource management of the institution. And to establish and keep under regular review the policies, procedures and limits within such management functions as shall be undertaken by and under the authority of the head of the institution.
- 4 To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, and procedures for handling internal grievances and for managing conflicts of interest.
- 5 To establish processes to monitor and evaluate the performance and effectiveness of the governing body itself.
- 6 To conduct its business in accordance with best practice in HE corporate governance and with the principles of public life drawn up by the Committee on Standards in Public Life.
- 7 To safeguard the good name and values of the institution.

- 8 To appoint the head of the institution as chief executive, and to put in place suitable arrangements for monitoring his/her performance.
- 9 To appoint a Secretary to the governing body and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.
- 10 To be the employing authority for all staff in the institution and to be responsible for establishing a human resources strategy.
- 11 To be the principal financial and business authority of the institution, to ensure that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for the institution's assets, property and estate.
- 12 To be the institution's legal authority and, as such, to ensure that systems are in place for meeting all the institution's legal obligations, including those arising from contracts and other legal commitments made in the institution's name.
- 13 To receive assurance that adequate provision has been made for the general welfare of students.
- 14 To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the institution.

Appendix 2: Taxonomy

In addition to the ‘must’, ‘should’ and ‘could’ statements, the Code uses the following standard terms:

- Clerk used interchangeably with Secretary;
- external members for all non-executive governing body members from outside the institution irrespective of how they are appointed;
- governing body which in some HEIs is called the Council, Court or Board of Governors. It may also be the Board of Directors or equivalent;
- head of institution meaning the Vice-Chancellor, Principal or equivalent; and
- members for people appointed to the governing body

Whistle-blowing Policy



Section 1: Context

- 1.1 We are committed to conducting our business with honesty and integrity, and we expect all staff to maintain high standards. However, all organisations face the risk of things going wrong from time to time, or of unknowingly harbouring illegal or unethical conduct. A culture of openness and accountability is essential in order to prevent such situations occurring and to address them when they do occur.
- 1.2 The aims of this policy are:
- (a) To encourage staff to report suspected wrong-doing as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate, and that their confidentiality will be respected;
 - (b) To provide staff with guidance as to how to raise those concerns;
 - (c) To reassure staff that they should be able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken.
- 1.3 Should any user require assistance with understanding or implementing this policy, particularly where the reasons for this are related to age, disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation they should contact the HR Unit in the first instance for advice.

Section 2: Status

- 2.1 The policy and procedures were considered and approved by the Senior Management Team (SMT) of the NPTC Group of Colleges on 18.05.16. It was approved by the Joint Information and Consultative Committee (JICC) at a meeting held on 27.01.16.
- 2.2 The policy and procedures have been reviewed by the Vice Principal: Corporate Services in conjunction with the Vice Principal: Financial Services and the Assistant Principal: Governance and was approved by SMT on 04.07.18 and at the JICC meeting held on 26.09.18.
- 2.3 The policy and procedures have been reviewed by the Vice Principal: Corporate Services in conjunction with the Vice Principal: Financial Services and the Assistant

Principal: Governance and was approved by SMT on 18.09.19 and at the JICC meeting held on 16.10.19

- 2.4 The policy has undergone Equality and Linguistic Impact Assessment, a copy of which is attached as Appendix I.

Section 3: Policy

Scope

- 3.1.1 This policy covers all employees, officers, Corporation Board members, consultants, contractors, volunteers, interns, casual workers and agency workers.
- 3.1.2 This policy does not form part of any employee's contract of employment and we may amend it at any time.

General Principles

- 3.2.1 Whistle-blowing is the disclosure of information which relates to suspected wrong-doing or dangers at work. This may include:
- (a) criminal activity;
 - (b) failure to comply with any legal or professional obligation or regulatory requirements;
 - (c) miscarriages of justice;
 - (d) danger to health and safety;
 - (e) damage to the environment;
 - (f) bribery under our Anti-corruption and Bribery Policy;
 - (g) financial fraud or mismanagement;
 - (h) negligence;
 - (i) breach of our internal policies and procedures;
 - (j) conduct likely to damage our reputation or financial wellbeing;
 - (k) unauthorised disclosure of confidential information;
 - (l) the deliberate concealment of any of the above matters;
 - (m) mis-management of personal data.
- 3.2.2 A whistle-blower is a person who raises a genuine concern relating to any of the above. If you have any genuine concerns related to suspected wrong-doing or danger affecting any of our activities (a whistle-blowing concern) you should report it under this policy.

- 3.2.3 This policy should not be used for complaints relating to your own personal circumstances, such as the way you have been treated at work. In those cases you should use the Grievance Procedure or Anti-harassment and Bullying Policy as appropriate.
- 3.2.4 If you are uncertain whether something is within the scope of this policy you should seek advice from the Assistant Principal: Governance, whose contact details are at the end of this policy.

Accountability and Responsibility

- 3.3.1 The Corporation Board has overall responsibility for this policy, and for reviewing the effectiveness of actions taken in response to concerns raised under this policy.
- 3.3.2 The Assistant Principal: Governance, in conjunction with the HR Unit, has day-to-day operational responsibility for this policy, and must ensure that all managers and other staff who may deal with concerns or investigations under this policy receive regular and appropriate training.
- 3.3.3 All staff are responsible for the success of this policy and should ensure that they use it to disclose any suspected danger or wrong-doing. Staff are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Assistant Principal: Governance.

Section 4: Procedure

- 4.1 We hope that in many cases you will be able to raise any concerns with your line manager. You may tell them in person or put the matter in writing if you prefer. They may be able to agree a way of resolving your concern quickly and effectively. In some cases they may refer the matter to the Assistant Principal: Governance.
- 4.2 However, where the matter is more serious, or you feel that your line manager has not addressed your concern, or you prefer not to raise it with them for any reason, you should contact one of the following:
- (a) The Assistant Principal: Governance;
 - (b) The other trusted individual – Vice Principal: Corporate Services.

Contact details are set out at the end of this policy.

- 4.3 We will arrange a meeting with you as soon as possible to discuss your concern. You may bring a work colleague or union representative to any meetings under this policy. Your companion must respect the confidentiality of your disclosure and any subsequent investigation.
- 4.4 We will take down a written summary of your concern and provide you with a copy after the meeting. We will also aim to give you an indication of how we propose to deal with the matter at the meeting.

Confidentiality

- 4.5 We hope that staff will feel able to voice whistle-blowing concerns openly under this policy. However, if you want to raise your concern confidentially, we will make every effort to keep your identity secret. If it is necessary for anyone investigating your concern to know your identity, we will discuss this with you.
- 4.6 We will receive disclosures anonymously. Proper investigation may be more difficult or impossible if we cannot obtain further information from you. It is also more difficult to establish whether any allegations are credible. Whistle-blowers who are concerned about possible reprisals if their identity is revealed should come forward to the Assistant Principal: Governance or one of the other contact points listed in paragraph 4.2 and appropriate measures can then be taken to preserve confidentiality. If you are in any doubt you can seek advice from Public Concern at Work, the independent whistle-blowing charity, who offer a confidential helpline. Their contact details are at the end of this policy.

Investigation and Outcome

- 4.7 Once you have raised a concern, we will carry out an initial assessment to determine the scope of any investigation. We will inform you of the outcome of our assessment. You may be required to attend additional meetings in order to provide further information.
- 4.8 In some cases we may appoint an investigator or team of investigators including staff with relevant experience of investigations or specialist knowledge of the subject matter. The investigator(s) may make recommendations for change to enable us to minimise the risk of future wrong-doing.
- 4.9 We will aim to keep you informed of the progress of the investigation and its likely timescale. However, sometimes the need for confidentiality may prevent us giving you specific details of the investigation or any disciplinary action taken as a result. You should treat any information about the investigation as confidential.

- 4.10 If we conclude that a whistle-blower has made false allegations maliciously or with a view to personal gain, the whistle-blower may be subject to disciplinary action.

If you are not satisfied

- 4.11 While we cannot always guarantee the outcome you are seeking, we will try to deal with your concern fairly and in an appropriate way. By using this policy you can help us to achieve this.
- 4.12 If you are not happy with the way in which your concern has been handled, you can raise it with one of the other key contacts in paragraph 4.2. Alternatively you may contact the Chair of the Board of Governors or our external auditors. Contact details are set out at the end of this policy.

External Disclosures

- 4.13 The aim of this policy is to provide an internal mechanism for reporting, investigating and remedying any wrong-doing in the workplace. In most cases you should not find it necessary to alert anyone externally.
- 4.14 The law recognises that in some circumstances it may be appropriate for you to report your concerns to an external body such as a regulator. It will very rarely if ever be appropriate to alert the media. We strongly encourage you to seek advice before reporting a concern to anyone external. The independent whistle-blowing charity, Public Concern at Work, operates a confidential helpline. They also have a list of prescribed regulators for reporting certain types of concern. Their contact details are at the end of this policy.
- 4.15 Whistle-blowing concerns usually relate to the conduct of our staff, but they may sometimes relate to the actions of a third party, such as a customer, supplier, learner or service provider. In some circumstances the law will protect you if you raise the matter with the third party directly. However, we encourage you to report such concerns internally first. You should contact your line manager or one of the other individuals set out in paragraph 4.2 for guidance.

Protection and Support for Whistle-blowers

- 4.16 It is understandable that whistle-blowers are sometimes worried about possible repercussions. We aim to encourage openness and will support staff who raise genuine concerns under this policy, even if they turn out to be mistaken.

4.17 With the exception of 4.10, whistle-blowers must not suffer any detrimental treatment as a result of raising a concern. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the Assistant Principal: Governance immediately. If the matter is not remedied you should raise it formally using our Grievance Procedure.

4.18 You must not threaten or retaliate against whistle-blowers in any way. If you are involved in such conduct you may be subject to disciplinary action. In some cases the whistle-blower could have a right to sue you personally for compensation in an employment tribunal.

Contacts

4.19

Assistant Principal: Governance	Gemma Charnock 01639 648005 Gemma.charnock@nptcgroup.ac.uk
Other Trusted Individual	Catherine Lewis 01639 648003 Catherine.lewis@nptcgroup.ac.uk
Chair of the Board of Governors	Gaynor Richards 01639 620849 gaynorr@nptcvs.org.uk
External auditors	PwC 01792 634122 jonathan.d.bound@uk.pwc.com
Public Concern at Work (Independent whistle-blowing charity)	Helpline: (020) 7404 6609 E-mail: whistle@pcaw.co.uk Website: www.pcaw.co.uk

Section 5: Monitoring

5.1 The Policy and Procedure are to be monitored by the HR Manager in conjunction with the Assistant Principal: Governance and Vice Principal: Corporate Services.

Section 6: Review

- The Policy and Procedure are to be reviewed by the HR Manager in conjunction with the Assistant Principal: Governance and Vice Principal: Corporate Services.
- The policy will be reviewed biennially; the next date for review is September 2021.



Equality and Linguistic Impact Assessment & Screening Document

This document is used to record the assessment of whether or not a policy, practice or provision - or a change to them - will have a negative or positive impact on the equality of a protected characteristic or on the use of the Welsh Language.

Stage 1 – Initial Screening

Firstly consider what item is being assessed and what is its purpose?

Using the boxes below, provide a description of the policy, practice or provision being assessed with a short statement about what the item is intended to achieve (its aims and objectives) and who is affected, eg staff, students, parents/carers, partners, etc.

Description of item: Whistle-blowing Policy
Aims & objectives: To provide a legal mechanism for staff to report wrong-doing under the Public Interest Disclosure Act.
Those affected – eg staff, students, parents, partners etc : Staff

Considering the item being assessed, use the boxes below to record your initial thoughts on the possible consequences for the nine protected characteristics and the use of the Welsh Language.

Checklist

1. Has the alternative format statement been included at the start of the policy document?

If you or someone you know would like this document in an alternative format please contact the HR Unit at hr@nptcgroup.ac.uk or on 01639 648308.

2. Has the document been formatted in line with NPTC Group publication guidelines and policy template?
3. Has the Equality & Diversity paragraph been included at the end of section 1 for all policies?

If any member of staff requires assistance with understanding or implementing this policy, particularly where the reasons for this are related to disability, religion or belief, sex, gender reassignment, sexual orientation, pregnancy or maternity, age or race they should contact the Senior Officer: Diversity Officer, in the first instance for advice.

4. When you have completed the paperwork please ensure it is added as an appendix to the relevant policy or procedure
5. Any questions? Please contact the HR Unit on 01639 648308 or by email: hr@nptcgroup.ac.uk

Signature of Assessment Manager & other staff completing ELIA

Name (s) – please print

Catherine Lewis
Vice Principal: Corporate Services

Lesley Blower
Senior Officer: Diversity



Signature (s)

Date 23.08.2016

Link Membership Scheme

Area 1 – Leadership and Governance

- Mark Dacey – CEO
- Gemma Charnock – VP: External Relations and Group Company Secretary

Link Governor: Gaynor Richards (Chair)

Area 2 – Academic Services

- Kelly Fountain – VP: Academic Services
- Fran Green – AP: Quality
- Geraint Jones – AP: Curriculum

Link Governors Requested:

- **Welsh Language Standards Compliance – Jim Hehir**

With regard to Academic Services it was requested by the Heads of School that the Link Governors be linked to each directorate (see below):

Eira Willaims (DoS)	}	Clare Cluer, Ceri Stephens, Matthew Harvey, Rhoert Lewis, Tony Burgoyne and Gemma Charnock.
Christine Davies (DoS)		
Vicky Burroughs (DoS)		
Ian Lumsdaine (DoS)		} Lisa Jenkins (SFA) to Heather Turner
Lisa Jenkins (DoS)		

Area 3 – Corporate Services

- Catherine Lewis – Deputy CEO/ VP: Corporate Services
- Steve Rhodes – AP: International
- Nicola Thornton Scott – AP: Skills

Link Governors Requested:

- **Business Development – Gaynor Richards**
- **International – Tony Burgoyne and Heater Turner**
- **Skills/ WBC – Mandy Ifans**

With regard to Skills, four Governors already sit on the Groups' three work based learning companies. A link governor, therefore, is not required. However, the VP: ER will review if as part of their director role they can also link the Group's work based learning consortium.

Area 4 – Operational Services

- Eleanor Glew – VP: Operational Services

Link Governors Requested:

- **Estates – Helen Morgan**
- **IT – James Williams**
- **HR – Jill Harding (supported by Mel Dunbar)**

Area 5 – Financial Services

- Kath Holley – VP: Financial Services

Link Governors Requested:

- **Financial Services – Matt Harvey**

Area 6 – Student Services/Safeguarding

- Sian Jones – AP: Students

Link Governors Requested:

- **Students/Safeguarding – Jill Harding**

Area 7 – HE

- Richard Tong – AP: HE

Link Governors Requested:

- **HE – Rhobert Lewis and Donna Mead**

Area 8 – Student Recruitment/Marketing

- Tessa Jennings – AP: Student Recruitment

Link Governors Requested:

- **Student Recruitment/Marketing – Gaynor Richards**

Operational Protocol

1. All Governors may participate in the Link Member Scheme, with the exception the CEO.
2. Governors will be linked to a Manager in their respective Link area ('the Manager').
3. Governors will receive an initial briefing by the Manager when the Link is formed with respective Area.
4. The level of engagement is to be determined between the Manager and the Governor as appropriate to the Link area. However, it is recommended that Governors are invited to visit and engage with learning areas at least twice per academic year.

5. During such visits Governors will be expected to :
 - familiarise themselves with particular aspects of their link area and the staff who operate therein;
 - participate in some aspect of the link area's activities e.g. meetings, focus groups, awards and prize giving, open days, events, etc.;
 - draw upon their professional, commercial, industrial and social experiences for the benefit of the link area, in particular, and the College as a whole;
 - assist in establishing and or improving relationships between the link area and external organisations and agencies e.g. industry, commerce, schools, professional bodies, etc., wherever possible; and
 - increase their personal knowledge and understanding of Management Groups, Directorates, Functional Units and generic cross college issues.
6. Each Link Member will notify the AP: Governance in advance of undertaking any link visit. The AP: Governance will provide an annual report to the Corporation Board setting out the activities undertaken through the Link Scheme.
7. It is crucial that Link Members understand and accept from the outset that their role is:
 - **NOT** to become involved in the day-to-day management of operational issues;
 - **NOT** to commit the Corporation in any way to decisions which are within the purview of the Corporation as a whole;
 - **NOT** to champion the area to which they are linked; and
 - **NOT** to be used by staff to gain advantage with the Corporation, the Principal or the Senior Management Team.

Link Governor Table

Role Link Governor	Name of Link Governor	Manager in respected field	
Area 1: Leadership and Governance			
Link Governor	Gaynor Richards (<i>Chair</i>)	Mark Dacey (P/CEO) Gemma Charnock (VP: ER)	
Area 2: Academic Services			
Link Governors for Directorates	Ceri Stephens	Eira Williams	DoS: Cluster One
	Matt Harvey	Christine Davies	DoS: Cluster Two
	Heather Turner	Vicky Burroughs	DoS: Cluster Three
	Ceri Stephens	Ian Lumsdaine	DoS: Cluster Four
	Heather Turner	Lisa Jenkins	DoS: Cluster Five
Link Gov.: Welsh Language Standards Compliance	Jim Hehir	Geraint Jones	
Area 3: Corporate Services			
Link Gov.: Business Development	Gaynor Richards and Ceri Stephens	Catherine Lewis (Deputy CEO/Deputy Principal)	
Link Gov.: International	Tony Burgoyne Heather Turner	Steve Rhodes (AP: World Wide Operations) with support from James Llewellyn	
Link Gov.: Skills/WBC	Mandy Ifans	Nicola Thornton-Scott (AP: Skills)	
Area 4: Operational Services			
Link Gov.: Estates	Helen Morgan	Eleanor Glew (VP: Operational Services)	
Link Gov.: IT	James Williams		
Link Gov.: HR	Jill Harding	Eleanor Glew (VP: Operational Services) supported by Mel Dunbar (HR Manager)	
Area 5: Financial Services			
Link Gov.: Financial Services	Matt Harvey	Kath Holley (VP: Financial Services)	

Area 6: Student Services/ Safeguarding		
Link Gov.: Students/ Safeguarding	Jill Harding	Sian Jones (AP: Students)
Area 7: Higher Education		
Link Gov.: HE	Donna Mead and Rhobert Lewis	Richard Tong (AP: Higher Education)
Area 8: Student Recruitment/ Marketing		
Link Gov.: Student Recruitment/ Marketing	Gaynor Richards	Tess Jennings (AP: Student Recruitment)
Area 9: External Relations		
Link Gov.: ER	Jill Harding, Matthew Dorrance and Ceri Stephens	Gemma Charnock (VP: External Relations)

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Section Six: Constitutional Documents



Instrument and Articles of Government

NATIONAL ASSEMBLY FOR WALES

SUBORDINATE LEGISLATION

2006 No. 13

EDUCATION, WALES

The Further Education Corporations
(Replacement of Instrument and Articles of Government) (Wales)
Order 2006

EXPLANATORY NOTE

(This note is not part of the Order)

This Order replaces the Instrument and Articles of Government of each of the Further Education Corporations listed in Schedule 3.

NATIONAL ASSEMBLY FOR WALES

SUBORDINATE LEGISLATION

2006 No. 13

EDUCATION, WALES

The Further Education Corporations
(Replacement of Instrument and Articles of Government) (Wales)
Order 2006

Made 7 March 2006

Coming into force 6 April 2006

In exercise of the powers conferred on the Secretary of State by Section 22(2) and 89(4) of the Further and Higher Education Act 1992¹ and now vested in the National Assembly for Wales and after consulting the Further Education Corporations listed in Schedule 3 to this Order (“the Colleges”), the National Assembly for Wales hereby makes the following Order:

Title and Commencement

1. The title of this order is the Further Education Corporations (Replacement of Instrument and Articles of Government) (Wales) Order 2006 and it comes into force on 6 April 2006.

Instrument

2. The Instrument of Government set out in Schedule 1 replaces the Instrument of Government of each of the Colleges.

Articles

3. The Articles of Government set out in Schedule 2 replace the Articles of Government for each of the Colleges.

Revocation

4. Accordingly, the Instrument and Articles of Government for each of the Colleges which had effect immediately before 6 April 2006 is hereby revoked.

Signed on behalf of the National Assembly for Wales.

7 March 2006

D. Elis-Thomas

The Presiding Officer of the National Assembly

¹ 1992 c.13.

Schedule 1: Instrument of Government

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1. Interpretation
2. Composition of the Corporation
3. Determination of Membership Numbers
4. Transitional arrangements
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12. Meetings
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22. Amendment of Instrument of Government

1. Interpretation

In this Instrument of Government:

- (1) “the Assembly” (“*y Cynulliad*”) means the National Assembly for Wales;
“the Corporation” (“*y Gorfforaeth*”) means any further education corporation to which this Instrument applies;
“this Instrument” (“*yr Offeryn hwn*”) means this Instrument of Government;
“meeting” (“*cyfarfod*”) includes a meeting at which the members attending are present in more than one room (provided that, by use of videoconferencing or similar facilities, it is possible for every person present at the meeting to see and hear each other);
“the previous Instrument of Government” (“*yr Offeryn Llywodraethu blaenorol*”) means the Instrument of Government relating to the institution which had effect immediately before 6 April 2006;
“staff matters” (“*materion staff*”) means any or all of the following: ‘appointment, remuneration, conditions of service, promotion, conduct, suspension, dismissal or retirement’ of any member of staff;
“working day” (“*diwrnod gwaith*”) means any day, Monday to Friday inclusive, other than a bank holiday or other public holiday.
- (2) “Assembly appointed member” (“*aelod a benodwyn gan y Cynulliad*”),
“Business member” (“*aelod busnes*”),
“Co-opted member” (“*aelod cyfetholegig*”),
“Staff member” (“*aelod staff*”),
“Student member” (“*aelod-fyfyriwr*”),
“Parent member” (“*aelod-riant*”),
“Local authority member” (“*aelod awdurdod lleol*”) and
“Community member” (“*aelod cymunedol*”) have the meanings ascribed to them in Paragraph 2.
- (3) References to:
“Chair” (“*Cadeirydd*”),
“Vice-Chair” (“*Is-gadeirydd*”) and
“Clerk” (“*Clerc*”) refer to
“Chair of the Corporation” (“*Cadeirydd y Gorfforaeth*”),
“Vice-Chair of the Corporation” (“*Is-gadeirydd y Gorfforaeth*”) and
“Clerk to the Corporation” (“*Clerc y Gorfforaeth*”) respectively.

- (4) References to the institution are references to the institution which the Corporation is established to conduct and to any institution for the time being conducted by the Corporation in exercise of its powers under the Further and Higher Education Act 1992.
- (5) References, in relation to the Corporation, to a variable category are references to any category of members, the determined number of which is subject to variation in accordance with Paragraphs 2 and 3.
- (6) The headings are included for convenience only and do not affect the construction of this Instrument.

2. Composition of the Corporation

- (1) Subject to sub-paragraphs (5) and (6) below, the Corporation is to consist of:
 - a) not more than seven members who are, or have been, engaged or employed in business, industry or any profession or in any other field of employment relevant to the activities of the institution (to be known as “business members”);
 - b) not more than three members co-opted by the members of the Corporation (to be known as “co-opted members”);
 - c) at least one and not more than three members who are employed in and have been nominated by the staff of the institution (to be known as “staff members”). If there is more than one staff member, at least one member must be employed in and nominated and elected by the teaching staff and at least one member must be employed in and nominated and elected by the other members of staff of the institution;
 - d) at least one and not more than three members who are students at the institution elected and nominated by the students at the institution or (as the Corporation may determine) elected and nominated by a recognised association representing the students at the institution (to be known as “student members”);
 - e) not more than two members who are parents of students under the age of 19 years attending the institution, elected and nominated by such other parents or (as the corporation may determine) elected and nominated by a recognised association representing such parents (to be known as “parent members”);
 - f) at least one and not more than three members nominated by such local authorities as the Corporation may nominate (to be known as “local authority members”);
 - g) at least one and not more than three members nominated by a community body or bodies appearing to the other members of the Corporation to represent the interests of a section of the local community nominated by the other members of the Corporation (to be known as “community members”);
 - h) the Principal of the institution (unless he or she chooses not to be a member);
 - i) not more than two members appointed by the Assembly (to be known as “Assembly appointed members”).
- (2) For the purpose of this Instrument, a person who is not for the time being enrolled as a student at the institution is to be treated as such a student during any period when he or she has been granted leave of absence from the institution for the purposes of study or travel or for carrying out the duties of any office held by him or her in any Students’ Union at the institution.

- (3) It is for the appointing authority, as specified in Paragraph 5, to determine any question as to whether any person is qualified in accordance with sub-paragraph (1), for appointment as a member of the Corporation of any description or category.
- (4) In Paragraph (1) (g), “community body” includes any association not conducted for profit.
- (5) Paragraph (1) (f) of the Instrument of Government of Coleg Gwent has effect with the substitution of ‘five’ for ‘three’.
- (6) Paragraph (1) (e) of the Instrument of Government of Yale College has effect with the insertion of ‘at least one and’ at the beginning.

3. Determination of Membership Numbers

- (1) Subject to sub-paragraph (2), the number of members of the Corporation, other than the Assembly appointed members, and the number of members in each variable category is to be that determined by the Corporation in the most recent determination under the previous Instrument of Government.
- (2) The Corporation may at any time vary the determination referred to in sub-paragraph (1) and any subsequent determination under this paragraph provided that:
 - a) subject to sub-paragraph (4), the number of members of the Corporation, other than Assembly appointed members, determined is not less than 12 and not more than 20;
 - b) the number of members of each variable category is subject to the limits which apply to that category set out in Paragraph 2; and
 - c) the number of business members is to be equal to one-third of the total number of members, other than Assembly appointed members rounded up to the nearest whole number.
- (3) No determination under this paragraph is to have effect so as to terminate the appointment of any person who is already a member of the Corporation at the time when it takes effect.
- (4) Paragraph 3 (2) (a) of the Instrument of Government of Coleg Gwent has effect with the substitution of ‘21’ for ‘20’.

4. Transitional Arrangements

- (1) Where on the determination referred to in Paragraph 3 (1), the membership of the Corporation did not conform in number and composition to that determination and by virtue of any provision of the previous Instrument of Government, the Corporation was not obliged to require the removal of members, nothing in this Instrument requires the removal of members but the Corporation is to ensure that any new appointments are made with a view to ensuring that the composition conforms to the determination as soon as possible, but in any case within four years of the date of this Instrument.

5. Appointments

- (1) Subject to sub-paragraph (2), the Corporation is the appointing authority in relation to the appointment of any member of the Corporation other than an Assembly appointed member.
- (2) If the number of members falls below the number needed for a quorum, the Assembly is the appointing authority in relation to the appointment of such number of members as is required for a quorum.

- (3) The appointing authority may decline to appoint a person if it is satisfied that the person does not have the specified skills and experience.
- (4) The appointing authority may decline to appoint a person as a business, co-opted, parent, staff, student, local authority or community member if:
 - a) it is satisfied that the person has, within ten years before their appointment would otherwise have taken effect, been removed from office as a member of a further education corporation or institution designated under Section 28 of the Further and Higher Education Act 1992; or
 - b) the appointment of the person would contravene any provision of any rules of bye-laws made under Article 19 of the Articles of Government.
- (5) Except as provided for in sub-paragraphs (3) and (4), sub-paragraph (1) does not entitle the Corporation to decline to appoint any person as a business, co-opted, parent, staff, student, local authority or community member unless the person is ineligible to be a member of the Corporation by virtue of Paragraph 8, or, in the case of a person to be appointed as a business, co-opted, local authority or community member, the Corporation has been advised by the Search Committee (established under Paragraphs (3) and (4) of Article 5 of the Articles of Government) not to make the appointment.
- (6) In this paragraph, “specified skills and experience” means skills and experience (other than professional qualifications) specified by the Corporation as appropriate for members of the Corporation.
- (7) Where the office of any appointed member becomes vacant, the Corporation, (where it is the appointing authority) is to, as soon as practicable, take all necessary steps to appoint a new member to fill the vacancy.
- (8) A local authority member can be a local authority elected councillor, a local authority employee, or any other appropriate person nominated by the local authority, subject to sub-paragraph (3).
- (9) Nothing in this clause entitles the Corporation to request more than one nomination from any of the bodies referred to in Paragraphs 2 (1) (c) to (g) to fill any single vacancy.

6. Appointment of Chair and Vice-Chair

- (1) The members of the Corporation are to appoint a Chair and a Vice-Chair from among their number.
- (2) Neither the Principal nor any staff or student member is eligible to be appointed Chair or Vice-Chair.
- (3) The Chair and Vice-Chair are to hold office for such a period as the Corporation may determine.
- (4) If both the Chair and Vice-Chair are absent from any meeting of the Corporation, the members present are to choose one of their number to act as Chair for that meeting, subject to sub-paragraph (2).
- (5) The Chair or Vice-Chair may resign his or her office at any time by giving notice in writing to the Clerk.
- (6) If at any time the Corporation is satisfied that the Chair or Vice-Chair is unable or unfit to discharge the functions of Chair or Vice-Chair (as the case may be), the Corporation may, by notice in writing to the Chair or Vice-Chair, remove him or her from his or her office and thereupon the office becomes vacant.

- (7) At the last meeting before the expiry of the term of office of the Chair or Vice-Chair, or following the resignation or removal from office of the Chair or Vice-Chair, the members are to appoint a new Chair or Vice-Chair, as the case may be, from among their number.
- (8) The Chair and Vice-Chair are to be eligible for reappointment at the expiry of their terms of office, subject to any rules made under Article 19 of the Articles of Government.

7. Appointment of Clerk

- (1) The Corporation is to, subject to sub-paragraph (4), and the approval of the Assembly, appoint a person to serve as Clerk.
- (2) Subject to Paragraph 14 (9), the Clerk is entitled to attend all meetings of the Corporation (including meetings of any committee of the Corporation).
- (3) In the event of a temporary absence of the Clerk, the Corporation is to appoint a person to serve as a temporary Clerk, and any reference in this Instrument to the Clerk includes a temporary Clerk appointed under this sub-paragraph.
- (4) The Principal is ineligible to be appointed as Clerk, or as a temporary Clerk.
- (5) The Clerk must comply with any requirements of the Assembly.

8. Persons Ineligible to be Members

- (1) A person who is under the age of 18 years is ineligible for appointment as a member except as a student member.
- (2) A person who is a member of staff of the institution is ineligible for appointment as a member except as a staff member or in his or her capacity as Principal.
- (3) A student at the institution is ineligible to be appointed as a member except as a student member. A person who is already a member other than a student member is not to be required to resign if during his or her term of office he or she enrolls on a part-time course at the institution but if he or she enrolls on a full-time course at the institution, he or she ceases to be a member of the Corporation and thereupon the office becomes vacant.
- (4) The Clerk is ineligible to be a member.
- (5) Subject to sub-paragraphs (6) and (7), a person is disqualified from holding, or from continuing to hold, office as a member if that person has been adjudged bankrupt, or if he or she is the subject of a bankruptcy restrictions order, an interim bankruptcy restrictions order or a bankruptcy restrictions undertaking within the meaning of the Enterprise Act 2002 which amends the Insolvency Act 1986, or if he or she has made a composition or arrangement with his or her creditors, including an individual voluntary arrangement.
- (6) Where a person is disqualified by reason of having been adjudged bankrupt, or being the subject of a bankruptcy restrictions order, an interim bankruptcy restrictions order or a bankruptcy restrictions undertaking, that disqualification ceases:
 - a) on his or her discharge from bankruptcy, unless the bankruptcy order made against him or her has before then been annulled; or
 - b) if the bankruptcy restrictions order of which he or she is the subject is rescinded as a result of an application under Section 375 of the Insolvency Act 1986, on the date so ordered by the court; or

- c) if the interim bankruptcy restrictions order of which he or she is the subject is discharged by the court, on the date of that discharge; or
 - d) if the bankruptcy restrictions undertaking of which he or she is the subject is annulled, on the date of that annulment.
- (7) Where a person is disqualified by reason of having made a composition or arrangement with his or her creditors, including an individual voluntary arrangement, and he or she then pays his or her debts in full, the disqualification ceases on the date on which the payment is completed and in any other case it ceases on the expiration of three years from the date on which the terms of the deed of composition, arrangement or individual voluntary arrangement are fulfilled.
- (8) a) Subject to Paragraph (b), a person is disqualified from holding, or from continuing to hold, office as a member if:
- (i) within five years before his or her appointment would otherwise have taken effect, or since his or her appointment, he or she has been convicted whether in the United Kingdom or elsewhere of any offence and has had passed on him or her a sentence of imprisonment (whether suspended or not) for a period of not less than three months without the option of a fine;
 - (ii) within 20 years before his or her appointment would otherwise have taken effect, he or she has been convicted as aforesaid and has had passed on him or her a sentence of imprisonment for a period of more than two and a half years; or
 - (iii) he or she has at any time been convicted as aforesaid and has had passed on him or her a sentence of imprisonment of not less than five years.
 - (iv) he/she has at any time been convicted and sentenced for any period of imprisonment regardless of the term. (Article 19 Local Rule).
- b) For the purpose of this regulation, any conviction by or before a court outside the United Kingdom of an offence in respect of conduct which, if it had taken place in any part of the United Kingdom, would not have constituted an offence under the law in force in that part of the United Kingdom is to be disregarded.
- (9) Upon a member of the Corporation becoming disqualified from continuing to hold office by virtue of sub-paragraphs (5) or (8), he or she must forthwith give written notice of the fact to the Clerk.

9. Term of Office

- (1) A member of the Corporation is to hold and vacate office in accordance with the terms of his or her appointment but the length of his or her term of office is not to exceed 4 years.
- (2) A member retiring at the end of his or her terms of office is eligible for reappointment, subject to any rules made under Article 19 of the Articles of Government, and Paragraph 5 is to apply to the reappointment of a member as it applies to the appointment of a member's successor.

10. Determination of Membership

- (1) A member may resign his or her office at any time by giving notice in writing to the Clerk.
- (2) If at any time the Corporation is satisfied that any member:

a) has been absent from meetings of the Corporation for a period longer than six consecutive months without the permission of the Corporation; or

b) is unable or unfit to discharge the functions of a member,

the Corporation may by notice in writing to that member remove him or her from office and thereupon the office becomes vacant.

(3) Any person who is a member of the Corporation by virtue of being a member of the staff (including the Principal) of the institution ceases to hold office if he or she ceases to be a member of the staff of the institution, and thereupon the office becomes vacant.

(4) Any person who is a member of the Corporation by virtue of being a student of the institution ceases to hold office:

a) at the end of the academic year in which he or she ceases to be a student of the institution or at such other time in the year after he or she has ceased to be a student as the Corporation may determine; or

b) if he or she is expelled from the institution, and thereupon the office becomes vacant.

11. Members not to hold interests in matters relating to the Institution

(1) Except with the approval in writing of the Assembly, no member is to take or hold any interest in any property held or used for the purpose of the institution.

(2) A member who has any financial interest in the supply of work or goods to or for the purposes of the institution, any contract or proposed contract concerning the institution, or has any other interest of a description specified by the Corporation on any matter relating to the institution, is:

a) to disclose to the Corporation, or any committee of the Corporation, the nature and extent of his or her interest; and

b) if he or she is present at a meeting of the Corporation, or any committee of the Corporation, at which such supply, contract or other matter is to be considered, not to take part in the consideration or to vote on any question with respect to it and not to be counted in the quorum present at the meeting in relation to a resolution on which he or she is not entitled to vote.

(3) The Clerk is to maintain a register of interests of members of the Corporation which are disclosed to the Corporation and the register is to be made available during normal office hours at the institution to any person wishing to inspect it.

(4) This paragraph does not prevent the members of the Corporation considering and voting upon proposals for the Corporation to insure the members of the Corporation against liabilities incurred by them arising out of their offices or the Corporation obtaining such insurance and paying the premiums.

(5) This paragraph does not require members of staff to withdraw when staff matters are to be discussed, unless it is any individual member of staff that is to be discussed as opposed to a group of staff, subject to Paragraph 14 (4) (d).

12. Meetings

- (1) The Corporation is to meet at least once in every term, and hold such other meetings as may be necessary.
- (2) Subject to sub-paragraph (3), all meetings are to be summoned by the Clerk, who is to, at least five working days before the date of the meeting, send to the members a notice of the meeting and a copy of the proposed agenda.
- (3) However, if it is proposed to consider at any meeting the remuneration, conditions of service, conduct, suspension, dismissal or retirement of the Clerk, the Chair (and not the Clerk) is to, at least five working days before the date of the meeting, send to the members a copy of the agenda item concerned together with any relevant documents.
- (4) 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. Where the Chair or, in his or her absence, the Vice-Chair so directs on the ground that there are matters demanding urgent consideration, it is sufficient if the notice convening the meeting and the proposed agenda are given within such period, being less than five working days, as he or she specifies.
- (5) Every member of the Corporation is to act in the best interests of the Corporation and accordingly is not to be bound in speaking and voting by mandates given to him or her by another body or person.
- (6) The requirement to send or give notice out in sub-paragraphs (2), (3) and (4) may be satisfied by being sent by electronic means.

13. Quorum

- (1) Meetings of the Corporation are *quorate* if the number of members present is at least 40 percent of the membership numbers (that is to say the aggregate of the number determined in accordance with Paragraph 3 (1) and the number of any Assembly appointed members), as shown for the purposes of illustration in the table below.

Number of Members	Quorum
12	5
13	6
14	6
15	6
16	7
17	7
18	8
19	8
20	8
21	8
22	9
23	9

- (2) If the number of members assembled for a meeting of the Corporation does not constitute a quorum, the meeting is not to be held. If in the course of a meeting of the Corporation the

number of members present ceases to constitute a quorum, the meeting is to be terminated forthwith.

- (3) In circumstances where a meeting cannot be held or, as the case may be, cannot continue, due to a lack of *quorum*, the Chair may cause a special meeting to be summoned as soon as conveniently possible.

14. Proceedings of Meetings

- (1) Every question to be decided at a meeting of the Corporation is to be determined by a simple majority of the votes of the members present and voting on the question. Where there is an equal division of votes, the Chair of the meeting is to have the casting vote.
- (2) A member may not vote by proxy or by way of a postal vote.
- (3) No resolution of the members may 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.
- (4) A member of the Corporation who is a member of the staff of the institution, including the Principal, is to withdraw:
 - a) from that part of any meeting of the Corporation, or any committee of the Corporation, at which staff matters relating solely to that member of staff (as distinct from staff matters relating to all members of staff, or all members of staff in a particular class) are to be considered;
 - b) from that part of any meeting of the Corporation, or any committee of the Corporation, at which his or her reappointment, or the appointment of his or her successor, is to be considered; and
 - c) if so required by a majority of the other members present, from that part of any meeting of the Corporation, or any committee of the Corporation, at which staff matters relating to any member of staff holding a post senior to his or her own are to be considered; and
 - d) if so required by a majority of other members present, from that part of any meeting of the Corporation, or any committee of the Corporation, at which negotiations covering the pay or conditions of (any or all) members of staff are being considered.
- (5) A Principal who has chosen not to be a member of the Corporation is still entitled to attend and speak at all meetings of the Corporation, or any committee of the Corporation, except that he or she must withdraw in any case where he or she would be required to withdraw under subparagraph (4) if he or she were attending as a member.
- (6) A student member who is under the age of 18 is not to vote, whether at a meeting of the Corporation, or any committee of the Corporation, on any question concerning any proposal:
 - a) for the expenditure of money by the Corporation; or
 - b) under which the Corporation, or any members of the Corporation, would enter into any contract, or would incur any debt or liability (whether immediate, contingent or otherwise).
- (7) Except as provided by rules made under Article 14(2) of the Articles of Government relating to student discipline, a student member is to withdraw from that part of any meeting of the Corporation or committee at which his or her conduct, suspension or expulsion or those of any student is to be considered.

- (8) In any case where the Corporation, or any committee of the Corporation, is to discuss staff matters relating to a member or prospective member of the staff of the institution, a student member is to:
- a) take no part in the consideration or discussion of the matter in question and not vote on any question with respect to the matter; and
 - b) where required to do so by a majority of the members other than student members of the Corporation or committee present at the meeting, withdraw from the meeting.
- (9) The Clerk:
- a) is to withdraw from that part of any meeting of the Corporation, or any committee of the Corporation, at which his or her remuneration, conditions of service, conduct, suspension, dismissal or retirement, in his or her capacity as Clerk, are to be considered; and
 - b) if he or she is a member of staff of the institution withdraw in any case where he or she would be required to withdraw under sub-paragraph (4) if he or she were attending as a member of the Corporation.
- (10) If the Clerk withdraws from a meeting or part thereof under sub-paragraph (9), the Corporation or committee of the Corporation (as the case may be) is to appoint from its number a person to act as Clerk for the duration of such a meeting or part thereof, except that the Principal is ineligible to be appointed as a temporary Clerk.

15. Minutes

- (1) Subject to sub-paragraph (2), at every meeting of the Corporation the minutes of the last meeting are to be taken as an agenda item and, if agreed to be accurate, those minutes are to be signed as a true record by the Chair of the meeting.
- (2) Sub-paragraph (1) does not require the minutes of the last meeting to be taken as an agenda item of a meeting called under Paragraph 12 (4) and where the minutes of the last meeting are not taken as an agenda item of such a meeting, pursuant to this Paragraph, they are to be taken as an agenda item at the next meeting which is not called under Paragraph 12 (4).
- (3) Separate minutes are to be taken of those parts of the meetings from which the Clerk or staff or student members have withdrawn. A member of the Corporation who is a member of staff of the institution, a student member or the Clerk who has withdrawn from a meeting in accordance with sub-paragraphs (4) to (9) of Paragraph 14 is not entitled to see the minute of that part of the meeting or any papers in relation thereto.

16. Public Access to Meetings

- (1) Subject to Paragraph 14, the following are entitled to attend meetings of the Corporation:
- a) a member of the Corporation;
 - b) the Clerk;
 - c) no more than two duly accredited observers appointed by the Assembly.
- (2) Any question as to whether any other person should be allowed to attend a meeting of the Corporation is to be determined by the Corporation.

17. Publication of Minutes and Papers

- (1) Subject to sub-paragraph (2), the Corporation is to ensure that a copy of:
 - a) the agenda for every meeting of the Corporation and any of its committees;
 - b) the draft minutes of every such meeting, if they have been approved by the Chair of the meeting;
 - c) the signed minutes of every such meeting; and
 - d) any report, document or other paper considered at any such meetingis made available in each case as soon as may be, during normal office hours at the institution to any person wishing to inspect them.
- (2) There may be excluded from any item required to be made available in pursuance of sub-paragraph (1), any material relating to:
 - a) a named person employed at or proposed to be employed at the institution;
 - b) a named student at, or candidate for admission to, the institution;
 - c) the Clerk; or
 - d) any matter which, by reason of its nature, the Corporation is satisfied should be dealt with on a confidential basis.
- (3) Items excluded under Paragraph (2) (d) should be regularly reviewed by the Corporation and made available once they cease to be confidential.

18. Allowance to Members.

- (1) The Corporation has power to pay to the members of the Corporation such travelling, subsistence or other allowances as the Corporation may determine, but must not without the approval in writing of the Assembly pay allowances which remunerate the members for their services as members.

19. Copies of Instrument of Government

- (1) A copy of this Instrument is to be given to every member and made available for inspection upon request during normal office hours at the institution to any person.

20. Change of Name

- (1) The Corporation may change its name with the approval of the Assembly.

21. Application of Seal

- (1) The application of the seal of the Corporation is to be authenticated by:
 - a) the signature either of the Chair or of some other member authorised either generally or specially by the Corporation to act for that purpose; and
 - b) the signature of any other member.

22. Amendment of Instrument of Government

- (1) This Instrument may be modified or replaced in accordance with Section 22 of the Further and Higher Education Act 1992.

Schedule 2: Articles of Government

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1. Interpretation

In these Articles of Government:

- (1) “the Academic Board” (“*y Bwrdd Academaidd*”) means a body constituted in accordance with Article 4;

“these Articles” (“*yr Erthyglau hyn*”) means these Articles of Government;

“the Assembly” (“*yr Cynulliad*”) and “the Corporation” (“*y Gorfforaeth*”), have the same meaning as in the Instrument of Government;

“business member” (“*aelod busnes*”), “community member” (“*aelod cymunedol*”), “co-opted member” (“*aelod cyfetholedig*”), “local authority member” (“*aelod awdurdod lleol*”), “staff member” (“*aelod staff*”) and “student member” (“*aelod-fyfyriwr*”) have the same meaning as in the Instrument of Government;

“Chair” (“*Cadeirydd*”), “Vice-Chair” (“*Is-gadeirydd*”) and “Clerk” (“*Clerc*”) refer to the “Chair of the Corporation” (“*Cadeirydd y Gorfforaeth*”), “Vice-Chair of the Corporation” (“*Is-gadeirydd y Gorfforaeth*”) and “Clerk to the Corporation” (“*Clerc y Gorfforaeth*”) respectively;

“senior post” (“*swydd uwch*”) means the posts of Principal and only such other posts as the Corporation determines for the purposes of these Articles;

“the staff” (“*Y staff*”) means all staff of the institution;

“Students’ Union” (“*Undeb y Myfyrwyr*”) means any association of the generality of students formed to further the educational purposes of the institution and the interests of students as students;

“working day” (“*diwrnod gwaith*”) means any day, Monday to Friday inclusive, other than a bank holiday or other public holiday.

- (2) The headings are for convenience only and do not affect the construction of these Articles.

2. Conduct of the Institution

- (1) The institution is to be conducted in accordance with the provisions of, and any provisions made pursuant to the Education Acts as defined in Section 578 of the Education Act 1996, any subsequent Education Acts, the Learning and Skills Act 2000, any regulations, orders or directions made by the Assembly and subject thereto, in accordance with the provisions of the Instrument of Government, these Articles, any rules or bye-laws made under these Articles and any trust deed regulating the institution.

3. Responsibilities of Corporation, Principal and Academic Board

- (1) The Corporation is to be responsible for:
- a) the determination of the educational character and mission of the institution and for oversight of its activities;
 - b) the effective and efficient use of resources, the solvency of the institution and the Corporation and for safeguarding their assets;
 - c) approving annual estimates of income and expenditure;
 - d) the appointment, grading, appraisal, suspension 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, his or her appointment, grading, suspension and determination of his or her pay in his or her capacity as a member of staff);

- e) the dismissal of the holders of senior posts and the Clerk (including where the Clerk is, or is to be appointed as, a member of staff, his or her dismissal in his or her capacity as a member of staff);
- f) setting a framework for the pay and conditions of service of all other staff;
- g) if there is to be no Academic Board, ensuring that arrangements are in place for advising the Principal on the standards, planning, co-ordination, development and oversight of the academic work of the institution, including arrangements for the admission, assessment and examination of students and the procedures for the expulsion of students for academic reasons.

(2) Subject to the responsibilities of the Corporation, the Principal is to be the Chief Executive of the institution, and responsible for:

- a) making proposals to the Corporation about the educational character and mission of the institution, and for implementing the decisions of the Corporation;
- b) the organisation, direction and management of the institution and leadership of the staff;
- c) the appointment, assignment, grading, appraisal, suspension, and determination, within the framework set by the Corporation, of the pay and conditions of service, of staff other than the holders of senior posts or the Clerk;
- d) the dismissal of staff other than the holders of senior posts or the Clerk;
- e) the determination, after consultation with the Academic Board (if any), or if there is to be no Academic Board, after consultation with the Corporation, of the institution's academic activities, and the determination of its other activities;
- f) preparing annual estimates of income and expenditure, for consideration and approval by the Corporation, and the management of budget and resources, within the estimates approved by the Corporation;
- g) maintaining student discipline and, within the rules and procedures provided for within these Articles, suspending or expelling students on disciplinary grounds and implementing decisions to expel students for academic reasons.

(3) Subject to:

- a) the provisions of these Articles;
- b) the overall responsibility of the Corporation; and
- c) the responsibilities of the Principal,

the Academic Board (if any) is to be responsible for ensuring that the arrangements are in place for advising the Principal on the standards, planning, co-ordination, development and oversight of the academic work of the institution, including arrangements for the admission, assessment and examination of students and the procedures for the expulsion of students for academic reasons.

4. Academic Board

(1) The Corporation may establish an Academic Board, comprising the Principal (who is to be Chair) and such other numbers of staff and students as may from time to time be approved by the Corporation. The Principal may nominate a deputy Chair from among the members of the

Academic Board to take the Chair in his or her place whenever the Principal is unable to attend an Academic Board meeting. The period of appointment of members and selection or election arrangements are to be subject to the approval of the Corporation.

- (2) The Academic Board (if any) may establish such committees as it considers necessary for the purpose of enabling it to carry out its responsibilities, provided that each proposal for the establishment of such a committee is first approved by the Principal. The number of members of any such committee and the terms on which they are to hold and vacate office is to be determined by the Academic Board and any such committee may include persons who are not members of the Academic Board.

5. Delegation of Functions and Committees

- (1) Subject to the following provisions of this Article, the Corporation may establish a committee of the Corporation for any purpose or function, other than those assigned elsewhere in these Articles to the Principal or to the Academic Board, and may delegate powers to:
 - a) such a committee;
 - b) the Chair or, in his or her absence, the Vice-Chair; or
 - c) the Principal.
- (2) The number of members of a committee established under this Article, and the terms on which they are to hold and vacate office, is to be determined by the Corporation.
- (3) The Corporation is to establish a committee, to be known as the Search & Governance Committee, to advise on:
 - a) the appointment of the business, community and local authority members;
 - b) the co-option of the co-opted members of the Corporation;
 - c) such other matters relating to membership and appointments as the Corporation may remit to it.
- (4) The Corporation must not:
 - a) Appoint any person as a business, community or local authority member; or
 - b) Co-opt any person as a member of the Corporation,unless it has first considered the advice of the Search Committee in relation thereto. The Corporation may make rules specifying the procedures for the conduct of the Search & Governance Committee and a copy of any such rules, together with the remit of the Search & Governance Committee, are to be made available for inspection by any person during normal office hours at the institution.
- (5) The Corporation is to establish a committee, to be known as the Audit Committee, to advise on matters relating to the Corporation's audit arrangements and systems of internal control. The Audit Committee is to consist of at least three persons and may include members of the staff of the Corporation other than those in senior posts and is to operate in accordance with any requirements of the Assembly.
- (6) Any committee established by the Corporation (other than the Reporting Committee, the Special Committee or any other committee formed for the purposes of Articles 10 or 11) may include persons who are not members of the Corporation.
- (7) The Corporation must not, however, delegate 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 the safeguarding of their assets;
 - d) the appointment of the Principal, the Clerk, or the holder of any senior post;
 - e) the responsibility for hearing the appeal against dismissal of the Principal, the holder of any senior post, or, where the Clerk is a member of staff, hearing the Clerk's appeal against his or her dismissal in his or her capacity as a member of staff;
 - f) the modification or revocation of these Articles.
- (8) The Corporation is to ensure that a written statement of its policy regarding:
- a) attendance at committee meetings by persons who are not committee members; and
 - b) the publication of the minutes of committee meetings,
- is made available for inspection by any person during normal office hours at the institution.
- (9) The Principal may delegate any of his or her functions, other than the management of budget and resources, to other appropriate members of staff. Such delegations and the extent of such delegations are to be approved from time to time by the Corporation.

6. Appointment and Promotion of Staff

- (1) Each member of staff is to serve under a contract of employment with the Corporation.
- (2) Upon the occurrence of a vacancy or expected vacancy in a senior post, the Corporation is to:
 - a) advertise the vacancy in such publications circulating throughout the United Kingdom as it considers appropriate; and
 - b) appoint a selection panel consisting of:
 - (i) (where the vacancy is for the post of Principal) at least five members of the Corporation including the Chair and/or the Vice-Chair; or
 - (ii) (where the vacancy is for any other senior post) the Principal, and at least three other members of the Corporation.
- (3) The members of the selection panel are to:
 - a) determine the arrangements for selecting applicants for interview;
 - b) interview those applicants; and
 - c) where they consider it appropriate to do so, recommend to the Corporation for appointment, one of the applicants they have interviewed.
- (4) If the Corporation approves the recommendation of the selection panel, that person is to be appointed.
- (5) If the members of the selection panel are unable to agree on a person to recommend to the Corporation, or if the Corporation does not approve their recommendation, the Corporation may require the panel to repeat the steps specified in sub-paragraphs (a) to (c) of Article 6 (3), with or without first re-advertising the vacancy.

- (6) A member of staff may be required to act as Principal or in any other senior post, in the event of a vacancy or the temporary absence of the holder of that post, and has all the duties and responsibilities of the Principal or holder of such other senior post (as the case may be), during the period of the vacancy or temporary absence. Accordingly, any reference in the Instrument of Government or in these Articles to the Principal is to include a person acting as Principal in accordance with this paragraph.

7. Conduct of Staff

- (1) After consultation with the staff, the Corporation is to make rules relating to the conduct of the staff.

8. Academic Freedom

- (1) In making rules under Article 7, the Corporation is to have regard to the need to ensure that academic staff of the institution have freedom within the law to question and test received wisdom, and to put forward new ideas and controversial or unpopular opinions, without placing themselves at risk of losing their jobs or any privileges which they may enjoy at the institution.

9. Suspension of Staff

- (1) The Chair, or in his or her absence, the Vice-Chair may suspend from duty, with pay, the holder of a senior post for misconduct or other good or urgent cause. The Chair or Vice-Chair must report such suspension in writing to the Corporation within two working days or as soon thereafter as is practicable.
- (2) The Principal may suspend from duty, with pay, any member of the staff other than the holder of a senior post, for misconduct or other good or urgent cause.
- (3) Anyone who is suspended from duty under Paragraphs (1) or (2) is to be entitled to receive from the Principal, or, in the case of a holder of a senior post, from the Chair or Vice-Chair, written notification of the suspension, setting out the reasons for which the decision to suspend has been taken.
- (4) Procedures for the suspension of staff under Paragraphs (1) and (2) are to be specified in rules made by the Corporation after consultation with the staff. The rules are to include provision that:
- a) any person who has been under suspension for three weeks or more may appeal in writing to the Corporation against the suspension, save that no such right of appeal lies if the case for dismissal of the person is being considered under Articles 10 or 11;
 - b) any appeal made under sub-paragraph (a) above is to be considered as soon as practicable;
 - c) a suspension against which an appeal is made is to continue to operate pending the determination of the appeal.

10. Dismissal of Senior Post Holders and the Clerk

- (1) In this Article, "relevant senior staff" ("*staff uwch perthnasol*") means senior post holders and the Clerk, if he or she is also a member of staff.
- (2) After consultation with relevant senior staff, the Corporation is to make rules, specifying procedures (including appropriate time limits relating thereto) for the dismissal of relevant

senior staff and the consideration of their appeals. Such rules must incorporate provisions satisfying this article and the principles of natural justice.

- (3) If it appears that there may be a case for the dismissal of a member of relevant senior staff, the matter is to be referred to a Reporting Committee of the Corporation.
- (4) A Reporting Committee is to consist of no fewer than one and no more than five members of the Corporation. However, the Chair, Vice-Chair, Principal and staff and student members are not to be eligible for membership.
- (5) The Reporting Committee is to examine the case for dismissal and prepare a written report, including recommendations, for consideration by a Special Committee of the Corporation, a copy of which is to be sent to the person to whom it relates.
- (6) A Special Committee is to consist of no fewer than three members of the Corporation. Members of the Reporting Committee, the Chair, Vice-Chair, Principal and staff and student members are not to be eligible for membership.
- (7) The Special Committee is to consider the report prepared by the Reporting Committee and invite the person concerned to a meeting.
- (8) The Special Committee is to take such action as it deems to be appropriate in the circumstances, which may include the dismissal of the person concerned. The Special Committee is to confirm its decision in writing to the person concerned, and such a letter is to include confirmation of the entitlement to appeal against any decision of the Special Committee and the procedure for doing so. A dismissal against which an appeal is made is to take effect irrespective of any pending appeal.
- (9) In the event that a member of relevant senior staff has indicated his or her intention to appeal, the Corporation (excluding members of the Reporting Committee, the Special Committee and any staff or student members) is to invite the person concerned to an appeal meeting and is to consider any new evidence put forward. The decision of the Special Committee is to be reviewed by the Corporation.
- (10) The Corporation must confirm its decision to the person concerned in writing.

11. Dismissal of Staff other than Senior Post Holders or the Clerk

- (1) In this Article, “relevant staff” (“*staff perthnasol*”) means staff other than senior post holders or the Clerk.
- (2) After consultation with relevant staff, the Corporation is to make rules, specifying procedures (including appropriate time limits relating thereto) for the dismissal of relevant staff and the consideration of their appeals. Such rules must incorporate provisions satisfying this Article and the principles of natural justice.
- (3) If the Principal considers that there may be a case for the dismissal of a member of relevant staff, he or she may decide to appoint a Reporting Officer. The Reporting Officer (if any) is to examine the case for dismissal and prepare a written report, including recommendations, for consideration by the Principal, a copy of which is to be sent to the person concerned.
- (4) The Principal is to consider the report prepared by the Reporting Officer (if any). If no report has been prepared, the Principal must set out in writing the circumstances which have led him or her to contemplate dismissal, and send this to the person concerned. The Principal is to invite the person concerned to a meeting.
- (5) The Principal is to take such action as he or she deems to be appropriate in the circumstances, which may include the dismissal of the person concerned. The Principal is to confirm his or her

decision in writing to the person concerned, and such a letter is to include confirmation of the entitlement to appeal against any decision of the Principal and the procedure for doing so. A dismissal against which an appeal is made is to take effect irrespective of the pending appeal.

- (6) In the event that a member of relevant staff has indicated his or her intention to appeal, the Corporation (excluding the Principal and the Reporting Officer (if any) and any staff or student members) is to invite the person concerned to an appeal meeting and is to consider any new evidence put forward. The Principal's decision is to be reviewed by the Corporation.
- (7) The Corporation must confirm its decision to the person concerned in writing.

12. Suspension and dismissal of the Clerk

- (1) The requirement to follow the procedures set out in Articles 9 and 10 in the case of a Clerk who is also a member of staff, will not prejudice the Corporation's right to take action in relation to the suspension from or termination of such a Clerk's appointment under Paragraph 7 of the Instrument of Government in accordance with any separate agreement relating to his or her appointment as Clerk.

13. Grievance Procedures

- (1) After consultation with staff, the Corporation is to make rules specifying procedures in accordance with which staff may seek redress of any grievances relating to their employment.

14. Students

- (1) Any Students' Union is to conduct and manage its own affairs and funds in accordance with a constitution approved by the Corporation and must present audited accounts annually to the Corporation. No amendment to or rescission of that constitution, in part or in whole, is valid unless approved by the Corporation.
- (2) After consultation with the Academic Board (if any) and representatives of the students, the Corporation is to make rules concerning the conduct of students, including procedures for suspension and expulsion.
- (3) In exercise of the responsibilities set out in Article 3 (3) and after consultation with the Corporation and representatives of the students, the Academic Board (if any) must advise the Principal on procedures for the expulsion of a student for an unsatisfactory standard of work or other academic reason. If there is no Academic Board, the Corporation must, after consultation with representatives of the students, advise the principal on such procedures.

15. Financial Matters

- (1) The Corporation is to set the policy by which the tuition and other fees payable to the Corporation are determined (subject to any terms and conditions attached to grants, loans or other payments paid or made by the Assembly).

16. Co-operation with Assembly Auditor

- (1) The Corporation is to co-operate with any person authorised by the Assembly to audit any returns and, in particular, give any such person access to any documents or records held by the Corporation including records stored on computers.

17. Internal Audit

- (1) The Corporation is to, at such times as it considers appropriate, examine and evaluate (or arrange for the examination and evaluation on its behalf of) its systems of internal financial control to ensure that they contribute to the proper, economic, efficient and effective use of the Corporation's resources.
- (2) The Corporation must not appoint any persons ("internal auditors") to carry out the activities referred to in Paragraph (1) on its behalf if such persons are appointed as external auditors under Article 18.

18. Accounts and Audit of Accounts

- (1) The Corporation is to:
 - a) keep proper accounts and proper records in relation to the accounts; and
 - b) prepare in respect of each financial year of the Corporation a statement of accounts.
- (2) The statement is to:
 - a) give a true and fair account of the state of the Corporation's affairs at the end of the financial year and of the Corporation's income and expenditure and inflows and outflows of cash in the financial year; and
 - b) comply with any directions given by the Assembly as to the information to be contained in it, the manner in which the information is to be presented, the methods and principles according to which it is to be prepared and the time and manner of publication.
- (3) The accounts (including any statement prepared under this Article) are to be audited by persons ("external auditors") appointed by the Corporation (subject to Paragraph (5)) in respect of each financial year.
- (4) Such auditors are to be appointed and other audit work conducted, in accordance with any requirements of the Assembly.
- (5) The Corporation must not appoint persons as external auditors under Paragraph (3) in respect of any financial year if those persons are also appointed as internal auditors under Article 17.
- (6) In this Article, in relation to the Corporation:
 - a) "financial year" ("*blwyddyn ariannol*") means the first financial year and (except as provided for in sub-paragraph (c)), each successive period of 12 months;
 - b) "the first financial year" ("*y flwyddyn ariannol gyntaf*") means the period commencing with the date on which the Corporation is established and ending either with the second 31st July

following that date or ending with some other date determined by the Corporation with the approval of the Assembly; and

c) if the Corporation is dissolved:

(i) the last financial year ends on the date of dissolution of the Corporation; and

(ii) the Corporation may, with the approval of the Assembly, determine that what would otherwise have been the last two financial years are to be treated as a single financial year for the purpose of this Article.

19. Rules and Bye-Laws

(1) The Corporation has the power to make rules and bye-laws concerning such matters with regard to the government and conduct of the institution as it thinks fit. Such rules and bye-laws are to be subject to the provisions of the Instrument of Government and these Articles.

20. Copies of Articles of Government, Rules and Bye-laws

(1) A copy of these Articles, and of any rules and bye-laws, are to be given to every member and made available for inspection by any person upon request during normal office hours at the institution to any person.

21. Amendment of Articles of Government

(1) These Articles may be modified or replaced in accordance with Section 22 of the Further and Higher Education Act 1992.

Further Education Corporations

1. Coleg Gwent
2. St David's Catholic College
3. Cardiff and Vale College
4. Coleg y Cymoedd

5. The College Merthyr Tydfil
6. Bridgend College
7. Neath Port Talbot College (Trading as "Grwp NPTC Group")
8. Gower College Swansea
9. Coleg Sir Gâr
10. Pembrokeshire College
11. Coleg Ceredigion
12. Grŵp Llandrillo Menai
13. Coleg Cambria

Article 19 Local Rules & Bye-Laws

Introduction

Under Article 19, the Corporation has the power to make rules and bye-laws concerning government and conduct matters as it sees fit. The table below lists the local rules and bye-laws established by resolution of the Board that NPTC Group Corporation has made under the power granted by Article 19.

Reference	Resolution	Date
<u>CB14/15: 075</u>	<p>The Corporation whilst bound by the Further Education Corporations (replacement of Instrument and Articles) (Wales) Order 2006, from 1 September 2014, the Board agreed to comply with Freedoms and requirements afforded by the Further and Higher Education (Governance and Information) (Wales) Act 2014. With particular reference to:</p> <ul style="list-style-type: none"> • Borrowing and investing by further education corporations; • <i>De minimis</i> requirements with regard to the Instrument and articles of government of further education corporations; • <i>De minimis</i> requirements in respect of Board Membership. The only compulsory members of the Board are as follows: <ul style="list-style-type: none"> – the chief executive, – at least two other members of staff at the institution – at least two students at the institution, and – one or more representatives of local employers or Businesses • Dissolution of further education corporations; • Intervention by Welsh Ministers in respect of institutions within further education sector; • Abolition of duties of further education institutions to comply with directions; and • Abolition of power to regulate higher education courses in further education sector. 	16.05.15

Standing Orders

Introduction

These Standing Orders supplement the provisions of the Further Education Corporations (Replacement of Instrument and Articles of Government) (Wales) Order 2006 (“the Order”). In the event of any conflict between these Standing Orders and the above-mentioned legislation, the legislation shall prevail.

The Corporation whilst bound by the Order, from 1 September 2014, the Board agreed to comply with Freedoms and requirements afforded by the Further and Higher Education (Governance and Information) (Wales) Act 2014. With particular reference to:

Borrowing and investing by further education corporations;

De-Minimis requirements with regard to the Instrument and articles of government of further education corporations;

De-Minimis requirements in respect of Board Membership. The only compulsory members of the Board are as follows:

the chief executive;

at least two other members of staff at the institution;

at least two students at the institution; and,

one or more representatives of local employers or Businesses.

Dissolution of further education corporations;

Intervention by Welsh Ministers in respect of institutions within further education sector;

Abolition of duties of further education institutions to comply with directions; and,

Abolition of power to regulate higher education courses in further education sector.

Terms of Reference

Members shall comply in all respects with, and observe, the Terms of References approved by the Corporation and as published in the Governance Handbook.

Quorum

At the commencement of each meeting, the AP: Governance shall determine whether the meeting is quorate. The quorum will include any Members attending via video or audio technology. The quorum for meetings of the Corporation Board shall be as outlined in Paragraph 13 of the Instrument of Government. The quorum for all Committees of the Corporation Board shall be as defined within the relevant Terms of Reference of that Committee.

1. If the number of Members present in person or via videoconferencing, excluding co-opted advisers, does not constitute a quorum, the meeting shall not be held as outlined in Paragraph 13 (2) of the Instrument of Government.

2. If the number of Members present, in person or attending via video or audio technology, excluding co-opted advisers, falls during a meeting below the level of the quorum, the meeting shall be terminated immediately as outlined in Paragraph 13 (2) of the Instrument of Government.

Attendance

3. An attendance register will be circulated by the Assistant Principal: Governance at the beginning of each meeting to record those members in attendance including those Members attending via videoconferencing.
4. The Assistant Principal: Governance will list the Members present and apologies for absence in the minutes of each meeting.
5. The Corporation Board and its Committees aim to achieve **70 percent** attendance at all of its meetings. Attendance will be monitored by the Chair's Committee on an annual basis.

Clerking Arrangements

6. The Assistant Principal: Governance or a nominated replacement, must be in attendance at each meeting of the Corporation Board and its Committees. The Principal cannot act as Assistant Principal: Governance or temporary Assistant Principal: Governance to the Corporation or its Committees.
7. The Agenda and *all* papers will be circulated no later than the **Friday** before the meeting taking place in the following week. Any late papers will be admissible only with the permission of the Chair.
8. If a Board Member requires more clarification, information or evidence, regarding a report, then they are encouraged to contact the Assistant Principal: Governance, if needed, before the meeting.

Public Access to Meetings

9. Before consideration of the first item on the agenda, the Chairperson shall enquire if any members of the press/media are present and will remind all members of the public, who are present, of the Corporation's policy regarding their conduct and access to meetings (as set out in these Standing Orders).

Chairing Meetings

10. At meetings of the Corporation Board, the Chairperson or, in his/her absence, the Vice-Chairperson, shall Chair the meeting. In the case of Committees, the Committee Chairperson shall contact one of his /her fellow Committee Members in advance of the meeting to assume the role of Acting Chairperson for that meeting in his/her absence. In the event of this action not being taken, the Committee at the commencement of the meeting will elect one of the Members present to Chair the meeting.

Agendas

11. The order of business of each meeting will be in accordance with the published agenda unless a majority of the members present determine otherwise. Agendas will be divided into Part I – Non-Confidential Items; Part II – Confidential Items; and Part III – Confidential Staff Items. Members

of the public will be excluded from all Part II and Part III items. Staff Governors, Officers (with the exception of those permitted by the Corporation Board) and Student Members will be excluded from Part III items dealing with staffing issues.

12. The first item of business at each meeting will be Declarations of Interest. The second item of business at each meeting will normally be approval or otherwise of the minutes of the last meeting which, if agreed by a majority of the Members present to be accurate, shall be signed by the Chairperson as a true record. The minutes of the previous meetings need not appear on the agenda of any special meeting.

Rules of Debate

13. The Chairperson will apply the rules of debate to the consideration of any item of business on the agenda as follows:
 - a) The Chairperson will introduce the item of business;
 - b) The Member or Officer responsible for placing the item on the agenda will present the item and lead discussion on it;
 - c) Questions and points of clarification may be asked either during and/or at the end of the debate by other Members present;
 - d) The Chairperson will seek any other views on the item being discussed;
 - e) At the conclusion of discussion, the Chairperson will seek a consensus regarding the resolution being sought by the item of business;
 - f) A vote shall not be held if a proposer and/or seconder cannot be identified;
 - g) If consensus is not achieved a vote must be held in accordance with Paragraph 14 (1) of the Instrument of Government.
 - h) If it is a wish of the majority of Members present and eligible to vote that a secret ballot be held, the Assistant Principal: Governance will arrange for the drafting and issue of ballot papers to all Corporation Board Members present;
 - i) In the event of an equal division of votes, the Chairperson of the Corporation, or the appropriate Committee, shall have a second and casting vote;
 - j) Members may not vote by proxy;
 - k) In accordance with Paragraph 12 (5) of the Instrument of Government, Members of the Corporation shall not be bound in their speaking and voting by mandates given to them by other bodies or persons.
 - l) When attending Board meetings, Members should:
 - Consider the issue(s) from a strategic perspective – is it demonstrated that all potential impacts have been properly assessed? It is important to gain understanding but avoid going into operational detail, which is not the remit of the Board.

- Challenge constructively. If any Member has concerns about the report or what another Member is saying, alternative suggestions should be offered in a supportive manner.
- Be prepared to make decisions in the absence of perfect information – is the information good enough?
- Draw upon their own knowledge and experience – but don't quote hearsay.
- Always treat your colleagues with respect – allow them to have their say without interruption – never have side conversations during the meeting.
- In the interests of courtesy, mobile phones should be turned off or changed to silent mode.

Collective Responsibility

14. All Members shall comply with the doctrine of collective responsibility and stand by a decision even if it was not passed by a unanimous vote.

Conflict of Interest

15. The first item of business on all agendas must be 'Declarations of Interest'. The onus is on Members and Officers present to declare any conflict of interest prior to the commencement of the meeting. If a member holds an interest, they must act in accordance with Paragraph 11 of the Instrument of Government.
16. If either the Assistant Principal: Governance to the Corporation or any other Member present knows, or has reason to believe, that a conflict, or potential conflict, of interest exists in respect of any other Member present, he/she shall bring the matter immediately to the attention of the Chairperson of the Corporation or Committee in order that a decision can be made in accordance with Paragraph 11 of the Instrument of Government.

Review

17. Standing Orders will be reviewed every two years as part of the ongoing process of review and evaluation of College Governance. The next review date will be September 2022.

Corporation's Board and Sub-Committee's Terms of Reference²

The Corporation Board of NPTC Group of Colleges ("the Corporation") ("the whilst bound by the Further Education Corporations (replacement of Instrument and Articles) (Wales) Order 2006, from September 2014, the Corporation agreed to comply with Freedoms and requirements afforded by the Further and Higher Education (Governance and Information) (Wales) Act 2014. With particular reference to:

- Borrowing and investing by further education corporations;
- Deminimis requirements with regard to the Instrument and articles of government of further education corporations;
- Deminimis requirements in respect of Corporation Membership. The only compulsory members of the Corporation are as follows:
 - the chief executive;
 - at least two other members of staff at the institution;
 - at least two students at the institution; and,
 - one or more representatives of local employers or Businesses.
- Dissolution of further education corporations;
- Intervention by Welsh Ministers in respect of institutions within further education sector;
- Abolition of duties of further education institutions to comply with directions; and,
- Abolition of power to regulate higher education courses in further education sector.

² The Terms of Reference of the Corporation are as defined in the Articles of Government, Clauses 2 & 3:1 (a) – (g)

The Corporation is responsible for:

1. The conduct of the institution in accordance with the provisions of, and any provision made pursuant to the Education Acts as defined in Section 578 of the Education Act 1996, any subsequent Education Acts, the Learning & Skills Act 2000, any regulations, orders or directions made by the Welsh Assembly Government and subject thereto, in accordance with the provisions of the Instrument of Government, these Articles, any rules or bye-laws made under these Articles and any trust deed regulating the institution.
2. The determination of the educational character and mission of the institution and for oversight of its activities;
3. The strategic overview, direction and governance of the Group;
4. The effective and efficient use of resources, the solvency of the institution and the Corporation and for safeguarding their assets;
5. Approving annual estimates of income and expenditure and Group Annual Accounts;
6. The appointment, grading, appraisal, suspension and determination of the pay and conditions of service of the holders of senior posts and the Assistant Principal: Governance (including where the Assistant Principal: Governance is, or is to be appointed as, a member of staff, his or her appointment, grading, suspension and determination of his or her pay in his or her capacity as a member of staff);
7. The determination regarding pay being made after receipt of advice from the Chairs' Committee. The Principal not taking any part in the consideration of his/her own salary, or having a vote on that matter;
8. The dismissal of the holders of senior posts and the Assistant Principal : Governance including where the Assistant Principal : Governance is, or is to be appointed as, a member of staff, his or her dismissal in his or her capacity as a member of staff;
9. Setting a framework for the pay and conditions of service of all other staff;
10. Since there is no Academic Board, ensuring that arrangements are in place through the Corporation Board for advising the Principal on the standards, planning, co-ordination, development and oversight of the academic work of the institution, including arrangements for the admission, assessment and examination of students and the procedures for the expulsion of students for academic reasons;
11. To receive timely and appropriate reports on the educational performance of the College from the Standards & Performance Management Group; and to receive reports on student enrolments, retention, attainment and progression from the relevant staff member;
12. To approve all College Policies, Procedures and Financial Regulations;

13. To receive reports on higher education that allow the Governing Body to be able to approve the annual quality assurance statement to the Higher Education Funding Council Wales;
14. To receive Estyn Inspection and External Quality Assurance Review Reports and approve and monitor the implementation and attainment of targets in action plans;
15. To receive timely and appropriate reports on the educational performance of the College from the Standards & Performance Management Group;
16. To review and monitor the NPTC Group's strategic and operational response to the Welsh Government's challenge of transforming the provision bilingual and Welsh-medium education for post-16 year old students and life-long learner.
17. To receive timely and appropriate reports on the performance of the Group Subsidiary Companies and act in accordance with Annex 1 of these Terms of Reference.

Subsidiary Governance

With regard to the governance structure, as a limited company, each subsidiary company must have its own Independent Board of Directors and that, as long as the company remains solvent, a Director has an overriding duty to act in the best interests of the subsidiary company. However, while the subsidiaries may be limited companies, they were acquired with public funds. It is therefore imperative that the principles of good governance were followed to ensure transparent accountability. Consequently, the Corporation has required the subsidiary boards to apply the following principles:

- Where appropriate the, Group's best practice policies should be embedded in to the subsidiary.
- The subsidiary board should ensure that the subsidiary has an effective system of risk management and reporting. This included an annual audit cycle which is reported back to the Corporation Audit Committee.
- The subsidiary board should ensure that Directors appointed have the requisite skills and appropriate breadth of knowledge and experience for the subsidiary's objectives and business.
- Subsidiary Directors should attend regular Director training.
- Corporation approval for the appointment of individual Directors of the subsidiary Boards should be sought.
- The Corporation may appoint at least one Governor to the subsidiary.
- The subsidiary should provide an annual report on its activities and its annual accounts to the Corporation.
- Subsidiary Registers of Interest and Hospitality, Gifts and Travel should be reported to the Corporation via the Assistant Principal Governance.
- **Corporation approval must be given for the disposition or transfer of any subsidiary title or significant asset (to be discussed with Eversheds)**

Appendices

1. Home Rules for Corporation Board Meeting
2. Schedule of Current Board Members
3. Terms of References for the Corporation Board Committees:
 - Audit Committee
 - Resources and General Purposes (R&GP) Committee
 - Chairs' Committee

Appendix 1

HOUSE RULES FOR BOARD MEETINGS

1. The Corporation Board and its Committees aim to achieve 70 percent attendances at all of its meetings. Attendance will be monitored by the Chair's Committee on an annual basis.
2. The Agenda and *all* papers will be circulated no later than the Friday before the meeting taking place in the following week. Any late papers will be admissible only with the permission of the Chair.
3. If a Board member requires more clarification, information or evidence, regarding a report, then they are encouraged to contact the Assistant Principal if needed, before the meeting.
4. When attending Board meetings, Board Members should:
 - a) Consider the issue(s) from a strategic perspective – is it demonstrated that all potential impacts have been properly assessed? It is important to gain understanding but avoid going into operational detail, which is not the remit of the Board.
 - b) Challenge constructively. If you have concerns about the report or what another Board Member is saying – offer alternative suggestions in a supportive manner.
 - c) Be prepared to make decisions in the absence of perfect information – is the information good enough?
 - d) Draw upon your own knowledge and experience – but don't quote hearsay.
 - e) Always treat your colleagues with respect – allow them to have their say without interruption – never have side conversations during the meeting.

In the interests of courtesy, please:

- Turn your mobile phone off or onto silent.
- Do not distract others by responding to **e-mails** during proceedings of the Board.

Appendix 2

SCHEDULE OF BOARD MEMBERS

NAME OF MEMBER		CATEGORY AND COMMITTEES	DATE		COMMENTS
SURNAME	FORENAME		APPOINTED	EXPIRY	
Hehir	James	Chairs and Audit	29.03.06	04.04.23	4 th Term
<i>Interim Chair, Vice- Chair, Corporation Board</i>					
Cragg	Graham	Chairs and R&GP	10.12.98	11.07.24	5 th Term
<i>Co-Chair, R&GP</i>					
Ifans	Mandy	Chairs and R&GP	08.06.11	07.06.24	2 nd Term
<i>Co-Chair, R&GP</i>					
Burgoyne	Tony	Staff R&GP	24.10.13	03.05.22	2 nd Term
Cluer	Clare	Staff R&GP	03.05.18	03.05.22	1 st Term
Dacey	Mark	Principal Chairs and R&GP	01.05.04	<i>Ex officio</i>	
Dorrance	Matthew	Co-opted R&GP	21.10.21	21.10.24	1 st Term
Harding	Jill	R&GP	22.10.08	04.04.24	4 th Term
Harvey	Matthew	Co-opted Audit	28.04.16	28.04.24	1 st Term
Lewis	Rhobert	Audit	03.05.18	03.05.24	1 st Term
Morgan	Helen	Co-opted R&GP	08.06.11	13.11.24	3 rd Term
Stephens	Ceri	R&GP	04.04.19	04.04.24	1 st Term

Turner	Heather	Co-opted	29.01.20	29.01.24	1 st Term
Williams	James	Co-opted Audit	21.10.21	21.10.24	1 st Term
Vacant					
Vacant					
Vacant		LA Member			
Vacant		LA Member			
Vacant		Student			
Vacant		Student			
Jones	Susan Ann	Co-opted Adviser	24.07.2021	24.07.24	1 st Term

Appendix 3

3.I: Audit Committee

MEMBERSHIP*

- James Hehir (Chair)
- Matthew Harvey
- James Williams
- Heather Turner
- Matthew Dorrance
- Internal Auditor
- External Auditor

* **Note:** Up to two Members are allowed to substitute for committee members subject only to conflict of interest and restrictions outlined in the terms of the Instrument and Articles of Government and Standing Orders.

TERMS OF REFERENCE FOR AUDIT COMMITTEE

Constitution and membership

1. The Corporation Board will establish a committee of the Corporation to be known as the Audit Committee.
2. The Committee and its Chairperson will be appointed by the Corporation Board and will consist of members with no executive responsibility for the management of the institution. At least one member should have a background in finance, accounting or auditing but membership should not be drawn exclusively from people with such a background. The committee may, if it considers it necessary or desirable, co-opt members with particular expertise.
3. There shall be not less than three members.
4. A quorum shall be at least two members.
5. Members attending by video and audio conference are included in the quorum.
6. The Chair of the Corporation Board will not be a member of the Committee. The Chair of the Committee will be a member of the Corporation Board.

7. The Committee may co-opt members with particular expertise.
8. No member of the Committee may also be a member of the Finance Committee or its equivalent or a student at the Group (including student governors).
9. The CEO must not be a member, but may be invited to attend meetings where the Committee deems that this is appropriate.
10. Employees of the Corporation can be members of the Audit Committee, excluding those in senior posts. However, at present the Audit Committee has approved committee membership, which excludes staff governors.
11. The Corporation should have regard to any potential conflict of interest that may exist and a clear mechanism must be established for dealing with conflicts of interest as they arise.

Authority

12. The Committee is authorised by the Corporation Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.
13. The Committee is authorised by the Corporation Board to obtain independent professional advice and to secure the attendance of non-members with relevant experience and expertise if it considers this necessary.

Proceedings

14. The Committee must meet at least three times per academic year (or more often if they so wish) to ensure that sufficient time is available to cover all of the routine areas of business. The external or internal auditors may require a meeting if they consider it necessary.
15. The Vice Principal: Financial Services (or equivalent) and the internal auditors should normally attend Audit Committee meetings, together with other staff invited to attend where appropriate.
16. The external and internal auditors' representative are to be invited to all meetings.
17. Each meeting should contain a standing agenda item, which invites the Committee to speak to the Group's auditors without any officers or members of Executive Management (including the CEO) present.
18. Only Corporation Board members shall be eligible to vote (i.e. co-opted advisers are excluded from voting).
19. All Corporation Board members are eligible to attend committee meetings if they so wish and participate in its deliberations subject only to voting and conflict of interest restrictions outlined in the Instrument and Articles of Government and Standing Orders.

Duties

20. The duties of the Committee include:

- a) ensuring the Group complies with the mandatory requirements of the Audit Code of Practice (the Code); (See Annex 1)
- b) reviewing the institution's mechanisms for the assessment and management of risk;
- c) reviewing the assurance mechanisms for ensuring compliance with the institution's corporate governance requirements;
- d) advising the Corporation Board on the appointment and terms of engagement of the internal auditors, the audit fee, the provision of non-audit services by the internal auditors and any question of resignation or dismissal of the internal auditors;
- e) advising the Corporation Board on whether the Group has adequate systems and procedures in place to promote economy, efficiency and effectiveness;
- f) advising the Corporation Board on the appointment and remuneration of the external auditors and the scope of their work, including any non-audit services provided and any question of resignation or dismissal, monitoring the rotation of the assignment partner in compliance with applicable United Kingdom ethical guidance, and making a recommendation on annual reappointment of the external auditors to the Corporation Board;
- g) agreeing the nature and scope of audit work;
- h) discussing findings and conclusions arising from audits, including a review of the external auditor's Management Letters and management responses;
- i) considering the institution's draft annual financial statements, after review by the Finance Committee and prior to submission to the Corporation Board for formal approval. This review should include specific consideration of significant accounting policies and any changes in those policies, members' responsibilities and any corporate governance statement. The Committee's view on any statement of the effectiveness of the internal control system will be provided to the Corporation Board as part of the Committee's annual report;
- j) reviewing the effectiveness of internal control systems and, in particular, to review the external auditors' Management Letter, the internal auditors' annual report and management responses;

- k) reviewing and recommending to the Corporation Board the internal auditor's audit strategy and the audit plan, including any changes made during the year;
- l) considering major findings of internal audit investigations and management's response;
- m) promoting co-ordination between internal and external auditors;
- n) ensuring that the resources made available for internal audit are sufficient to meet the institution's needs;
- o) monitoring the implementation of agreed audit recommendations;
- p) reviewing relevant reports from the PAGS, WAO, Estyn, Hygiene, Nursery and other organisations and monitoring the implementation of relevant recommendations;
- q) monitoring the performance and effectiveness of external and internal audit as the basis for recommendations to the Corporation Board concerning their reappointment;
- r) overseeing the institution's policy on fraud and irregularity, including any action taken under that policy;
- s) reviewing the institution's whistleblowing arrangements, i.e. the process by which staff or Governors may, in confidence, formally raise concerns;
- t) ensuring that all significant losses have been properly investigated and that the internal and external auditors and the PAGS have been fully informed of the matter;
- u) monitoring the implementation of audit related letters and guidance;
- v) monitoring the implementation of Group's Risk Registers and receive assurance with regard to the management of risk (for discussion at Audit Meeting);
- w) monitoring GDPR compliance;
- x) monitoring Estates and Health & Safety compliance reports; and
- y) monitoring the implementation of the Group's value for money strategy.

Reporting procedures

21. The Committee will circulate the minutes of its meetings to the Corporation Board and there should be an opportunity at meetings of the Corporation

Board to discuss matters raised by the minutes.

22. The Committee will produce an annual report which it will submit to the Corporation Board, accompanied by the internal auditors' annual report, summarising the activity for the year. It will give the Committee's opinion, based on the work of internal and external audit and any other work conducted during the year, on the effectiveness of the internal control system, including risk management and governance arrangements. The report should be submitted in time to be taken into account by the Corporation Board in its consideration of the members' responsibility statement in the annual financial statements.
23. Following receipt by the Corporation Board, the annual audit report shall be submitted to Welsh Government for information purposes only.

Clerking arrangements

24. The Clerk to the Corporation Board should be the Clerk to the Audit Committee. The Clerk's role is encompassed in the role of the Vice-Principal: External Relation.

3.II: Resources & general purposes committee

MEMBERSHIP*

M. Ifans (Co-Chair)
G. Cragg (Co-Chair)
M. Dacey (CEO)
H. Morgan
J. Harding
C. Stephens
T. Burgoyne (Staff)
C. Cluer (Staff)
Susan Ann Jones – Co-opted Adviser

*** Note:**

Up to two members are allowed to substitute for committee members subject only to voting and conflict of interest restrictions outlined in the Instrument and Articles of Government and Standing Orders.

All Corporation Board members are eligible to attend committee meetings if they so wish and participate in its deliberations subject only to voting and conflict of interest restrictions outlined in the Instrument and Articles of Government and Standing Orders.

QUORUM

1. The quorum shall be three members, excluding co-opted advisers.
2. Members attending by video conference are included in the quorate number.
3. Audio conference is not included in the quorate.

FREQUENCY OF MEETINGS

4. The Committee shall meet at least once per term, but more often if required.

VOTING

5. Only Corporation members shall be eligible to vote (i.e. co-opted advisers are excluded from voting).

TERMS OF REFERENCE

6. To receive timely financial accounts, cash flow projections and to undertake a detailed review of these at least termly.

7. To scrutinise the Group's Budget and make recommendations to the Corporation as to whether or not it should be approved.
8. To review the Group's Financial Regulations on a periodic basis and to determine policy in relation to the investment of funds.
9. To review and recommend for Approval to Corporation Board the Annual Group Accounts.
10. Subject to the Chair of the Corporation's discretion, between meetings of the Corporation, to consider urgent matters requiring a decision, with full delegated power (subject to subsequent reports to the Corporation Board.).
11. To be responsible for the strategic overview of the management, planning, development and upkeep of the Group's estate.
12. To approve the process for awarding tenders and approve the award of tenders, further to the requirement of the Group's financial regulations.
13. To approve the Group's Capital Building and Minor Works Maintenance Programmes annually.
14. To ensure the monitoring, control and proactive management of risks relating to Health and Safety issues on behalf of the Corporation.
15. To receive the Commercial Services Update reports from the VP: Corporate Services.
16. To receive the Operation Services Update reports from the VP: Operational Services.
17. To receive the External Relations Update reports from the VP: External Relations.
18. To appoint a member of the Committee to act as lead member on Health and Safety issues and to sit, as of right, on the Group's Health and Safety Committee.
19. To consider matters relating to the employment and conditions of service of employees other than senior post holders.
20. To approve, on behalf of the Corporation, human resource strategies for the NPTC Group.
21. To approve, on behalf of the Corporation, policies and procedures for discipline, grievance, sickness, maternity, redundancy, premature retirement and any other matters relevant to the employment of staff of the NPTC Group.
22. To agree and implement arrangements relating to the recognition of appropriate trade unions for different categories of staff for the purposes of consultation and/or negotiation.
23. To receive termly/annual reports on staffing matters including:
 - a. Major changes to NPTC Group staffing levels;
 - b. Equal opportunities and equal pay issues;
 - c. Absence management and statistics.
 - d. Whistle Blowing Reports.

24. To approve on behalf of the Corporation policies and procedures relating to students including:
- a. The Constitution of the Students' Union and Student Parliaments;
 - b. Disciplinary and Grievance Policies;
 - c. Diversity/Equal Opportunities.
25. To review and monitor the HR procedures and policies of the Subsidiary Companies of the NPTC Group.

3.III: Chairs'

MEMBERSHIP*

Chair

Vice Chair

Chair of Audit

Co-Chair of R&GP

Co-Chair of R&GP

CEO

***Note:**

All Corporation Board members are eligible to attend committee meetings (subject to the Chair's consent in the case of the Chairs' Search & Governance Committee) if they so wish and participate in its deliberations subject only to voting and conflict of interest restrictions outlined in the Instrument and Articles of Government and Standing Orders.

QUORUM

The quorum shall be three members. Members attending by video and audio conference are included in the quorum.

FREQUENCY OF MEETINGS

The committee shall meet at least once per term but more often if required

TERMS OF REFERENCE

Constitution and Membership:

The Corporation Board will establish a Committee of the NPTC Group Corporation Board ("**the Board**") to be known as the Chairs (Search and Governance) Committee ("**the Committee**").

The Chair of the Board shall be the Chair of the Committee.

The Committee members will be:

The Chair of the Board

The Vice-Chair of the Board

The Chair of the Audit Committee

The Chair of the Resources & General Purposes Committee

The CEO

A quorum shall be 3 members.

The Vice Principal: External Relations is to act as secretariat to the Committee and shall keep appropriate records of its proceedings.

The Committee is authorised by the Board to obtain independent professional advice and to secure the attendance of non-members with relevant experience and expertise if it considers this necessary.

Authority:

The Committee is authorised to consider urgent matters of business and matters of policy and to act as a consulting committee for any item of Board business, which for any reason could or would not otherwise be handled by the Board or another standing Committee.

Any decision reached by the Chairs' Committee will be reported to the full Board at the earliest possible convenience.

The Committee is authorised to advise and make recommendations to the Board regarding the appointment, reselection and deselection of Governors and in doing so will take into account the statutory and skills requirements of the Board.

The Committee is authorised to undertake a review of Governors' performance, including attendance and contribution, at the end of each term of office, on an annual basis, or as otherwise necessary. The Committee is empowered to authorise the Chair to request the resignation of a Governor and/or can recommend to the Board the deselection of an individual Governor following a review by the Committee. The Search Modus operandi of the Committee is set out in further detail below.

The Committee is authorised to consider the Remuneration of the CEO and Vice-Principals of the College ("Senior Post Holders") and make appropriate recommendations to the Board. The Senior Post Holders will be excluded from any discussion or approval regarding their own remuneration.

The Committee is authorised to approve the overseas travel of Senior Post Holders for the purpose of carrying out their work duties. The Chair is authorised to approve urgent overseas travel requests in the absence of a timely Committee Meeting. Any approval given by the Chair will be reported to the Committee at the earliest possible convenience.

The Committee is authorised to shortlist and select Fellows for the honor of receiving an Honorary Degree from the NPTC Group of Colleges. This process is to be carried out following a discussion with the Assistant Principal: HE to agree the criteria for appointment of the fellow.

The Committee will consider and advise on any matter referred to Committee by the Chair or CEO.

Reporting Procedures

The Committee minutes will be received by the Board.

Any recommendations or resolutions will be made available to subsequent meetings of the Board and where necessary approval of the Board will be sought.

Search *Modus Operandi*:

To advise the Board on the appointment of Governors other than the CEO (who shall be eligible to serve on the Corporation as a result of the post) and the Student and Staff Governors (who shall be appointed following an election by the peers) and such other matters relating to membership and appointments as the Board shall remit to it having regard at all times to the statutory and skills requirements of the Board.

To gather nominations in respect of vacancies on the Board and to determine and apply the processes whereby such nominations are screened and shortlisted.

To consider and advise the Board on the composition and balance of the Corporation and its Committees.

To develop and maintain a suitable database of potential candidates.

To undertake a regular skills audit in order to test the range of skills and experience on the Board of the Corporation.

To undertake a review of Governors' performance, including attendance and contribution, at the end of each term of office, on an annual basis, or as otherwise necessary.

To advise and make recommendations to the Board regarding the reselection or deselection of a Governor at the end of each term of office or, where appropriate, during a term of office following a performance review by the Committee.

Remuneration Committee *Modus Operandi*

Senior Post Holders are to be excluded from any monitoring or advisory responsibilities regarding their own remuneration.

The Committee shall have the following monitoring responsibilities:

To monitor achievement against agreed targets for any collectively and individually based approved performance planning applicable to senior post holders.

To monitor on a national basis the pay levels of senior post holders in other appropriate institutions.

To monitor on a national basis other appropriate benefits paid to senior post holders (and clerk or equivalent) in other appropriate institutions

The Committee shall consider and advise the Board on:

Periodic pay / progression awards to senior post holders and the AP: Governance (other than those already decreed by national negotiations).

Other agreed benefits applicable to senior post holders, for example, a motor vehicle (or, a cash-based alternative) and medical expenses insurance

Sensitive or confidential matters relating to succession planning

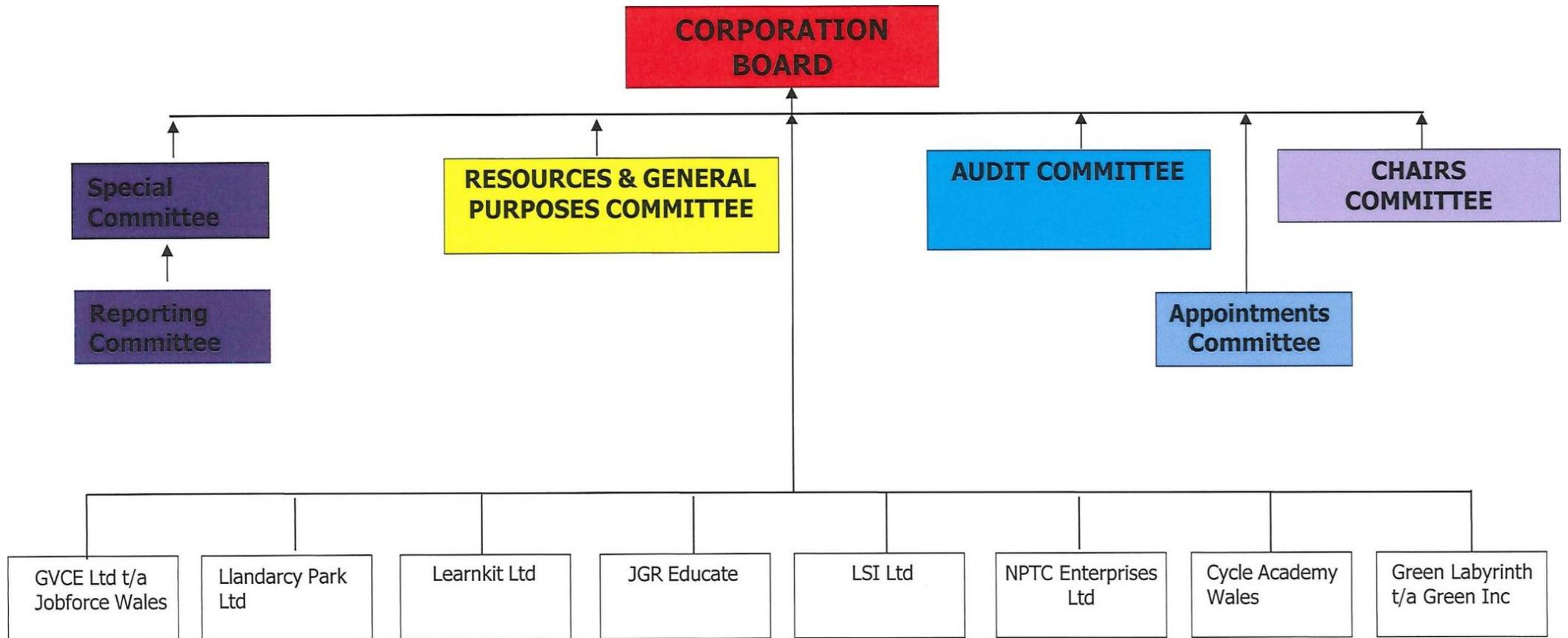
Section Seven: Subsidiaries



Subsidiary Directors' Table

	Staff Directors	Governor Directors
Llandarcy Park Ltd.	Mark Dacey Kathryn Holley Geraint Jones Catherine Lewis Eleanor Glew	Jim Hehir
LSI Ltd.	Mark Dacey Kathryn Holley Catherine Lewis Kelly Fountain Steve Rhodes	Graham Cragg Matt Harvey
Jobforce Wales Ltd.	Mark Dacey Kathryn Holley Kelly Fountain Nicola Thornton-Scott Catherine Lewis	Mandy Ifans
NPTC Enterprises	Mark Dacey Kathryn Holley Catherine Lewis	
Learn-Kit Ltd.	Mark Dacey Kathryn Holley Catherine Lewis Nicola Thornton-Scott	Helen Morgan
Cycle Academy Wales Ltd.	Mark Dacey Kathryn Holley Catherine Lewis	
JGR Educate LLP <i>(Nota Bene: Members are not directors, but representatives acting on behalf of the College via NPTC Enterprises.)</i>	Mark Dacey Kathryn Holley Catherine Lewis Eleanor Glew	Jill Harding
Green Inc.	Mark Dacey Kathryn Holley Catherine Lewis Nicola Thornton-Scott	Rhobert Lewis

Corporation Board Subsidiaries Feed Structure



Cycle Academy Wales Ltd.

Directors

Mark Dacey
Kathryn Holley
Catherine Lewis

Date of Incorporation: 19 November 2013

Offices Neath Port Talbot College
Dwr-y-Felin Road Neath
SA10 7RF

Area of Business

This is the newest company having been set up in November 2013. The business is related to the mountain biking facilities in the Afan Forest.

Board Meetings

- Meetings will be held once a term.
- The Company Secretary organises the agenda and papers and circulates them a week in advance of the meeting.
- The Company Secretary attends the meeting taking copy of minutes from previous meeting for signing and attendance register to be completed at the meeting.
- The minutes are taken by the Company Secretary.

An Annual Calendar of Board Meeting Dates are circulated at the start of each academic year.

Main Contacts

Catherine Lewis, Vice Principal: Corporate Services –
catherine.lewis@nptcgroup.ac.uk

Gemma Charnock – Company Secretary – gemma.charnock@nptcgroup.ac.uk

Green Inc.

Directors

Mark Dacey
Kathryn Holley
Catherine Lewis
Nicola Thornton-Scott

Prof. Rhobert Lewis

Date of Incorporation: 21 December 2018

Offices Neath Port Talbot College
Dwr-y-Felin Road Neath
SA10 7RF

Area of Business

To be updated.

Board Meetings

- Meetings will be held once a term.
- The Company Secretary organises the agenda and papers and circulates them a week in advance of the meeting.
- The Company Secretary attends the meeting taking copy of minutes from previous meeting for signing and attendance register to be completed at the meeting.
- The minutes are taken by the Company Secretary.

An Annual Calendar of Board Meeting Dates are circulated at the start of each academic year.

Main Contacts

Catherine Lewis, Vice Principal: Corporate Services –
catherine.lewis@nptcgroup.ac.uk

Gemma Charnock – Company Secretary - gemma.charnock@nptcgroup.ac.uk

JGR Educate

Representatives

Mark Dacey
Kathryn Holley
Catherine Lewis
Eleanor Glew

Jill Harding

*(Nota Bene: Members are **not** directors, but representatives acting on behalf of the College)*

Date of Incorporation: 29 December 2016

Offices Neath Port Talbot College
Dwr-y-Felin Road Neath
SA10 7RF

Area of Business

To be updated.

Board Meetings

- Meetings will be held once a term.
- The Company Secretary organises the agenda and papers and circulates them a week in advance of the meeting.
- The Company Secretary attends the meeting taking copy of minutes from previous meeting for signing and attendance register to be completed at the meeting.
- The minutes are taken by the Company Secretary.

An Annual Calendar of Board Meeting Dates are circulated at the start of each academic year.

Main Contacts

Catherine Lewis, Vice Principal: Corporate Services –
catherine.lewis@nptcgroup.ac.uk

Gemma Charnock – Company Secretary.- gemma.charnock@nptcgroup.ac.uk

Jobforce Wales Ltd.

Directors

Mark Dacey
Kathryn Holley
Kelly Fountain
Nicola Thornton-Scott
Catherine Lewis

Mandy Ifans

Acquired: 26 August 2011

Offices

Unit 14
Eastgate Development Llanelli
SA15 3YF
Tel: 01554 749090

Area of Business

Gwendraeth Valley Community Enterprise Ltd, trading as Jobforce Wales (JFW), is now in its twenty-eighth year of trading. Over the years it has adapted to the differing demands of various Government funded bodies and now finds itself dealing directly with the Department for Education and Skills (DfES) within the Welsh Government and Jobcentre Plus (JCP) of the Department of Work and Pensions for England, Wales and Northern Ireland.

The company, a not for profit, limited by guarantee organisation, was originally set up to alleviate unemployment in the Gwendraeth Valley but has expanded its remit over the years to include the provision of learning and training to a wide sector of the community. We now cover the geographical area of Carmarthenshire and Swansea, and are also active in the Neath and Port Talbot area. We deliver a wide range of programmes under contract to DfES and JCP for employed and unemployed sixteen to sixty five year olds.

Mission Statement

Working with employers, their workforce and unemployed learners to improve the skills of the workforce in Wales. We aim to provide cost effective services using resources that are sustainable and environmentally friendly and within a culture of nurture and equal opportunities.

Board Meetings

- Meetings are held once a term.
- The Company Secretary organises the agenda and papers and circulates them a week in advance of the meeting.
- The Company Secretary attends the meeting taking copy of minutes from previous meeting for signing and attendance register to be completed at the meeting.
- The minutes are taken by the administration manager at JFW.
- An Annual Calendar of Board Meeting dates are circulated at the start of each Academic Year.

Main Contacts

Catherine Lewis, Vice Principal: Corporate Services –
catherine.lewis@nptcgroup.ac.uk

Gemma Charnock – Company Secretary.- gemma.charnock@nptcgroup.ac.uk

Language Specialists International Ltd.

Directors

Mark Dacey
Kathryn Holley
Kelly Fountain
Catherine Lewis
Steve Rhodes

Graham Cragg
Matt Harvey

Acquired: 23 December 2010

Offices

1-13 Lord Montgomery Way
Portsmouth
PO1 2AH

Area of Business

LSI Portsmouth is a market-leading, independent English language school working in the areas of: General English, Executive communications and language training, Academic English, and Military English Language Training. The school was founded in 1985. The adult students come from a wide variety of areas, including Asia, Middle East and Europe. LSI also has strong institutional links with a number of universities both in marketing and educational terms (Portsmouth, Southampton, Bournemouth, Winchester, Chichester). The school is rated one of the best in the UK and is sector leading, and has consistently achieved the highest ratings at recent inspections.

Board Meetings

- Meetings are held once a term.
- The Company Secretary organises the agenda and papers and circulates them a week in advance of the meeting.
- The Company Secretary attends the meeting taking copy of minutes from previous meeting for signing and attendance register to be completed at the meeting.
- The minutes are taken by the Company Secretary.

- An Annual Calendar of Board Meeting Dates are circulated at the start of each academic year.

Main Contacts

Catherine Lewis, Vice Principal: Corporate Services –
catherine.lewis@nptcgroup.ac.uk

Gemma Charnock – Company Secretary – gemma.charnock@nptcgroup.ac.uk

Llandarcy Park Ltd.

Directors

Mark Dacey
Kathryn Holley
Geraint Jones
Catherine Lewis
Eleanor Glew

Jim Hehir

Acquired: 13 September 2011

Offices

Neath Port Talbot College
Dwr-y-Felin Road Neath
SA10 7RF

Area of Business

This operates from the Llandarcy campus and offers a fitness gym and sports and training facilities, including a climbing wall, indoor track, MUGA, artificial pitch and conference facilities. The College's School of Sport and Public Services also runs the majority of its classes from this site.

Board Meetings

- Meetings are held once a term.
- The Company Secretary organises the agenda and papers and circulates them a week in advance of the meeting.
- The Company Secretary attends the meeting taking copy of minutes from previous meeting for signing and attendance register to be completed at the meeting.
- The minutes are taken by the Company Secretary.
- An Annual Calendar of Board Meeting Dates are circulated at the start of each academic year.

Main Contacts

Catherine Lewis, Vice Principal: Corporate Services –
catherine.lewis@nptcgroup.ac.uk

Gemma Charnock – Company Secretary – gemma.charnock@nptcgroup.ac.uk

NPTC Enterprises

Directors

Mark Dacey

Kathryn Holley

Catherine Lewis

Acquired: 26 January 1994

Offices Neath Port Talbot College
Dwr-y-Felin Road Neath
SA10 7RF

Area of Business

This is the oldest of the subsidiary companies and was set up to help “incubate” local business ideas from students past and present. There has been very little activity for some time, to the extent that the possibility of making the company dormant has been proposed. This is also the explanation for the two provisional Governor directors.

Board Meetings

- Meetings are held once a term.
- The Company Secretary organises the agenda and papers and circulates them a week in advance of the meeting.
- The Company Secretary attends the meeting taking copy of minutes from previous meeting for signing and attendance register to be completed at the meeting.
- The minutes are taken by the Company Secretary.
- An Annual Calendar of Board Meeting Dates are circulated at the start of each academic year.

Main Contacts

Catherine Lewis - Vice Principal: Corporate Service

Gemma Charnock – Company Secretary gemma.charnock@nptcgroup.ac.uk

Annex





The Essential Trustee Charity Commission

GUIDANCE

The essential trustee: what you need to know, what you need to do (CC3)

About this guidance

This guidance explains the key duties of all trustees of charities in England and Wales, and what trustees need to do to carry out these duties competently.

Trustees have independent control over, and legal responsibility for, a charity's management and administration. They play a very important role, almost always unpaid, in a sector that contributes significantly to the character and wellbeing of the country.

Trusteeship can be rewarding for many reasons - from a sense of making a difference to the charitable cause, to new experiences and relationships. It's also likely to be demanding of your time, skills, knowledge and abilities. Being aware of the duties and responsibilities covered in this guidance will help you carry out your role in a way that not only serves your charity well but also gives you confidence that you will be complying with key requirements of the law.

You should read this guidance if you are a trustee of any charity based in England or Wales, including:

- a registered charity
- a charity that is not required by law to register
- a charity that is required to register, but has not yet done so

You should also read this guidance if you are thinking about setting up a charity or becoming a trustee in England or Wales.

The charity regulators in **Scotland** and **Northern Ireland** have their own guidance for trustees.

If you are involved in running a charity but don't know whether you are a trustee, check the charity's governing document. (This is the document that sets out the charity's rules; it may be a constitution, trust deed, articles of association or similar document.) It will tell you which body has ultimate authority and responsibility for directing and governing the charity. All properly appointed members of that body are charity trustees in law, whatever they are called (trustees, directors, committee members, governors or something else).

If you are a member of that body, you are automatically a charity trustee. You share, with all members of that body, equal responsibility for the charity.

The Charity Commission expects trustees to take their responsibilities seriously. Using this guidance and ensuring you give sufficient time and attention to your charity's business will help. The commission recognises that most trustees are volunteers who sometimes make honest mistakes. Trustees are not expected to be perfect - they are expected to do their best to comply with their duties. Charity law generally protects trustees who have acted honestly and reasonably.

Must and should - what they mean

In this guidance:

- 'must' means something is a legal or regulatory requirement or duty that trustees must comply with
- 'should' means something is good practice that the commission expects trustees to follow and apply to their charity

Following the good practice specified in this guidance will help you to run your charity effectively, avoid difficulties and comply with your legal duties. Charities vary in terms of their size and activities. Consider and decide how best to apply this good practice to your charity's circumstances. The commission expects you to be able to explain and justify your approach, particularly if you decide not to follow good practice in this guidance.

In some cases you will be unable to comply with your legal duties if you don't follow the good practice. For example:

Your legal duty	It's vital that you
Act in your charity's best interests	Deal with conflicts of interest

Manage your charity's resources responsibly	Implement appropriate financial controls Manage risks
Act with reasonable care and skill	Take appropriate advice when you need to, for example when buying or selling land, or investing (in some cases this is a legal

Trustees who act in breach of their legal duties can be held responsible for consequences that flow from such a breach and for any loss the charity incurs as a result. When the commission looks into cases of potential breach of trust or duty or other misconduct or mismanagement, it may take account of evidence that trustees have exposed the charity, its assets or its beneficiaries to harm or undue risk by not following good practice.

How to use this guidance

You may want to read all of this guidance to get a better understanding of trustees' duties overall, or you may want to find out more about a specific topic. As a minimum the commission recommends that you read the summary of trustees' duties in section 2:

- section 2 of this guidance gives a summary of trustees' duties
- section 3 explains whether you can legally be a trustee
- sections 4 to 9 explain the 6 key duties of trustees in more detail
- section 10 explains when trustees can be liable and how to reduce the risk
- sections 11 and 12 provide more detail about charity structures, and the roles of charity officers
- section 13 contains definitions of technical terms used in this guidance

Trustees' duties at a glance

This is a summary of trustees' main legal responsibilities, which are explained in detail in the rest of this guidance. You should read this section as a minimum, and ensure you fully understand your responsibilities by referring to the rest of the guidance as necessary.

Before you start - make sure you are eligible to be a charity trustee

You must be at least 16 years old to be a trustee of a charity that is a company or a charitable incorporated organisation (CIO), or at least 18 to be a trustee of any other charity.

You must be properly appointed following the procedures and any restrictions in the charity's governing document.

You must not act as a trustee if you are disqualified under the Charities Act, including if you:

- have an unspent conviction for an offence involving dishonesty or deception (such as fraud)
- are bankrupt or have entered into a formal arrangement (eg an individual voluntary arrangement) with a creditor
- have been removed as a company director or charity trustee because of wrongdoing

There are further restrictions for charities that help children or vulnerable people. See section 3 for more information.

Ensure your charity is carrying out its purposes for the public benefit

You and your co-trustees must make sure that the charity is carrying out the purposes for which it is set up, and no other purpose. This means you should:

- ensure you understand the charity's purposes as set out in its governing document
- plan what your charity will do, and what you want it to achieve
- be able to explain how all of the charity's activities are intended to further or support its purposes

- understand how the charity benefits the public by carrying out its purposes

Spending charity funds on the wrong purposes is a very serious matter; in some cases trustees may have to reimburse the charity personally.

See section 4 for more information.

Comply with your charity's governing document and the law

You and your co-trustees must:

- make sure that the charity complies with its governing document
- comply with charity law requirements and other laws that apply to your charity

You should take reasonable steps to find out about legal requirements, for example by reading relevant guidance or taking appropriate advice when you need to.

See section 5 for more information.

Act in your charity's best interests

You must:

- do what you and your co-trustees (and no one else) decide will best enable the charity to carry out its purposes
- with your co-trustees, make balanced and adequately informed decisions, thinking about the long term as well as the short term
- avoid putting yourself in a position where your duty to your charity conflicts with your personal interests or loyalty to any other person or body
- not receive any benefit from the charity unless it is properly authorised and is clearly in the charity's interests; this also includes anyone who is financially connected to you, such as a partner, dependent child or business partner

See section 6 for more information.

Manage your charity's resources responsibly

You must act responsibly, reasonably and honestly. This is sometimes called the duty of prudence. Prudence is about exercising sound judgement. You and your co-trustees must:

- make sure the charity's assets are only used to support or carry out its purposes
- avoid exposing the charity's assets, beneficiaries or reputation to undue risk
- not over-commit the charity
- take special care when investing or borrowing
- comply with any restrictions on spending funds or selling land

You and your co-trustees should put appropriate procedures and safeguards in place and take reasonable steps to ensure that these are followed. Otherwise you risk making the charity vulnerable to fraud or theft, or other kinds of abuse, and being in breach of your duty.

See section 7 for more information.

Act with reasonable care and skill

As someone responsible for governing a charity, you:

- must use reasonable care and skill, making use of your skills and experience and taking appropriate advice when necessary
- should give enough time, thought and energy to your role, for example by preparing for, attending and actively participating in all trustees' meetings

See section 8 for more information

Enjoy your charity is accountable

You and your co-trustees must comply with statutory accounting and reporting requirements. You should also:

- be able to demonstrate that your charity is complying with the law, well run and effective
- ensure appropriate accountability to members, if your charity has a membership separate from the trustees
- ensure accountability within the charity, particularly where you delegate responsibility for particular tasks or decisions to staff or volunteers

See section 9 for more information.

Who can be a trustee and how trustees are appointed

You must make sure you are allowed to be a trustee:

- you must be properly appointed, and should know how long your appointment lasts
- if you are not properly appointed, the trustees' decisions or actions may be invalid, potentially creating disputes or putting charity assets at risk
- acting whilst disqualified as a charity trustee or company director is a criminal offence

Who can be a trustee

Minimum age

You must be at least 16 years old to be a trustee of a charitable company or a charitable incorporated organisation (CIO), unless the charity's governing document says you must be older. You must be at least 18 to be a trustee of any other type of charity.

Disqualification

You must not act as a trustee if you are disqualified under the Charities Act. This includes if you:

- are disqualified as a company director
- have an unspent conviction for an offence involving dishonesty or deception (such as fraud)
- are an undischarged bankrupt (or subject to sequestration in Scotland), or have a current composition or arrangement including an individual voluntary arrangement (IVA) with your creditors
- have been removed as a trustee of any charity by the commission (or the court) because of misconduct or mismanagement

If your charity wants to appoint someone who is disqualified as a trustee, you can apply to the commission for a waiver. Whether the commission can grant a waiver will depend on the particular circumstances. For example, the commission can't grant waivers for disqualifications under company director disqualification or insolvency legislation.

Read more about [trustee disqualification](#).

Fit and proper persons

Charities that want to claim UK tax reliefs and exemptions (eg Gift Aid) must meet the management condition in the Finance Act 2010. This requires all of the charity's managers (including trustees) to be 'fit and proper persons'.

Find out more - see the [HM Revenue and Customs guidance](#).

Working with children and vulnerable adults

Some people are barred by the Disclosure and Barring Service (DBS) from specified kinds of work involving contact with children or vulnerable adults ('regulated activity'). It is illegal for a barred person to apply for a regulated activity (paid or voluntary). It is illegal for a charity to knowingly employ a barred person in such work. A charity must check with the DBS before employing someone working in a regulated activity.

Being a trustee of a charity that works with children or vulnerable adults is not a regulated activity (even if the charity carries out regulated activities). But the trustees should seriously consider whether it would be appropriate to have a trustee who is barred by the DBS, taking account of potential risks to the charity's reputation and beneficiaries.

Read more about charities working with **vulnerable groups including children**. Read more about the **Disclosure and Barring Service**.

How trustee appointments begin and end

You must follow any rules in your governing document about:

- who appoints new trustees
- when, and how, new trustees are appointed
- who can be a trustee - the governing document may impose conditions
- how long appointments last and whether a trustee can be re-appointed
- how trustees can **resign or be removed**

If your governing document has no specific provisions for these things, your charity must comply with the relevant legal provisions:

- companies must comply with company law provisions for appointing and removing directors
- unincorporated charities must comply with Trustee Act 1925 provisions

CIOs must include provisions in their constitutions for appointment and removal of trustees. The commission can use its powers to appoint or remove trustees if the charity's trustees (or members, if applicable) are unable to do so.

Read more about **legal powers to remove and appoint trustees**.

What to consider when recruiting trustees

When charities recruit new trustees, they should think about:

- the skills and experience the current trustees have, and whether there are any gaps
- ensuring new trustees are eligible to act
- ensuring new trustees don't have **serious conflicts of interest**, or getting commission consent and putting procedures in place to manage the conflicts
- how to help new trustees to understand their responsibilities and the charity's work

It's also important for trustees to be interested in the charity's work and be willing to give their time to help run it.

Members or beneficiaries on your board

Many charities' governing documents allow or require:

- some or all of the trustees to be elected by the members (this is usual practice for charities with voting members other than the trustees)
- the trustee body to include beneficiaries
- other groups or organisations, such as local authorities, to appoint trustees

It's important to listen to the views and perspectives of members, beneficiaries and other bodies with an interest in your charity. Having people as trustees is one way of obtaining these views. But all trustees, regardless of how they are appointed, must act solely in the interests of the charity; it's not their role to act on behalf of any particular group. They must also manage conflicts of interest, including conflicts of loyalty to their appointing body.

Find out more:

Trustee board: people and skills - how to appoint the right people with the right skills

Finding new trustees: what charities need to know

Charity trustee: declaration of eligibility and responsibility

Avoid mistakes - make sure trustee appointments are valid

Be careful to follow the rules in your charity's governing document and the law when appointing trustees. If trustee appointments breach these rules they are not valid. The validity of actions and decisions they were involved in could be called into question. But even if a trustee isn't validly appointed, they can still be held liable for their actions and decisions.

Improper trustee appointments can often lead to disputes. In the worst cases this can harm the charity's reputation, alienate supporters, put charity assets at risk (including by loss of funding) or ultimately leave the charity unable to function.

Ensure your charity is carrying out its purposes for the public benefit

You and your co-trustees must make sure that everything your charity does helps (or is intended to help) to achieve the purposes for which it is set up, and no other purpose. This means you should:

- ensure you understand the charity's purposes as set out in its governing document
- plan what your charity will do, and what you want it to achieve
- be able to explain how all of the charity's activities are intended to further or support its purposes
- understand how the charity benefits the public by carrying out its purposes

Spending charity funds on the wrong purposes is a very serious matter; in some cases trustees may have to reimburse the charity personally.

Understanding the charity's objects and powers

You should read the objects clause in your charity's governing document and ensure you understand:

- what the charity is set up to achieve (its purposes)
- who the charity is there to benefit (its beneficiaries)
- how they will benefit (what the charity will do for or with them)
- any order of priority to the services and benefits the charity provides
- any restrictions on what the charity can do or who it can help (geographical or other boundaries; or specific criteria that beneficiaries must meet)

The objects might be quite broad and general, or they might be quite narrow, specifying what services or activities the charity can provide in order to achieve its purposes.

You can find out more about governing documents in section 5 of this guidance.

The charity may have specific powers in its governing document. Charities also have powers from the Charities Act and other laws. You must only use these powers in ways that further your charity's purposes. Find out more about **charitable purposes**.

Some charities produce 'mission statements' or other summaries of their aims and activities. When checking the scope of your charity's objects or powers, be careful not to rely on such statements instead of the charitable purposes set out in the governing document, as the wording may be less precise. If you need to check whether your charity can lawfully undertake a particular activity, you should check against the objects clause rather than any other statement of the charity's mission or aims. Otherwise you could end up carrying out activities in breach of the charity's governing document.

Public benefit

All charities must be for the public benefit. Trustees must have regard to the commission's **public benefit guidance PB1, PB2 and PB3** when making decisions they are relevant to. This would include reviewing the charity's activities or considering new ones.

Public benefit is essential to:

- charitable status - to be a charity an organisation must have only charitable purposes for the public benefit
- a charity's operation - its activities must all be focussed on carrying out the charity's purposes for
- the public benefit
- a charity's accountability - trustees must be able to explain how their charity's activities are or have
- been for the public benefit

This means that you should understand, and be able to explain:

- what the charity is set up to achieve - its purpose
- why the charity's purpose is beneficial - this is the 'benefit aspect' of public benefit
- how the charity's purpose benefits the public or a sufficient section of the public - this is the 'public aspect' of public benefit
- how the charity will carry out (or 'further') its purpose for the public benefit

Planning and reviewing your charity's work

You and your co-trustees are responsible for deciding and planning how your charity will carry out its purposes. All charity trustees should, therefore, decide together what activities the charity will undertake, and think about the resources it will need. Trustees of larger charities should take responsibility for setting the charity's strategic aims and direction, and agreeing appropriate future plans.

Involving the charity's staff, volunteers and others with an interest in the charity in the planning process can be helpful.

As part of your planning process, you should work out what funds and other resources the charity will need and where it will get them. See section 7 of this guidance for more detail.

You and your co-trustees should periodically review what the charity is achieving, and how effective the charity's activities are. Thinking about the difference your charity makes may help you to explain more clearly how it benefits the public. It may also help you to decide whether it could be more effective in carrying out its purpose by changing what it does.

Find out more:

Inspiring Impact

Charity governance, finance and resilience: 15 questions you should ask

You and your co-trustees should also review the charity's objects from time to time and make sure that they are still appropriate, relevant and up to date. Circumstances change over time and this could affect whether:

- the charity's beneficiary group still exists, and is still a **'sufficient section'** of the public
- the geographical 'area of benefit' in which the charity can operate is still relevant
- the need that the charity was set up to meet still exists, and meeting it is still for the public benefit
- there may be better ways of meeting the need for which the charity was set up

If your charity's objects are no longer effective, you must consider how these could be changed or take other action to enable the charity's resources to be applied for its purposes.

In the past many charities helped people by providing goods including food, clothing or fuel. Many charities have decided that they can meet current needs more effectively with cash payments or vouchers, and have updated their objects. Some charities still work effectively by providing goods (such as food or medical equipment).

Charities are often set up for a particular locality. Changes over time may mean that there are no longer enough people who need the charity's services in that place. In these circumstances, charities can expand their area of benefit to include neighbouring areas.

Two charities providing similar (or complementary) services in the same area may decide to collaborate or merge for greater efficiency.

Updating your charity's objects

Charities can modify or add to their objects if necessary, using powers in the governing document, company law or the Charities Act. They can't usually change their objects completely; the governing document and charity law do not usually allow it. If your charity is planning to update its objects, you and your co-trustees should consider what the charity was originally set up to do, and how circumstances have changed. Most charities must obtain permission from the commission before changing their objects.

You should also review the other provisions in your charity's governing document and update them if they no longer meet the charity's needs - see section 5 of this guidance.

Governing documents are legal documents. You must follow the correct procedures to amend them, and it's important to word any changes correctly. You should consider taking appropriate advice about any changes. Use one of the **commission's model governing documents** or an **approved governing document**, to ensure that your governing document has all the provisions and powers you need.

Find out more:

[How to make changes to your charity's governing document](#) [How to write charitable purposes](#)

Comply with your charity's governing document and the law

You and your co-trustees must:

- make sure that the charity complies with its governing document
- comply with charity law requirements and other laws that apply to your charity

You should take reasonable steps to find out about legal requirements, for example by reading relevant guidance or taking appropriate advice when you need to.

Your charity's governing document

You and your co-trustees must make sure that the charity complies with the governing document, which usually contains key information about:

- what the charity exists to do (its purposes, as explained in its objects clause)
- what powers it has to further its objects
- who the trustees are, how many trustees there should be and how they are appointed and removed
- whether the charity has members and, if so, who can be a member
- rules about trustees' (and members') meetings; how they are arranged and conducted; how decisions must be made and recorded, and so on
- how to change the governing document
- how to close the charity down

There may also be rules limiting how powers can be used, who can vote at meetings, or which rules can be changed.

Every trustee should have an up to date copy of their charity's governing document and regularly refer to it. If you don't have a copy, or don't know what it is, ask your fellow trustees. If they don't have a copy, the commission can usually provide one (if your charity is a registered charity).

The governing document is essential to your charity. You and your co-trustees may need to review it from time to time to ensure that it continues to meet the charity's needs. Governing documents are legal documents. You must follow the correct procedures to amend them, and it's important to word any changes correctly. You should consider taking appropriate advice about any changes. Use one of the **commission's model governing documents** or an

approved governing document, to ensure that your governing document has all the provisions and powers you need.

Read more about **governing documents**.

Charity law - registration, accounting, reporting and other requirements

Charities set up in England or Wales must register with the commission unless they are:

- exempt charities
- excepted from registering
- very small (below the annual income threshold for compulsory registration, currently £5,000) and not a CIO (all CIOs must register)

Find out **whether your charity needs to register or is exempt or excepted**. Charities that operate in Scotland or Northern Ireland may also have to register there.

All charities must keep proper financial records and prepare annual accounts. Trustees must arrange for accounting books and records (including cash books, invoices and receipts) to be kept for a specified period. Read more: **Retention of Accounting Records**.

All registered charities:

- must inform the commission of any changes to the information on the register of charities, including trustee details and changes to the governing document
- must send an annual return (or annual update) and other information to the commission
- must comply with any additional accounting and reporting requirements such as filing annual accounts and reports with the commission, depending on the size of the charity
- should report to the commission any serious incident in their charity, as soon as possible after it occurs (see section 8.3 for more details)

Exempt charities may have to send accounting information to their principal regulator. Find out more about **accounting and reporting requirements for charities**.

Charities whose income is over £250,000, and all charitable companies, must prepare their accounts and trustees' annual report in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (Charities SORP).

Find out more about the **Charities SORP**.

A registered charity with an income over £10,000 in its last financial year must state that it's a registered charity on any fundraising documents and on many of its financial documents, including cheques, invoices and receipts. This includes electronic documents such as emails and websites. You don't have to state the charity's registration number, but it's good practice to do so.

Other laws and regulations

Charities and their trustees may be subject to a range of other laws and regulations depending on what the charity does, where it works and how it is set up. Some laws apply to all charities, such as equality, data protection and copyright law. It is important to be aware of the laws that apply to your charity, for example if it:

- is a company, CIO or community benefit society
- employs staff
- owns or rents premises
- operates vehicles
- provides:
 - legal, financial or other regulated advice
 - housing or accommodation

- medical or care services
- works with children or vulnerable adults
- undertakes activities that are subject to regulations, such as fundraising
- wants to benefit from Gift Aid or other tax reliefs
- works in Scotland, Northern Ireland or outside the UK

The commission doesn't expect every trustee to be a legal expert. You and your co-trustees should take reasonable steps to find out about legal and regulatory requirements and keep up to date, for example by getting mailings from the commission and other sources, reading relevant guidance and attending appropriate training. The charity should also have systems and procedures to ensure that it complies with legal requirements.

Where there is concern about a specific issue, the trustees may wish to consider taking independent advice from a suitably qualified person.

Find a solicitor - Law Society

Legal advice for small charities - LawWorks

Avoid mistakes - know your governing document

If the trustees don't comply with the governing document, the charity might undertake activities outside its objects. It might fail to follow the correct procedures, or take actions it has no power to take. Actions and decisions could be invalid and have to be reversed as a result.

If you don't follow rules about who can be a member or a trustee, or how to arrange and run meetings, it often leads to disputes, which can prevent the charity from operating effectively.

Act in your charity's best interests

You must:

- do what you and your co-trustees (and no one else) decide will best enable the charity to carry out its purposes
- with your co-trustees, make balanced and adequately informed decisions, thinking about the long term as well as the short term
- avoid putting yourself in a position where your duty to your charity conflicts with your personal interests or loyalty to any other person or body
- not receive any benefit from the charity unless it is properly authorised and is clearly in the charity's interests; this also includes anyone who is financially connected to you, such as a partner, dependent child or business partner

Understanding the charity's interests

Acting in the charity's best interests means always doing what the trustees decide will best enable the charity to carry out its purposes, both now and for the future. It's not about serving:

- the interests of trustees or staff
- the personal interests of members or beneficiaries
- the personal interests of supporters, funders or donors
- the charity as an institution in itself, or preserving it for its own sake

Sometimes trustees need to consider **collaborating or merging with another charity**, or even spending all of the charity's resources and **bringing it to a close**.

Making decisions

You and your co-trustees are ultimately responsible for deciding what activities the charity will undertake, what resources it will need, how it will obtain and use them. Collective decision making is one of the most important parts of the trustee role. Some decisions are simple and straightforward; others can be complex or far reaching in their consequences. When you and your co-trustees make decisions about your charity, you must:

- act within your powers
- act in good faith, and only in the interests of your charity
- make sure you are sufficiently informed, taking any advice you need
- take account of all relevant factors you are aware of
- ignore any irrelevant factors
- deal with conflicts of interest and loyalty
- make decisions that are within the range of decisions that a reasonable trustee body could make in the circumstances

You should record how you made more significant decisions in case you need to review or explain them in the future.

Read more about **decision making**.

Avoid mistakes - be prepared to challenge assumptions

Trustees must make decisions solely in the charity's interests, so they shouldn't allow their judgement to be swayed by personal prejudices or dominant personalities.

Trustees must act collectively (jointly). Part of their role is to critically and objectively review proposals and challenge assumptions in making decisions. No one should be able to direct the trustees or drive decisions through without sufficient consideration. Trustees who simply defer to the opinions and decisions of others aren't fulfilling their duties.

Decisions don't usually have to be unanimous (depending on your governing document), but once the trustees have made a decision, they must all comply with it, including any who disagree. If you strongly disagree with your fellow trustees' decision, you can ask for your disagreement to be recorded in the minutes of the meeting. If you think that your fellow trustees are acting in breach of their duty, you should discuss the matter with the chair or your fellow trustees. If you are still concerned, contact the commission. Ultimately, you may feel that you have to resign in order to distance yourself from the decision.

The commission can only advise or intervene in relation to trustees' legal duties; it can't arbitrate in disputes between trustees.

Dealing with conflicts of interest and conflicts of loyalty

You can only comply with your duty to act in the charity's best interests if you prevent your personal interests from conflicting (or appearing to conflict) with the best interests of the charity. This means recognising and dealing with conflicts of interest.

A conflict of interest is any situation where your personal interests could, or could appear to, prevent you from making a decision only in the charity's best interests. For example, if you (or a person connected to you, such as a close relative, business partner or company):

- receive payment from the charity for goods or services, or as an employee
- make a loan to or receive a loan from the charity
- own a business that enters into a contract with the charity
- use the charity's services
- enter into some other financial transaction with the charity

Even when you receive no financial benefit, you could have a conflict of loyalty. For example if your charity has business dealings with your employer, a friend, family member, or another body (such as a local authority or charity, or a charity's trading subsidiary) that you serve on.

This means you and your co-trustees:

- should identify, and must declare conflicts of interest (or loyalty)
- must prevent the conflict of interest (or loyalty) from affecting the decision
- should record the conflict of interest (or loyalty) and how it was dealt with

How you prevent a conflict of interest from affecting a decision will depend on the circumstances and the seriousness of the conflict of interest. You must follow any specific conflict of interest provisions in your governing document. If a trustee (or a person connected to a trustee) stands to benefit directly or indirectly, the conflicted trustee(s) should withdraw from the discussion and decision making process. If the non-conflicted trustees can demonstrate that a conflict of loyalty involves no material benefit and poses a low risk to

decision making in the best interests of the charity, they may permit the affected trustee to participate. Directors of charitable companies must have specific authority in the company's articles to do this. For the most serious conflicts of interest it may mean obtaining permission from the commission, deciding not to proceed with a proposal or even resigning as a trustee.

Avoid mistakes - deal with conflicts of interest

Conflicts of interest (and conflicts of loyalty) are more common than people often think. If one of your fellow trustees appears to have a conflict of interest you should say so; you are not calling their integrity into question by doing so.

In deciding how to deal with a conflict of interest, trustees should be mindful of what feels right, and also how others might view the trustees' actions.

Where conflicts of interest have not been identified or properly dealt with, it can have negative impacts on both the charity and individual trustees including financial cost and reputational damage. Because the trustees have acted in breach of their duty, decisions may be called into question or legally challenged. The commission may have to take regulatory action to protect the charity from further harm or to deal with any misconduct or mismanagement by the trustees.

Read more about **conflicts of interest**.

Payments and other benefits to trustees

Charities can't usually pay their trustees. When you become a trustee, you usually volunteer your services and receive no payment for your work. This is called the voluntary principle. You can, however, reclaim reasonable expenses that you incur such as travel and childcare - being a trustee shouldn't mean being out of pocket.

These restrictions apply to trustees (or someone with a financial connection to a trustee, such as their partner, dependent children or a business partner) benefiting by:

- supplying goods or services to the charity eg building work or specialist services, even if the trustee offers better value or expertise than other suppliers
- being employed by the charity or by a trading subsidiary owned by the charity

- receiving material benefits as a beneficiary of the charity
- being paid to act as a trustee; this is very unusual and only permitted in exceptional circumstances
- entering into a property transaction (or any other financial transaction such as a loan) with the charity - this is called self-dealing

In some circumstances, one or more trustees (or persons with a financial connection to a trustee) do receive payments or other benefits from their charity. This is only permitted if:

- the benefit is specifically authorised by the governing document, the Charities Act (or other relevant legislation), the commission or the courts; any specified procedures must be strictly followed
- even if the benefit is authorised, the non-conflicted trustees are satisfied that allowing it is in the charity's best interests
- the conflict of interest is managed; so in most cases the conflicted trustee(s) can't be involved in the decision and only a minority of trustees can benefit

Read more about **payment of trustees**.

Find out whether you need permission, and how to apply.

Manage your charity's resources responsibly

You must act responsibly, reasonably and honestly. This is sometimes called the duty of prudence. Prudence is about exercising sound judgement. You and your co-trustees must:

- make sure the charity's assets are only used to support or carry out its purposes
- avoid exposing the charity's assets, beneficiaries or reputation to undue risk
- not over-commit the charity
- take special care when investing or borrowing

- comply with any restrictions on spending funds or selling land

You and your co-trustees should put appropriate procedures and safeguards in place and take reasonable steps to ensure that these are followed. Otherwise you risk making the charity vulnerable to fraud or theft, or other kinds of abuse, and being in breach of your duty.

Managing risks

A risk is anything that could, if it happened, affect your charity achieving its purposes or carrying out its plans. All charities face some risks. The risks your charity might face will depend on factors such as its size, funding and activities. For example, managing property, employing staff, using volunteers, using IT, working with children or other vulnerable people, or implementing change all involve elements of risk.

You and your co-trustees should manage risk responsibly. You have a duty to avoid exposing your charity to undue risk. This doesn't mean being risk averse. Risk management is the process of identifying and assessing risks, and deciding how to deal with them. It may involve an element of responsible risk taking, and is central to how trustees make decisions.

The commission's guidance on risk management sets out the basics of dealing with risks and includes a risk management model, made up of the following steps:

- Establish a risk policy.
- Identify risks (what could go wrong).
- Assess risks (how likely is it, and how serious would it be).
- Evaluate what action to take (eg avoid it, transfer it, insure against it, accept it).
- Review, monitor and assess periodically.

Find out more:

Institute of Risk Management guide for charities

Charities: how to protect vulnerable groups including children

Some charities work in areas or undertake activities that involve greater exposure to risks such as fraud, financial crime, extremism or terrorism. Charities should assess their exposure to these risks and take proportionate action. If your charity needs to address these risks, you may find the commission's toolkit on **protecting charities from harm** helpful. Chapter 2 of the toolkit includes a practical guide to due diligence, based on 3 principles:

- know your donor (for example, if your charity receives large donations, particularly anonymous or cash donations or with conditions attached)
- know your partner (if your charity relies on partners or intermediaries to carry out any of its work)
- know your beneficiaries (for example if your charity makes grants of cash or other financial support directly to individuals)

These principles will help you and your co-trustees to carry out their legal duties and manage the risks to the charity's assets and services.

Budgeting

You and your co-trustees need to work out what funds and other resources your charity will need and where the charity will get these from. A charity can only succeed in meeting its aims if it manages its money and other resources properly. You will need to plan and monitor its income and outgoings so that it can meet its short, medium and long term goals.

Find out more:

Managing charity assets and resources

Charity governance, finance and resilience: 15 questions you should ask financial difficulties in charities

Getting the funds your charity needs (income generation)

Most charities get their funds through one or more of the following methods:

- fundraising (asking for donations, legacies or grants)
- trading (selling goods or services)
- investment
- leasing or letting land or buildings

In practice, it's best to avoid relying on a single source of income. You and your co-trustees are responsible for deciding how your charity will obtain funds. You should think about:

- how much money the charity needs
- the costs, benefits and risks of different methods of generating income
- any legal requirements that the charity must comply with, including fundraising regulations, and restrictions on commercial trading
- any potential reputational issues
- whether you need advice

If your charity is already bringing in funds, you and your co-trustees should ensure that its income generation is on target, complies with the law and is not exposing the charity to undue risk.

Find out more:

Institute of Fundraising code of fundraising practice and good practice guides

Charity trading: selling goods and services

How to invest charity money

Charities and their trading subsidiaries

Charities need to use a trading subsidiary if they carry out commercial (non-charitable) trading which exceeds the threshold for paying income or corporation tax, or involves significant risk.

A trading subsidiary is a separate company controlled by the charity. The charity can raise money from trade without exposing its assets to risk or being liable for income or corporation tax.

There are, however, risks which trustees need to be aware of and manage:

- the charity exists for charitable purposes, but the trading subsidiary exists to generate income; their aims and interests are different; you need to distinguish between them
- if the trading subsidiary starts to fail, the charity must not bail it out; this would be putting the charity's funds at risk
- charity trustees who are also directors of the subsidiary have a conflict of interest
- if a charity trustee is also a director of the trading subsidiary, the restrictions on payments and benefits to trustees also apply to any payments or benefits as a director

Managing funds and keeping them safe

You and your co-trustees are responsible for your charity's money. Your charity should have effective processes for handling money, to help avoid poor decisions and accidental errors, as well as theft and fraud. Failure to do so is likely to result in a breach of your duty. You should:

- set a budget and keep track of it
- put in place clear policies and procedures to deal with income and expenditure
- ensure the charity keeps accurate records of income and expenditure
- have robust and effective **financial controls** in place
- protect the charity from **financial crime such as theft or fraud**

- put appropriate safeguards in place for money, assets and staff if **the charity operates outside of the UK**
- have an appropriate **reserves policy**
- ensure the charity receives **tax reliefs** to which it is entitled

If something does go wrong, you should inform the commission and (if appropriate) the police. See the section on what to do if something goes wrong in section 8 of this guidance.

Find out more:

Charities: due diligence checks and monitoring end use of funds

Managing property (land and buildings)

If the charity owns or rents land or buildings, you and your co-trustees should:

- make sure the property is recorded as belonging to the charity - see section 11 of this guidance
- know on what terms it's held
- ensure it's properly maintained and being correctly used
- make sure the charity has sufficient insurance

You should regularly review whether the property is suitable for the charity's purposes, and whether any property the charity lets to generate income is still a good investment.

Decisions about property are important, so think about the advice and information you may need in order to make decisions in the charity's interests.

Most charities can buy, sell or lease land when they need to. When selling or leasing land, trustees must try to get the best deal for the charity (unless they are making the disposal to further the charity's purposes). So all charities should, and registered charities must:

- obtain written advice, including a valuation, from a qualified surveyor before agreeing a sale or granting a lease for more than 7 years
- advertise the sale or lease, unless the surveyor advises otherwise

Otherwise, you are likely to need permission from the commission for the sale or lease.

A charity's governing document may specify that land or buildings must be used for a particular purpose. This is called designated land (or 'specie land'). Special conditions apply to leasing or selling designated land.

Land belonging to a charity (particularly designated land) might be permanent endowment. This restricts how you can use the proceeds of sale.

You must get permission from the commission to sell or lease property to or from a trustee, someone closely connected to a trustee, or an employee of the charity.

Before taking out a mortgage or loan secured against your charity's land you must get written financial advice and ensure that:

- the loan is needed and used for an activity that fits with your charity's purposes
- the terms of the loan are reasonable
- the charity will be able to repay the loan

Otherwise you will need permission from the commission to proceed.

Find out more about **buying, selling, leasing or mortgaging charity property**, including designated land and **permanent endowment**.

Staff and volunteers

As part of your overall responsibility for the charity, you and your co-trustees have responsibilities towards any volunteers or staff.

You must ensure that:

- the charity complies with relevant law including employment, pension, equality and health and safety law
- volunteers are clearly distinct from employees in terms of responsibilities and rights; for example by not requiring volunteers to work set hours, nor paying them more than expenses they actually incur

You should ensure that:

- people are clear about what they are supposed to do, through appropriate job descriptions for staff or role descriptions for volunteers
- people are aware of the rules and boundaries within which they must work, for example, when representing or speaking on behalf of the charity
- people work safely
- people know what to do if there's a problem
- people know what they need to report and who they report to

You and your co-trustees should ensure that the charity has appropriate procedures and policies in place, staff and volunteers get appropriate training, and people know they must comply with policies and procedures. You also have an important role in promoting effective working relationships between trustees, senior staff (if any), staff and volunteers.

Find out more:

[How to manage your charity's volunteers](#) [Charity staff: how to employ paid workers](#)
[Pension rules for charities](#)

Pensions (Charity Finance Group guidance)

Avoid mistakes - don't rely too much on individuals

Things can go wrong when trustees place too much reliance on individuals, and don't implement sufficient safeguards to ensure accountability. This can result in the charity falling victim to fraud or theft, or beneficiaries suffering abuse. These kinds of occurrences could cause the charity serious reputational and other damage.

All charities should have appropriate financial controls which ensure that more than one person is involved in receiving income and authorising expenditure. These should cover all payment methods that the charity uses - cheque, cash, credit card, charge card, debit card, prepaid card, telephone or internet banking or other electronic means. Handling cash brings increased risk, so try to avoid cash payments wherever possible.

When other people raise funds on behalf of the charity, whether they are volunteers or paid professionals, you should ensure there are proper controls over the funds raised. This is to make sure that the charity receives the full amount due to it.

Read more about **financial controls**.

Charities that undertake 'regulated activities' involving children or vulnerable adults must have appropriate safeguarding policies and procedures in place, including complying with Disclosure and Barring Service requirements.

Read more about **protecting vulnerable groups**.

If something does go seriously wrong, you should take prompt action to deal with it and report it to the commission. Find out more in section 8.3 of this guidance.

Act with reasonable care and skill

As someone responsible for governing a charity, you:

- must use reasonable care and skill, making use of your skills and experience and taking advice when necessary
- should give enough time, thought and energy to your role, for example by preparing for, attending and actively participating in all trustees' meetings

This is sometimes called the duty of care.

Using your skills and experience

As a trustee, you must use your skills and experience to inform decision making and benefit your charity. For example, the Trustee Act 2000 says that trustees must “exercise such care and skill as is reasonable in the circumstances”. What is reasonable in the circumstances will depend on any special knowledge or experience that the trustee has or claims to have. It also depends on whether a trustee is acting in a professional or paid capacity, and what it would be reasonable to expect such a person to know.

The Trustee Act 2000 applies to trustees of unincorporated charities. Company law and the Charities Act impose similar duties on directors of charitable companies and trustees of CIOs (see section 11 of this guidance). In addition, all trustees have a general duty of care which they must apply to all aspects of their role.

Taking advice when you need to

Trustees should recognise and acknowledge when they need advice. This is particularly important if the charity (or its property) may be at risk, or if they could act in breach of their duties, for example, when:

- buying or selling land (most charities must take advice from a surveyor or other qualified person when selling charity land)
- investing charity funds
- entering into novel, long-term, complex or high-value contracts
- considering legal action

Some larger charities employ their own professional advisers; most charities are more likely to obtain advice externally.

Find out more:

It's your decision: charity trustees and decision making How to invest charity money

Other sources of help and advice

What to do if something does go wrong

Most problems in charities can be resolved by the trustees themselves, sometimes with some advice. However, in serious cases the commission may need to advise the trustees or take action to protect the charity.

If something does go wrong, you should take prompt and appropriate action to:

- prevent or minimise any further loss or damage
- if appropriate, report it to the commission, the police if a crime has been committed, and any other regulators that the charity is accountable to
- plan what you will say to your staff, volunteers, members, the public or the media
- take reasonable steps to prevent it from happening again - review controls and procedures, take appropriate advice

Charity trustees should report serious incidents (or suspected serious incidents) to the commission as soon as they are aware of them. An incident is serious if it results in or risks significant:

- loss of your charity's money or assets (eg through fraud or theft)
- harm to your charity's work, beneficiaries or reputation, including suspicions, allegations or incidents of:
 - abuse of vulnerable beneficiaries
 - links to terrorism or to any organisation that's 'proscribed' or any individual or entity that's 'designated' due to terrorist links or activity
 - other criminal activity such as an attempt to use your charity for money laundering

When you report a serious incident, you should provide details of:

- what has happened
- the nature of the risk

- the steps you have taken to deal with the incident and any changes you intend to make

The commission can then decide what action, if any, is appropriate. Trustees must avoid exposing their charity to undue risk and should take reasonable steps to assess and manage risks to its activities, beneficiaries, property and reputation. Reporting serious incidents to the commission demonstrates that you are taking appropriate and effective action to deal with the situation. It also means the commission can respond positively to any enquiries from the public or media.

If trustees fail to report a serious incident that subsequently comes to light, the commission may consider this to be mismanagement and take regulatory action, particularly if further abuse or damage has arisen following the initial incident.

Find out more:

[How to report a serious incident in your charity](#)

When the commission would become involved

The commission will get involved if it is concerned that trustees are not fulfilling their duties towards their charity, either because they don't understand them or are unwilling or unable to fulfil them.

In some cases, the commission may decide that it's sufficient to advise the trustees about their duties. In more serious cases, when charities' assets, reputation, services or beneficiaries have been harmed or are at significant risk, the commission may open a statutory inquiry, which will allow it to:

- obtain and assess evidence
 - use enforcement powers to protect the charity's assets or secure their proper application
- Opening an inquiry does not always mean the commission suspects wrong-doing.

The commission's

aim in such cases is to stop abuse or damage and put charities back on a proper footing for the future.

Read about the commission's work to prevent, detect and tackle abuse and mismanagement in charities and promote charity law: **[Tackling abuse and mismanagement in charities](#)**.

Ensure your charity is accountable

You and your co-trustees must comply with statutory accounting and reporting requirements. You should also:

- be able to demonstrate that your charity is complying with the law, well run and effective
- ensure appropriate accountability to members, if your charity has a membership separate from the trustees
- ensure accountability within the charity, particularly where you delegate responsibility for particular tasks or decisions to staff or volunteers

Complying with accounting requirements

All charities must produce accounts and provide a copy of the most recent to anyone who asks. (You can charge to cover your costs.) The commission will take regulatory action against charities that persistently fail to provide copies of accounts when asked by members of the public or a regulator.

Exactly what accounts your charity must produce depends on whether the charity is a company and how much income it receives. Different rules apply to exempt charities. Find out more about **accounting and reporting requirements for charities**.

Charities whose income is over £250,000, and all charitable companies, must prepare their accounts and trustees' annual report in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (Charities SORP).

Find out more about the **Charities SORP**.

All registered charities must also provide information annually to the commission. The rules vary according to your charity's size and structure. Registered charities with:

- income up to £10,000 should complete the relevant sections of the annual return, which include updates to trustees

- income above £10,000, and all CIOs, must prepare and file an annual return form
- income above £25,000, and all CIOs, must also file copies of their trustees' annual report, accounts and external scrutiny report (audit or independent examiners' report)

Failure to submit accounts and accompanying documents to the commission is a criminal offence. The commission also regards it as mismanagement or misconduct in the administration of the charity. Providing timely, accurate and informative financial information that will help funders, donors, beneficiaries and others to understand your charity and its work will encourage trust and confidence in it.

Remember, those trustees who sign the trustees' annual report and accounts are signing on behalf of the whole trustee body so all of the trustees are responsible for the accounts.

Find out more about **annual returns**.

Your charity may also have to report to other regulators, for example, if its activities include providing social housing, education or social care. Companies must also submit accounts and annual returns to CompaniesHouse annually.

Being accountable to people with an interest in the charity

It's important to take account of what your members, beneficiaries, supporters and funders say. Use this information to inform decisions and improve the charity's services. If your charity has a wider voting membership in addition to the trustees, your governing document may contain specific provisions about when to involve members in decisions, for example through general meetings.

Charities should consider the benefits of having appropriate **procedures for dealing with complaints**, and ensuring they are easy to find and easy to follow.

You and your co-trustees must ensure that your charity complies with the law, and should be able to demonstrate that it is legally compliant, well run and effective in carrying out its purposes. If you can't demonstrate these things, you should be able to explain what steps you are taking to address any difficulties.

You may find it helpful to review your charity's compliance and good practice using:

- a governance code, such as **Good Governance: a Code for the Voluntary and Community Sector**
- a quality standard, such as **PQASSO**, or another standard that is suitable for your charity
- benchmarking (comparing and learning) with another organisation
- an independent review by a suitably qualified adviser Read about **public trust and confidence in charities**.

Trustees and delegation

Trustees often delegate day to day activities to particular trustees (such as the chair), volunteers or staff. Many charities also have power to delegate decision making to sub-committees or senior staff. Delegation can help trustees to govern more effectively, but they cannot delegate their overall responsibility. Trustees always remain collectively responsible for all decisions that are made and actions that are taken with their authority.

You and your co-trustees should set out in writing the limits of any delegated authority. You should also put clear reporting procedures in place, so you can ensure the delegated authority is exercised properly.

This could include staff job descriptions, volunteers' role descriptions and committees' terms of reference. A periodic review of any delegated authorities can help to ensure that those authorities are properly managed.

The trustees should consider and decide what decisions they will not delegate. High risk and unusual decisions should not be delegated. You should agree appropriate guidelines to help assess what is likely to be high risk or unusual. Staff, particularly senior staff, can have an important role in informing trustee decision making by providing information and advice.

Trustees might be told that they should not interfere in day to day operations. You should allow staff and volunteers to carry out any functions that have been delegated to them. But you and your co-trustees must be able to ensure that delegated authority is being properly exercised, through appropriate monitoring and reporting procedures (and, where appropriate and possible, independent checking).

It's important to have clear and appropriate channels of communication between staff and trustees and ensure these are followed.

Avoid mistakes - ask questions (even ones that seem 'awkward' or 'stupid')

Part of your role is to hold people (including staff, volunteers and fellow trustees) to account for how they carry out their role or use the charity's resources. This can mean asking probing or challenging questions about information at trustee meetings, or being prepared to say 'I don't understand what this means'. You should receive timely information in a format that you can understand and use, and if necessary ask for explanations, training or a different presentation. For example, all trustees, not just the treasurer, are responsible for the charity's finances and should be able to understand, consider and comment on financial information.

Reduce the risk of liability

It's extremely rare, but not impossible, for charity trustees to be held personally liable:

- to their charity, for a financial loss caused by them acting improperly
 - to a third party that has a legal claim against the charity that the charity can't meet
- Understanding potential liabilities will help you to protect yourself and your charity by taking action to reduce the risk. This includes complying with duties covered in this guidance. It also includes deciding whether your charity should become incorporated.

Personal liability to the charity

Trustees can be held liable to their charity for any financial loss they cause or help to cause. This applies to any type of charity whatever its legal form.

The law generally protects trustees who have acted honestly and reasonably from personal liability to their charity. The commission and the courts:

- can relieve trustees from liability if they have acted honestly and reasonably and have not benefited from their actions

- rarely enforce liability on an unpaid trustee who has made an honest mistake
- expect higher standards from trustees who act in a professional capacity or are paid for being trustees

Trustees who receive an unauthorised payment or benefit from their charity have a duty to account for (ie repay) it. The commission can't relieve trustees from this duty.

There is no legal protection for trustees who have acted dishonestly, negligently or recklessly. However, there may be financial protection for those trustees who have made an honest mistake and can rely on the indemnity provisions in the charity's governing document, insurance cover or relief from the commission or the court.

Find out more:

[Charity Commission policy on restitution and the recovery of charitable funds misappropriated or lost to charity in breach of trust](#)

Liability to third parties

Charities or their trustees can become liable to a third party who has a claim against the charity such as:

- breaches of an employee's terms, conditions or rights
- failing to pay for goods or services, or to fulfil the terms of a contract
- a member of the public being injured on the charity's premises
- liability to any staff pension scheme

If the charity is incorporated, the charity itself will be liable for the claim. Some types of incorporated body (companies, CIOs and Community Benefit Societies) can specifically limit the liability of their trustees and members.

If the charity is unincorporated, the trustees have to sign contracts and other agreements personally, and will have to meet any claim. The charity can normally meet any liabilities that

you incur as a trustee provided you have acted honestly and reasonably. (Some charities also have power to indemnify trustees against liability arising from an honest mistake.) But if you incur liabilities that exceed the value of the charity's assets, you could be liable for any amount that the charity can't cover.

Find out more about your charity's legal structure – see section 11 of this guidance. Find out more:

Vicarious liability of a charity or its trustees

Criminal liability

In some cases, the charity or its trustees can become liable for offences committed by the charity's staff (for example, under the Bribery Act or corporate manslaughter law).

Find out more about the **Bribery Act** (Transparency International guidance).

Reduce the risk of personal liability

To reduce the risk of becoming personally liable, you should:

- ensure trustees understand their responsibilities
- ensure the charity can meet its financial obligations, particularly before agreeing to any contract or substantial borrowing
- ensure the charity can meet any obligations to staff pension schemes
- hold regular trustee meetings and keep proper records of decisions made and the reasons for those decisions
- ensure you prevent conflicts of interest from affecting decisions
- ensure any transactions with and benefits to trustees or connected persons are properly authorised

- take appropriate advice from a suitably qualified person when you need to
- if you delegate any powers, give clear written instructions and make sure the instructions are being followed
- ensure the charity has effective management and financial controls including:
 - keep receipts and records of income and expenditure
 - receive regular financial reports
 - file accounts on time
- ensure the charity is complying with other laws that apply to it
- consider whether the charity needs additional insurance or needs to become incorporated.

If your charity is unincorporated and employs staff or enters into other contracts, the trustees should seriously consider changing the charity into an incorporated form. You may need to take professional advice about this, particularly in relation to any pension liabilities which could be triggered by incorporation.

Read more about:

[How to manage risks in your charity Charities and insurance](#)

[Changing your charity into a company or CIO Pension rules for charities](#)

[Pensions](#) (Charity Finance Group guidance)

Your charity's legal structure and what it means

It's important to know your charity's legal structure (eg trust, association, CIO, company) because it affects whether:

- the charity itself can enter into contracts or employ staff, or the trustees must do these things personally
- land is held by the charity itself or by the trustees (or someone the trustees appoint for that purpose)
- trustees' liability is limited
- trustees have specific legal duties that go with that legal structure

Different legal structures for charities

An 'incorporated charity' is one that's set up in a legal form which makes the charity itself a legal entity. This is called 'legal personality', and means the charity can own property or enter into contracts in its own name. Incorporation gives trustees more protection from personal liability. Some incorporated forms can limit trustees' liability to third parties. The law places duties on board members to prevent the abuse of limited liability.

An 'unincorporated charity' doesn't have legal personality, so can't hold property or enter into contracts in its own name. Trustees' personal liability is unlimited.

Legal form or structure	Incorporated (legal personality)	Title to land held by	Contracts/ employment in the name of	Liability to third parties limited	Additional duties on trustees
Trust	No	Trustees for the charity	Trustees personally (for the charity)	No	No
Association	No	Trustees for the charity	Trustees personally (for the charity)	No	No
Company	Yes	The charity	The charity	Yes	Company law
Charitable Incorporated Organisation (CIO)	Yes	The charity	The charity	Yes	Charities Act and CIO regulations
Corporation created by Act of Parliament	Yes	The charity	The charity	Yes unless excluded by the Act	No

Royalcharter body	Yes	Thecharity	Thecharity	Incorporation gives some protection	No
Community Benefit Society	Yes	Thecharity	Thecharity	Yes	Co-operative and Community Benefit Societies Act

This table summarises the characteristics of different legal forms and what they mean for trustees.

Find out more:

Charity types: how to choose a structure Running a limited company: Directors' responsibilities Royal Charter charities

Unincorporated charities (trusts and unincorporated associations) - holding land

Charities set up by a trust deed, constitution or similar governing document are unincorporated. This means they are not legal bodies in their own right and can't hold property in their own name; it must be held for the charity by trustees.

If the charity trustees don't want to hold legal title for any land or other property themselves, they can appoint a nominee, holding trustees (other individuals) or a custodian trustee (a company or other corporate body that has power to hold property for the charity). The governing document may explain how to do this.

Holding and custodian trustees aren't charity trustees; they can't make decisions about the management of the charity or its property, and must follow the lawful directions of the charity trustees.

You may find it simplest to vest the land in the Official Custodian for Charities. Read about **The Official Custodian for Charities' land holding service**.

Apply to transfer land or property to the Official Custodian.

Charity officers - the Chair and Treasurer

Some trustees have special roles, such as the Chair and the Treasurer. They are known as officers. You must comply with any specific provisions for officers in your governing document. Trustees can also nominate a trustee to take the lead on a particular matter.

Charity officers don't automatically have any extra powers or legal duties than their co-trustees, but may carry out specific roles or have specific responsibilities delegated to them. However, all trustees remain jointly responsible for the charity. For example, all trustees share responsibility for finances (not just the treasurer). A chair can only make decisions in accordance with any provision in the governing document or delegated authority agreed by the trustees, and should notify the other trustees of any decisions made.

The Treasurer

The Treasurer usually takes the lead at board level on:

- making sure the charity keeps proper accounts
- reviewing the charity's financial performance
- drawing up or reviewing policies for finance and investment
- ensuring that the charity has robust and effective financial controls in place
- liaising with finance staff and with the charity's independent examiner or auditor
- reporting on financial matters to the members, in a membership charity

In larger charities the treasurer may share these responsibilities with a finance committee, and staff may carry out day to day finance functions.

Find out more:

[The Honorary Treasurer's Forum](#)

The Chair

The role of the Chair may vary depending on the charity's circumstances. The Chair usually:

- helps plan and run trustee meetings (and in a membership charity, members' meetings)
- takes the lead on ensuring that meetings are properly run and recorded
- takes the lead on ensuring that trustees comply with their duties and the charity is well governed
- might have a second or casting vote if a vote on a trustees' decision is tied, but only if this is specified in the charity's governing document
- may act as a spokesperson for the charity
- acts as a link between trustees and staff
- line manages the chief executive on behalf of the trustees

A Chair's Compass - A guide for chairs of charities and non-profit organisations.

Technical terms used in this guidance

This section explains some legal and technical terms used in this guidance.

'Beneficiary' or 'beneficiaries' means a person or group of people eligible to benefit from a charity. A charity's beneficiary group is usually defined in its governing document. Some charities call their beneficiaries clients or service users.

The 'Charities Act' is the Charities Act 2011. This guidance occasionally refers to specific powers under this Act.

A 'charitable incorporated organisation', or 'CIO', is an incorporated legal form designed specifically for charities. See section 11 of this guidance for more detail.

A 'charity' is any organisation set up under the law of England and Wales for solely charitable purposes. The 'commission' means the Charity Commission, the regulator for charities in England and Wales.

A 'community benefit society' is an incorporated legal form in which charities can be set up. It is similar to a limited company. Community benefit societies are registered by the Financial Conduct Authority. Charitable community benefit societies are currently exempt charities.

'Excepted charities' don't have to register with the commission or submit annual returns. Apart from that, the commission regulates them and can use any of its powers if it needs to. This only applies to specified churches, Scout and Guide groups and armed forces charities whose income is below £100,000. Read more about **excepted charities**.

An 'exempt charity' is exempt from registration and direct regulation by the commission. Most exempt charities have a different charity regulator (or 'principal regulator'). Trustees of exempt charities have the same basic duties as other charity trustees. Read more about **exempt charities**.

The 'governing document' is the legal document that sets out the rules that govern a charity. These include the charity's objects and, usually, how it must be administered. It's usually a trust deed, constitution, CIO constitution or articles of association. Some charities have a different type of document such as a conveyance, will, royal charter or commission scheme. **Find out more about governing documents.**

'Have regard to' does not have a strict legal definition, but generally means 'take into account' or 'consider', rather than 'comply with'.

'In the charity's best interests' means what the trustees believe will best enable the charity to carry out its purposes for the public benefit. See section 6 of this guidance for more detail.

An 'incorporated charity' means a charity formed as a company, CIO, royal charter body, community benefit society or a corporation created by Act of Parliament. Being incorporated means the charity itself is a legal body. It can own property or enter into contracts in its own name. Incorporation gives trustees more protection from personal liability. See section 11 of this guidance for more detail.

'Misconduct' includes any act that the person committing it knew (or ought to have known) was criminal, unlawful or improper.

'Mismanagement' includes doing anything to:

- lose or misuse charitable resources
- undermine a charity's reputation
- put beneficiaries at risk

A charity's 'purpose' is what it is set up to achieve (for example, relieving poverty or promoting health). A charitable purpose is one that:

- falls within one or more of 13 'descriptions of purposes' listed in the Charities Act
- is for the public benefit (the 'public benefit requirement')

A charity's 'objects' are a written statement of its purposes - they must be exclusively charitable.

A 'registered charity' is a charity registered with the commission.

A 'suitably qualified person or adviser' is someone who the trustees could reasonably expect to be competent to advise them about a particular matter. This includes professional advisers (such as solicitors, accountants and surveyors). It could also include (for example) a member of the charity's staff, a suitably qualified trustee or an adviser from another organisation.

'Trustee' means a charity trustee. Charity trustees are the people responsible for governing a charity and directing how it is managed and run. The charity's governing document may call them trustees, the board, the management committee, governors, directors, or something else. The Charities Act defines the people who have ultimate control of a charity as the charity trustees, whatever they are called in the charity's governing document:

- a 'custodian trustee' is a corporation appointed to hold property for a charity; it isn't a charity trustee and must act on the lawful instructions of the charity trustees
- 'holding trustees' are individuals appointed to hold property for a charity; they aren't charity trustees, they must act on the lawful instructions of the charity trustees and in accordance with any provisions in the governing document

An 'unincorporated charity' is a charity set up as a trust or association. Being unincorporated means the charity isn't a legal body (so it can't hold property or enter into contracts) in its own right. Trustees' personal liability isn't limited. See section 11 of this guidance for more detail.

Skills Matrix for Governors

The Code of Good Governance indicates that the Board should undertake a regular review of the Board to ensure that it has the appropriate diversity of skills, experience, and backgrounds to provide strong governance, and to identify any need for new members with particular skills. Please complete the following.

Individual members are not expected to possess all the areas of knowledge and skills listed as it is the Board itself collectively that needs to exhibit appropriate balance in these areas, across its membership.

Members are not required to make a judgement on their abilities by comparing themselves with an 'expert' in the field, but simply by sufficiency to fulfil the role of Corporation Board member.

Knowledge of/ expertise in following areas (please indicate Nil, Low, Moderate or High level)		Nil	Low	Moderate	High
Finance	Audit				
	Budgeting and Forecasting				
	Financial Control and monitoring				
	Competitive tendering				
	Others (please specify)				

Human Resources	Appraisal/performance management				
	Employee relations				
	Recruitment and selection				
	Others (please specify)				
Estates & Property	Project management				
	Cost control				
	Health and safety				
	Others (please specify)				
Knowledge of / expertise in following areas (please indicate Nil, Low, Moderate or High level)		Nil	Low	Moderate	High
Management	Business / Strategic planning				
	Change management				
	Public sector management				

	Small business management				
	Interpreting management information				
	Marketing				
	Health & safety				
	Risk management				
	Others (please specify)				
Education	FE curriculum				
	FE policy				
	Schools				
	Inspection				
	Others (please specify)				
Miscellaneous	Information technology				
	Quality assurance				
	Internal control processes				

	Equality and diversity				
	Special needs, disabilities				
	Local Government				
	Governance, trusteeship				
Knowledge of / expertise in following areas (please indicate Nil, Low, Moderate or High level)		Nil	Low	Moderate	High
Miscellaneous	Working with local communities				
	Safeguarding				
	Prevent				
	Others (please specify)				
Diversity					
Gender (Please tick)	Male				
	Female				
Sexuality (Please tick)	Heterosexual				
	Homosexual				
	Bisexual				
	Other				

	Prefer not to answer			
Cultural (Please comment)	Nationality			
	Ethnicity			
Religion (Please comment)				
Welsh Speaker (Please tick)	Yes		Learning	
	No			
Disability (If yes, please indicate in the space provided)	Yes			
	No			
Current Employment Sector (Please tick)	Public Sector			
	Private Sector			
	Charity/ third sector			
	Self-employed			
	Retired			
	Student			
Geographical Location (Please tick)	Home	Work		
	Lives in Neath-Port Talbot (County)		Works in Neath-Port Talbot (County)	
	Lives in Powys (Near or in, Brecon, South Powys)		Works in Powys (Near or in, Brecon, South Powys)	

	Lives in Powys (Near or in, Newtown, North Powys)		Works in Powys (Near or in, Newtown, North Powys)	
	Other (indicate below):		Other (indicate below):	

Signed:

Print:

Date:

Declaration of Interests, Overseas Visits and Gifts: Questionnaire Template

Interest



NPTC GROUP OF COLLEGES

REGISTER OF MEMBERS, SENIOR OFFICERS

& BUDGET HOLDERS INTERESTS

GUIDANCE NOTES

Any interest, financial or otherwise, which is likely or would, if publicly known, be perceived as being likely to interfere with the exercise of a Member's/Senior Officer's/Budget Holder's independent judgement should be disclosed to the Corporation.

The interest will then be recorded in a Register, which will be maintained by the Assistant Principal Governance. This Register enables Members/Senior Officers/Budget Holders to disclose relevant business interests in a manner, which is open and transparent and demonstrates to the public that such interests have not influenced the Corporation's decision-taking process. Members/Senior Officers/Budget Holders are reminded that the Register is open to public inspection.

Members/Senior Officers/Budget Holders are in the best position to decide what business interests are relevant and should be disclosed. However, they may find it helpful to consider whether any particular interest should be disclosed by reference to the following headings, which are set out as general guidelines.

Category of Interest	Information to be disclosed
Paid employment	Name of employer

Self employment	Names of significant customers/clients
Directorships of commercial companies	Names of companies
Significant shareholdings (10% or more)	Names of companies
Elected office	Name of authority
Trusteeships or participation in the management of charities and other voluntary bodies	Name of body
Public appointments (paid or unpaid)	Name of body
Membership of professional bodies and trade or other associations	Name of body
Family Member linked to NPTC Group of Colleges	

Members/Senior Officers/Budget Holders are required to provide the same information, in respect of his or her spouse or partner, children over 18 years of age and other close relatives all resident in the same household. A Member/Senior Officer/Budget Holders should ask him/herself whether members of the public, knowing such information, would reasonably conclude that the relevant interest might influence his or her judgement.



NPTC GROUP

**REGISTER OF MEMBERS, SENIOR OFFICERS
& BUDGET HOLDERS INTERESTS**

Form to be completed by all Corporation Members / Senior Officers / Budget Holders

Each Member / Senior Officer/ Budget Holder is required to register all business interests, financial or otherwise, which he or she or his or her spouse or partner, children over 18 years of age and other close relatives all resident in the same household may have.

However, any interest, financial or otherwise, which is likely or would, if publicly known, be perceived as being likely to interfere with the exercise of a Member's/Senior Officer's/Budget Holder's independent judgement should also be disclosed to the Corporation

Members / Senior Officers / Budget Holders should inform the Assistant Principal: Governance whenever their circumstance change and interests are acquired or cease.

Please refer to attached guidance notes overleaf and to the provisions in the College's Code of Conduct and Instrument of Government which relate to Conflicts of Interest

Category and Nature of Interest	Date Interest Disclosed	Date Interest Change/Ceased

NAME (BLOCK CAPITALS):

POSITION:.....

SIGNATURE:.....

DATE:.....



Overseas Visits

ANNUAL REVIEW OF OVERSEAS VISITS

I confirm that during the period from 01.08.18 to 31.07.19, I undertook the following overseas visits on behalf of the College:-

Visit	Date		Purpose	Estimated Value of Travel, Accommodation & Subsistence
	From	To		

“NIL” Returns are required

NAME (BLOCK CAPITALS):.....

POSITION HELD:.....

SIGNATURE:..... **DATE:**.....



Gifts

ANNUAL REVIEW OF GIFTS, HOSPITALITY AND OTHER BENEFITS

I confirm that during the period from 01.08.18 to 31.07.19, I received the following gifts, hospitality and other benefits:-

Gift, Hospitality, Other Benefits	Date Received	Provided By	Estimated Value

“NIL” Returns Are Required

Members and staff should use their professional judgement as to the acceptance of gifts, hospitality and other benefits. In the case of doubt, please consult Gemma Charnock, Assistant Principal: Governance to the Corporation.

NAME (BLOCK CAPITALS):.....

POSITION HELD:.....

SIGNATURE:..... **DATE:**.....

Protection and Use of Governor Data

DATA PROTECTION ACT 2018 AND GENERAL DATA PROTECTION REGULATION

- 1 The Data Protection Act 2018 (DPA) and the UK General Data Protection Regulation (GDPR) regulate the processing of personal data in any format by NPTC Group of Colleges ('the Group'), including both digital and hard copy personal data and all other formats. 'Personal data' is any information relating to a living individual, and 'processing' is any activity carried out involving personal data, including holding and storing it. This statement applies under both the DPA and GDPR or any successor legislation to the GDPR or the DPA.
- 2 This statement establishes the Group's procedures governing the collection and release of governors' data and is provided to governors at the application stage. It includes information about how governor data is used, and where it is supplied by the Group to the Welsh Government and other external parties.
- 3 The Group is the data controller for all personal data that it holds and processes, except where it is done in the capacity of a data processor on behalf of another data controller. The Group's contact details are:

NPTC Group of Colleges

Dwr y Felin Road

Neath

SA10 7RF

- 4 The Group's Data Protection Officer is:

Mrs Susan Kirby

Data Protection Officer

NPTC Group of Colleges

Dwr y Felin Road

Neath

SA10 7RF

(01639) 648138

data-protection-officer@nptcgroup.ac.uk

Notification to Applicants and Appointed Governors

- 5** The Group may obtain, hold and process the personal data of governors including personal details, family and social circumstances, education and training records, employment information, financial details, and services provided. It may obtain, hold and process the sensitive personal data (the term used by the DPA) and special category data (the term used by GDPR) of governors including racial or ethnic origin, religious or philosophical beliefs, biometric data, and physical or mental health.
- 6** Personal data and sensitive personal data/special category data held by the Group relating to governors is obtained directly from the governor
- 7** The Group holds the personal data and sensitive personal data/special category data of its governors in order to implement and manage all services and processes relating to governance. Only information required for these purposes is obtained and processed, and without it the Group may not be able to provide its governance process. Information is passed between various sections of the Group for operational reasons as is necessary and proportionate for intended purposes.
- 8** Governor personal data is collected and processed by the Group as it is necessary to carry out the governance for the Group. Some processing activities may also be carried out under a legal obligation (for example, disclosing personal data to external parties under statutory powers), where it is necessary to protect the vital interests of the student or another party (for example, disclosures to external parties to ensure the safety and wellbeing of individuals), where it is necessary for the performance of a task carried out in the public interest or in the exercise of official authority (for example, collecting or disclosing information in order to meet regulatory or statutory requirements), or where it is necessary for legitimate interests pursued by the Group or a third party (the legitimate interests will relate to the efficient, lawful and proportionate delivery of services and will not be to the detriment of the interests or rights of individuals). Where any of these legal bases do not apply, the consent of an individual to process their personal data will be sought.
- 9** Where governors' sensitive personal data/special category data is collected and processed by the Group this will be on the legal basis of explicit consent of the governor, employment or social security/protection requirements, protecting the vital interests of the student or another party, the exercise or defence of a legal claim, reasons of substantial public interest, purposes of medical or health care, or where the information has been made public by the governor. Any processing will be proportionate and relate to the provision of services by the Group. When this data is used for monitoring and reporting purposes it will be anonymised or pseudonymised if possible.
- 10** The Group may disclose governor's personal data and sensitive personal data/special category data to external agencies to which it has obligations; for example for the Welsh Government, Colegau Cymru, Clerks Network, Companies House, the Group's Bank holder and visa and immigration purposes, and to other arms of central or local government and potentially other such organisations for defined purposes. It may also disclose information to examining bodies, legal representatives, Police or security agencies, suppliers or service providers, survey and research organisations engaged by the Group, and regulatory authorities.

11 The Group also uses governor's personal data as follows:

- a. Due to the Corporation's public accountability, students, staff and the public have free access to information about the proceedings of the Corporation. Accordingly, agendas, minutes and other papers relating to meetings of the Corporation are available for public inspection when they have been approved by the Chairperson. Documents resolved as Confidential further to in accordance with the Further Education Corporations Order 2006 will remain confidential and will not be publically disclosed.
- b. Providing reports to the Welsh Government, including the annual governance report to the Welsh Government Audit Office on the performance of the Corporation Board and its committees. There is also a statutory duty to make this report publically available and is, therefore, published on the Group's web site.
- c. Publication of the names and/or photographs of governors in posters and other formats to inform students and staff about the Corporation Board and its members.
- d. Publication of the names and/or photographs of governors in Group publications, online media, e.g. Twitter for the purposes of promoting the Group and its activities.
- e. Publication of the names, employment details, official links with other organisations, charities etc and, if applicable family / relative details, in the annual Register of Interests. This is a statutory requirement for governance and is published on the Group's web site for public information.
- f. Publication of the names and length of service details in the Group's annual management accounts as part of the Statement of Corporate Governance. This document is published on the Group's web site as part of its statutory duty to make it publically available.
- g. The Group is legally obliged to register with Companies House governors who also sit as directors on any of the Group's subsidiary companies.

12 Student members of the Group are permitted to process personal data only for use in connection with their academic studies or research. They may do this only with the express prior permission of their supervising member of staff, and only in accordance with any guidance or Privacy Standard Policy issued by the Group and in force at that time. This applies whether or not those activities are carried out on equipment owned by the Group and whether or not they are carried out on Group premises. This means that the personal data must be: fairly and lawfully obtained and processed; used only for specified and legitimate purposes; accurate and up-to-date; held securely; kept to the minimum possible and anonymised or pseudonymised where possible; not published, put online or taken outside of the UK without the consent of the individual concerned; and be deleted or destroyed when it is no longer relevant to retain it. The individuals about whom data are held are entitled to inspect the data unless it is held only for research purposes and will not be released in such a way as to identify the individuals concerned.

- 13** Some sections of the Group undertake processes involving applicant or student personal data that include elements of profiling or automated decision.

In some instances the Group may transfer personal data to third parties located in other countries, including some outside of the European Economic Area. Any such transfers will be strictly in relation to the delivery of the Group's core services, including to partner institutions abroad. IT services used by the Group may involve the transfer or hosting of personal data overseas. All instances of overseas transfers of personal data are subject to appropriate technical safeguards and contractual provisions incorporating appropriate assurances to ensure the security of the data and full compliance with legislative and regulatory requirements.

- 14** A basic record for individual governors will be kept permanently by the Group, with more detailed records kept for defined retention periods. Details of the retention periods attributed to different elements of governors records can be obtained upon request.
- 15** If you have any queries about the use of governor personal data outlined above then please contact the Data Protection Officer (data-protection-officer@nptcgroup.ac.uk) or (01639) 648138.

Individual Rights

- 16** Individuals whose personal data and sensitive personal data/special category data is held by the Group have the following rights regarding their data:
- a. The right to request access to their personal data held by the Group.
 - b. The right to have inaccurate or incomplete personal data rectified.
 - c. The right to erasure of personal data – this will only apply where there is no legitimate reason for the Group to continue to process the personal data. There will usually be a requirement for the Group to keep a basic governor record indefinitely.
 - d. The right to restrict the processing of personal data – individuals have the right to block the processing of their personal data by the Group in specific situations.
 - e. The right to data portability – governors have the right to request provision of some elements of their information (for example academic progress details) in digital form in order to provide it to other organisations.
 - f. The right to object – governors can object to the processing of their personal data by the Group in certain circumstances, including the sending and receipt of direct marketing material.
 - g. The right to object to automated decision making and profiling – individuals have the right to object to decisions taken by automatic means without human intervention in some circumstances.

All requests to exercise any of these rights should be made to the Group's Data Protection Officer.

- 17 Where the processing of personal data or sensitive personal data/special category data is based on the consent of the governor, they have the right to withdraw their consent at any time by contacting the department or service who obtained that consent or the Group's Data Protection Officer.
- 18 If a governor is unhappy with the Group's handling of their personal data, or believes that the requirements of the DPA or GDPR may not be fully complied with, they should contact the Group's Data Protection Officer in the first instance. The Group's formal complaint procedure can be invoked if appropriate, and they also have the right to submit a complaint to the Information Commissioner's Office; further details can be found at www.ico.org.uk .

Governors Surveys

- 19 You may from time to time be asked to complete surveys either for the Group or on behalf of other organisations. These organisations and their contractors will use your details only for that purpose, and will then delete them.
- 20 There is no requirement for you to take part in any of these surveys but participation assists the Group, as well as government and regulatory bodies, in performing their statutory, official and public duties.

Submission Of Your Data to The Welsh Government

- 21 It is a statutory requirement for the Group to send some of the information we hold about you to the Welsh Government (WG). WG collects, and is responsible for, the database in which governance information is stored. WG uses your information itself for its own purposes. WG also shares your information with third parties for specified and lawful purposes. It may charge other organisations to whom it provides services and data. WG's use of your information may include linking information from it to other data. All uses of WG information must comply with the Data Protection Act 2018 and the General Data Protection Regulation.
- 22 If you give us information about your disability status, ethnicity, sexual orientation, gender reassignment or religion these may be included in your WG information and used to assist with monitoring equality of opportunity and eliminating unlawful discrimination in accordance with the Equality Act 2010. Your sensitive personal data/special category data will not be used to make decisions about you.

Monitoring of IT Systems and Governor Accounts

- 23 Governors should be aware that, in certain circumstances, the Group may monitor usage of its IT systems and access user information on its systems and networks that is normally private. Any institutional monitoring or access will comply with UK legislation including the Regulation of Investigatory Powers Act 2000, Human Rights Act 1998, and the Data Protection Act 2018 and General Data Protection Regulation. Where necessary any access or monitoring will be justifiable, fair and proportionate, and will be in line with the Group's MIS User Policy and Privacy Standard Policy, copies of which are available upon request.

GOVERNOR USE OF PERSONAL DATA

- 24** Group information provided to a governor must only be used by the governor for the purpose for which it was provided; that is, only to enable the proper performance of the duties as a governor. This point is emphasised in the Governors' Code of Conduct in the following terms:

“Members should keep confidential any matter which, by reason of its nature, the Chairperson or the Members or the Chairperson or members of any Committee of the Corporation are satisfied should be dealt with on a confidential basis.”

- 25** Any Group information provided to a governor must only be used by that governor for the purpose for which it was provided, i.e. in connection with the proper performance of a governor's duties. Governors should never disclose or use confidential information, for their personal advantage or of anyone known to them, or to the disadvantage or the discredit of the Group or anyone else.
- 26** Once a report has been issued within Part II of the agenda for a meeting and until a Committee decides that it should not be discussed in the absence of the press and public, governors and officers must respect the confidentiality of the report and not disclose it to any third party.
- 27** Governors who fail to comply with any guidance or Code of Conduct in force may be held personally liable for any resulting breaches of the Data Protection Act 2018 or General Data Protection Regulation. A full copy of the Code of Conduct is available upon request from the Assistant Principal: Governance.

Expenses Policy

Purpose

The purpose of this manual is fourfold:

1. To assist NPTC Group employees in claiming reimbursement of business related expenses;
2. To assist NPTC Group managers in authorising properly the reimbursement of expenses incurred by their staff;
3. To document the NPTC Group personal expense reimbursement policy; and
4. To document the basis of any dispensation for the reimbursement of certain business related expenses to employees, which have been granted by HM Revenue & Customs.

Statutory and Other Requirements

Financial Control – The rules and procedures in this Manual have been formulated to comply with stringent HM Revenue & Customs' requirements and to ensure that adequate financial & fiscal control is exercised.

For financial control purposes, it is essential that:

- adequate supporting documentation is made available;
- an adequate description of the nature and purpose of the expenditure is included;
- there are clearly defined procedures as to what expenses can be claimed and how they should be claimed; and
- reimbursement is subject to proper authorisation.

Benefits in Kind – As an employer, NPTC Group is obliged to report to HM Revenue & Customs all benefits in kind (which may be subject to income tax) provided to employees. Benefits in kind are reported annually. A copy of the form which is used to report benefits in kind to HM Revenue & Customs for each employee ("P11D") is required to be given to the employee following the end of the tax year if benefits in kind arise.

Reimbursement of all other expenses must also be reported at the same time on the Form P11D, unless such payments are covered by the terms of a “dispensation” from HM Revenue & Customs. If payments have to be reported on the Form P11D, they will be taxable on the employee. The employee may then be able to claim a deduction for the expenses on his or her personal tax return where the expenses have been incurred wholly, exclusively and necessarily in the performance of his or her duties of employment. NPTC Group Finance, Payroll and HR staff will not provide guidance on the completion of personal tax returns.

Items of expenditure not in the Manual - Where any items of business expenditure are not covered by the manual, NPTC Group has no dispensation from HM Revenue & Customs to reimburse them via the personal expense claim process. If the claimant should wish to claim reimbursement for such items then the matter should be referred to a senior Finance manager.

Any such expense reimbursements which are approved for payment must be paid via payroll and appropriate deductions for tax and national insurance will be made.

Claimant’s Declaration* – By submitting an expense claim for approval, the employee is making the following declaration:

I declare that the expenses for which I have claimed were wholly, exclusively and necessarily incurred in the performance of my duties of employment and are in accordance with the policies set out in the NPTC Group Personal Expenses Manual.

In addition, the claimant’s declaration also signifies the following:

- They are taking responsibility for the completeness, accuracy and validity of the personal expenses claim
- In cases where reimbursement of personal expenses are sought in relation to driving on College business the claimant will be declaring:

I am fit to drive and that I meet all the conditions required for the journey for which I am claiming and if I am using my own vehicle for the journey, I am confirming that it is roadworthy and that I have Class 1 Business Insurance cover.

Basic Principles

Overriding Principle - Employees should be reimbursed for any additional expenditure incurred in the course of their business duties as defined in this guide so that the employee is in a 'no better no worse' position after reimbursement (Within HMRC Rules / Limits & NPTC financial controls).

It will be the Authorising Manager's responsibility to determine the appropriate level of reimbursement within these guidelines.

Method of claim - All expenses must be reclaimed via a personal expense claim form, which is available from the Finance Department or accessed via the Staff Intranet. It may be used either on a monthly basis or on the occasions of each individual claim.

Time Limits – All claims for reimbursement of expenses must be submitted to the appropriate Finance Department within 2 months of the expenditure being incurred. In exceptional circumstances, such as severe illness, receipts for reimbursement may be accepted up to 6 months from the date of expenditure, but these will be referred on to the Principal or CEO for the final review and approval.

Receipts – Other than for business mileage claims, valid receipts must be provided to support a reimbursement claim of any item. Please note that Debit/Credit Card vouchers are not valid receipts and neither are Bank/Credit Card Statements. **Please note that where a valid receipt cannot be provided, the expenditure may not be reimbursed.**

Business Reason – An adequate description of the nature and the business purpose of the expenditure must be given for each item claimed.

Approved Suppliers – An approved supplier list is available on the Staff Intranet.

Click on the Procurement section.

Wherever possible an approved supplier should be used for all categories of expenditure who will then invoice the College directly rather than an individual having to incur expenses personally. Where they are available, if approved suppliers are not used for an item of expenditure, the reason why must be included in the claim.

Round sum allowances – These will not be paid.

Advances - A temporary advance facility to meet large incidences of expenditure can be made available at the discretion of the budget holder and with the agreement of the Finance Department. The resulting expense claim must be submitted to the Finance Department within one month of the advance being made and show an offset of the advance. If the advance is not used up within one month the unused balance must be repaid, in cash or by cheque payable to NPTC Group. No further advances will be granted until settlement has taken place. Failure by any member of staff to reimburse the College of any unused advances will result in the deduction being made directly from their salary.

Expenditure of groups - When expenditure is incurred in respect of a group of College employees and only one bill exists the most senior employee must settle the bill and claim the reimbursement.

Prior Approval - Staff must seek approval of their Line Manager before incurring any expenses, other than mileage expenses for travel between sites or other local journeys which are part of their regular duties.

Overseas Travel - Staff must obtain written approval in advance, endorsed by their Line Manager and approved by the Principal, for any travel outside Britain. Where the Director for Worldwide Operations has a periodic plan for overseas travel, this should be approved by the Principal.

In the case of Senior Post-holders, the prior approval of the Corporation Board must be obtained for travel outside Britain. In the case of the Principal, if time does not permit full Corporation Board approval, the Chairperson or in his/her absence the Vice Chairperson of the Corporation may approve an overseas visit followed by a report back to the Board at its next meeting on action taken (Minute CB 3(iii) - 21.6.00)

Value For Money - Every attempt should be made to ensure that expenses incurred are as low as possible. For example, Staff should select the most cost effective method of transport appropriate to any journey. Priority should be given to the use of public transport or the use of vehicles owned or hired by the College or to sharing private cars.

Rates - Rates of payment will be reviewed annually and will be updated in the Personal Expenses Manual and published on the Staff Intranet.

Driving - All employees utilising College owned vehicles, employee owned vehicles or vehicles hired by the College, must have a valid driving licence for the category of vehicle and will be required to produce their licence on request. It is the employee's responsibility to ensure that they are fit to drive i.e. in good health with good eyesight,

etc. It is essential that employees advise the College of any significant change in their circumstances in respect of their health and/or their driving licences that may have an impact upon their ability to drive.

Pool Cars – Where a pool car is available, staff should always use this for their journey (only available on some campuses)

Shared Journeys – Staff should make every attempt to ensure that their itinerary is arranged in such a manner so as to encourage sharing of cars

Own Car - Where a member of staff uses their own vehicle for a business journey, they are responsible for ensuring that the vehicle has a valid Road Fund Licence and MOT Certificate where applicable and must be fit for road use. Members of staff may be required to produce their MOT certificates upon request. The approved mileage allowance rates to be paid must be within the HMR&C Fixed Profit Car Scheme. This is in excess of the fuel-only reimbursement rate to make a contribution towards the vehicle's running costs and wear and tear. As a consequence, the College will not reimburse the cost of any damage incurred to a private vehicle on a business journey (e.g. cracked windscreen, punctures, etc.). It is the individual's responsibility to ensure that insurance cover extends to business use and the insurer should, if necessary, be asked to endorse the certificate to confirm that driving in the performance of the College's business is covered by the insurance policy.

Place of Work - For hourly paid part-time staff, a place of work will be designated by the unit manager for each day. Part-time staff may claim travel expenses for approved journeys to other sites or on other college business within each working day.

Authorisation - Claims for INSET activities must be signed by the Staff Development Manager. All other claims must be signed by the Line Manager or relevant Budget holder.

Relocation - An employee can be required to work on a temporary or indefinite basis at any premises owned or used by the College. However in asking the employee to transfer to another site, consideration will be given to individual circumstances, including the availability of private or public transport and the employee's place of residence.

An employee may be asked to transfer to another site on a permanent basis. He/she may be entitled to travel expenses for any additional mileage between his/her residence and the new place of work for a period of 12 months following relocation. However, please note that these travel expenses will be taxable from the formal date of relocation.

Corporation Members - When engaged on approved College business,

Corporation Members are eligible to claim reimbursement for travel and subsistence at the same rate and on the same basis as College employees.

Interview Expenses – No expenses will be paid to candidates invited to attend an interview at the College

Expense Example Types

Advances

Expense Type	Advances
Reimbursement Policy	<p>Overriding Principle Employees should be reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls).</p> <p>Entitlement A temporary advance facility to meet large incidences of expenditure can be made available at the discretion of a budget-holder and in agreement with the Finance Department. The resulting expenses claim must be submitted to the Finance Department within one month of the advance being made and show an offset of the advance. If the advance is not used up within one month the unused balance must be repaid in cash or by cheque payable to "NPTC Group". If this is not forthcoming, the College retains the right to deduct the advance directly from pay. No further advances will be granted while a previous advance is still outstanding.</p>
Excluded Items	<ul style="list-style-type: none"> • N/A
Rates/Limits	<ul style="list-style-type: none"> • N/A
Information required for a claim	<ul style="list-style-type: none"> • The advance must be applied for using the advance forms available from the Finance Department • The value of the advance must be included as a negative figure in the subsequent expense claim
Notes:	<ul style="list-style-type: none"> • Valid receipts - Credit/debit card vouchers and bank/credit card statements are <u>not</u> valid receipts.

Business Entertaining

Expense Type	Business Entertaining
Reimbursement Policy	<p>Overriding Principle</p> <ul style="list-style-type: none"> Employees should be fully reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls). <p>Entitlement</p> <ul style="list-style-type: none"> Business Entertaining can only be claimed provided that the following conditions are fulfilled: The event has been approved in advance by a member of the College Executive, and there is a proper business purpose, for example, business/community contacts are involved, and NPTC Group employees are in the minority, and The details of the occasion are noted on (or attached to) the claim for reimbursement. Such details include the purpose of the occasion, the names of all persons present and the name of the organisation they represent All expenses for meals and entertainment provided to business/community contacts must be treated as business entertainment Social functions, for example awards dinners attended by NPTC Group staff, will only qualify as business entertainment where they have been approved in advance by a member of the College Executive and either:- <ul style="list-style-type: none"> staff are officially representing NPTC at that function; or the function is centred around a specific business discussion or conference
Excluded Items	<ul style="list-style-type: none"> If the conditions outlined above are not met, the expenses incurred are classed as staff entertainment and are thus not allowable and may not be reimbursed by the College. Reimbursement of the cost of hiring special clothing, for example, dinner jackets, is not permitted.
Rates/Limits	<ul style="list-style-type: none"> N/A
Information required for a claim	<ul style="list-style-type: none"> A valid receipt must accompany the claim. The details of the occasion must be noted as the business reason for reimbursement including: <ul style="list-style-type: none"> The purpose of the occasion; and The names of all present including the organisation name of the non NPTC attendees.
Notes:	<ul style="list-style-type: none"> Valid receipts - Credit/debit card vouchers and bank/credit card statements are not valid receipts.

Business Mileage – Hire Vehicle/ College Vehicle

Expense Type	Business Mileage – Hire Vehicle / College Vehicle
<p>Reimbursement Policy</p>	<p>Overriding Principle</p> <ul style="list-style-type: none"> Employees should be reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls). <p>General Rule</p> <ul style="list-style-type: none"> For journeys in excess of 150 miles, a College vehicle or hire vehicle <u>must</u> be used. Should an employee choose to use their own private vehicle for such a journey then they will not usually be reimbursed at the private car rates. See private vehicle section for details. College vehicles and hire vehicles must be returned to the designated location with a full tank of fuel. <p>Entitlement</p> <ul style="list-style-type: none"> The cost of filling up the College vehicle/hire vehicle with fuel (where not purchased using a college fuel card) may be reclaimed, once the cost of any ineligible journeys has been deducted. <p>Travel To/From Home/Office</p> <ul style="list-style-type: none"> The cost of travel to/from home and the normal (permanent) workplace cannot be claimed. The normal cost of travel from or to home to or from any permanent workplace <u>must be</u> deducted prior to making any request for reimbursement of fuel costs. Claims must be restricted to expenses incurred in excess of the normal home to work travel costs. Any part of the journey covered by a season ticket can be reimbursed in full since the cost is additional expenditure. However, the value of any normal 'home to railway station' type journey <u>must</u> be deducted. Where the claim is for return journeys that span more than one day, the normal home to work mileage should be deducted just once each way. For example, if an employee attends a course for 5 days and spends 4 nights at a hotel, the claim for the business journey on day 1 and the return journey on day 5 should be reduced by the normal home to work (and vice versa) travel for one day only. If the journey has been to and from your own home and the normal home to work mileage exceeds business mileage, no expense claim needs to be made. Travel from home to a College campus which is not the employee's normal (permanent workplace) can be claimed. However, the cost should be reduced by the normal home to work costs. If the employee has a season ticket which does not cover the journey from home to the other location, the whole of the fuel cost will be reimbursable as it is additional expenditure.

Excluded Items	<p>The following items of expenditure will not be reimbursed and must be borne by the employee:</p> <ul style="list-style-type: none"> • Payment of any fines or summonses • The cost of cleaning materials, valeting, car washes, etc. • Fuel used for non-business journeys cannot be reclaimed. <p>Also excluded are:</p> <ul style="list-style-type: none"> • The vehicle hire-charge and any surcharges. These should be billed directly to the College and surcharges may then be billed to the employee who has hired the vehicle if they are at fault for those surcharges.
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Rates/Limits (reviewed quarterly and revised as appropriate)	<ul style="list-style-type: none"> • As per receipt – less relevant fuel only reimbursement rates for any non-business use
Information required for a claim	<ul style="list-style-type: none"> • The name and place of the organisation visited (insert in “Purpose & Further Details” section) • Name(s) of person(s) visited (insert in “Purpose & Further Details” section) • Details of the business purpose of the journey (insert in “Purpose & Further Details” section) • Start point of journey (i.e. Journey from) • End point of journey (i.e. Journey to) • Total Miles for the full trip (i.e. before the deduction of home to normal workplace mileage) • Home to normal workplace mileage deducted in arriving at the business mileage claim • A reason if home to office mileage is nil and the start/end points are not the College (insert in “Purpose & Further Details” section) • Net mileage (total mileage less home to normal workplace mileage) • Vehicle registration • Fuel type • Engine Size

<p>Notes:</p>	<p>Valid receipts</p> <ul style="list-style-type: none"> • Credit/debit card vouchers and bank/credit card statements are not valid receipts. <p>Normal (permanent) place of work</p> <ul style="list-style-type: none"> • This is the location where an employee is regularly required to perform the duties of employment. • Certain employees may have more than one permanent workplace. A second location will be a permanent workplace if: <ul style="list-style-type: none"> • The employee spends 2 days or more a week at that location; or • The employee has an office or desk and support services there; or • People would expect to be able to contact the employee there (business card with that location's address telephone number or listed in the telephone directory as being at that location). <p>Hire Vehicle Rules</p> <ul style="list-style-type: none"> • Hire vehicles are for authorised use by an employee. • The following basic rules apply to the use of hire vehicle. • Any employee requiring a vehicle for a continuous period exceeding 5 days may be allocated one for the period required. The vehicle should not be designated as a hire vehicle for the allocation period, but reported as a company vehicle for P11D purposes. • Vehicle hire must be arranged direct through the College by completing an application for vehicle hire form available on the Staff Intranet. • If the employee fails to return a hire vehicle with a full tank of fuel, they will be required to reimburse NPTC Group, on request, for the cost of the fuel, (including VAT and any surcharges) which is charged by the hire company. • Failure to pay the amount requested will be regarded as serious misconduct. It could also result in a fuel benefit scale charge arising on the employee. • There must be no private use of the vehicle. • Reimbursement for fuel should be made through the presentation of receipts for the fuel used after deducting the cost of the normal home to work mileage.
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Business Mileage – Private Car

Expense Type	Business Mileage – Private Car
<p>Reimbursement Policy</p>	<p>Overriding Principle</p> <ul style="list-style-type: none"> Employees should be reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls). <p>General Rule</p> <ul style="list-style-type: none"> Wherever possible, you should make your journey using public transport or by College vehicle/hire vehicle. Private cars may only be used if a maximum of 150 miles is to be claimed. (Prior approval from a Senior Post Holder is required if this rule cannot be followed) <p>Travel To/From Home/Office</p> <ul style="list-style-type: none"> The cost of travel to/from home and the normal (permanent) workplace cannot be claimed. Claims must be restricted to expenses incurred in excess of the normal home to work travel costs. Any part of the journey covered by a season ticket can be reimbursed in full since the cost is additional expenditure. However, any normal 'home to railway station' mileage <u>must</u> be deducted. Expense claims based on car mileage must show precise figures. Rounded or approximate mileage should not be used. Where the claim is for return journeys that span more than one day, the normal home to work mileage should be deducted just once each way. For example, if an employee attends a course for 5 days and spends 4 nights at a hotel, the claim for the business journey on day 1 and the return journey on day 5 should be reduced by the normal home/work travel for one day only. If the normal home to work mileage exceeds business mileage, no expense claim should be made. Travel from home to a NPTC location which is not the employee's normal (permanent workplace) can be claimed. However, the cost should be reduced by the normal home to work costs. If the employee has a season ticket which does not cover the journey from home to the other NPTC location, the whole of the mileage cost will be reimbursable as it is additional expenditure.

Continued overleaf

Excluded Items	<ul style="list-style-type: none"> The following items of expenditure will not be reimbursed and must be borne by the employee: Payment of any fines or summonses The cost of cleaning materials, valeting, car washes, etc. The additional cost of business use car insurance The cost of repairs arising out of business journeys 																							
Rates/Limits (reviewed quarterly and revised as appropriate) Effective 1 st March 2018	<ul style="list-style-type: none"> Journeys over 150 miles, where a hire/pool car has not been used will be reimbursed on the following basis (unless Senior Post Holder approval is received): <ul style="list-style-type: none"> The business mileage multiplied by the fuel only rate below plus the equivalent cost of car hire (Also see notes below) <table border="0" data-bbox="480 674 1495 1111"> <tr> <td rowspan="2">Private Car</td> <td><u>Engine Size</u></td> <td><u>Rate per mile</u> Up to 10,000 miles</td> <td><u>Rate per mile</u> 10,001 + miles</td> </tr> <tr> <td>Over 2001 cc</td> <td>45p</td> <td>25p</td> </tr> <tr> <td></td> <td>1401 - 2000 cc</td> <td>40p</td> <td>20p</td> </tr> <tr> <td></td> <td>Up to 1400cc</td> <td>35p</td> <td>20p</td> </tr> <tr> <td>Fuel Only</td> <td><u>Engine Size</u></td> <td><u>Petrol</u></td> <td><u>Diesel</u></td> </tr> <tr> <td></td> <td>Single rate</td> <td>18p</td> <td>18p</td> </tr> </table>	Private Car	<u>Engine Size</u>	<u>Rate per mile</u> Up to 10,000 miles	<u>Rate per mile</u> 10,001 + miles	Over 2001 cc	45p	25p		1401 - 2000 cc	40p	20p		Up to 1400cc	35p	20p	Fuel Only	<u>Engine Size</u>	<u>Petrol</u>	<u>Diesel</u>		Single rate	18p	18p
Private Car	<u>Engine Size</u>		<u>Rate per mile</u> Up to 10,000 miles	<u>Rate per mile</u> 10,001 + miles																				
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Fuel Only	<u>Engine Size</u>	<u>Petrol</u>	<u>Diesel</u>																					
	Single rate	18p	18p																					
Information required for a claim	<ul style="list-style-type: none"> The name and place of the organisation visited (insert in "Purpose & Further Details" section) Name(s) of person(s) visited (insert in "Purpose & Further Details" section) Details of the business purpose of the journey (insert in "Purpose & Further Details" section) Start point of journey (i.e. Journey from) End point of journey (i.e. Journey to) Full trip mileage (i.e. before the deduction of home to normal workplace mileage) Home to normal workplace mileage deducted in arriving at the business mileage claim Net mileage claimed (total mileage less home to normal workplace mileage) Vehicle registration Fuel type Engine Size Motor Cycle business mileage will be paid at the HMRC advisory rate currently 24 pence per mile. 																							

<p>Notes:</p>	<ul style="list-style-type: none"> • Wherever possible, you should make your journey using public transport or by hire/pool vehicle. Private cars may only be used a maximum of <u>100</u> miles is to be claimed (see above). • An exception to this rule is where a member of staff uses an adapted vehicle as a consequence of a disability, and the adapted vehicle is used in a business journey, in which case a hire car does not have to be used. • A further exception to this rule is where no other option is available other than using a private car. In such cases, a Senior Post Holder will have to approve the claim. <p>Normal (permanent) place of work</p> <ul style="list-style-type: none"> • This is the location where an employee is regularly required to perform the duties of employment. • Certain employees may have more than one permanent workplace. A second location will be a permanent workplace if: <ul style="list-style-type: none"> • The employee spends 2 days or more a week at that location; or • The employee has an office or desk and support services there; or • People would expect to be able to contact the employee there. <p>Insurance</p> <ul style="list-style-type: none"> • Employees who use their private cars for business purposes must be insured for business use. The College motor insurance policy does not cover staff on these business journeys <p>Additional Information</p> <ul style="list-style-type: none"> • Mileage will be calculated using Google Maps in line with the online expenses system <ul style="list-style-type: none"> • Authorisers should check that the mileage claimed is reasonable and ask the claimant to provide a reason for any variance. Obviously in certain circumstances, such as when there is traffic congestion, alternative routes may need to be taken giving rise to different mileage figures claimed.
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Conferences

Expense Type	Conferences
Reimbursement Policy	<p>Overriding Principle</p> <ul style="list-style-type: none"> Employees should be reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls). <p>Entitlement</p> <ul style="list-style-type: none"> Where expenditure is incurred on conferences which provide the delegates with knowledge/understanding to enable them to perform their duties of employment. This category is for exceptional conference costs that could not be billed to NPTC Group directly. The event must be authorised <u>in advance</u> by a member of the College Executive
Excluded Items	<ul style="list-style-type: none"> Items covered by Staff Development
Rates/Limits (reviewed quarterly and revised as appropriate)	<ul style="list-style-type: none"> N/A
Information required for a claim	<ul style="list-style-type: none"> A valid receipt must accompany the claim. A detailed business reason must be given, including a justification as to why the normal purchasing procedures could not be followed.
Notes:	<ul style="list-style-type: none"> Valid receipts - Credit/debit card vouchers and bank/credit card statements are <u>not</u> valid receipts. See also the information in the Business Entertaining section

Prescription Safety Glasses

Expense Type	Prescription Safety Glasses
Reimbursement Policy	<p>Overriding Principle</p> <ul style="list-style-type: none"> Employees should be reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls). <p>Entitlement</p> <ul style="list-style-type: none"> Where an employee requires prescription safety glasses for work purposes, they may use the College's corporate eyecare scheme, as administered by Specsavers to obtain them. This scheme requires the employee to obtain one or more vouchers from the Finance Department and book an appointment with Specsavers. <p>Additional Rules</p> <ul style="list-style-type: none"> A form requesting the Specsavers vouchers (available on the Staff Intranet) must be completed, authorised and taken to the Finance Department. One or more Specsavers eyecare vouchers will be issued to the employee based on the details of the completed form The vouchers can be redeemed for the required prescription and lens preparation at any branch of Specsavers.
Excluded Items	<ul style="list-style-type: none"> The cost of safety glasses purchased from anywhere other than the Specsavers scheme, will not be eligible for reimbursement.
Rates/Limits	<ul style="list-style-type: none"> Specsavers will only allow the employee to select from their range of safety glasses covered by the scheme.
Information required for a claim	<ul style="list-style-type: none"> N/A
Notes:	<ul style="list-style-type: none"> If an eye test is also required for regular VDU users, then the other Corporate Eyecare form is required in addition to the Safety glasses form. See Page 19.

Eye Tests & VDU Glasses

Expense Type	Eye Tests & VDU Glasses
Reimbursement Policy	<p>Overriding Principle</p> <ul style="list-style-type: none"> Employees should be reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls). <p>Entitlement</p> <ul style="list-style-type: none"> Where an employee regularly uses display screen equipment, the individual may use the College's corporate eyecare scheme, as administered by Specsavers. This scheme requires the employee to obtain a voucher from the Finance Department and book an eye test with Specsavers. If the test determines that glasses are required and are solely for VDU use, then these will be provided via the Specsavers scheme. <p>Additional Rules</p> <ul style="list-style-type: none"> A form requesting the Specsavers vouchers (available on the Staff Intranet) must be completed, authorised and taken to the Finance Department. A Specsavers eyecare voucher will be issued to the employee Each voucher provides a full eye examination at any branch of Specsavers. Should it be identified that glasses are required solely and specifically for VDU use, the employee will be able to select a pair of glasses from the £45 range, fitted with PENTAX CR39 single vision lenses plus scratch resistant treatment as standard. All staff who use display screen equipment for more than two hours a day are encouraged to have regular eye tests carried out by a professional practitioner.
Excluded Items	<ul style="list-style-type: none"> There will be no reimbursement of eye tests undertaken through any other optician, or if an eye test is booked and taken at Specsavers without first obtaining a voucher The cost of glasses purchased from anywhere other than the Specsavers scheme, will not be eligible for reimbursement
Rates/Limits	<ul style="list-style-type: none"> Eligible employees can select a pair of glasses from the £45 range, fitted with PENTAX CR39 single vision lenses plus scratch resistant treatment as standard. Alternatively the £45 contribution can be used as an upgrade to other frame ranges.
Information required for a claim	<ul style="list-style-type: none"> N/A
Notes:	<ul style="list-style-type: none"> Premium Club is built into every voucher which offers a further £20 contribution when glasses are selected from the £99 range or above, thus giving a combined potential contribution of £65.

Fares

Expense Type	Fares
Reimbursement Policy	<p>Overriding Principle</p> <ul style="list-style-type: none"> Employees should be reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls). <p>Entitlement</p> <ul style="list-style-type: none"> Fares on public transport and taxis can be claimed where an employee is required to travel on company business. Employees are expected to plan their journeys with a minimum cost to the College, so wherever possible, off-peak fares should be sought. Employees are expected to work within department guidelines when selecting the appropriate form of transport within the UK. Rail travel can only be standard class For air travel standard/economy class must be used. Taxis should be used only where public transport is inadequate or inappropriate. <p>Travel To/From Home/Office</p> <ul style="list-style-type: none"> The cost of travel to/from home and the normal (permanent) workplace cannot be claimed. Claims must be restricted to expenses incurred in excess of the normal home to work travel costs. Any part of the journey covered by a season ticket can be reimbursed in full since the cost is additional expenditure. Travel from home to a NPTC Group location which is not the employee's normal (permanent workplace) can be claimed. However, the cost should be reduced by the normal home to work costs. If the employee has a season ticket which does not cover the journey from home to the other NPTC Group location, the whole cost of the fares will be reimbursable as it is additional expenditure. <p>Additional Rules</p> <ul style="list-style-type: none"> Each journey must be detailed on a separate line of the expense claim form.
Excluded Items	<ul style="list-style-type: none"> Journeys between home and the normal (permanent) workplace.
Rates/Limits	<ul style="list-style-type: none"> N/A
Information required for a claim	<ul style="list-style-type: none"> A valid receipt must accompany the claim. A detailed business reason must be given for all business journeys. Start point of travel End point of travel Class of travel Confirmation as to whether or not home to normal workplace costs have been deducted Reason if home to normal workplace costs have not been deducted
Notes:	<ul style="list-style-type: none"> Valid receipts - Credit/debit card vouchers and bank/credit card statements are not valid receipts.

Hotels - Private Bookings

Expense Type	Hotels - Private Bookings
Reimbursement Policy	<p>Overriding Principle</p> <ul style="list-style-type: none"> Employees should be reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls). <p>Entitlement</p> <ul style="list-style-type: none"> All accommodation should, wherever possible, be arranged to be billed directly to NPTC Group so that there will be a central settlement of such invoices All accommodation must be on a bed and breakfast or a dinner bed and breakfast basis only and any additional expenditure must be borne by the employee. Any additional expenditure which is within the scope of the Personal Expenses Manual can be reclaimed as individual expense items (see the appropriate sections as necessary e.g. Meals). <p>Additional Rules</p> <ul style="list-style-type: none"> Employees should seek approval of expenditure from their Manager (or Staff Development for training courses) before travelling. The Manager should also agree the booking of hotel accommodation before the booking is made. When booking accommodation, the manager must agree to any costs that may be incurred with regards to cancellation fees, etc. When booking accommodation privately, responsibility for Health and Safety will be down to the employee themselves.
Excluded Items	<ul style="list-style-type: none"> Accommodation booked and paid for directly by the College Non accommodation costs incurred whilst staying at a hotel
Rates/Limits (reviewed quarterly and revised as appropriate)	<ul style="list-style-type: none"> £75 per person per night (inc VAT and any additional fees) Reimbursement above this sum will be considered where evidence is provided that reasonable (3*) accommodation could not be sourced within approved rates. This exceptional reimbursement will need approval from a member of the Executive Management team.
Information required for a claim	<ul style="list-style-type: none"> A valid receipt must accompany the claim. A reason must be given for the accommodation being booked privately
Notes:	<ul style="list-style-type: none"> Valid receipts - Credit/debit card vouchers and bank/credit card statements are not valid receipts.

Meals

Expense Type	Meals
Reimbursement Policy	<p>Overriding Principle</p> <ul style="list-style-type: none"> Employees should be fully reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls). <p>Entitlement Meals can only be claimed :</p> <ul style="list-style-type: none"> when an employee is required to stay away from home overnight on College business, or in exceptional circumstances where an employee has eaten on route whilst travelling during unsociable hours (i.e. to avoid an overnight stay away from home). <p>Additional Rules</p> <ul style="list-style-type: none"> If away for more than one night, each night's meal must be detailed on a separate line of the expense form, even if there is only one receipt for all nights. Lunch may only be claimed for staff development events
Excluded Items	<ul style="list-style-type: none"> N/A
Rates/Limits (reviewed quarterly and revised as appropriate)	<ul style="list-style-type: none"> Up to £15 per person per day (inc drinks) may be claimed for dinner Up to £5 per person per day (inc drinks) may be claimed for breakfast (unless already included in a Bed & Breakfast rate for accommodation)
Information required for a claim	<ul style="list-style-type: none"> A valid receipt must accompany the claim. Where the claim is in respect of more than one employee, the number and names of the employees present for the meal must be stated on the claim. A detailed business reason must be given
Notes:	<ul style="list-style-type: none"> Valid receipts - Credit/debit card vouchers and bank/credit card statements are <u>not</u> valid receipts. Unsociable hours - significantly outside the normal working pattern of the employee. Alcohol – NPTC does not reimburse the cost of alcoholic beverages. For overseas limits, please contact the Finance Department

Parking

Expense Type	Parking
Reimbursement Policy	<p>Overriding Principle</p> <ul style="list-style-type: none"> Employees should be reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls). <p>Entitlement</p> <ul style="list-style-type: none"> Where parking fees are incurred on business journeys, these may be reclaimed.
Excluded Items	<ul style="list-style-type: none"> Parking fees incurred whilst parked at/near the claimant's normal (permanent) workplace Parking fees not incurred in the course of business travel Fines/penalties for illegal parking
Rates/Limits (reviewed quarterly and revised as appropriate)	<ul style="list-style-type: none"> N/A
Information required for a claim	<ul style="list-style-type: none"> A valid receipt must accompany the claim or a ticket indicating the price, date and location. A detailed business reason must be given for the business journey during which the parking fee was incurred.
Notes:	<ul style="list-style-type: none"> Valid receipts - Credit/debit card vouchers and bank/credit card statements are not valid receipts. Selection of parking location – Wherever possible free or low cost parking options should be used

Petty Cash Purchases

Expense Type	Petty Cash Purchases
Reimbursement Policy	<p>Overriding Principle</p> <p>Employees should be reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls).</p> <p>Entitlement</p> <p>Where an employee has made a purchase of goods or services up to the value of £50 on behalf of the College for business reasons, and with the permission of the relevant budget holder, they may reclaim the sum via the personal expenses process.</p>

Excluded Items	Any item listed elsewhere in this document Any item costing in excess of £50
Rates/Limits (reviewed quarterly and revised as appropriate)	<ul style="list-style-type: none"> Petty cash should not be used for purchases in excess of £50, without the prior approval of a member of the College Executive Management.
Information required for a claim	A valid receipt must accompany the claim. A detailed business reason must be given describing what has been purchased and the business reasons for that purchase,
Notes:	<ul style="list-style-type: none"> Valid receipts - Credit/debit card vouchers and bank/credit card statements are not valid receipts.

Postage

Expense Type	Postage
Reimbursement Policy	<p>Overriding Principle Employees should be reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls).</p> <p>Entitlement In the first instance, all business post should be passed through the College post system. Any items requiring special delivery should be taken to post room to be passed on to the approved supplier. If postage charges have had to be paid by an employee in order to undertake their business activities because it has not been possible to use the main office location post rooms, or central suppliers of delivery/courier services, then the charges incurred can be reclaimed.</p>
Excluded Items	<ul style="list-style-type: none"> N/A
Rates/Limits (reviewed quarterly and revised as appropriate)	<ul style="list-style-type: none"> N/A
Information required for a claim	<ul style="list-style-type: none"> A valid receipt must accompany the claim A detailed business reason must be given for the expenditure, including a justification as to why the main office location post rooms could not be used.
Notes:	<ul style="list-style-type: none"> Valid receipts - Credit/debit card vouchers and bank/credit card statements are not valid receipts.

Prizes & Gifts

Expense Type	Prizes & Gifts
Reimbursement Policy	<p>Overriding Principle Employees should be fully reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls).</p> <p>Entitlement This policy covers all non-cash awards to non NPTC Group employees. Ex-employees are to be regarded as non-employees. Authorisation for the prizes/gifts must be received from one of the Principal, Deputy Principal or Vice Principals prior to purchase.</p> <p>Additional Rules Wherever possible, prizes should be sourced via the normal purchasing policies and procedures. If employees use a non-approved supplier, payment must be made by the individual and reclaimed using the personal expenses claim process, ensuring full details are provided for tax purposes.</p>
Excluded Items	<p>Cash prizes – a cheque request form will need to be completed for all cash prizes Gifts/prizes for staff</p>
Rates/Limits (reviewed quarterly and revised as appropriate)	<ul style="list-style-type: none"> • N/A
Information required for a claim	<p>A valid receipt must accompany the claim. A detailed business reason must be given for the expenditure.</p>
Notes:	<ul style="list-style-type: none"> • Valid receipts - Credit/debit card vouchers and bank/credit card statements are not valid receipts.

Taxis

Expense Type	Taxis
<p>Reimbursement Policy</p>	<p>Overriding Principle Employees should be reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls).</p> <p>Entitlement • Taxi expenses are only valid under the following conditions: Taxi services must only be used for business purposes where suitable public transport is not available. They should not be used for private purposes, including journeys from home to normal place of work or vice versa. Any infrequent journeys from or to home may be permitted at the discretion of executive management but only because of very infrequent and unusual late work (after 10.00pm).</p> <p>Additional Rules In the unlikely event that any home to work (or vice versa) journeys are authorised, a tax liability will arise on the employee.</p>
<p>Excluded Items</p>	<p>Private journeys, including those from home to the normal place of work or vice versa before 10.00pm. Any travel expenditure that it is agreed will be exceptionally reimbursed for home to normal place of work (or vice versa) at weekends is taxable. Such expenditure must be paid via Payroll and not via the personal expenses claim process.</p>
<p>Rates/Limits</p>	<p>• N/A</p>
<p>Information required for a claim</p>	<p>A valid receipt must accompany the claim. The start point and destination of the journey must be included in the Business Reason section. A detailed business reason for the journey must be given. Confirmation as to whether or not the journey involves home to normal workplace travel. A reason must be given if home to normal workplace costs have been claimed.</p>
<p>Notes:</p>	<p>• Valid receipts - Credit/debit card vouchers and bank/credit card statements are <u>not</u> valid receipts.</p>

Tolls

Expense Type	Tolls
Reimbursement Policy	<p>Overriding Principle Employees should be reimbursed for any <u>additional</u> expenditure incurred in the course of their duties so that the employee is in a 'no better no worse' position after reimbursement. (Within HMRC Rules / Limits & NPTC Group financial controls).</p> <p>Entitlement The cost of tolls whilst on business travel</p>
Excluded Items	<ul style="list-style-type: none"> • The cost of tolls whilst travelling for non-business purposes.
Rates/Limits	<ul style="list-style-type: none"> • N/A
Information required for a claim	<p>A valid receipt must accompany the claim. Journey details must be given. A detailed business reason must be given for the expenditure.</p>
Notes:	<ul style="list-style-type: none"> • Valid receipts - Credit/debit card vouchers and bank/credit card statements are <u>not</u> valid receipts.

Table 4.1 – Authorised distances between campuses

Campus (Miles)	Afan	Brecon	Llandarcy	Llandrindod	Llansamlet	Maesteg	Neath	Newtown	Pontardawe	Queen St
Afan	-	49	9	78	12	10	11	106	16	10
Brecon	49	-	41	27	36	46	39	55	32	40
Llandarcy	9	41	-	71	6	15	3	99	9	3
Llandrindod	78	27	71	-	64	74	67	28	63	68
Llansamlet	12	36	6	64	-	18	7	94	4	7
Maesteg	10	46	15	74	18	-	12	101	17	11
Neath	11	39	3	67	7	12	-	95	6	1.5
Newtown	106	55	99	28	94	101	95	-	91	95
Pontardawe	16	32	9	63	4	17	6	91	-	7
Queen St	10	40	3	68	7	11	1.5	95	7	-