

Board Meeting

Date of Meeting	Monday 6 October 2014
Paper Title	Draft Performance and Resources Committee Terms of Reference
Agenda Item	7
Paper Number	BM3-E
Responsible Officer	Julia Henderson, Advisor to the Board
Status	Disclosable
Action	For approval

1. Report Purpose

- 1.1** To provide the Board with draft terms of reference for a Performance and Resources Committee (appendix 1); membership of the Committee to be determined thereafter by the Chair of the Board in discussion with Members and in accordance with the membership qualifications set out in the terms of reference.

2. Recommendations

- 2.1** The Board is asked to approve the establishment of the Committee and to adopt the draft terms of reference for each Committee, subject to any proposed and agreed amendments.

3. Background

- 3.1** The terms of reference are standard and have been drafted to reflect good practice and the operating context of the Board. The Advisor to the Board shared the terms with the Director of Finance at the Scottish Funding Council who was content with the terms, save a couple of small amendments.
- 3.2** The Board has already agreed terms of reference for its core committees, as required in terms of The UK Corporate Governance Code – the Audit Committee and the Nominations and Remuneration. It is proposed that an additional committee would be useful to support the Board's roles in relation to finance, performance and resources (which includes Estates). This proposal was raised with the Nominations and Remuneration Committee at its last meeting and was received positively.

- 3.3** The Committee's role contains explicit reference to its role in monitoring the Estates and Curriculum Plan. Whilst it is perhaps less usual to include what is a time limited project (albeit to 2020) within the scope of terms of reference it is suggested that this additional clarity may be helpful for the overall Governance of the project. The terms of reference can be amended at any time with the Board's approval. The terms should be reviewed early in the life of the Committee, particularly as the Board moves beyond its transitional phase to fundable body status.

4. Legal Implications

- 4.1** The terms of reference under the headings of finance and performance reflect all of the Board's relevant statutory responsibilities in those areas of operation, as set out in the Further and Higher Education (Scotland) Act 2005, as amended by the Post 16 Education (Scotland) Act 2013.
- 4.2** The Further and Higher Education (Scotland) Act 2005 provides in Schedule 2, that the Board may establish committees and is to determine the terms and conditions of membership, the procedures and the composition. This is reflected in the Board's Constitution and the terms of reference for its Committees.
- 4.3** In terms of the Act the Board will be required to comply with principles of good governance, as a condition of funding from the Scottish Funding Council (SFC). The establishment of these committees and the approval of appropriate terms of reference are likely to be criteria in the SFC's determination of compliance.

5. Financial Implications

- 5.1** No cost implications in implementation.

6. Risk Analysis

- 6.1** The Board should establish a formal, effective and transparent committee system to manage its business and ensure compliance with its statutory responsibilities, by way of delegated authority, as is appropriate. This Committee should have the time to explore issues on behalf of the Board in more detail, as appropriate, which the Board itself would not otherwise have. The Committee also has the ability to co-opt non-Board members to add to the existing skills and expertise of Members.

Glasgow Colleges' Regional Board

Performance and Resources Committee

Terms of Reference

1. CONSTITUTION

- 1.1** The performance and resources committee is constituted as a committee of the Board of the Glasgow Colleges' Regional Board (hereinafter referred to as the Board).
- 1.2** The committee's terms of reference may be amended at any time by the Board.
- 1.3** The committee may from time to time investigate, discuss or review matters outside its terms of reference if required to do so by the Board.

2. AUTHORITY

- 2.1** The committee is authorised:
 - a) to seek any information it requires from any employees of the Board in order to perform its duties;
 - b) to obtain, at the Board's expense, outside legal or other professional advice on any matter within its terms of reference;
 - c) to co-opt members for a period of time (not exceeding a year, and with the approval of the Board) to provide specialist skills, knowledge and experience which the committee requires at a particular time; and
 - d) to invite any person to a meeting of the committee as and when required.

3. MEMBERSHIP

- 3.1** The committee shall be appointed by the Board from amongst its members and shall consist of not less than four members, at least one of whom should have recent and relevant financial experience.
- 3.2** The Chair of the committee shall be appointed by the Board.
- 3.3** Appointments to the committee shall be for a period of up to two years, which may be extended for further periods of up to two years, provided the member still meets the criteria for membership of the committee.
- 3.4** The Board Secretary is Secretary to the committee.

4. ATTENDANCE AT MEETINGS

- 4.1** The quorum necessary for the transaction of the business of the committee shall be at least two committee members.
- 4.2** Only members of the committee have the right to attend committee meetings. However, other individuals such as the Chair of the Board, members of the Board's staff, Assigned College Principals and Assigned College staff may be invited to attend all or part of any meeting, as and when appropriate.

5. FREQUENCY OF MEETINGS

- 5.1** Meetings shall be held at least three times a year at appropriate times in the reporting and audit cycle and otherwise as required.

6. NOTICE OF MEETINGS

- 6.1** Meetings of the committee shall be called by the Secretary of the committee at the request of any of its members.
- 6.2** Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed and supporting papers, shall be forwarded to each member of the committee, any other person required to attend, no later than five working days before the meeting.

7. MINUTES OF MEETINGS

- 7.1** The Secretary shall minute the proceedings and decisions of all meetings of the committee, including recording the names of those present and in attendance.
- 7.2** The draft Minute shall be agreed with the Chair of the committee or the person acting as Chair of that meeting prior to circulation of the minutes. The Minute will be formally agreed at the next meeting of the committee but may be considered, for information, in draft form, at the Board meeting following the committee meeting.

8. FINANCE

- 8.1** The committee shall oversee the Board's financial affairs and in particular:
- a) advise the Board on the proper control and management of the Region's financial resources;
 - b) advise the Board in relation to any matter relating to compliance with the Financial Memorandum by any of its assigned colleges;
 - c) advise the Board on any matter relating to the making of a grant, loan or other payment and the conditions relating to any such payments;

- d) monitor progress against agreed financial targets as set out in the Regional Outcome Agreement;
- e) advise the Board in relation to ensuring the economic, efficient and effective use of funds;
- f) monitor the agreed annual plan and budget for the GCRB and advise the Board on any matters of concern and consider and recommend to the Board any proposals for significant or subsequent amendments to the plan or budget during the year.

9. PERFORMANCE

9.1 The committee shall:

- a) monitor progress against agreed targets as set out in the Regional Outcome Agreement;
- b) advise the Board on all matters relating to the monitoring of performance of the assigned colleges;
- c) advise the Board in relation to the carrying out of studies designed to improve economy, efficiency and effectiveness in the management or operation of the assigned colleges;
- d) advise the Board on any matter, internal or external to the Region, which might have a significant effect on any regional plan, outcome agreement or budget during the year; and
- e) ensure that a strategy is in place to achieve Best Value and Value for Money.

10. ESTATES

10.1 The committee shall:

- a) oversee the implementation of the Curriculum and Estates Plan and make recommendations to the Board in relation to its implementation and advise on any matters of concern; and
- b) monitor and keep under review the effectiveness of the implementation of the Curriculum and Estates Plan and receive reports on a regular basis.

11. REPORTING PROCEDURES

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

11.2 A report of the committee's discussions shall normally be considered at the Board meeting following the committee meeting. A copy of minutes of the meeting may form the basis of the report.

11.3 The committee will provide the Board with an Annual Report, timed to support finalisation of the accounts and the governance statement, summarising its conclusions from the work it has done during the year.

12. OTHER MATTERS

12.1 The committee shall:

- a) have access to sufficient resources to carry out its duties, including access to the board secretariat for assistance, as required;
- b) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;
- c) oversee any investigation of activities which are within its terms of reference;
and
- d) arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure that it is operating at maximum effectiveness and report the results including recommendations of any changes it considers necessary to the board for approval.