



HUDDERSFIELD NEW COLLEGE FURTHER EDUCATION CORPORATION

FORMAL SCHEME OF DELEGATION FOR THE HUDDERSFIELD NEW COLLEGE CORPORATION & ITS COMMITTEES.

This Scheme of Delegation identifies who has the authority to take actions and make decisions on key College functions. Compliance will facilitate accountability and effective decision making.

The Scheme of Delegation should also be read in conjunction with The Instrument and Articles of Government, The College's Financial Statements, The Corporation's Standing Orders, the Terms of Reference for all Committees and the role description for the Chair of the Corporation.

The Scheme of Delegation will be reviewed annually

HNC Corporation

1. The Corporation may establish such committees as it thinks fit. However, it is a condition of funding through the Financial Memorandum that college corporations must establish an Audit Committee. The Corporation shall therefore determine the functions of any other committee, except that of Audit. The role of the Audit Committee includes advising the Corporation on the adequacy and effectiveness of the college's assurance framework. In addition the audit committee advises and supports the corporation in explaining in its annual report and accounts the measures it has taken to ensure it has fulfilled its statutory and regulatory responsibilities.
2. The Corporation shall determine the membership of any of its committees. Persons who are not members of the Corporation may be appointed by the Corporation to membership of any such Committee. Any Committee so established may create sub-committees and determine their membership and functions. Persons who are not members of a Committee may be appointed by the Committee to membership of any such sub-committee.
3. The Corporation may delegate any of its powers to any such Committee, to the Chair, or to the Principal and may confer the right of sub-delegation upon any such committee or persons upon such terms and conditions as the Corporation sees fit provided always that the Corporation shall not delegate any of the following matters (Article 9):
 - The determination of the educational character and mission of the institution and oversight of its activities;
 - The approval of the annual estimates of income and expenditure;
 - The responsibility for ensuring the solvency of the institution and the Corporation and for safeguarding their assets;
 - The appointment, grading, suspension, dismissal and determination of the pay and conditions of the Senior Post Holders and the Clerk.
 - The modification or revocation of the Articles of Government.

4. The Corporation delegates authority to the Chair for developing and promoting a constructive and supportive working relationship with the Principal, to assist in achieving agreed objectives, whilst maintaining a professional relationship at all times. As outlined within the Corporation's Standing Orders, the Chair shall meet regularly with the Principal for the purposes of two-way consultation and communication, and in particular for the following purposes:
- receiving from the Principal an update on matters of interest and importance;
 - receiving from the Principal an update on key events and progress since the previous meeting;
 - informal exploration on differences of opinion as they arise;
 - agenda setting for meetings, in consultation with the Corporation Clerk;
 - establishing the programme for any Governor Strategy Events/ Meetings;
 - being informed of early warning signs of problems which may arise for the College;
 - the opportunity for informal discussions relating to working practices;
 - carrying out appraisals for the Principal
5. In the absence of the Chair, the powers detailed above automatically transfer to the Vice Chair, together with the powers and responsibilities of the Chair as stated in the Instrument and Articles of Government. Details of any actions taken by the Chair/Vice Chair since the Corporation's previous meeting will also be reported to the Corporation.
6. The Corporation also delegates authority to the Principal, as per the College's Financial Regulations. Specific levels of delegation include:
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| (a) | Individual debts which may be written off by the Principal | £1,000 (excl VAT) |
| (b) | Purchase of goods or services by purchase order | £173,934 (excl VAT) |
| (c) | Credit Card limits | £5,000 |
| (d) | Requirement for tendering procedures | £173,934 (excl VAT) |
| (f) | Contract Variation | £10,000 |
| (g) | Travel incurring significant cost. | £1,000 (excl VAT) |
| (h) | Personal gifts with a realisable value more than | £ 20 |
7. The Corporation delegates that the Principal shall also be responsible for the title, appointment, assignment, grading, appraisal, suspension, dismissal and determination, of pay and conditions of staff other than the holders of Senior Posts, set within the National Framework. Any proposal to deviate away from the pay and conditions set within the National Framework, will require Corporation approval.

8. Where the Corporation delegates any of its powers under Article 3 (Appendix 1), the Committee, the Chair or the Principal (as the case may be) to whom the power or powers have been delegated to shall report to the Corporation on any exercise of such a power or powers.
9. The Corporation has agreed and implemented a Policy approval route which makes clear the level of authority required for approval of all policies for the College applicable to staff, students and the corporation (Appendix 2)
10. The Corporation has determined that all Committees, except Remuneration, shall comprise not less than 4 but no more than 7 members. Any Governor not a member may attend, with permission of the Chair of the Committee, in a non-voting capacity. The Committee is authorised by the Corporation to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with the relevant experience and expertise, if it considers this necessary. The Clerk to the Corporation will act as Clerk to all Committees and shall circulate minutes of the Committee to the Corporation and place items determined as non-confidential on the College website.
11. Membership of all Committees shall be for a maximum of four years, subject to membership of the Corporation (excluding co-opted members). Retiring members will be eligible for reappointment for a subsequent term. A member may at any time by notice to the Clerk to the Corporation resign his or her membership. Upon the occurrence of a vacancy or expected vacancy amongst members it shall be for the Corporation to appoint a person to fill the vacancy.
12. Meetings of a Committee shall be quorate if 40% or more of the Members in active membership are present. If during the course of a meeting the number of members present ceases to constitute a quorum, the meeting shall be terminated forthwith. Committees shall meet as often as necessary but not less than once per term. Exceptionally, with the agreement of the Chair of the Committee, decisions of the Corporation and its Committees can also be determined via e-mail, with 60% of the overall membership of the relevant Committee and/or Corporation voting in favour
13. Committee Chairs shall have delegated authority to act between meetings after consulting with the Chair of the Corporation and the Principal, and as appropriate other senior colleagues and the Clerk. Details of any action taken will then be reported back to the Committee.
14. A Committee is authorised by the Corporation to comply with their Terms of Reference (appendix 3) . It is permitted for the Committee to seek any information it requires from any employee of the College and all employees are directed to co-operate with any request made by the Committee. It is expected that most contact will be with the Senior Management Team. A Committee will make decisions within any powers delegated to it by the Corporation and will report those decisions to the Corporation. Powers delegated are:

- **AUDIT COMMITTEE**

The Audit Committee is authorised by the Corporation to investigate any activity within its terms of reference to effectively monitor the adequacy and effectiveness of the College's systems of internal control, and its arrangements for risk management, control and governance process, and securing economy, efficiency and effectiveness. The Audit Committee will also maintain the overarching responsibility for reviewing and maintaining the structure of the Board Assurance Framework.

The Committee is authorised by the Corporation to establish the audit strategy and annual internal audit plans for the internal audit service and to advise the governing body accordingly

Furthermore, the Committee will establish, in conjunction with college management, relevant annual performance measures and indicators and monitor the effectiveness of the internal audit service and financial statements auditor through these measures and indicators and decide, based on this review, whether a competition for price and quality of the audit service is appropriate.

The Audit Committee will also review the audit aspects of the draft annual financial statements. These aspects will include the external audit opinion, the statement of members' responsibilities, the statement of internal control and any relevant issue raised in the external auditor's management letter. The Committee should, where appropriate, confirm with the internal and external auditors that the effectiveness of the internal control system has been reviewed and comment on this in its annual report to the Corporation.

- **FINANCE & RESOURCES COMMITTEE**

The remit of the Finance & Resources Committee is to advise the Corporation on the financial position of the College.

The Committee will approve on behalf of the Corporation, the College's investment and borrowing policies and will establish, in line with current pay frameworks, the pay awards for staff, other than for senior post holders.

The Corporation will be advised accordingly of any decisions made within the powers delegated to the Committee.

- **REMUNERATION COMMITTEE**

The terms of reference for the Remuneration Committee are to:

- i) To recommend and oversee the recruitment process for all senior post holder vacancies.
- ii) To recommend to the Corporation on the appointment of Senior Post Holders.

- iii) To recommend to the Corporation the policy, framework and criteria for determining the remuneration of senior post holders.
- iv) To recommend to the Corporation the salaries and terms and conditions of service of all Senior Post Holders following feedback on their annual appraisals and having regard to comparative data (as appropriate).
- v) To consider the public interest and the safeguarding of public funds, alongside the interests of the College when considering all forms of payment, reward and severance to staff within its remit.
- vi) To recommend and oversee the process for Governor Reimbursement where, due to exceptional circumstances, it is recognised that the time and input required from nominated Governor(s) is considered to be over and above normal role expectations.

- **SEARCH & GOVERNANCE COMMITTEE**

The Search Committee is to advise the Corporation on the appointment of members (other than as a parent, staff or student member); and such other matters relating to membership and appointments as the Corporation may ask it to as outlined within the Committee's Terms of Reference.

Appendix 1.

RESPONSIBILITIES OF THE CORPORATION, THE PRINCIPAL AND THE CLERK

ARTICLES OF GOVERNMENT 3.

The Corporation shall be responsible for the following functions -

- (a) the determination and periodic review of the educational character and mission of the institution and for the oversight of its activities;
- (b) publishing arrangements for obtaining the views of staff and students on the determination and periodic review of the educational character and mission of the institution and the oversight of its activities.
- (c) approving the quality strategy of the institution;
- (d) the effective and efficient use of resources, the solvency of the institution and the Corporation and safeguarding their assets;
- (e) approving annual estimates of income and expenditure;
- (f) the appointment, grading, suspension, dismissal and determination of the pay and conditions of service of the holders of senior posts and the Clerk, including, where the Clerk is, or is to be appointed as, a member of staff, the Clerk's appointment, grading, suspension, dismissal and determination of pay in the capacity of a member of staff; and
- (g) setting a framework for the pay and conditions of service of all other staff.

Subject to the responsibilities of the Corporation, the Principal shall be the Chief Executive of the institution, and shall be responsible for the following functions -

- (a) making proposals to the Corporation about the educational character and mission of the institution and implementing the decisions of the Corporation;
- (b) the determination of the institution's academic and other activities;

- (c) 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;
- (d) the organisation, direction and management of the institution and leadership of the staff;
- (e) the appointment, assignment, grading, appraisal, suspension, dismissal, 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, where the Clerk is also a member of the staff; and
- (f) maintaining student discipline and, within the rules and procedures provided for within these Articles, suspending or expelling students on disciplinary grounds or expelling students for academic reasons.

The Clerk shall be responsible for the following functions:-

- (a) advising the Corporation with regard to the operation of its powers;
- (b) advising the Corporation with regard to procedural matters;
- (c) advising the Corporation with regard to the conduct of its business; and
- (d) advising the Corporation with regard to matters of governance practice.

Appendix 2

Policy Approval Route.

SEPERATE ATTACHMENT PROVIDED UPON REQUEST TO CLERK

Appendix 3

The Terms of Reference for all Committees.

Audit Committee:

It is a condition of funding through the Financial Memorandum that college corporations must establish an Audit Committee. The role of the Audit Committee includes advising the Corporation on the adequacy and effectiveness of the college's assurance framework. In addition the audit committee advises and

supports the corporation in explaining in its annual report and accounts the measures it has taken to ensure it has fulfilled its statutory and regulatory responsibilities.

The Audit Committee has the authority to investigate any activity within its terms of reference.

The operational matters provided for within the Audit Committee's terms of reference are :

- a) The audit committee has the right of access to obtain all the information and explanations it considers necessary, from whatever source, to fulfil its remit.
- b) The audit Committee must comprise of at least four members, a majority of whom must be governors, but must not include the Chair of the Corporation or the Principal. The Audit Committee must ensure that it maintains its independence when considering the appointment of members.
- c) The Audit Committee should include individuals with an appropriate mix of skills and experience to enable it to discharge its duties effectively. Collectively, amongst its membership, the Committee should have recent, relevant experience in risk management, finance, audit , assurance and enquiring & questioning skills.
- d) The Audit Committee must not adopt an executive role.

The Duties of the Audit Committee, as listed within the Committees terms of reference are:

- e) Assess and provide the Corporation with an opinion on the adequacy and effectiveness of the College's audit arrangements, framework of governance, risk management and control, and processes for the effective and efficient use of resources, the solvency of the institution and the safeguarding of its assets
- f) To assume overarching responsibility for reviewing and maintaining the structure of the Board Assurance Framework and to advise the Corporation accordingly.
- g) To assess the appropriate level of Overall Assurance in relation to each of the specific risks for which this Committee has been assigned responsibility by the Corporation.
- h) Advise the Corporation on the appointment, reappointment, dismissal and remuneration of the financial statements and regularity auditors and other assurance providers, including internal auditors and establish that all such assurance providers adhere to relevant professional standards

- i) Inform the Corporation of any additional services provided by the suppliers of financial statements, regularity and other audit and assurance and explain how independence and objectivity were safeguarded.
- j) Monitor, within agreed timescales, the implementation of recommendations arising from the management letters and reports of the financial statements and regularity auditor, and of any reports submitted by other providers of audit and assurance services to the College.
- k) Oversee the colleges policies on Anti-bribery , fraud and irregularity and whistleblowing, and ensure the proper and proportionate investigation of all allegations and instances of fraud and irregularity; that investigation outcomes are reported to the audit committee; that the external auditors (and internal auditors where appointed) have been informed, and that appropriate follow up action has been planned/actioned, and that all significant cases of fraud or irregularity are reported to the chief executive of the appropriate funding body.
- l) Produce an annual report for the corporation. The annual report must summarise the committees activities relating to the financial year under review, including any significant issues arising up to the date of preparation of the report, and any significant matters of internal control included in the management letters and reports from auditors or other assurance providers. It must include the committee's view of its own effectiveness and how it has fulfilled its terms of reference. The report must include the audit committee's opinion on the adequacy and effectiveness of the colleges' audit arrangement, its framework of governance, risk management and control, and its processes for securing economy, efficiency and effectiveness. The annual report must be submitted to the Corporation before the Statement of Corporate Governance and Internal Control in the accounts is signed. A copy of the audit committee's annual report must be submitted to the relevant funding body with the annual accounts.
- m) In conjunction with College Management, determine the scope and objectives of the work of the internal audit service, the financial statements auditor and funding auditor (where appointed)
- n) Ensure effective co-ordination between the internal audit service, the financial statements auditor and the funding auditor (where appointed) including whether the work of the funding auditor should be relied upon for internal audit purposes

- o) Establish the audit strategy and annual internal audit plans for the internal audit service and advise the governing body accordingly.
- p) Advise the Corporation on internal audit assignment reports and annual reports and determine any control issues included in the management letters of the financial statements auditor, including their work on regularity and the funding auditor (where appointed) and review management responses to these
- q) Consider and advise the Corporation on relevant reports by the National Audit Office, The Education Funding Agency (EFA) and other funding bodies, and where appropriate, management's response to these
- r) Establish, in conjunction with college management, relevant annual performance measures and indicators and monitor the effectiveness of the internal audit service and financial statements auditor through these measures and indicators and decide, based on this review, whether a competition for price and quality of the audit service is appropriate
- s) As per the Joint Audit Code of Practice, Audit Members have the right to hold a 'closed' meeting with both the External and Internal Auditors, with no staff present, at least annually.

- **FINANCE & RESOURCES COMMITTEE**

The remit of the Finance & Resources Committee is to monitor the College's financial position in accordance with the budget and financial assumptions set by the Corporation. The Committee is to also track the College's compliance with Health and Safety Requirements and to oversee capital projects, on behalf of the Corporation.

The current terms of reference for the Finance & Resources Committee are to:

- a) Monitor the budget and financial forecasts and advise the Corporation accordingly.
- b) Consider arrangements, where appropriate, for maintaining solvency, safeguarding assets and the effective and efficient use of resources and advise the Corporation accordingly.
- c) Approve the College's investment and borrowing policies and advise the Corporation

- d) Establish, in line with current pay frameworks,-the pay awards for all staff, other than for senior post holders, and advise the Corporation.
- e) Review the Health and Safety Report from the Principal and advise the Corporation on any Health and Safety Policies and Procedures.
- f) The Committee shall oversee, on behalf of the Corporation, all new ventures of the College where the value is at or above the approved limit as per the Colleges Financial Regulations. *(A new venture shall be defined as any substantial arrangement entered into for business purposes, whether extending the College’s provision, or of a commercial nature).* The Committee shall provide regular progress updates to the Corporation.
- g) To assess the appropriate level of Overall Assurance in relation to each of the specific risks for which this Committee has been assigned responsibility by the Corporation.

- **REMUNERATION COMMITTEE**

The terms of reference for the Remuneration Committee are to:

- i) To recommend and oversee the recruitment process for all senior post holder vacancies.
- ii) To recommend to the Corporation on the appointment of Senior Post Holders.
- iii) To recommend to the Corporation the policy, framework and criteria for determining the remuneration of senior post holders.
- iv) To recommend to the Corporation the salaries and terms and conditions of service of all Senior Post Holders following feedback on their annual appraisals and having regard to comparative data (as appropriate).
- v) To consider the public interest and the safeguarding of public funds, alongside the interests of the College when considering all forms of payment, reward and severance to staff within its remit.
- vi) To recommend and oversee the process for Governor Reimbursement where, due to exceptional circumstances, it is recognised that the time and input required from nominated Governor(s) is considered to be over and above normal role expectations.

- **SEARCH & GOVERNANCE COMMITTEE**

Corporations are required to set up a Search Committee (Article 5) to advise on the appointment of members (other than as a parent, staff or student member); and such other matters relating to membership and appointments as the Corporation may ask it to.

The current terms of reference for the Search and Governance Committee are to:

- a) Recommend to the Corporation suitable persons as required to serve as Governors, co-opted members of the Corporation Committees, and to nominate the Chair and Vice Chair candidates when vacancies occur for the Corporation and its Committees
- b) Oversee and provide for the induction and development of members via a sustainable programme
- c) Review and improve the effectiveness of Governance policies, practices and procedures and make recommendations to the Corporation
- d) Monitor and review the Corporation's compliance with the Instrument and Articles of Government.
- e) To assess the appropriate level of Overall Assurance in relation to each of the specific risks for which this Committee has been assigned responsibility by the Corporation.
- f) Monitor and review the Student Union's Constitution and any other associated matters and make recommendations to the Corporation.

Version	Date	Author	Comments	Authorised
1	March 2013	Claire Coupland	Recommended by S&G to Corporation for approval in April 2013.	Corporation 17.04.13
2	June 2013	Claire Coupland	Addition to existing Scheme of Delegation: Policy approval route. Recommended by S&G	Corporation 07.07.13
3	June 2014	Claire Coupland	Review prompted by changes to governance framework	Corporation July 2014
4	June 2015	Claire Coupland	Revision to existing Scheme of Delegation	Corporation June 2015
5	March 2016	Claire Coupland	Revision to incorporate extended terms of reference for Remuneration Committee.	Corporation June 2016 (Policy Approval Tracker Dec 2016)