

SCHEME OF RESERVATION AND DELEGATION

1. Introduction

- a) This document sets out a scheme of reservation and delegation made by the Corporation to address its responsibilities.
- b) Nothing in this document overrides the provisions of the Instrument and Articles of Government of Cleveland College of Art and Design which are the primary authority for guidance on the conduct of the Corporation's business.
- c) Quotations from regulations and guidance provided by other organisations and the commentary in this document are intended to provide the sources for the philosophical framework in which the Corporation undertakes its responsibilities.

2) Role of the Corporation

The Corporation's responsibilities as required by the Further and Higher Education Act 1992 (as amended by Education Act 2011, Schedule 4 Part 2, paragraphs 6(3)(b) and 6(3)(c), include:

“...the determination and periodic review of the educational character and mission of the institution and the oversight of its activities ...the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets”.

3) Educational Character and Mission:

- a) The FEFC Guide for Governors identified those features contributing to the educational character as:

“... the broad purpose and strategic direction of the College, the nature of its educational programme, pattern of courses and any special characteristics of its range of subjects, its overall ethos, admissions policy and its relationship to its communities.” (*FEFC Guide for Governors 1994 - Paragraph 7.13*)

- b) As has been widely recognised, Colleges are dynamic, changing organisations that react or respond differently to the pressure for change placed upon them according to how they are managed and governed. Therefore, the determination of the educational character has a very particular importance, as the primary responsibility of the Board within the overall requirement to take an overview of the whole institution when setting its future direction.

4) Financial Solvency, Resources and Asset Safeguarding:

- a) The responsibility of the Corporation for ensuring the statutory duties relating to financial solvency and the resources of the College is set out in Articles 1.e and f, which have two main aspects:

- i) “the Corporation is accountable ... for the financial health of the College and for ensuring that it remains solvent; and
- ii) “the Corporation, through the Principal/Chief Executive, must ensure the effective and efficient deployment, management and use of available resources, including human resources, property and other assets, and consider the financial implications of its decisions.” (*FEFC Guide for Governors, Section 7.23*)

Whilst government funding agencies may change, the fundamental principles relating to financial solvency remain.

5) **Oversight of Activities: Distinctions between Governance and Management**

- a) The Corporation has adopted a strategic model of governance, based on ensuring clarity of understanding and effective execution of the roles of governors and managers. As a framework, it provides a way for the board to look at corporate issues, separating its role from that of management, delegating powerfully, yet retaining its own accountability.
- b) The relationship between the Corporation and the Principal is fundamental to the successful management of the affairs of the College, at the heart of which is the distinction between governance and management.
- c) A Colleges’ Employers’ Forum publication summarised some of the issues. “Governors have taken to heart the distinction between their concern for strategy and the responsibilities set for their managers of operational control and identifying and bringing forward crucial issues of policy with the necessary supporting information. Here, as elsewhere, however, there is a need to exemplify and test meanings in a rapidly changing arena of operation”.

“Dedicated part-time members of a board cannot, and it is cogently argued, should not, manage the affairs of the College, rather they should recognise their particular role and contribution and work in partnership and harmony with their principal.” (*Section 3.2*)

- d) Therefore, the overall aim of the Corporation should be to maintain its **strategic governance** role i.e. to agree its operational framework and strategies to ensure that it is able to monitor progress in implementing them. This requires having objective and effective means of knowing whether the College is being properly managed to fulfill its mission, and that it is in good financial health.

- e) As the FEFC Guide emphasised:

“Except in the most unusual circumstances, it is not the function of the Governing Body to become involved in detailed scrutiny of the management and administration, and teaching programmes of the College. Rather, it will encourage the Principal to get on with the task, but within a clear framework of accountability, including the policies

and objectives in the College's strategic plan that the governing body itself has approved." (*Paragraph 5.7*)

- f) Therefore, it is recognised that, to achieve this, it is both necessary and good governance for a corporation to delegate matters to its committees and to the Principal and Chief Executive, in a way that reflects the complexity of the College and the experience of the management team.

- 6) **Delegation of Responsibilities by the Corporation of Cleveland College of Art and Design**
 - a) The Corporation accordingly delegates many of its functions to:
 - i) its committees
 - ii) the Principal and Chief Executive
 - iii) the Chair of Corporation

 - b) The arrangements for delegation are set out below in order to provide Members with a clear statement of the arrangements for delegation in the context of the statutory provisions.

- 7) **The Corporation**
 - a) The Articles of Government (Articles 1 and 4) set out the powers that the Corporation is responsible for and those that it reserves to itself that cannot be delegated.

 - b) Further, the **SFA Financial Memorandum** states:
 - 5. "The Chief Executive recognises that the Corporation is an independent body and that the Governing Body is responsible for the management of the College and for ensuring the financial viability of the Corporation.

 - 6. The Governing Body is responsible for, and shall inform the Chief Executive of any transaction that could jeopardise financial viability. The Governing Body shall demonstrate that all transactions achieve value for money for Funds.

 - 7. The Governing Body is responsible for the use of Funds. To assist it to discharge this responsibility and to provide clear accountability, this Governing Body shall appoint an accounting officer with an appropriate separation of duties between executive and nonexecutive roles and responsibilities. The expectation is that the accounting officer will be the chief executive officer of the College.

 - 8. The Governing Body shall ensure that there is an accounting officer in place at all times. The Governing Body shall inform the Chief Executive in writing of the name and position of the accounting officer, and if the accounting officer is absent from the College for an extended period, the name of the person who will discharge the accounting officer's responsibilities during the absence".

 - c) The Corporation is responsible for financial, estates and employment matters, including:

- i) Monitoring financial performance and solvency, academic activities, including the achievement of students, management effectiveness and the College's employment policies.
 - ii) Authorising significant expenditure or variations in budget allocations in accordance with the College's Financial Regulations.
 - iii) Determining the College's Financial Regulations.
 - iv) Determining the Capital Project Strategy
 - v) Determining all other matters that are not delegated to a committee, to the Chair or to the Principal and Chief Executive.
- d) The Corporation will govern strategically, with an emphasis on:
- i) outward vision rather than internal preoccupation
 - ii) encouragement of equality and diversity
 - iii) strategic leadership over administrative detail
 - iv) distinction between board and executive roles
 - v) decision making that is collective rather than individual
 - vi) the future, as opposed to the past or present
 - vii) proactivity rather than reactivity.
- 8) **The Chair**
- a) The Chair is responsible for ensuring on behalf of the Members that the business of the Corporation focuses on strategic leadership and monitoring outcomes, and is appropriately organised by the Clerk & Governance Advisor, and for acting as the communication link between the Members and the Principal and Chief Executive.
- b) From time to time, it will be necessary for the Chair, or the Vice-Chair in his or her absence, to act on behalf of the Corporation between meetings. There are occasions when issues arise which should be placed before the Corporation but the next scheduled meeting is too distant and it is not thought appropriate to call a special meeting. In such circumstances the Corporation delegates to the Chair authority to take action on behalf of the Corporation, after taking advice from the Clerk & Governance Advisor and/or Principal and Chief Executive if this is appropriate, provided that:
- i) such a course of action is not contrary to the Instrument and Articles of Government or other regulations;
 - ii) the Clerk & Governance Advisor, Chair (or the Vice-Chair in his or her absence) in consultation with the Principal and Chief Executive, advises it is appropriate to seek the views of the Chair of the committee associated with the issue;
 - iii) the actions taken by the Chair shall be reported to the next scheduled meeting of the Corporation, for ratification of the Chair's action.
- 9) **Principal and Chief Executive**
- a) The Articles of Government set out the responsibilities of the Principal, including the organisation, direction and management of the College, the effective working of the College's structures and systems, and for the leadership of the staff of the College.

- b) Further, under the Financial Memorandum the Principal and Chief Executive is identified as the Accounting Officer and has the following responsibilities:

“...the Governing Body shall require the accounting officer to take personal responsibility, which shall not be delegated, to assure them that there is compliance with the Financial Memorandum and all other terms and conditions(Paragraph 9)

...The Accounting Officer shall be responsible for advising the Governing Body in writing if, at any time, in his or her opinion, any action or policy under consideration by the Governing Body is incompatible with the Financial Memorandum. If the Governing Body resolves to continue with the course of action or policy that the Accounting Officer considers to be in breach of the Financial Memorandum, the Accounting Officer shall inform in writing the Chief Executive of the relevant government funding agency”. (Paragraph 10)

- c) Further, the Principal and Chief Executive may be required to appear before the Public Accounts Committee on matters relating to the funds paid by the government’s funding agency(ies) to the College. (Paragraph 9)

- d) The Corporation hereby delegates further powers and assigns responsibilities to the Principal and Chief Executive as follows:

- i) Informing the Corporation, its committees and/or the Chair, as appropriate, of all significant matters, achievements, activities and events related to the work of the College.
- ii) With the benefit of appropriate professional advice if necessary, setting a framework for the pay and conditions of service of staff other than senior postholders (as from time to time defined) whose pay and conditions of service shall be determined by the Corporation.
- iii) With the benefit of appropriate professional advice and following consultation with staff and/or their representatives, in each case if necessary, setting a framework of rules relating to the conduct of staff (except senior postholders), including discipline, grievance, dismissal and suspension procedures, and reporting annually on the framework to the Corporation.
- iv) Hearing any appeal against dismissal by a member of staff, where, in accordance with authority delegated by the Principal and Chief Executive, the dismissal has been carried out by another senior member of staff.
- v) With the benefit of appropriate professional advice and following consultation with students and/or their representatives, in each case if necessary, setting a framework of rules relating to the conduct of students, including suspension, expulsion, discipline, academic appeals and complaints procedures, and reporting annually on the framework to the Corporation.
- vi) Making any rules and bye-laws for the government and conduct of the College that are not the statutory non-delegable responsibility of the Corporation.

- vii) Determining all matters relating to the establishment, constitution and conduct of any student body or other social or representative organisation for students that are not the statutory non-delegable responsibility of the Corporation, and reporting annually to the Corporation.
 - viii) Preparing or authorising the College's responses and communications to other organisations in accordance with Corporation policy.
 - ix) Determine arrangements for termination of employment and other contractual terms including severance packages and employee tribunal settlements described in the financial regulations.
 - x) It is possible for the Principal and Chief Executive to vire from non recurring headings to recurring headings or from capital to revenue / revenue to capital in line with virement limits described in the Financial regulations.
- e) The Corporation is content for the Principal and Chief Executive (if he / she so wishes to) hereby delegate further powers and assign responsibilities to the Vice Principal (Resources) and Vice Principal (Academic) within the following parameters:
- i) The authority to suspend staff. Appeals against suspension are heard by the Corporation or the Principal.
 - ii) Oversee the process for maintaining staff and student discipline including overseeing the process of investigations and complaints within the rules and procedures provided.
 - iii) Chair disciplinary panels making recommendations to the Principal.
 - iv) Design and approve job descriptions and job adverts.
 - v) Responsibility for purchases within their department.
 - vi) Appointment of staff to posts within the existing staffing establishment.
- f) The Principal and Chief Executive shall not knowingly, negligently or recklessly cause or allow any practice, activity, decision or organisational circumstance that is unlawful, imprudent, or in violation of generally accepted business and professional ethics or generally accepted accounting principles.
- g) With respect to the treatment of students and staff of the organisation, the Principal and Chief Executive shall not knowingly, negligently or recklessly cause or allow any practice, activity, decision or organisational circumstance that would cause or allow conditions that are unsafe, unfair or undignified.
- 10) **Monitoring and statutory responsibilities**
- a) The Corporation "should be supplied in a timely manner with information in a form and of a quality appropriate to enable it to discharge its duties". [Higgs Report – Part 1 Principles of Good Governance January 2003]. To that end, an annual calendar of Corporation and committee meetings will be drawn up

by the Clerk & Governance Advisor, in liaison with the Chair, Committee Chairs, the Principal and Chief Executive, and members of the College leadership group.

The calendar will identify the key standing reports and business items that will enable the Corporation to fulfill its strategic decision making and monitoring role, and meet its statutory responsibilities.

- b) In the preparation of meeting papers, authors should be mindful of the Corporation's strategic role and responsibilities. Reports should be driven by outcomes and provide assurance on progress towards strategic objectives and targets. They should be written at executive summary level, with context given to the subject matter of the report where required and restatement of relevant key performance indicators, targets, and local and College benchmark data to enable strategic level monitoring of progress. An executive summary, together with expected outcomes and relevant supplementary information, should provide Members with the information necessary to fulfill their strategic responsibilities.
- c) It will be the responsibility of members to "constructively challenge and contribute to the development of strategy" and "scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance", satisfying themselves "that financial information is accurate and that financial controls and systems of risk management are robust and defensible". [Higgs Report – Code of Best Practice].

11) **The establishment of Corporation Committees**

- a) The Corporation may establish committees or working groups for any purpose or function, other than those assigned in the Articles of Government to the Principal and Clerk & Governance Advisor, and may delegate powers to:
 - i) such committees and working groups
 - ii) the Chair, or in the Chair's absence, the Vice Chair, or
 - iii) the Principal.
- b) The Corporation may also establish committees or working groups under collaboration arrangements with other further educational institutions or maintained schools (or with both), and such joint committees shall be subject to statutory or regulatory requirement.
- c) The Corporation has established 3 committees:
 - i) An Audit Committee
 - ii) A Remuneration Committee
 - iii) HE Academic Board
- d) The Corporation has established a number of working groups as follows:
 - i) Property Strategy and Student Accommodation Working Group
 - ii) Governance Oversight Working Group

- e) The Corporation delegates powers and responsibilities to the committees and working groups, as set out in terms of reference.
 - f) The present membership of the Corporation and its Committees is set out in **Appendix A**. Membership of Committees may be varied from time to time by resolution of the Corporation.
 - g) The number of members of a committee, and the terms on which they are to hold and vacate office, shall be decided by the Corporation.
 - h) Any committee established by the Corporation, other than a committee established to consider the case for dismissal or an appeal in connection with the dismissal of the Principal, the Clerk & Governance Advisor or a senior postholder, may include persons who are not members of the Corporation.
- 12) **Grievance, suspension and disciplinary procedures**
- a) The Corporation will approve, following consultation with senior post holders (including the Clerk & Governance Advisor), procedures for senior post holders covering grievance, suspension, discipline and dismissal.
 - b) Any rules made relating to discipline and dismissal procedures (whether by the Corporation under paragraph a) shall be carried out in line with the appropriate Corporation Policy.
 - c) Any rules made relating to suspension (whether by the Corporation under paragraph a) shall be carried out in line with the appropriate Corporation Policy.
- 13) **Students**
- a) The Student Union shall conduct and manage its own affairs in accordance with a constitution approved by the Corporation.
 - b) After consultation with representatives of students, undertaken by the College, the Principal on behalf of the Corporation Board shall approve rules concerning the conduct of students, including procedures for their suspension and expulsion (including expulsion for an unsatisfactory standard of work or other academic reason).
- 14) **Financial matters**
- a) The Corporation shall set the policy by which the tuition and other fees payable to it are determined, subject to any terms and conditions attached to grants, loans and other payments paid or made by government funding agencies.
- 15) **Statements made on Behalf of the Corporation or the College**
- a) Unless otherwise agreed by the Corporation to meet the needs of specific circumstances, it is agreed that statements on behalf of the Corporation will only be made by the following:
 - i) the Chair or in his/her absence, the Vice-Chair;

- ii) the Principal and Chief Executive, Vice Principal or a suitably qualified individual, for example Marketing Manager;
 - iii) the Clerk & Governance Advisor.
- b) It is recognised that the majority of items which require public statement concern the strategic management and day-to-day operation of the College and thus are dealt with by the Principal and Chief Executive, Vice Principal or suitably qualified individual.
- c) Members should exercise care in responding to correspondence and avoid implying that they speak on behalf of the College or Corporation, except when specifically authorised. Advice should be sought from the Clerk & Governance Advisor, the Chair or the Principal and Chief Executive in such circumstances.

RESOLUTION

The Corporation approves the Governance arrangements, as set out in this paper, “Governance and Delegation of Powers”. This document replaces all previous resolutions and statements on governance and delegation of powers.
Corporation Meeting x

Appendix A



COMMITTEE MEMBERSHIP ACADEMIC YEAR 2014/15

**CORPORATION CHAIR - GRAHAM ROBSON
CORPORATION VICE CHAIR - PATRICK SMITH**

AUDIT (Quorum 3)
IAN BUTCHART (CHAIR)
MARK STOKELD
BOB KERR
IAN SWAIN

REMUNERATION (Quorum 2)
PATRICK SMITH (CHAIR)
IAN SWAIN
PHIL TROTTER
SARAH FAWCETT

SPECIAL COMMITTEE
PHIL TROTTER (CHAIR)
MARK STOKELD

STAFF APPEALS COMMITTEE
3 MEMBERS DRAWN FROM THE MEMBERS OF THE CORPORATION BOARD
ON AN "AS AND WHEN REQUIRED " BASIS

GOVERNANCE OVERSIGHT WORKING GROUP (Quorum 3)
PATRICK SMITH (CHAIR)
PHIL TROTTER
MARK STOKELD
MARTIN RABY

**PROPERTY STRATEGY AND STUDENT ACCOMODATION WORKING GROUP
(Quorum 3)**
IAN SWAIN (CHAIR)
GRAHAM ROBSON
PHIL TROTTER
PATRICK SMITH
MARTIN RABY
JAMIE MACDONALD

HE ACADEMIC BOARD (Quorum 4 of the full membership inc 2 Governors)

MARK STOKELD

MARTIN RABY

ACADEMIC MEMBERS OF STAFF