



Terms of Reference of Lanarkshire Board Committees

Original prepared for the September/October 2014 Board Committee Cycle

Revised November 2015 and February 2016.

Approved by the Board 21st March 2016



Terms of Reference Finance Committee

1. Membership/Attendance

1. The Committee shall comprise of at least two non-executive Board Members of whom one will be appointed as Chair. The Chief Executive of the Lanarkshire Board who is the Principal of the Regional College will be a member. Any other member of the Colleges' Senior Management Teams must not be a member of the Committee though they may be in attendance at Committee meetings at the discretion of the Committee.
2. The Committee may, if it considers it necessary or desirable, co-opt non-executive members who are not members of the Board of Management but have particular relevant experience or expertise. Such members will not normally be appointed Chair of the Committee and will not have a vote.
3. Members may be excluded from membership of the Committee if (based on objective criteria) their membership is perceived as compromising the Committee's objectivity or independence. Such a decision will require the approval of the Board of Management. Members of this committee would not normally be members of the Audit Committee.
4. Individuals may remain members of the Committee for as long as they are Board Members.

2. Quorum

The quorum for meetings of the Finance Committee shall be three members.

3. Proceedings of the Committee

1. The Committee shall meet not less than three times per year timed to coincide with the reporting deadlines for meetings of the Board of Management.
2. The Committee has the authority to consider any matters within its terms of reference.
3. The Secretary to the Board of Management will normally act as Secretary of the Committee unless the Lanarkshire Board decides that this is inappropriate.
4. The Committee will receive reports from the appropriate committee of SLC and when discussing Regional Strategic Body business the Chair of the SLC committee or nominee shall attend the meeting or there may be a joint meeting with the SLC committee. Collaborative approaches will be promoted by the committee.



4. Reporting by the Committee

The Chair of the Committee will report on every meeting of the Committee to The Lanarkshire Board. This will include circulation of Committee Meeting minutes to Board Members.

5. Duties of the Finance Committee

The Committee shall take the Code of Good Governance into full consideration in the conduct of its business and shall be responsible for the following matters:-

- Specifically approve the New College Lanarkshire Annual Operational Budget prior to submission to The Lanarkshire Board for formal approval and to receive monitoring reports on the regional budget
- Monitor and control New College Lanarkshire's performance in terms of issues relating to Value for Money and to receive monitoring reports on regional performance.
- Review the New College Lanarkshire's Annual Report and Accounts and to receive reports on the regional position
- Receive financial reports on a quarterly basis to ensure the appropriate and effective use of New College Lanarkshire funds and to receive reports from SLC to ensure the appropriate and effective use of regional funds.
- To receive reports and information from the Assigned College SLC necessary to fulfil the committee's Regional Strategic Body responsibilities as defined by the enabling legislation.

6. Effectiveness of the Finance Committee

Assessment of the effectiveness of the Committee will comprise:

- (a) Self-assessment by the Committee and feedback from the New College Lanarkshire's senior management.
- (b) Feedback from Internal and External Auditors
- (c) A review by The Lanarkshire Board.
- (d) The assessment will include checking compliance with the Code of Good Governance.

The assessment may be carried out by external consultants provided that they are not the provider of the internal or external audit service.



Terms of Reference of Audit and Risk Committee

1. Membership/Attendance

- a) The Committee shall comprise of at least three non-executive Board Members, one of whom will be appointed Chair.
- b) Members of the Resources and General Purposes Committee and Finance Committee or anyone with executive authority should not normally be members of the Audit and Risk Committee. Where this is unavoidable for mandatory or practical reasons, such members must be in the minority and must not hold the chair of the Audit and Risk Committee.
- c) The Principal of The Regional College – New College Lanarkshire – is the Chief Officer of the Lanarkshire Board. He/she must not be a member of the committee but should be in attendance. Any other member of the Colleges’ Senior Management Teams must not be a member of the Committee though they may be in attendance at Committee meetings at the discretion of the Committee.
- d) The Chair of The Lanarkshire Board should not normally be a member of the Audit and Risk Committee but may be in attendance.
- e) No connected party such as an employee or partner of the Lanarkshire Colleges’ solicitors, bankers, auditors, insurers or other professional advisers should be a member of the Committee.
- f) The Committee may, if it considers it necessary or desirable, co-opt non-executive members who are not members of The Lanarkshire Board but have particular relevant experience or expertise. Such members will not normally be appointed Chair of the Committee and will not have a vote.
- g) Members may be excluded from membership of the Committee if (based on objective criteria) their membership is perceived as compromising the Committee’s objectivity or independence. Such a decision will require the approval of The Lanarkshire Board.
- h) The External and Internal Auditors shall be offered the opportunity to hold discussions at least once per year with the Committee without anyone with an executive responsibility being present.
- i) The New College Lanarkshire’s Internal Auditors will attend meetings as required by the Committee.
- j) Individuals may remain members of the Committee for as long as they are Board members.
- k) The Chair of SLC’s Audit Committee or nominee shall be invited to attend and /or there may be a joint meeting with the SLC Audit Committee where there is pan – Lanarkshire business to discuss. Collaborative approaches will be promoted by the committee.
- l) To comply with the Code of Good Governance at least one member of the Audit and Risk Committee should have recent relevant financial or audit experience.



2. **Quorum**

The quorum for meetings of the Audit and Risk Committee shall be three members.

3. **Proceedings of the Committee**

- a) The Committee shall meet not less than three times per year timed to coincide with the planning and reporting cycles of internal and external audit as well as reporting deadlines for meetings of The Lanarkshire Board.
- b) The external and internal auditors must attend meetings where relevant matters are being discussed. Examples of such matters are planned audit coverage, the audit report on the financial statements and the audit management letter.
- c) The Committee has the authority to investigate any matters within its terms of reference.
- d) The Secretary to The Lanarkshire Board will normally act as Secretary of the Committee unless The Lanarkshire Board decides that this is inappropriate.
- e) The Committee may receive reports from the appropriate Committee of SLC and when discussing RSB business the Chair of the SLC Committee or nominee shall attend the meeting or there may be a joint meeting with the SLC Committee

4. **Reporting by the Committee**

- a) The Chair of the Committee will report on every meeting of the Committee to The Lanarkshire Board. This will include circulation of committee meeting minutes to Board Members.
- b) The Audit and Risk Committee will produce an annual report for The Lanarkshire Board as detailed in the Financial Memorandum.

5. **Duties of the Audit Committee**

The Committee shall take the Code of Good Governance into full consideration in its business and shall be responsible for the following matters:-

6.

Internal Control

- To review and advise The Lanarkshire Board of the Internal Audit Service's and the external auditor's assessment of the effectiveness of the regional college's financial and other internal control systems, including controls specifically to prevent or detect fraud or other irregularities as well as those for securing economy, efficiency and effectiveness.
- To review and advise The Lanarkshire Board of the Internal Audit Service's and the external auditor's assessment of the effectiveness of the assigned college's financial and other internal control systems, including controls specifically to prevent or detect fraud or other irregularities as well as those for securing economy, efficiency and effectiveness. This will be by receipt of reports from the assigned college's internal and external auditors and the Audit Committee of the assigned college.



- To review and advise The Lanarkshire Board on the effectiveness of the Risk Management Process within the Regional College and the overall regional risk (including the assigned college risks) as reported to the committee by the Regional Risk Management Group.
- To review and advise The Lanarkshire Board on its compliance with corporate governance requirements and good practice guidance including the Code of Good Governance.

Internal Audit

- To advise The Lanarkshire Board on the selection, appointment or reappointment and remuneration, or removal of the Internal Audit Service (IAS) provider to the regional college where the service is contracted-out. The responsibility regarding selection of a contracted-out provider may be delegated to an Evaluation Committee
- To advise The Lanarkshire Board on the terms of reference for the IAS.
- To review the scope, efficiency and effectiveness of the work of internal audit, considering the adequacy of the resourcing of internal audit and advising The Lanarkshire Board on these matters
- To advise The Lanarkshire Board of the Audit Committee's approval of the basis for and the results of the internal audit needs assessment and the strategic and operational planning processes
- To approve the criteria for grading recommendations in assignment reports as proposed by the Head of IAS
- To review the IAS's monitoring of management action on the implementation of agreed recommendations reported in internal audit assignment reports and internal audit annual reports
- To consider salient issues arising from internal audit assignment reports, progress reports, annual reports and management's response thereto and informing The Lanarkshire Board thereof
- To inform The Lanarkshire Board of the Audit and Risk Committee's approval of the internal audit service's annual report
- To ensure establishment of appropriate performance measures and indicators to monitor the effectiveness of the IAS
- To secure and monitor appropriate liaison and co-ordination between internal and external audit
- To ensure good communication between the Committee and the Head of IAS
- To respond appropriately to notification of fraud or other improprieties received from the Head of IAS or other persons.
- To receive audit reports and information from the assigned South Lanarkshire College and to report on the regional position to the Lanarkshire Board to fulfil the Regional College's Regional Strategic Body responsibilities.



External Audit

- To consider the Regional College's annual financial statements and the external auditor's report prior to submission to The Lanarkshire Board by the Finance Committee. The committee should consider the external audit opinion, the Statement of Members' Responsibilities and any relevant issue raised in the external auditor's management letter;
- To review the external auditor's annual Management Letter and monitor management action on the implementation of the agreed recommendations contained therein;
- To advise The Lanarkshire Board of salient issues arising from the external auditor's management letter and any other external audit reports, and of management's response thereto;
- To review the statement of corporate governance;
- To establish appropriate performance measures and indicators to monitor the effectiveness of the external audit provision;
- To review the external audit strategy and plan;
- To hold discussions with external auditors and ensure their attendance at Audit and Risk Committee and Lanarkshire Board meetings as required;
- To consider the objectives and scope of any non-statutory audit work undertaken or to be undertaken, by the external auditor's firm and advise The Lanarkshire Board of any potential conflict of interest;
- To secure appropriate liaison and co-ordination between external and internal audit.
- To receive audit reports and information from the assigned South Lanarkshire College and to report on the regional position to the Lanarkshire Board to fulfil the regional college's Regional Strategic Body responsibilities.

7. **Management Review**

- a) To receive reports from the Chief Officer of the Lanarkshire Board/ Principal of the Regional College and/or Financial Services Manager in relation to formal Audit Reports and other ad hoc issues as required.
- b) To receive reports from the Principal of the Assigned College and/or Financial Services Manager in relation to formal Audit Reports and other ad hoc issues as required.
- c) To review regularly the action planned, and taken, by the Lanarkshire Colleges' management to remedy any weaknesses in their financial management systems as identified by the External or Internal Auditors.
- d) To investigate any matters within the Terms of Reference, to apply the resources which it needs to do so, and to access any information, including obtaining external professional advice and inviting outsiders with relevant experience to attend meetings if necessary.
- e) To investigate any matters relevant to the financial viability of the Lanarkshire Colleges.
- f) To oversee the operation of risk management within New College Lanarkshire and to receive reports from South Lanarkshire College



8. Effectiveness of the Audit Committee

Assessment of the effectiveness of the Committee will comprise:

- a) Self-assessment by the Committee and feedback from the Regional College's senior management.
- b) Feedback from the Audit Committee and senior management of the Assigned College
- c) Feedback from Internal and External Auditors
- d) A review by The Lanarkshire Board.
- e) The assessment will include checking compliance with the Code of Good Governance.

The assessment may be carried out by external consultants provided that they are not the provider of the internal or external audit service.



Terms of Reference of Curriculum and Student Affairs Committee

1. **Membership/Attendance**

- (a) The Committee shall comprise of at least two non-executive Board Members, one of whom will be appointed Chair. The Principals of NCL and SLC are also members of the Committee as are the teaching staff representatives and student representatives of NCL and SLC. The Chair of the Lanarkshire Board is also a member. Any other member of the Colleges' Senior Management Teams must not be a member of the Committee though they may be in attendance at Committee meetings at the discretion of the Committee.
- (b) The Committee may, if it considers it necessary or desirable, co-opt non-executive members who are not members of the Board of Management but have particular relevant experience or expertise. Such members will not normally be appointed Chair of the Committee and will not have a vote.
- (c) Members may be excluded from membership of the Committee if (based on objective criteria) their membership is perceived as compromising the Committee's objectivity or independence. Such a decision will require the approval of the Board of Management.
- (d) Individuals may remain members of the Committee for as long as they are Board Members.

2. **Quorum**

The quorum for meetings of the Curriculum and Student Affairs Committee shall be three Board members.

3. **Proceedings of the Committee**

- (a) The Committee shall meet not less than three times per year timed to coincide with the reporting deadlines for meetings of the Lanarkshire Board.
- (b) The Committee has the authority to investigate any matters within its Terms of Reference.

4. **Reporting by the Committee**

The Chair of the Committee will report on every meeting of the Committee to the Board of Management. This will include circulation of Committee Meeting minutes to Board Members.

5. **Duties of the Curriculum and Student Affairs Committee**

The Committee shall be responsible for the following matters:-

- The committee will take cognisance of the requirements of the Code of Good Governance.
- Ensure the Lanarkshire Board and NCL and SLC provide a curricular provision which supports both local and national economic and skills requirements.
- Ensure and monitor the delivery of the Regional Outcome Agreement



- Analyse and evaluate appropriate market research information and provide advice on future regional curricular activity.
- Ensure that resource requests for regional curricular growth are supported by demonstrable market research and are focused on the needs of students
- Oversee and promote initiatives to widen access and extend progression opportunities.
- Monitor quality improvements throughout the two Lanarkshire Colleges' activities with particular reference to services to students.
- Receive and discuss student feedback on the quality of provision provided to the range of student groups within the two Lanarkshire Colleges and to receive reports on the effective running of the Student association and student elections.
- Ensure Colleges funds to support students welfare including Bursaries, Hardship Funds and Access Funds are utilised effectively.
- Analyse appropriate performance indicator data on the two Lanarkshire Colleges' performance and promote quality improvement initiatives where need is identified.
- To receive reports and information from the Assigned College SLC necessary to fulfil the committee's Regional Strategic Body responsibilities as defined by the enabling legislation. Collaborative approaches will be promoted by the committee.

6. **Effectiveness of the Curriculum and Student Affairs Committee**

Assessment of the effectiveness of the Committee will comprise:

- (a) Self-assessment by the Committee and feedback from the Colleges' senior management.
- (b) Feedback from Internal and External Auditors
- (c) A review by the Board of Management.
- (d) The assessment may be carried out by external consultants provided that they are not the provider of the internal or external audit service.
- (e) The assessment will include checking compliance with the Code of Good Governance.



Terms of Reference of Resources and General Purposes Committee

2. **Membership/Attendance**

- (a) The Committee shall comprise of at least two non- executive Board Members. The Chief Executive of the Lanarkshire Board who is the Principal of the Regional College will be a member. Any other member of the Colleges Senior Management Teams must not be a member of the Committee though they may be in attendance at Committee meetings at the discretion of the Committee.
- (b) The Committee may, if it considers it necessary or desirable, co-opt non-executive members who are not members of the Board of Management but have particular relevant experience or expertise. Such members will not normally be appointed Chair of the Committee and will not have a vote.
- (c) Members may be excluded from membership of the Committee if (based on objective criteria) their membership is perceived as compromising the Committee's objectivity or independence. Such a decision will require the approval of the Board of Management. Members of this committee should not normally be members of the Audit Committee.
- (d) Individuals may remain members of the Committee for as long as they are Board Members.

3. **Quorum**

The quorum for meetings of the Resources & General Purposes Committee shall be three members.

4. **Proceedings of the Committee**

- (a) The Committee shall meet not less than three times per year timed to coincide with the reporting deadlines for meetings of the Board of Management.
- (b) The Committee has the authority to consider any matters within its terms of reference.
- (c) The Secretary to the Board of Management will normally act as Secretary of the Committee unless the Board of Management decides that this is inappropriate.
- (d) The Committee may receive reports from the appropriate committee of SLC and when discussing Regional Strategic Body business the Chair of the SLC committee or nominee shall attend the meeting or there may be a joint meeting with the SLC committee. Collaborative approaches will be promoted by the committee.

5. **Reporting by the Committee**

The Chair of the Committee will report on every meeting of the Committee to the Lanarkshire Board. This will include circulation of Committee Meeting minutes to Board Members.



6. **Duties of the Resources & General Purposes Committee**

The Committee shall take the Code of Good Governance into full consideration in the conduct of its business and shall be responsible for the following matters:-

- Receive and comment upon draft copies of strategic and operational policies and plans relating to HR, Health and Safety and Estates for the Regional College prior to submission to the Lanarkshire Board for further comment and eventual approval.
- Oversee all aspects in relation to the Regional College's Estates with particular regard for the Regional College's Estates strategy. The committee will receive the Estates Strategy from the Assigned College.
- Receive reports in relation to the College's staffing structure and provide support where necessary to appoint staff at senior level within the organisation.
- To receive reports on equality and diversity
- To receive reports on Health and Safety Issues
- To receive reports and make recommendations on the use of funding in relation to HR, Health and Safety and Estates.
- To receive reports on procurement relating to HR, Health and Safety and Estates
- To receive reports and information from the Assigned College SLC necessary to fulfil the committee's Regional Strategic Body responsibilities as defined by the enabling legislation.

6. **Effectiveness of the Resources & General Purposes Committee**

Assessment of the effectiveness of the Committee will comprise:

- (a) Self-assessment by the Committee and feedback from the College's senior management.
- (b) Feedback from Internal and External Auditors
- (c) A review by the Board of Management.
- (d) The assessment will include checking compliance with the Code of Good Governance.

The assessment may be carried out by external consultants provided that they are not the provider of the internal or external audit service.



Terms of Reference of Nomination and Search Committee

Membership

The membership of this committee will comprise the Chair of the Board, the Chair of the SLC Board, the Chair of the RGP Committee and an independent panel member from another region. The Board Secretary will be in attendance at meetings.

Quorum

The Quorum will be 3 members which shall include an independent panel member for the recruitment of Board members.

Remit

The committee has responsibility for advising the Lanarkshire Board on matters relating to the appointment of Board Members through an open appointment process and recruiting these members as required. It will also advise the Chair on the appointment of the Vice Chair and membership of the Board Committees.

Meetings

This committee will meet as required.



Terms of Reference Chairs' Group

Membership

The membership of this committee will comprise the Chair of the Board, the Chairs of the Committees and the Independent Board member. The Chair will be the Chair of the Board. The Board Secretary will be in attendance.

Quorum

The Quorum will be 3 members.

Remit

There are strategic issues which are time critical that arise between Board meetings particularly in periods of rapid change. The Lanarkshire Board has recognised the continuing need for an additional mechanism to best support financial planning, to facilitate and enable quick response to rapidly changing positions and to ensure the best benefit for the college and the communities of Lanarkshire. The Board may delegate authority to a Chairs Group which comprises the Chair of the Board and the Chairs of the sub-committees with reports on decisions coming to the next meeting of the Board.

Meetings

This committee will meet as required.



Terms of Reference of Remuneration Committee

Membership

The membership of this committee will comprise the Chairs of the Board's committees and the Independent Board Member. The Chair of the Board will not be a member of the committee but may attend meetings of the committee. The Board Secretary will be in attendance at meetings.

Quorum

The Quorum will be 3 members.

Remit

The committee has responsibility for recommending to the Board as follows:

- The salaries and conditions of service for the senior members of staff of New College Lanarkshire.
- The structure of the senior management team

Meetings

This committee will meet as required.