

LCCM

**GOVERNANCE AND
MANAGEMENT
HANDBOOK**

2018-19

London College of Creative Media

GOVERNANCE STRUCTURE AND PROTOCOLS:

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Preface:

London College of Creative Media is a small college in the context of the UK higher education landscape. It has a reputation however, for its delivery of high quality, commercially relevant higher education in music.

It has ambitions to be a provider of international repute in its field, attracting the most capable scholars and practitioners to study at its London centre; a centre with leading edge facilities embedded in the heart of London's creative industry.

To achieve these objectives, it has to embrace governance concepts and models that are relevant and valid for an institution with this level of ambition and adhere to the principles of the OfS framework.

This paper defines a governance model that meets those objectives.

1. Context:

Protecting student interest, public funding and shareholder interests

The emphasis from the Office for Students (OfS) is to align its new regulatory environment with consumer (i.e. student) protection, with acknowledgement of the need also to protect public funding.

These requirements are designed into this governance framework. In a private higher education institution, there is an additional governance challenge – to protect the interests of the shareholders.

Within this framework, the interests of shareholders are explicitly embedded into the governance of London College of Creative Media, not at the expense of the interests of students, or of public funds, but rather in addition to those accountabilities.

The document, therefore, defines a governance structure that adheres to the requirements of a “publicly-founded” institution, but also adds the necessary elements of a private institution.

1.1. REGULATORY ENVIRONMENT: OFFICE FOR STUDENTS (OFS)

The OfS regulatory environment does not discriminate between private and public sector HE providers. It does discriminate between HE providers in the context of their registration.

The present status of London College of Creative Media is equivalent to the status “Approved” under the new categorisation. It aspires to become an “Approved (fee cap)” institution and in time gain degree awarding powers. To achieve that level, the College will have to prove itself to be a consistently high achiever in terms of student outcomes, have a track record of successful delivery of franchised and/or validated programmes, meet OfS requirements in terms of governance and reporting, and constantly deliver on an articulated widening participation strategy.

The OfS is dedicated to a risk-based approach to

regulatory monitoring, where risk is evaluated through diagnostic reviews of institutional returns and judgments by OfS Officers.

The following OfS-defined attributes are embedded within this Governance agreement:

- The governance and line management arrangements are appropriate to the size and complexity of the College
- The governance agreement embraces and adopts public interest governance principles
- The governance agreement clearly articulates the committee structures and the delegation of governance and associated accountability
- The Governance agreement ensures that the organisation is governed and managed by ‘fit and proper’ persons
- The Governance agreement ensures a strong underpinning of internal audit/financial control and risk management
- Through a process of annual review, the effectiveness of management and governance arrangements will be evaluated.

This framework embraces all these principles

1.2 THE CUC HE CODE OF GOVERNANCE 2014

"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 " (Clause 4.2).

This document complies with the principles of that statement

1.3 RESPONSE TO THESE REQUIREMENTS

LCCM's Governance infrastructure is being re-engineered at three levels:

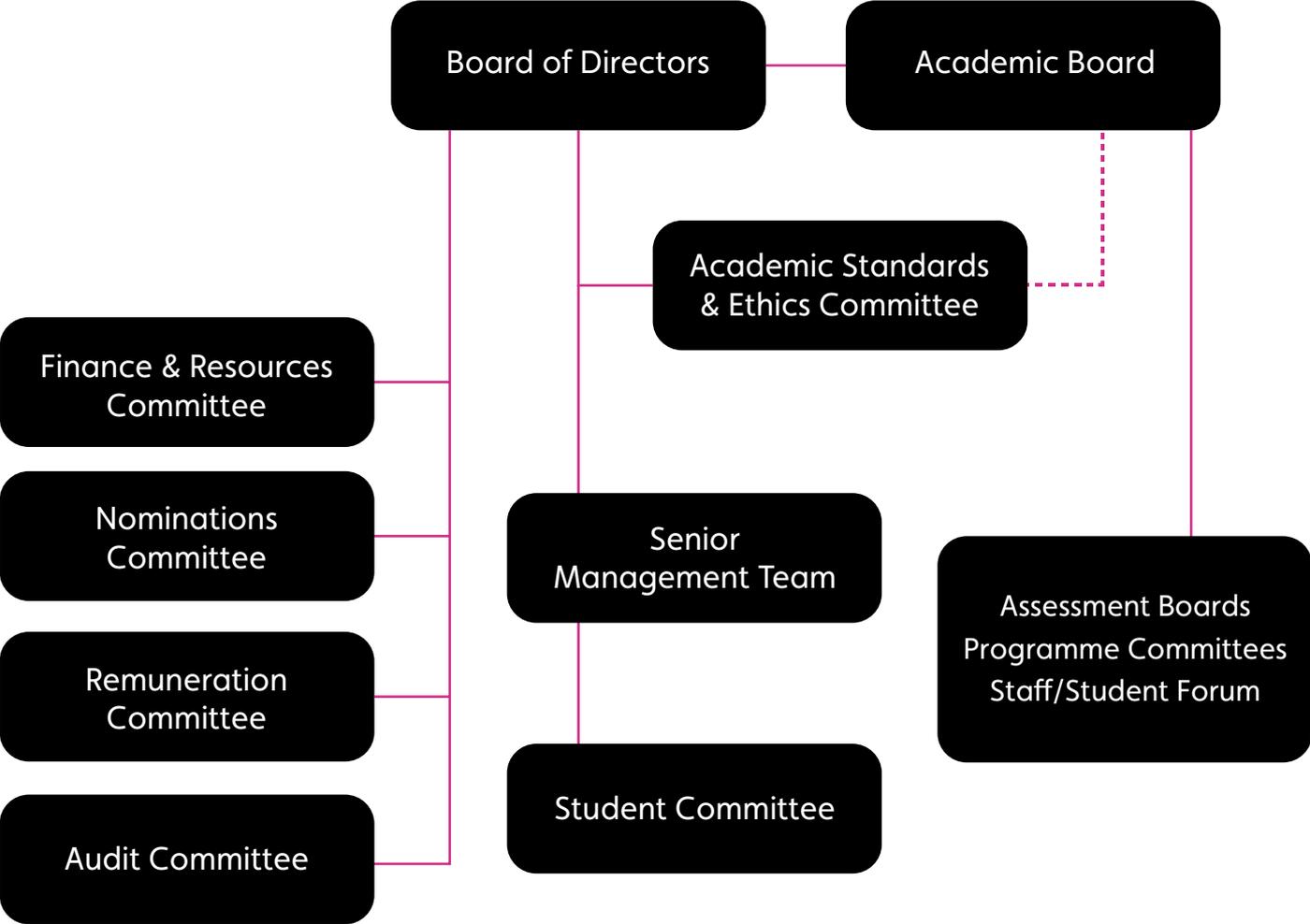
- Corporate governance at Board level (and the defined relationship with Global University Systems "GUS")
- Academic governance at Academic Board level
- Academic governance architecture underpinning the Academic Board

The linkages between the three levels are fundamental to the success of this governance model.

An Academic Standards and Ethics Committee of the Board will explicitly link the Board with academic governance matters. This Committee will initially provide the Board with an assurance of proper academic governance in ensuring that the requirements of external awarding bodies are met. It also provides the most appropriate avenue for student participation in the business of college governance.

In time, its operation and development will demonstrate that the institution is mature enough and has internal processes capable of taking on this responsibility and extending into acquiring degree awarding powers.

LCCM Governance and Management Structure



2. Governance: LCCM Board

2.1 LCCM IS A SMALL COLLEGE.

It seeks to ensure that its governance is rigorous but also appropriate for a College of its size. It is expected that its committees will have overlapping membership and that individual committees may therefore also take place, sequentially, on the same day.

2.2 THE BOARD

Shall consist of at least 7 directors including:

Non-Executive Directors:

- The Chair, who shall have high standing in the academic and/or business world
- Two further independent non-executive directors, one of whom shall be the senior independent Director (SID)
- Two directors nominated by the shareholders (GUS)

Executive directors:

- The College Principal
- The Chief Financial Officer

Quorum is 4:

- One of whom must be a director nominated by the shareholders
- One of whom must be the Principal (or nominee)
- One of whom must be independent

In "emergency" situations the Chair may take "Chair's action" on behalf of the Board but must report the decisions taken to the other Board members at the earliest opportunity and seek the endorsement of the Board.

2.3 COMMITTEES OF THE BOARD

The following boards/committees shall be established:

- Academic Board
- Academic Standards and Ethics Committee
- Remuneration Committee
- Audit Committee

- Nominations Committee
- Finance and Resources Committee

The membership and Terms of Reference of the Academic Board is set out below, the terms of reference and membership of the other Committees is set out in Appendices 1 – 5.

[The Board of Governors shall take consideration of guidance from the Committee of University Chairs <http://www.universitychairs.ac.uk/> in the establishment of the above boards/committees and other matters]

At least once a year the non-executive members of the committees should meet without any Officers present to discuss matters relating to its own remit, constitution and terms of reference to ensure that it is operating at maximum effectiveness. The conclusions of that meeting shall be shared with the non-executive members of the Board. Any material changes will require Board approval.

2.4 ATTENDEES AT BOARD AND BOARD COMMITTEE MEETINGS

Every Board and Committee meeting will be attended by the College Secretary who will record the Minutes of the meetings.

Other attendees will be invited to attend the Board's meetings or Committee's meetings (or part thereof) at the discretion of the Chair.

Within the Board and all its Committees, decisions will be made by a majority, with the Chair having a second or casting vote in the event of a 'tie'.

2.5 INDEPENDENT DIRECTORS: APPOINTMENT AND TENURE

The tenure of the Chair and independent members shall normally be three years. Positions are renewable at the discretion of the Nominations Committee, normally up to a maximum of 3 terms.

After consultation with the Independent Directors, the shareholders have the authority to appoint (and remove) the Chair.

After consultation with the Chair, the shareholders have the authority to appoint (and remove) Independent directors.

2.6 BOARD AUTHORITY AND DECISION MAKING

The Board has responsibility for the proper corporate governance of the College and does so within the framework defined by its relationship with the Group Board (see section 3).

The Board is responsible for all the effectiveness of corporate and academic governance matters of the College. In line with CUC guidance, it will ensure that an Academic Board has responsibility for the academic health of the college.

The Academic Board shall therefore be delegated with responsibility for all academic matters of the College, including the determination of the academic portfolio, the setting of admissions criteria, admissions and enrollment, student experience, quality assurance management in all its aspects, and graduation processes. However, for the avoidance of doubt, the Board is ultimately accountable for ensuring the integrity of academic governance operated by the Academic Board and delivered through the Executive. The Board is therefore accountable for the effectiveness of the Academic Board and the academic processes of the College. To fulfil that obligation, it will be assisted by the Academic Standards and Ethics Committee.

2.7 APPOINTMENT OF THE PRINCIPAL AND DIRECTOR OF FINANCE

The appointment (and removal) of the Principal or the Director of Finance is the responsibility of the non-executive members of the Board and is delegated to the Nominations Committee of the Board (see below).

2.8 APPOINTMENT OF SENIOR STAFF

The appointment (and removal) of Senior staff (including the Secretary) is the responsibility of the Nominations Committee of the Board (see below) and the Principal. The appointment (or removal) of Senior staff requires the approval of the directors nominated by the shareholders.

2.9 BOARD OPERATION

The Board is scheduled to meet at least 6 times each year. Additional meetings may be called by the Chair. A minimum of seven working days' notice is required for all board meetings.

Agenda and Board papers to be circulated at least 5 working days before meetings.

Draft minutes shall be circulated within 7 working days of the meeting of the Board or its Committees.

The Board (and its Committees) will undertake a process of self-review each year, with an independent review every three years.

3. Governance: GUS – LCCM Board protocols

The LCCM board will work with GUS to agree, annually, a one-year performance forecast, a 3-year rolling business plan and an outline 5-year plan. This planning system will provide the basis for an annual budget cycle which will provide a delegated budget for the LCCM board to oversee.

The LCCM Board will provide GUS with:

- quarterly reports on progress made in pursuit of the business plan (where substantive variations are detected in the plan, a review of the annual budget may be justified);
- minutes of all Board, Academic Board and Committee meetings within one month of the meeting (and notifications of any subsequent amendments thereof);
- monthly management accounts – must be sent to GUS within 10 working days of each month end
- annual accounts – must be sent to GUS within 90 calendar days of year end.

The LCCM board will contract with the GUS shared central services for infrastructure services. This contract will be overseen by an SLA which will be monitored by LCCM board. Any performance issues will be recorded by the LCCM Board and raised with the GUS board for resolution.

The LCCM Board will cooperate with any internal audit or risk assessment study initiated by GUS.

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The LCCM board will ensure that relationships with the Office for Students, and other regulatory bodies, are managed to the standards expected of GUS Group entities. Any potential non-compliance must be reported to the GUS group, preferably prior to its occurrence.

The LCCM board will ensure that public relations activity of the College is managed through GUS Public Relations protocols.

LCCM

The LCCM Board will ensure that GUS is aware of any substantive quality or standards concerns that are brought to the attention of the LCCM board.

GUS will provide the LCCM board with an annual “Letter of Guidance and Expectations” which will provide the Board with both a summative expectation of strategic direction in the context of the wider Group and a framework for performance evaluation.

GUS will agree a budget on the basis of the submitted business plan. (This budget may be reviewed in the light of the LCCM quarterly reports)

GUS will investigate any LCCM concerns about the performance of the shared services and share the outcomes of those investigations with the LCCM board.

GUS will provide an innovation and incubator service to evaluate and, if justified, invest in LCCM innovation.

GUS will ensure that sufficient accommodation of the appropriate quality is provided to the LCCM board for the pursuit of the business plan.

GUS will advise and consult with LCCM board if it receives any formal offer for the purchase of a majority of shares in LCCM or for LCCM business/assets.

The consent of the Finance and Resources Committee is required for:

- appointments to Executive and tier 2 appointments;
- any transactions over £10k which were not identified in GUS approved annual plans;
- changes to the terms of employment of anyone earning base salary in excess of £50K;
- entering into any contract with annual value over £50k (unless in annual plan);
- Commencement or settlement of litigation of any value.

4. Governance: LCCM Academic Board (AB)

4.1 LCCM ACADEMIC BOARD: CONTEXT

The purpose, ToR and membership of the Academic Board is designed to provide a clear definition of the

role and function of the AB in the new Governance landscape. It maps and articulates its relationship with the LCCM corporate board, and specifically recognises AB’s primacy in all academic matters, characterised by:

- an unambiguous location for academic decision making, supported by clear arrangements for accountability, delegated powers and resource requirements;
- clear engagement with the student body to ensure the student voice is heard in all Academic Board discussions
- a new schedule of membership, which will include:
- the senior LCCM academic officer as its Chair
- ex-officio membership of senior officers
- members drawn from different areas of business across the institution
- external members/co-opted members
- an annual schedule of business;
- a commitment to annual self-review

4.2 ACADEMIC BOARD PURPOSES

The Academic Board is the academic authority of LCCM and shall take such measures and act in such a manner as shall best promote the academic and professional work of LCCM. Academic Board meetings will concentrate on major issues of academic strategy, policy, priority and performance.

The primary purposes of the Academic Board:

- to act as the academic authority for LCCM;
- to promote the academic and professional work of LCCM;
- to safeguard the standards of LCCM’s awards and ensure that students receive a high quality academic experience whilst studying at the College;
- to oversee the College’s academic management, including the curriculum and all aspects of quality and standards;
- to make regulations and policies, including those which delegates any of its powers (subject to the approval of the Board of Directors, through the Academic Standards and Ethics Committee).

In particular, it has the responsibility for:

- the maintenance of the threshold academic standards of the higher education awards conferred on the programmes delivered by LCCM on behalf of its degree awarding body(ies);
- the quality of the student learning opportunities;
- the quality of the information about LCCM's provision;
- the enhancement of the student learning opportunities.

4.3 ACADEMIC BOARD FUNCTIONS

The principle strands of operational work will include:

- approving policies, regulations and strategies;
- agreeing plans and priorities relating to setting and maintaining academic standards;
- approval of programmes (Inc. programme design);
- academic performance review: monitoring and reviewing institutional performance and making recommendations for improvement and enhancement;
- assuring and enhancing academic quality;
- regulating assessment and credit;
- advising and making recommendations to the Management Team (or equivalent) on issues related to academic standards, quality, and student experience;
- oversight of policies relating to admissions, accreditation of prior learning and entry standards, curriculum, learning and teaching, enabling student development and achievement, student engagement, assessment, external examining, programme monitoring and review, academic appeals and student complaints, qualifications, managing education provision with others, inter-institutional collaboration, scholarship and the provision of information about the College's education provision;
- evaluating and reporting on the effectiveness of the delegation of academic governance to committees.

4.4 COMMITTEES OF THE ACADEMIC BOARD

The Academic Board may establish such committees as it considers necessary to assist in the further and better discharge of its responsibilities. It will receive and consider regular reports from its sub-committees. Details of the membership and work of these sub-committees will form part of the

Academic Board's annual report to the Academic Standards and Ethics Committee, a committee of the LCCM Board.

4.5 ACADEMIC BOARD

Membership

- a. Principal or nominee (Chair)
- b. Vice Principal with responsibility for Learning Development
- c. Programme Administration Manager
- d. The Programme leaders
- e. Student Committee Members (2)
- f. Academic teaching staff, elected from their number (1)
- g. Two independent members from higher or professional education, one of whom is also a member of the Academic Standards and Ethics Committee of the Board

At the discretion of the Chair other members of LCCM and/or GUS staff may attend the Academic Board meetings.

4.6 TENURE

Categories a) – d) hold their positions through their contractual obligations with LCCM, but subject to re-election every two years.

Category e) shall serve for one year, renewable once Category f) and g) shall serve for three years, renewable once.

5. Management: LCCM Senior Management Team

5.1 LCCM SENIOR MANAGEMENT TEAM (SMT): CONTEXT

The SMT is the highest operational management tier within the institution.

5.2 SMT RESPONSIBILITIES

- To devise policies that implement the institution's strategic mission
- To support the Academic Board and Teaching and Learning team to implement the programmes designed
- To contribute to the setting of the annual budget
- To contribute to the drafting of the Annual Report as

required by the Principal

- To monitor marketing activity and student recruitment
- To manage institutional expenditure against budget
- To approve proposals to amend timetables, master calendars and booking systems to ensure that access to resources are maintained for students
- To have due regard to all relevant external reference points and codes of practice
- To manage designations, applications for licenses and collaborative partnerships
- To have overall responsibility for ensuring the accuracy and completeness of the institution's public information
- To consider minutes from Operational Departments, Programme Committees, Staff Student Forums and the Student Committee in the monitoring and enhancement of the institution and to approve, devise or require any action arising from such minutes and ensure that all actions are implemented effectively
- Where required, to act as or form part of panels in matters of staff recruitment, discipline, complaints, grievances or appeals
- To devise and review the institution's scholarship and bursary schemes
- To meet as required, normally monthly, and record brief minutes of the meetings focusing upon action points

5.3 SENIOR MANAGEMENT TEAM

Membership

- a) Principal
- b) Vice- Principal
- c) Director of Operations and Financial Control
- d) Programme Administration Manager
- e) Student Representative

In attendance

- a) Head of Recruitment
- b) Head of Marketing

6. Appendix 1: Academic Standards and Ethics Committee

6.1 ACADEMIC STANDARDS AND ETHICS COMMITTEE

The purpose of the Academic Standards and Ethics Committee is:

- to safeguard and keep under review the standard of education provided by LCCM;
 - to keep under review the quality of the education provided by LCCM;
 - to keep under review the standard of the qualifications awarded by LCCM, pursuant to its responsibilities in conjunction with third parties;
 - To monitor compliance with university policies (or aspects of policies) which seek to encourage high academic standards and related ethical behaviour in dealings with students and other stakeholders.
 - To receive Academic Board agendas and minutes and, at the Committee's discretion, copies of Academic Board papers.
 - To engage with Academic Board on changes in policies and practices that are intended to improve the delivery of educational content and student learning. In this context, to provide Academic Board with a sounding board for innovation and regulatory compliance
 - to advise the (Corporate) Board on any academic matter of concern or interest;
 - to receive copies of all external reports on the quality and standards of College programmes, including QAA HER reports, and accreditation or re-accreditation reports from professional bodies;
 - to receive, at its discretion, any internal reports of the academic performance of the College, its departments, its centres, or its programmes of study; and to seek clarification on any cause/effect relationships between student performance and academic policy and practice.
 - to receive a biannual report on quality and standards from the Academic Board, such report to include a summary of comments made by external examiners;
 - to have the right to commission reports on any aspect of academic work of the College (however it may not incur expenditure in this respect
- in excess of £5,000 without prior approval of the (Corporate) Board);
 - to satisfy itself on the arrangements made by the Academic Board for the nomination of external examiners for programmes leading to College awards and external members of any programme approval or review panel;
 - to note the appointment of the external members of the Academic Board.
 - To provide its minutes to the Board of Directors after each meeting and to highlight any matters that the Committee considers it should bring to the Board's attention.
 - To undertake periodic in-depth audits of any activity as directed by the Board of Directors

Committee Operations

Monthly reports on matters relevant to the Committee's business will be provided to Members by the Executive. The Committee will meet three times a year. Further meetings will be held at the discretion of the Chair to discuss issues that are material to the business of the Committee.

The minutes of the meetings of this Committee will be published within the University's intranet. In the event of personal, commercial or legally sensitive issues the Committee may request redactions to the minutes. The Chair of the Board will approve redactions at her/his discretion.

6.2 MEMBERSHIP

- Chair who will be a person of high standing within the UK higher education community;
- An elected student representative (who is a member of the Academic Board).
- A member of the academic staff (who is a member of academic board?).
- Two independent members, who shall be persons of high standing within the UK higher education community;
- the Principal;
- the Vice principal with responsibility for Learning Development;

The Academic Standards and Ethics Committee will meet four times per year, normally within one month of

the meetings of the Academic Board.

7. Appendix 2: Nominations Committee

7.1 NOMINATIONS COMMITTEE: PURPOSE

The purpose of the Nominations Committee is to:

- regularly review the structure, size, composition, skills and experience of the Board and make recommendations to the Board with regard to any adjustments considered necessary;
- when it is agreed that an appointment to the Board should be made, prepare a description of the skills and experience required for the particular appointment including, in the case of the proposed appointment of a new Chairperson of the Board or a non-executive director, an assessment of the time commitment required;
- make recommendations to the Board in relation to the appointment and/or retirement of the Independent Directors.
- ensure that appropriate procedures are adopted and followed in the nomination, selection, training, evaluation and re-election of non-executive Directors
- lead a selection process that shall be formal, rigorous and transparent, and be responsible for identifying, reviewing and recommending to the Board candidates for appointment, whether as executive or non-executive directors, ensure that all Directors, on joining the Board, undergo an appropriate induction programme;
- ensure that appropriate procedures are adopted and followed in the selection, training and evaluation of Principal and senior staff of the College
- undertake succession planning, for Directors and other senior executives, taking account of the challenges and opportunities facing the Company; ensuring that there is an appropriate portfolio of skills and experience within the Company and on the Board, with due regard in all cases to the diversity of the Board membership, including gender.
- make recommendations to the Board regarding the renewal of the terms of office of non-executive directors and the continuation (or not), in service of any Director at any time;

- make recommendations to the Board with regard to suitable candidates for the membership of Board Committees; and
- establish the policy for executive directors becoming non-executive directors of other companies and monitor its implementation.

The Nominations Committee has delegated authority to act within these terms of reference from the Board.

7.2 MEMBERSHIP

The Nominations Committee shall consist of the following persons:

- The Chairperson of the Board (chairperson)
- One independent non-executive director
- One shareholder-nominated Director

Appointments to the Nominations Committee are made by the Board and must enjoy the support of both shareholder-nominated Directors.

The quorum necessary for any Nominations Committee meeting shall be not less than two eligible members of the Nominations Committee, including at least one independent non-executive director.

The Chair may invite other non-executive Directors to attend at her/his discretion.

External advisors and other members of the Board may be invited to attend for all or part of any meeting as and when appropriate or necessary.

Note:

- a) If the independent non-executive director member is also Chair the Academic Standards and Ethics Committee, when the nomination of the non-executive director to Chair the Academic Standards and Ethics Committee is being discussed, an independent member of high standing with the UK quality community will be invited to join the committee, in place of the existing Chair of Academic Standards and Ethics Committee.
- b) No member of the Nominations Committee shall be in attendance whilst their own position is being discussed.
- c) Nominations Committee members will cease to be a member of the Nominations Committee if they:

- i. resign from the Nominations Committee; or
- ii. are requested to cease to be a member of the Nominations Committee by the Board.

7.3 CHAIR

The Chairperson of the Board shall chair meetings of the Committee. For matters relating to the Chairperson of the Board or the appointment of a new Chairperson of the Board, the Committee shall be chaired by a non-executive director and the Chairperson shall not attend or take part in such considerations.

7.4 AUTHORITY

The Nominations Committee is authorised to:

- investigate, or cause to be investigated, any activity within these terms of reference;
- obtain, at the Company's expense, outside legal or independent advice and such advisors may, at the invitation of the Nominations Committee, attend meetings as necessary; and
- meet to undertake its business, adjourn its meetings, and manage its business as it sees fit.

7.5 REPORTING PROCEDURES

The Nominations Committee shall:

- report to the Board, via its Chairperson, on its proceedings after each meeting on all matters within its duties and responsibilities;
- circulate to the Board copies of the minutes of each meeting of the Nominations Committee; and
- make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

7.6 OTHER

- The Nominations Committee shall:
- have access to sufficient resources in order to carry out its duties;
- be provided with appropriate timely training, both in the form of an induction programme for new members and on an ongoing basis for all members; and
- give due consideration to laws and regulations, including the general duties of directors set out in the Companies Act 2006.

The Committee may appoint or employ such professional advisers as it may consider appropriate to assist it in fulfilling its responsibilities.

Review The Committee shall review annually its terms of reference, recommending any changes to the Board. The performance of the Committee shall be reviewed as part of the formal annual Board appraisal.

7.7 MEETINGS

Meetings of the Nominations Committee shall be called by the Committee Secretary at the request of the Committee Chairperson and shall be held as required. The Committee Secretary shall minute the proceedings and resolutions of all Nominations Committee meetings, including the names of those present and in attendance.

8. Appendix 3: Audit Committee

8.1 AUDIT COMMITTEE: PURPOSE

The purpose of the Audit Committee is to:

- advise the Board on financial reporting, risk management and audit matters
- advise the Board on the appointment of the external auditors, the audit fee, the provision of any non-audit services by the external auditors, and any questions of resignation or dismissal of the external auditors;
- discuss with the external auditors, before the audit begins, the nature and scope of the audit;
- discuss with the external auditors, any problems and reservations arising from the interim and final audits, including a review of the management letter, incorporating management responses, and any other matters the external auditors may wish to discuss (in the absence of management where necessary);
- to report annually to the Board, its overall opinions on the adequacy and effectiveness of risk management, control, governance and value for money;
- consider and advise the Board on the appointment and terms of engagement of the internal audit (and the head of internal audit if applicable), the audit fee, the provision of any non-audit services by the internal auditors, and any questions of resignation or dismissal of the internal auditors;

- review the internal auditors' audit risk assessment, strategy and programme; consider major findings of internal audit investigations and management's response; and promote co-ordination between the internal and external auditors. The committee will ensure that the resources made available for internal audit are sufficient to meet the College's needs (or make a recommendation to the governing body as appropriate);
- require an annual report by the internal auditors offering clear opinions on risk management, control, governance and value for money;
- keep under review the effectiveness of the risk management, control and governance arrangements, and in particular review the external auditors' management letter, the internal auditors' annual report, and management responses to major findings of internal investigations;
- monitor the implementation of agreed audit-based recommendations, from whatever source;
- ensure that all significant losses have been properly investigated and that the internal and external auditors have been informed;
- keep under review the College's policy and procedures for detecting fraud and irregularity, including being notified of any action taken under that policy;
- keep under review the College's policy and procedures for the prevention of bribery and received reports on non-compliance;
- review regular reports from the Money Laundering reporting Officer and the adequacy and effectiveness of the College's anti-money laundering systems and controls;
- review regular reports from the compliance officer and keep under review the adequacy and effectiveness of the College's compliance function;
- satisfy itself that suitable arrangements are in place to promote economy, efficiency and effectiveness;
- monitor annually the performance and effectiveness of the external and internal auditors, including any matters affecting their objectivity, and make recommendations to the governing body concerning their reappointment, where appropriate;
- consider elements of the annual financial statements in the presence of the external auditors, including the auditors' formal opinion; and
- in the event of the merger or dissolution of the College, ensure that the necessary actions are completed, including arranging for a final set of financial statements to be completed and signed off.

8.2 MEMBERSHIP

The Audit Committee shall consist of the following persons:

- Two non-executive Directors, including a shareholder-nominated Director
- A Chair who may be an independent Director or an independent co-opted Chair
- At least one member should have recent relevant experience in finance, accounting or auditing
- The Chair of the Board should not be a member of the Audit committee
- The quorum necessary for an Audit Committee meeting shall be not less than two eligible members, including one independent non-executive director and one shareholder-nominated Director
- The committee may, if it considers it necessary or desirable, co-opt members with particular expertise.

8.3 ATTENDANCE AT MEETINGS

No one other than the chairperson and members of the audit committee is entitled to be present at a meeting of the audit committee. The chairperson and members of the audit committee shall, however, have the discretion to decide if other individuals may be invited to attend for all or part of any meeting, as and when appropriate and necessary.

It is expected that the external audit lead partner will be invited regularly to attend meetings, as well as the finance director of the College. However, at least once a year the committee should meet with the external and internal auditors without any officers present to discuss matters relating to its own remit, constitution and terms of reference to ensure that it is operating at maximum effectiveness.

A member of the audit committee may participate in committee meetings by telephone or skype or similar online video call.

8.4 FREQUENCY OF MEETINGS

Meetings shall normally be held four times each financial year and otherwise as the chairperson of the committee shall require. Meetings of the audit committee shall be called at the request of any member of the audit committee or at the request of external or internal auditor if they consider it necessary. A meeting shall be held as soon as reasonably practicable upon such a request.

9. Appendix 4: Remuneration Committee

9.1 REMUNERATION COMMITTEE: PURPOSE

The purpose of the Remuneration Committee is to advise the Board on the framework and policy of remuneration for the Principal, executive Directors and Senior Staff of the College.

9.2 DUTIES

The duties of the committee shall be to:

- (a) advise the Board on the framework and policy for the remuneration of the College's Principal, chairperson, directors, college secretary and any other such members of the senior management as it is designated to consider
- (b) ensure that no person is involved in any decision or discussion as to their own remuneration;
- (c) review the ongoing appropriateness and relevance of the remuneration policy, taking into account any relevant legal and regulatory requirements;
- (d) Annual pay oversight (ex. Executive): to receive proposals from the executive regarding pay reviews for college staff; to recommend to the Board changes in the remuneration as a result of receiving these proposals
- (e) advise the Board on the design of, and determine targets for, any performance related pay schemes operated by the College and approve the total annual payments made under such advise the Board on the policy for, and scope of, pension arrangements for each of the directors and other senior officers of the College; to receive reports on the performance of senior staff against those objectives and to recommend resulting incentive payments to the Board; to ensure that failure is not rewarded and that duty to mitigate loss is fully recognised.
- (f) ensure that contractual terms on termination, and any payments made, are fair to the individual and the College, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- (g) within the terms of the agreed policy and in consultation with the Board, advise the Board on the total individual remuneration packages for each director and senior manager including bonuses and incentive payments; annually, to review remuneration of the executive and recommend changes to the Board; to recommend to the Board remuneration packages for new appointees to the

- executive team; to use appropriate comparative executive remuneration and benefits
- (h) to advise the Board on the policy for, and scope of, pensions arrangements within the college; to oversee any major changes in employee benefits structures across the company
- (i) review and advise the Board on the policy for authorising claims for expenses from the Principal and Senior Staff.
- (j) ensure that all provisions regarding disclosure or remuneration, including bonus payments and pensions, are fulfilled;
- (k) be exclusively responsible for establishing selection criteria, appointing and setting terms of reference for any remuneration consultants who advise the committee.
- (l) Annually to review fees paid to non-executive members of the Board's committees and to recommend to the Board any proposed changes
- (m) Annually to provide a report to the Board on its decision and its operations

9.3 MEMBERSHIP

The Remuneration Committee shall consist of the following persons:

- One Shareholder nominated Director (who shall be Chair)
- One independent non-executive director
- One independent external member, nominated by the Board

The quorum necessary for any Remuneration Committee meeting shall be not less than two eligible members of the Remuneration Committee, one of whom must be the Director nominated by the shareholders.

9.4 OPERATIONS

No one other than the members of the remuneration committee are entitled to be present at a meeting of the remuneration committee. The chairperson and members of the remuneration committee shall, however, have the discretion to decide if other individuals may be invited to attend for all or part of any meeting, as and when appropriate and necessary.

A member of the remuneration committee may participate in committee meetings by telephone or skype or similar online video call.

9.5 FREQUENCY OF MEETINGS

Meetings shall normally be held twice each financial year and otherwise as the chairperson of the committee shall require. Meetings of the remuneration committee

shall be called at the request of any member of the committee if they consider it necessary. A meeting shall be held as soon as reasonably practicable upon such a request.

9.6 ADVICE

The committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of non-members with relevant experience and expertise if it considers this necessary. However, it may not incur direct expenditure in this respect in excess of £7,500 without the prior approval of the Board.

10. Appendix 5

Finance and Resources Committee

10.1 THE FINANCE AND RESOURCES COMMITTEE IS A COMMITTEE OF THE BOARD.

The general purpose of the Finance and Resources Committee is to advise the Board on in respect of budgets, treasury and external financing matters (as set out in more detail in the Finance and Resources Committee terms of reference, below).

10.2 THE COMMITTEE SHALL CONSIST OF THE FOLLOWING PERSONS:

- One (1) shareholder nominated director (Chairperson)
- One (1) independent non-executive director
- The Principal
- The Director of Finance

Up to two (2) additional independent members may be co-opted at the discretion of the chairperson in consultation with the shareholders in order to provide any additional expertise which the Finance and Resources Committee may require. Such appointments, and their tenure, must be notified to the Board.

The Chair of the Committee shall have the discretion to invite other individuals to attend for all or part of any meeting.

The Chair of the Audit Committee of the Board may not be a member of the Finance and Resources Committee.

10.3 THE QUORUM NECESSARY FOR ANY FINANCE AND RESOURCES COMMITTEE MEETING SHALL BE NOT LESS THAN THREE (3) ELIGIBLE MEMBERS OF THE FINANCE AND RESOURCES COMMITTEE.

At least one of whom must be an independent non-executive director. A member of the Finance and Resources Committee may participate in committee meetings by telephone or skype or similar online video call.

10.4 QUESTIONS ARISING AT ANY FINANCE AND RESOURCES COMMITTEE MEETING SHALL BE DETERMINED BY A MAJORITY OF VOTES.

The chairperson of the Finance and Resources Committee shall not have a second or casting vote. Co-opted members shall be non-voting.

10.5 AFTER CONSULTATION WITH THE SHAREHOLDERS, THE BOARD MAY ALTER THE COMPOSITION OF THE COMMITTEE AT ITS DISCRETION.

Terms of Reference

- (a) Consider and review all matters of financial strategy and policy, advise the Board on its approval, and monitor and report on any subsequent changes;
- (b) Scrutinise the annual budget, financial forecasts and operational plan prepared by the executive of the Company and advise the Board on their adoption;
- (c) Review management accounts and monitor performance against the financial and resource objectives approved in the Company's plans and budgets;
- (d) Consider expenditure not budgeted and advise the Board on the financial and the resource implications of such expenditure;
- (e) Consider and recommend for approval by the Board a treasury management policy for the Company and consider cash flow forecasts to determine liquidity levels in line with key financial indicators;
- (f) Review the investment policy regularly, including risk appetite, investment parameters and ethical policy, and advising the Board on the adoption of any proposed changes;

Consider and advise the Board on any significant financial risks to the Company's operational plan and budget, including the financial implications of any nonfinancial risks;

- (h) Consider and advise the Board on the tuition and other fees, and income receivable;
- (i) Evaluate proposals for capital investment and make recommendations to the Board on investments;
- (j) Be consistent with London College of Creative Media's financial regulations, as approved by the Board, with regard to delegated power of expenditure authorisation;
- (k) Consider the budgetary impact of proposed variations to activities through restructuring, acquisition/disposal or other significant changes and report to the Board;
- (l) Advise the Board on strategic matters relating to London College of Creative Media's estate including financial implications of leasing issues.
- (m) Keep under review the long term financial sustainability of the Company, including overall borrowing position and requirements, monitoring the financial position and future prospects of the Company to ensure that the Company can meet its commitments and strategic objectives;
- (n) Advise the Board on the affordability of performance related pay for the senior management team; and
- (o) Carry out such additional duties as may be delegated by the Board.

At least once a year the non-executive members of the committee should meet without any officers present to discuss matters relating to its own remit, constitution and terms of reference to ensure that it is operating at maximum effectiveness. The conclusions of that meeting shall be shared with the non executive members of the Board. Any material changes will require Board approval.

Frequency of meetings

Meetings shall be held as the chair of the committee shall require, but at least once a quarter. Meetings of the Finance and Resources Committee shall also be called at the request of any member of the Finance and Resources Committee or at the request of the Board if they consider it necessary. A meeting shall be held as soon as reasonably practicable upon such a request.

Notice of meetings

Unless otherwise agreed, notice of each meeting confirming the venue, date and time together with an agenda of items to be discussed and supporting papers, where appropriate, shall be forwarded to each member of the Finance and Resources Committee and any person invited to attend no later than five (5) Business Days prior to the date of the meeting. All reasonable efforts shall be made to give notice of meetings of the Finance and Resources Committee to all members of it and to arrange such meetings so that members are able to attend them.

Authority

A duly convened meeting of the Finance and Resources Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Finance and Resources Committee.

The committee is authorised by the 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.

The committee is authorised by the Board to obtain outside legal or other independent professional advice and to secure the attendance of non-members with relevant experience and expertise if it considers this necessary, normally in consultation with the Chief Executive Officer and/or Chairperson. However, it may not incur direct expenditure in this respect in excess of £10,000 without the prior written approval of the Board.

The Finance and Resources Committee will review the budgeting and financial performance and the financial strategy, planning and policy of the Company.

Reporting procedures

The secretary of the Finance and Resources Committee shall prepare minutes of proceedings and decisions for all meetings of the Finance and Resources Committee, including the names of those present and in attendance, and, after approval and signature by the chair of the Finance and Resources Committee, shall circulate the minutes to all members of the Finance and Resources Committee and to the Chairperson of the Board and, once agreed, to all other members of the Board,

unless the Chair of the Board decides that it would be inappropriate to do so.

The Finance and Resources Committee will prepare an annual report covering the Company's financial year and any significant issues up to the date of preparing the report.

The report will be addressed to the Board and the Chief Executive Officer and will summarise the activity of the committee for the year.

The Finance and Resources Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

Secretary

The secretary to the Finance and Resources Committee will be the secretary of the Company (or other appropriate independent individual as appointed by the Finance and Resources Committee)

11. Appendix 6: Student Committee

11.1 THE STUDENT COMMITTEE

is composed of student members elected by the student body as a whole to represent all students and programmes, together with all student programme representatives ex officio. From amongst and by the Elected Members of Student Committee, one member shall be elected to be Chair of the Committee. For the avoidance of doubt, all references to the "Student Committee Representative" shall mean the Chair of Student Committee.

11.2 THE STUDENT COMMITTEE SHALL BE CONSIDERED QUORATE IN MEETINGS WHERE AT LEAST 50% OF THE MEMBERS ARE PRESENT.

The Student Committee shall include five elected members together with all Student Programme Representatives ex officio. Where a voting matter does not result in a simple majority, the Chair shall have a casting vote.

11.3 ELECTIONS FOR THE STUDENT COMMITTEE WILL BE HELD DURING THE FIRST TERM OF EACH YEAR.

Students will not be able to serve beyond the duration of their course nor to stand for election if currently a Student Programme Representative.

Elections will be managed by the Student Committee and supported by the Teaching and Learning team.

Membership

- Elected annually by and from amongst the Elected Members of Student Committee: Chair
- Elected annually by and from amongst the current students of the College: Elected Members
- Ex Officio: Student Programme Representatives
- Invited
- Principal, or VP at discretion of the Student Committee

Clerk

Programme Administration team

Terms of Reference

- To represent the views of the student body on academic matters cross-College (i.e. such as go beyond the remit of an individual Programme Committee) along with pastoral, extra-curricula and non-academic matters in general, including taking forward, on behalf of the student body, matters raised at Staff / Student Forum with the Principal and SMT
- To assist the Senior Management Team in the development of extra-curricular activities such as events, social activities, societies, pastoral support, welfare, extra-curricular activities and open days
- To communicate the outcomes of Student Committee meetings to the student body
- To act as ambassadors for the institution and help new students and student applicants where appropriate
- To assist and support students with minor problems and direct students with more serious concerns to the relevant departments
- To assist and advise the Senior Management Team as part of the institution's Annual Review System
- To assist in drafting student submissions for external reviews
- To meet twice per academic year and take minutes for the meetings