



SERC Governing Body Code of Conduct

College Code of Conduct for Governing Body Members

1. INTRODUCTION

1.1 This Code is intended as a guide, to indicate the standards of conduct and accountability which are expected of Governing Body Members Governing Body Members to enable them to understand their legal and ethical duties and to assist them both in carrying out those duties and in their relationship with the Governing Body and Principal as the Chief Executive. This Code therefore is aimed at promoting effective, well informed and accountable college governance, and is not intended to be a definitive or authoritative statement of the law or good practice.

1.2 In addition to this Code, Governing Body members are recommended to familiarise themselves with the source documents listed in the Schedule.

1.3 If a Governing Body Member is in doubt about the provisions of this Code or any of the source documents, the Secretary should be consulted and, if necessary, professional advice should be obtained. However, ultimate responsibility for the appropriateness of conduct as a Governing Body Member of the College and for any act or omission in that capacity rests with the individual Governing Body Member.

1.4 This Code applies to every committee or working party of the Governing Body and to every subsidiary company or joint venture of the College to which Governing Body Members may be appointed.

1.5 By accepting appointment to the Governing Body each Governing Body Member agrees to accept the provisions of this Code.

1.6 Each Governing Body Member by accepting the provisions of this Code agrees that any breach of the Code by them may lead to action being taken in accordance with Appendix 6 up to and including the termination of their appointment as a Member in accordance with part iv of the Instrument of Government.

2. INTERPRETATION

2.1 For purposes of this Code words importing one gender import any gender and all other definitions have the same meanings as given in the College's Instrument and Articles of Government.

“Further Education Code of Governance”

Further Education Code of Governance 2016 issued by DfE

“College”	this College
“College Mission Statement”	the statement set out/referred to at clause 3.1 of this Code or such other mission statement as may be agreed by the Governing Body from time to time
“College Core Values”	those Core Values set out at clause 3.2 of this Code or such other core values as may be agreed by the Governing Body* from time to time, for example in a Public Value Statement; Please delete if appropriate
“Governing Body*”	the further education Governing Body which was established for the purpose of conducting the College
“Governing Body Member*”	“Chair”, “Principal” and “Secretary” mean respectively the Member of the Governing Body of the College, the Chair of the Governing Body*, the Principal/Chief Executive of the College and the Secretary of the Governing Body
DfE	The Department for the Economy
“Further Education Code of Governance”	The NI Code of Governance issued by DfE IN 2016

3. AIMS AND VALUES

3.1 Our mission is to shape our community, by promoting an inclusive learning environment, which will empower and enable individuals and businesses to fulfil their ambitions. We will contribute to the Programme for Government and associated strategies aimed at promoting social and economic wellbeing and the future prosperity of Northern Ireland.

3.2 Our values are at the core of what we do; Solution Focused; Excellence Driven; Responsive and Collaborative.

3.3 The College Mission Statement, together with the corporate objectives set out in the College Development Plan, seek to encapsulate the core purposes and aims of the College. Governing Body Members must have due regard to these purposes and aims and

to the Core Values when conducting the business of the College and considering the activities and proposed activities of the College.

3.4 The Governing Body recognises its obligations to all those with whom it has dealings, including students, employees, suppliers, other educational institutions, the wider community and Government Departments. In particular, the College is committed to:

3.4.1 having close regard to the voice of the learner;

3.4.2 combating any discrimination within the College on the grounds of the characteristics protected by relevant equality legislation including the provisions of Section 75 of the NI Act 1998;

3.4.3 engaging with the community which the College serves in order to understand and meet its needs;

3.5 The Governing Body is committed to ensuring that it conducts its business in accordance with the highest ethical standards as set out in more detail in this Code.

4. **DUTIES**

4.1 Governing Body members owe a fiduciary duty to the College. This means that they should show it the highest loyalty and act in good faith in its best interests. Each Governor should act honestly, diligently and (subject to the provisions appearing in clause 10 of this Code relating to collective responsibility) independently. The actions of Governing Body members should promote and protect the good reputation of the College and the trust and confidence of those with whom it deals.

4.2 Decisions taken by Governing Body members at meetings of the Governing Body and its committees must not be for any improper purpose or personal motive. Decisions taken must always be for the benefit of the College, its students and staff and other users of the College and must be taken with a view to safeguarding public funds. Accordingly, Governing Body members must not be bound in their speaking and voting by mandates given to them by other bodies or persons (including the bodies that elected them).

4.3 Governing Body members must observe the provisions of the College's Instrument and Articles of Government and in particular the duty to give immediate notice to the Secretary should they become disqualified from continuing to hold office and also the responsibilities given to the Board of Governing Body members by the College's Articles of Government. Those responsibilities, including a list of "reserved" responsibilities which are so important that they must not be delegated, are set out in Appendix 3.

4.4 Governing Body members should comply with the Standing Orders and terms of reference of the Board of Governing Body members and its committees to ensure that the Board conducts itself in an orderly, fair, open and transparent manner. Governing Body members must keep those Standing Orders and terms of reference under periodic review.

4.5 Governing Body members should also have regard to the different, but complementary, responsibilities given to the Principal as the College's Chief Executive. The responsibilities given to the Principal by the College's Articles of Government are set out in Appendix 4. Whereas it is the Board of Governing Body members function to decide strategic policy and overall direction and to monitor the performance of the Principal and any other senior post holders, it is the Principal's role to implement the Board's decisions, and to manage the College's affairs within the budgets and framework fixed by the Board of Governing Body members. Governing Body members should work together so that the Board and the Principal as Chief Executive perform their respective roles effectively.

4.6 Governing Body members should refer to the Secretary for advice relating to the governance functions which are set out in Appendix 4 and have regard to the Secretary's independent advisory role.

5. **STATUTORY ACCOUNTABILITY**

5.1 Governing Body Members are collectively responsible for observing the duties set out in the Financial Memorandum which the College has entered into with the DfE and the Funding Agreement which the College has entered into with DfE as a condition of receiving public funds. A summary of some of the more important requirements of the MSFM is set out in **Appendix 5**.

5.2 Although the DfE is the main provider of funds to the College, Governing Body Members should note that they are also responsible for the proper use of income derived from other sources, such as Student Fees, education contracts, business engagement and project funding and for the control and monitoring of expenditure of such income, in order to meet the requirements of the relevant funding body and public audit. Where funding is received directly from DfE the College will have a memorandum of assurance and accountability with DfE which sets out the basis on which such funding is provided. Where DfE funding is received indirectly via a collaboration with a DfE funded institution such funding will be subject to obligations contained in the memorandum of co-operation between the College and that institution.

5.3 As accounting officer for the DfE, its Permanent Secretary is directly responsible and accountable to the Northern Ireland Assembly for ensuring that the uses to which the DfE puts its funds are consistent with the purposes for which the funds were given and comply

with the conditions attached to them. The Principal, as accounting officer for the College, is also directly responsible and accountable to the Northern Ireland Assembly, through the Public Accounts Committee, for the effective stewardship by the College of public funds. The Principal may be required to appear before the Northern Ireland Assembly Public Accounts Committee, alongside the Permanent Secretary to give an account of the use made by the College of such funds. The Governing Body is accountable to DfE for ensuring the financial health of the College, and to the Courts for ensuring that the College is conducted in accordance with The Further Education (Northern Ireland) Order 1997 and general law.

6. PUBLIC SERVICE VALUES

The college is classified as an executive non-departmental public body and therefore, public service values are at the heart of the further education service. High standards of personal and corporate conduct, based on the principles set out in **Appendix 1** of this Code, and the recognition that students and other users of the College's services come first, are a requirement of being a Governing Body Member, and should underpin all decisions taken by the Governing Body.

7. SKILL, CARE AND DILIGENCE

A Governing Body Member should in all his or her work for the College exercise such skill as he or she possesses and such care and diligence as would be expected from a reasonable person in the circumstances. This will be particularly relevant when Governing Body Members act as agents of the College, for example, when functions are delegated to a committee of the Governing Body or to the Chair. Governing Body Members should be careful to act within the terms of reference of any committees on which they serve.

8. POWERS

Governing Body Members are responsible for taking decisions which are within the powers given to the Governing Body by the Further Education (Northern Ireland) Order 1997. A summary of those powers is set out in **Appendix 3**. If a Governing Body Member thinks that the Governing Body is likely to exceed its powers by taking a particular decision, he or she should immediately refer the matter to the Secretary for advice.

9. CONFLICTS OF INTEREST

9.1 Like other persons who owe a fiduciary duty, Governing Body Members should seek to avoid putting themselves in a position where there is a conflict (actual or potential) between their personal interests and their duties to the Governing Body. They should not

allow any conflict of interest to arise which might interfere with the exercise of their independent judgement.

9.2 Governing Body Members are reminded that under the College's Instrument of Government and its policy on Conflicts of Interest and the general law they must disclose to the Governing Body any direct or indirect financial interest they have, or may have, in the supply of work to the College or the supply of goods for the purposes of the College, or in any contract or proposed contract concerning the College, or in any other matter relating to the College or any other interest of a type specified by the Governing Body in any matter relating to the College, or any duty which is material and which conflicts or may conflict with the interests of the Governing Body.

9.3 If an interest of any kind (including an interest of a spouse, partner or business associate of a Governing Body Member or of a close relative of the Governing Body Member or his or her spouse, partner or business associate) is likely or would, if publicly known, be perceived as being likely to interfere with the exercise of a Governing Body Member's independent judgement, then:-

9.3.1 the interest, financial or otherwise, should be reported to the Secretary;

9.3.2 the nature and extent of the interest should be fully disclosed to the Governing Body before the matter giving rise to the interest is considered;

9.3.3 if the Governing Body Member concerned is present at a meeting of the Governing Body, or any of its committees, at which such supply, contract or other matter constituting the interest is to be considered, he or she should:-

9.3.3.1 not take part in the consideration or vote on any question with respect to it and shall not be counted in the quorum for that meeting; and

9.3.3.2 withdraw from that Governing Body or committee meeting where required to do so by a majority of the Members of the Governing Body or committee present at the meeting.

9.4 For the purposes of **clause 9.3** "close relative" includes but is not limited to a father, mother, brother, sister, child, grandchild and stepfather/mother/ brother/sister/child.

9.5 Governing Body Members must not receive gifts, hospitality or benefits of any kind from a third party which might be in breach of the Bribery Act 2010 and the College's anti-bribery policy and the College's policy on receiving gifts or be seen to compromise their personal judgement or integrity. Any offer or receipt of such gifts, hospitality or benefits

should immediately be reported to the Secretary.

9.6 The Secretary will maintain a Register of Governing Body Members' Interests which will be open for public inspection. Governing Body Members must disclose routinely to the Governing Body all business interests, financial or otherwise, which they or persons associated with them may have, and the Secretary will enter such interests on the Register. Governing Body Members must give sufficient details to allow the nature of the interests to be understood by enquirers. Governing Body Members should inform the Secretary whenever their circumstances change, and interests are acquired or lost. In deciding whether an interest should be disclosed, Governing Body Members should have regard to the meaning given to "interest" in **clauses 9.3 and 9.5** of this Code.

10. COLLECTIVE RESPONSIBILITY

10.1 The Governing Body operates by Governing Body members taking majority decisions in a corporate manner at quorate meetings, including meetings held by telephone or videoconference and by alternative methods such as written resolutions, in all cases only if so provided for in the Instrument and Articles. Therefore, a decision of the Board of Governing Body members even when it is not unanimous, is a decision taken by the Governing Body members collectively and each individual Governor has a duty to stand by it, whether or not he or she was present at the meeting of the Board when the decision was taken.

10.2 If a Governor disagrees with a decision taken by the Board, his or her first duty is to have any disagreement discussed and minuted. If the Governor strongly disagrees, he or she should consult the Chair and, if necessary, then raise the matter with the Board when it next meets. If no meeting is scheduled, the Governor should refer to the power of the Chair or of any five Board members under the College's Instrument of Government to call a special meeting and, if appropriate, exercise it, requesting the Secretary to circulate the Governor's views in advance to the other Board Members. Alternatively, as a final resort, the Governor may decide to offer his or her resignation from office, after consulting the Chair.

11. OPENNESS AND CONFIDENTIALITY

11.1 Because of the Governing Body's public accountability and the importance of conducting its business openly and transparently, Governing Body Members should ensure that, as a general principle, students and staff of the College have free access to information about the proceedings of the Governing Body's Accordingly, agendas, minutes and other papers relating to meetings of the Governing Body are normally available for public inspection when they have been approved for publication by the Chair.

11.2 There will be occasions when the record of discussions and decisions will not be made available for public inspection; for example, when the Governing Body considers sensitive issues or named individuals and for other good reasons. Such excluded items will be kept in a confidential folder by the Secretary and will be circulated in confidence to Governing Body Members save for those Members who have a conflicting interest in the particular sensitive matter. Some confidential items are likely to be of a sensitive nature for a certain period of time only (for example information relating to a proposed commercial transaction or collaboration with another institution). Items will be treated as confidential until the Governing Body decides otherwise. The Governing Body may wish to take external professional advice in arriving at its decision. When considering such issues, the Governing Body Members must also consider the College's publication scheme issued under the Freedom of Information Act 2000. Refer to any College policy on Access to Information, if appropriate.

11.3 However, staff and student Governing Body Members have no right of access to minutes dealing with matters in respect of which they are required to withdraw from meetings under the College's Instrument of Government.

11.4 It is important that the Governing Body and its committees have full and frank discussions in order to take decisions collectively. To do so, there must be trust between Governing Body Members with a shared corporate responsibility for decisions. Governing Body Members should keep confidential any matter which, by reason of its nature, the Chair or members of any committee of the Governing Body are satisfied should be dealt with on a confidential basis.

11.5 Governing Body Members should not make statements to the press or media or at any public meeting relating to the proceedings of the Governing Body or its committees without first having obtained the approval of the Chair or, in his or her absence, the Vice Chair. It is unethical for Governing Body Members publicly to criticize, canvass or reveal the views of other Governing Body Members which have been expressed at meetings of the Governing Body or its committees.

12. COMPLAINT

12.1 In order to ensure that the affairs of the College are conducted in an open and transparent manner and that the College is accountable for its use of public funds but also to its employees, its students and the community it serves, there are appropriate complaints procedures in place and these are publicised on the College website . The customer complaints process and associated policy can be found here: [SERC Customer Complaints and Compliments Policy](#)

12.2 Complaints against GB Members

Members who wish to submit a complaint against the Governing Body or its members should refer to the process set out at Appendix 7.

13. **ATTENDANCE AT MEETINGS**

A high level of attendance at meetings of the Governing Body is expected or refer to the Instrument of Government if a more stringent or detailed attendance requirement has been set out so that Governing Body Members can perform their functions properly.

14. **GOVERNANCE DEVELOPMENT**

14.1 The Governing Body shall seek to ensure that all Governing Body Members are appointed on merit, in accordance with an open selection procedure carried out by DfE and are drawn widely from the community which the College serves so as to be representative of that community. The Governing Body should have regard to the provisions relating to the membership of the Governing Body in the College's Instrument of Government, the need to combat discrimination and to promote equality, and the need to make available a range of necessary skills and experience to ensure that the Governing Body carries out its functions under the College's Articles of Government.

14.2 Governing Body must obtain a thorough grounding in their duties and responsibilities by participating in the College's governance induction and training programmes, including regular refresher workshops.

14.3 In order to promote more effective governance, Governing Body Members will carry out an annual review of the performance by the Governing Body of its duties and responsibilities, including a review of their own performance as part of a continuing and critical process of self-evaluation.

In accepting the post of a Governor of South Eastern Regional College I agree to sign up to the following:

List of source documents

1. the College's Instrument of Government;
2. the College's Articles of Government;

3. the Standing Orders and terms of reference of the Governing Body and its committees;
4. the Financial Memorandum entered into by the College with DfE
5. the College's Mission Statement and corporate objectives;
6. the College Development Plan
7. the College's policies that extend to Governing Body members, including the College's policies on equal opportunities, and the anti-bribery policy, the College's policy on receiving gifts and the College's policy on conflicts of interest and the College's policy on safeguarding learners;
8. the principles laid down by the Committee on Standards in Public Life (Nolan Committee) for those holding public office, namely⁷:
 - 8.1 selflessness;
 - 8.2 integrity;
 - 8.3 objectivity;
 - 8.4 accountability;
 - 8.5 openness;
 - 8.6 honesty; and
 - 8.7 leadership.

An extract from the report of the Nolan Committee setting out these Principles in more detail is set out at **Appendix 1**;

9. the Audit
10. the Code of Good Governance⁸ the Foundation Code⁹ the UK Corporate Governance Code (formerly the Combined Code on Corporate Governance) published by the Financial Reporting Council¹⁰;

11. the Good Governance Standard for Public Services published by the Independent Commission on Good Governance in Public Services (Good Governance Standard).

An extract from the Good Governance Standard setting out the six core principles of good governance is set out at **Appendix 2**;

Appendices 1 (the Seven Principles of Public Life), **2** (Six Core Principles of Good Governance), **3** (Responsibilities of Governing Body Members), **4** (Responsibilities of the Principal and Secretary), **5** (Financial Memorandum of the SFA) and **6** (Powers of the Governing Body) are attached to this Code for reference.

+ AS A GOVERNING BODY MEMBER I AGREE TO OBSERVE THIS CODE OF CONDUCT TO THE BEST OF MY ABILITIES.

Signed: _____

Name of Governing Body Member: _____

Dated: _____

1. A CODE OF CONDUCT FOR THE GOVERNING BODY OF South Eastern Regional College

1. Ministers expect that the conduct of those they appoint to serve on the boards of public bodies will be above reproach.
2. Like others who serve the public, public appointees are expected to uphold the seven principles of public life set by the Committee on Standards in Public Life. The seven principles are:
 - **Selflessness** - holders of public office should act solely in terms of the public interest;
 - **Integrity** - holders of public office must avoid placing themselves under any obligation to people or organisations that might try to inappropriately influence in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships;
 - **Objectivity** – holders of public office must act and take decision impartially, fairly and on merit, using the best evidence and without discrimination or bias;
 - **Accountability** - holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this;
 - **Openness** - holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing;
 - **Honesty** - holders of public office should be truthful; and
 - **Leadership** - holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour whenever it occurs.
2. The Governing Body acknowledges and accepts these principles in the conducting of its business and that of the College.

3. Six Core Principles of Good Governance

The following is an extract from the Good Governance Standard for Public Services published by the Independent Commission on Good Governance in Public Services, January 2005:

1. Good governance means focusing on the organisation's purposes and on outcomes for citizens and service users

- 1.1 Being clear about the organisation's purposes and its intended outcomes for citizens and service users;
- 1.2 Making sure that users receive a high-quality service;
- 1.3 Making sure that taxpayers receive value for money.

2. Good governance means performing effectively in clearly defined functions and roles

- 2.1 Being clear about the functions of the governing body;
- 2.2 Being clear about the responsibilities of the non-executives and the executive, and making sure that those responsibilities are carried out;
- 2.3 Being clear about relationships between the governors and the public.

3. Good governance means promoting values for the whole organisation and demonstrating the values of good governance through behaviour

- 3.1 Putting organisational values into practice;
- 3.2 Individual governors behaving in ways that uphold and exemplify effective governance.

4. Good Governance means taking informed, transparent decisions and managing risk

- 4.1 Being rigorous and transparent about how decisions are taken;
- 4.2 Having and using good quality information, advice and support;
- 4.3 Making sure that an effective risk management system is in operation.

5. Good governance means developing the capacity and capability of the governing body to be effective

- 5.1 Making sure that appointed and elected governors have the skills, knowledge and experience they need to perform well;
- 5.2 Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group;
- 5.3 Striking a balance, in the membership of the governing body, between continuity and renewal.

6. Good governance means engaging stakeholders and making accountability real

- 6.1 Understanding formal and informal accountability relationships;
- 6.2 Taking an active and planned approach to dialogue with accountability to the public;
- 6.3 Taking an active and planned approach to responsibility to staff;
- 6.4 Engaging effectively with institutional stakeholders.

4. Summary of Main Responsibilities of Governing Body Members under the Articles of Government

Responsibilities that cannot be delegated are indicated with a double asterisk.

Under the College's Articles of Government¹¹ the *Governing Body* shall be responsible:

- (a) for the determination and periodic review of the educational character and mission of the institution and for oversight of its activities**
- (b) for publishing arrangements for obtaining the views of staff and students on the determination and periodic review of staff and students of the educational character and mission of the institution and the oversight of its activities;
- (c) for approving the quality strategy of the institution;

- (d) for the effective and efficient use of resources, the solvency of the institution and the *Governing Body* and for safeguarding their assets**
- (e) for approving annual estimates of income and expenditure;
- (f) for setting a framework for the pay and conditions of service of all other staff; and
- (g) for setting the policy by which the tuition and other fees payable to the College are determined (subject to any terms and conditions attached to grants, loans or other payments paid or made by the DfE).

Responsibilities which must not be delegated

The Articles of Government prohibit the *Governing Body* from delegating the following:-

- (a) the determination and periodic review of the educational character and mission of the institution**;
- (b) the approval of the annual estimates of income and expenditure;
- (c) the responsibility for ensuring the solvency of the institution and the *Governing Body* and the safeguarding of their assets**
- (d) the appointment of the Principal or holder of a senior post;
- (e) the appointment of the Secretary (including, where the Secretary is, or is to be, appointed as a member of staff the Secretary 's appointment in the capacity as member of staff);
- (f) the modifying or revoking of the Articles of Government;
- (g) the consideration of the case for dismissal, of the Principal, the Secretary or the holder of a senior post unless such function is delegated to a committee of *Members of the Governing Body*; and
- (h) the power to determine an appeal in connection with the dismissal of the Principal, the Secretary or the holder of a senior post unless such power is delegated to a committee of *Members of the Governing Body*.

The *Governing Body* may, from time to time, resolve to add other functions which must not

be delegated to this list of "reserved" responsibilities.

5. Summary of main responsibilities of the Governing Body and the Principal under the Articles of Government

Under the College's Articles of Government, the Governing Body shall be responsible for:

Subject to the requirements of the Order, the Governing Body shall be responsible for securing the efficient and effective management of College activities and property in accordance with the charitable purpose of the College as set in paragraph 3. It may, however, subject to paragraph 7, delegate to an appropriate committee of the Governing Body or the Principal and Chief Executive such responsibilities as it considers would be expedient for the efficient organisation of the work and functions of the College.

The Governing Body shall ensure that individual members are given the required information and adequate opportunities to acquire and update the necessary knowledge and skills required to enable them to perform effectively as members of the Governing Body.

Notwithstanding paragraph 5, the Governing Body shall not delegate responsibility for the following:

- a. determining the mission of the College and the strategic oversight of its activities and for maintaining its general character;
- b. the effective use of resources, the solvency of the College and any steps required for the purposes of safeguarding assets;
- c. approving annual estimates of income and expenditure;
- d. approving a framework for the pay and conditions of service of staff and arranging for the negotiation of such terms with the recognised representatives of such staff;
- e. approving a framework for managing the appointment, promotion, appraisal, discipline, conduct and grievances of staff; and
- f. the appointment, appraisal, discipline, conduct and grievance of the Principal and Chief Executive.

Under the College's Articles of Government the Principal shall be the Chief Executive of the

College and shall be responsible for:

- a. making proposals to the Governing Body about the educational nature and mission of the College and for ensuring that the decisions of the Governing Body in this and all other regards are implemented;
- b. providing the Governing Body with adequate information on all of the College's affairs to enable it to comply fully and effectively with the requirements of its role;
- c. the day-to-day organisation, direction and management of the College and leadership of the staff;
- d. as accounting officer, the preparation of proposed annual estimates of income and expenditure, for consideration and approval by the Governing Body, and for the overall management of the budget and other resources within the estimates approved by the Governing Body;
- e. the maintenance of proper accounts and records in line with the requirements of statutory authorities and the Order, and the provision of such data as may be required to the Governing Body, the Department or other appropriate statutory body;
- f. the quality of teaching and performance of the functions of the College especially with regard to academic provision;
- g. the arrangements for the admission, assessment and examination of students;
- h. the development of the curriculum and programmes of staff development;
- i. the implementation of the policies for the appointment, development, promotion, appraisal, discipline, conduct and grievances of staff;
- j. the maintenance of student discipline and the suspension and/or expulsion of students within the framework set by the Governing Body; and
- k. such other duties as may be delegated by the Governing Body, subject to the exclusions listed in paragraph 7.

6. Summary of main responsibilities of the Secretary under the Articles of Government.

Under the College's Instrument of Government the Secretary shall be responsible for advising the *Governing Body* with regard to:

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

7. Summary of Main Provisions of the Management Statement/Financial Memorandum

****Any subsequent changes to the MSFM will be published on the Governing Body TeamSite and members will be advised of the changes to associated documents such as this Code and the Scheme of Delegation****

Purpose

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The purpose of the MS/FM is to provide the Department with a clear framework of strategic control for each of the six colleges in their capacity as Departmental NDPBs. In particular, the framework covers the operations, financing, governance, accountability and control of the NDPB and the conditions under which any government funds are provided.

Format

The document is based on a model prepared by the Department of Finance (DoF).

The terms and conditions set out in the combined MS/FM may be supplemented by guidelines or directions issued by the Department in respect of the exercise of any individual functions, powers and duties of the college.

The responsibility for ensuring that the college complies with this MS/FM, and related guidance, rests with the Governing Body (GB) of the college. The Department is responsible for ensuring that the college has robust governance arrangements in place to ensure compliance with the requirements of the MS/FM.

A copy of the MS/FM should be given to all newly appointed GB members, senior college executive staff and departmental sponsor staff on appointment. Additionally, the MS/FM should be tabled for the information of GB members, annually, at a full meeting of the GB.

Amendments made to the MS/FM should also be brought to the attention of the full GB on a timely basis.

Subject to the legislation noted below, this Management Statement (MS) sets out the broad framework within which the college will operate, in particular:

- the college's overall aims, objectives and outcomes in support of the Department's wider strategic aims and the outcomes contained in its Programme for Government (PfG) outcomes;
- the rules and guidelines relevant to the exercise of the college's functions, duties and powers;
- the conditions under which any public funds are paid to the college; and
- how the college is to be held to account for its performance.

The associated Financial Memorandum (FM) sets out in greater detail certain aspects of the financial provisions which the college shall observe. However, the MS and FM do not convey any legal powers or responsibilities.

The document shall be periodically reviewed by the Department as necessary in accordance with paragraph X (ten) of the FM.

The college, Department, or the Minister, may propose amendments to this document at any time. Any such proposals by the college shall be considered in the light of evolving departmental policy aims, operational factors and the track record of the college itself. The guiding principle shall be that the extent of flexibility and freedom given to a college shall reflect both the quality of its internal controls to achieve performance and its operational needs. The Department shall determine what changes, if any, are to be incorporated into the document. Legislative provisions shall take precedence over any part of the document. Significant variations to the document shall be cleared with DoF Supply after consultation with colleges, as appropriate. (The definition of "significant" will be determined by the Department in consultation with DoF).

The MS/FM is approved by DoF Supply, and signed and dated by the Department and the college's Principal/Chief Executive.

Any question regarding the interpretation of the document shall be resolved by the Department after consultation with the college and, as necessary, with DoF Supply.

Copies of this document and any subsequent substantive amendments shall be placed in the Library of the Assembly. (Copies shall also be made available to members of the public on the college's website).

RESPONSIBILITIES AND ACCOUNTABILITY

The Minister

Under the 1997 Order, the GB of the college is accountable to the Minister.

The Minister is accountable to the Assembly for the activities and performance of the college. His/her responsibilities include:

- approving the college's strategic objectives and the policy and performance framework within which the college will operate (as set out in this Management Statement and Financial Memorandum and associated documents);
- keeping the Assembly informed about the college's performance;
- approving the amount of grant-in-aid/grant/other funds to be paid to the college, and securing Assembly approval; and
- carrying out responsibilities specified in the 1997 Order, including appointments to the GB.

3.2 The Accounting Officer of the Department

The Permanent Secretary, as the Department's Principal Accounting Officer (the 'Departmental Accounting Officer'), is responsible for the overall organisation, management and staffing of the Department and for ensuring that there is a high standard of financial management in the Department as a whole. The Departmental Accounting Officer is accountable to the Assembly for the issue of any grant-in-aid to the college. The Departmental Accounting Officer designates the Principal/Chief Executive of the college as the college's Accounting Officer, and may withdraw the Accounting Officer designation if he/she believes that the incumbent is no longer suitable for the role.

In particular, the Departmental Accounting Officer shall ensure that:

- the college's strategic aims and objectives support the Department's wider strategic aims and current PfG outcomes;

- the financial and other management controls applied by the Department to the college are appropriate and sufficient to safeguard public funds; and for ensuring that the college's compliance with those controls is effectively monitored ("public funds" include not only any funds granted to the college by the Assembly but also any other funds falling within the stewardship of the college);
- the internal controls applied by the college conform to the requirements of regularity, propriety and good financial management;
- payments to the college by the Department are only in support of activities specified in the 1997 Order;
- payments will be subject to the provisions of the 1997 Order, the conditions set out in this FM, and such terms and conditions as the Department may, from time to time, prescribe in accordance with the 1997 Order;
- the college co-operates fully in the conduct of any reviews initiated;
- any grant-in-aid to the college is within the ambit and the amount of the Request for Resources and that Assembly authority has been sought and given; and
- the college's GB and/or its Audit and Risk Committee are informed if there are any serious concerns about the college's financial affairs or system of internal controls.

The responsibilities of a Departmental Accounting Officer are set out in more detail in Chapter 3 of MPMNI.

3.3 The Sponsoring Team/Senior Sponsor in the Department – FE Division

Within the Department, FE Division is the sponsoring team for the college. The Team, in consultation as necessary with the relevant Departmental Accounting Officer, is the primary source of advice to the Minister on the discharge of his/her responsibilities in respect of the college, and the primary point of contact for the college in dealing with the Department. FE Division shall carry out its duties under the management of the Director of FE Division (the Senior Sponsor), who shall have primary responsibility within the team for overseeing the activities of the college.

FE Division shall advise the Permanent Secretary and/or Minister on:

- an appropriate framework of objectives and outcomes for the college in the light of the Department's wider strategic aims and current PfG outcomes;

- an appropriate budget for the college in the light of the Department's overall public expenditure priorities; and
- how well the college is achieving its strategic objectives and whether it is delivering value for money.

In support of the Departmental Accounting Officer, FE Division shall:

on performance and risk management -

- monitor the college's activities on a continuing basis through an adequate and timely flow of information from the college on performance, budgeting, control, and risk management, including early sight of the college's Governance Statement;
- address in a timely manner any significant problems arising in the college, whether financial or otherwise, making such interventions in the affairs of the college as the Department judges necessary to address such problems; and
- periodically carry out a risk assessment of the college's activities to inform the Department's oversight of the college; strengthen these arrangements if necessary; and amend the MS and FM accordingly.

The risk assessment shall take into account the nature of the college's activities; the public monies at stake; the college's corporate governance arrangements; its financial performance; internal and external auditors' reports; the openness of communications between the body and the Department; and any other relevant matters;

on communication with the college -

- inform the college of relevant Executive/government policy in a timely manner; if necessary, advise on the interpretation of that policy; and issue specific guidance to the college as necessary; and
- bring concerns about the activities of the college to the attention of the full GB, and require explanations and assurances from the GB that appropriate action has been taken.

3.4 The College's Governing Body

The GB members are appointed in accordance with the 1997 Order and the Instrument for Government. Governors may serve a maximum of two four-year terms, in accordance with

the Instrument of Government and the Code of Practice issued by the Commissioner for Public Appointments for Northern Ireland.

The GB has corporate responsibility for ensuring that the college secures the effective and efficient management of the college and ensures the college provides suitable and efficient further education. It must also fulfil the aims and objectives set by the Department, and approved by the Minister, and promote the efficient, economic and effective use of staff and other resources by the college. To this end, and in pursuit of its wider corporate responsibilities, the college GB should, along with the responsibilities listed below, fulfil the requirements detailed in the Code of Governance, Instrument of Government and the Articles of Government:

- establish the overall strategic direction of the college within the policy and resources framework determined by the Department and the Minister;
- constructively challenge the college's executive team in their planning, target setting and delivery of performance;
- ensure that the Department is kept informed of any changes which are likely to impact on the strategic direction of the college or on the attainability of its outcomes, and determine the steps needed to deal with such changes;
- ensure that any statutory or administrative requirements for the use of public funds are complied with; that the GB operates within the limits of its statutory authority and any delegated authority agreed with the Department, and in accordance with any other conditions relating to the use of public funds; and that, in reaching decisions, the GB takes into account all relevant guidance issued by DoF and the Department;
- ensure that it receives and reviews regular financial information concerning the management of the college; is informed in a timely manner about any concerns relating to the activities of the college; and provides positive assurance to the Department that appropriate action has been taken on such concerns;
- demonstrate high standards of corporate governance at all times, including using the independent audit and risk committee (see section 4.7) to help the GB to address the key financial and other risks facing the college; and
- appoint a Chief Executive/Principal of college subject to the provisions of the 1997 Order.
- Individual GB members shall act in accordance with their wider responsibilities as

members of the GB, namely to:-

- to comply at all times with the Code of Governance, Instrument of Government and the Articles of Government that are adopted by the college and with the rules and guidance relating to the use of public funds and to conflicts of interest;
- not misuse information gained in the course of their public service for personal gain or for political profit, nor seek to use the opportunity of public service to promote their private interests or those of connected persons or organisations; and to declare publicly and to the GB any private interests that may be perceived to conflict with their public duties;
- comply with the GB's rules on the acceptance of gifts and hospitality, and of business appointments; and
- act in good faith and in the best interests of the college.

The college must submit all minutes of GB meetings to the Department in a timely manner.

3.5 The Chairperson of the Governing Body

The Chairperson is selected and appointed in accordance with the 1997 Order and the Instrument of Government.

The Chairperson is responsible to the Minister of the Department. The Chairperson shall ensure that the college's policies and actions support the wider strategic policies of the Minister; and that the college's affairs are conducted with probity. The Chairperson shares with other GB members the corporate responsibilities for ensuring that the college fulfils the aims as approved by the Minister. To this end, and in pursuit of its wider corporate responsibilities, the college's GB should accord with the responsibilities detailed in the Code of Governance, Instrument of Government and the Articles of Government.

The Chairperson has particular leadership responsibilities, as set out in the Code of Governance and the Articles of Government, on the following matters:-

- formulating the GB's strategy;
- ensuring that the GB, in reaching decisions, takes proper account of guidance provided by the Minister or the Department;
- promoting the efficient, economic and effective use of staff and other resources;

- encouraging and delivering high standards of regularity and propriety;
- representing the views of the GB to the general public.
- ensuring that the GB meets at regular intervals throughout the year and that the minutes of meetings accurately record the decisions taken and where appropriate, the views of individual GB members.

The Chairperson shall also:

- ensure that all members of the GB, when taking up office, are fully briefed on the terms of their appointment and on their duties, rights and responsibilities, and receive appropriate induction training, including on the financial management and reporting requirements of public sector bodies and on any differences which may exist between private and public sector practice;
- advise the Department of the needs of the college when GB vacancies arise, with a view to ensuring a proper balance of professional and financial expertise;
- assess the performance of individual members. Members will be subject to ongoing performance appraisal, with a formal assessment being completed by the Chair of the GB at the end of each year, and prior to any re-appointment of individual members taking place. Members will be made aware that they are being appraised, the standards against which they will be appraised, and will have an opportunity to contribute to and view their report. The Chair of the GB will also be appraised on an annual basis by the Director of Further Education Division (acting on behalf of the Departmental Accounting Officer);
- sign a Statement of the responsibilities of the GB, for inclusion in the annual report and accounts.

The Chairperson shall also ensure that a Code of Conduct for GB members is in place, based on the Cabinet Office's Code of Practice for Board Members of Public Bodies. The Code shall commit the Chairperson and other GB members to the Nolan "seven principles of public life", and shall include a requirement for a comprehensive and publicly available register of GB members' interests.

Communications between the GB, the Minister and the Department shall normally be through the Chairperson. The Chairperson shall ensure that the other GB members are kept informed of such communications on a timely basis.

3.6 The Principal/Chief Executive's Role as Accounting Officer

The Principal/Chief Executive of the college is designated as the college's Accounting Officer by the Departmental Accounting Officer.

The Accounting Officer of the college is personally responsible for safeguarding the public funds for which he/she has charge; for ensuring propriety and regularity in the handling of those public funds; and for the day-to-day operations and management of the college.

As Accounting Officer, the Principal/Chief Executive shall exercise the following responsibilities in particular:

on planning and monitoring -

- establish, in agreement with the Department, the college's corporate and business plans in support of the Department's wider strategic aims and current PfG outcomes;
- inform the Department of the college's progress in helping to achieve the Department's policy objectives and in demonstrating how resources are being used to achieve those objectives; and
- ensure that timely forecasts and monitoring information on performance and finance are provided to the Department; that the Department is notified promptly if overspends or underspends are likely and that corrective action is taken; and that any significant problems, whether financial or otherwise, and whether detected by internal audit or by other means, are notified to the Department in a timely fashion.

on advising the Governing Body -

- advise the GB on the discharge of its responsibilities as set out in this document, in the 1997 Order and in any other relevant instructions and guidance that may be issued from time to time by DoF or the Department;
- advise the GB on the college's performance compared with its aim(s) and objectives;
- ensure that financial considerations are taken fully into account by the GB at all stages in reaching and executing its decisions, and that standard financial appraisal techniques are followed appropriately; and
- take action in line with Section 3.8 of MPMNI if the GB, or its Chairperson, is contemplating a course of action involving a transaction which the Chief Executive considers

would infringe the requirements of propriety or regularity, or does not represent prudent or economical administration, efficiency or effectiveness.

on managing risk and resources -

- ensure that a system of risk management is maintained to inform decisions on financial and operational planning and to assist in achieving objectives and outcomes;
- ensure that an effective system of programme and project management and contract management is maintained;
- ensure compliance with the Northern Ireland Public Procurement Policy;
- ensure that all public funds made available to the college (including any income or other receipts) are used for the purpose intended by the Assembly, and that such monies, together with the college's assets, equipment and staff, are used economically, efficiently and effectively;
- ensure that adequate internal management and financial controls are maintained by the college, including effective measures against fraud and theft;
- maintain a comprehensive system of internal delegated authorities that are notified to all staff, together with a system for regularly reviewing compliance with these delegations; and
- ensure that effective personnel management policies are maintained.

on accounting for the College's activities –

- sign the accounts and be responsible for ensuring that proper records are kept relating to the accounts and that the accounts are properly prepared and presented in accordance with any directions issued by the Minister/the Department, or DoF;
- sign a Governance Statement regarding the college's system of internal control, for inclusion in the annual report and accounts;
- ensure that effective procedures for handling complaints about the college are established and made widely known within the college;
- act in accordance with the terms of this document and with the instructions and relevant guidance in MPMNI and other instructions and guidance issued from time to time

by the Department and DoF - in particular, Chapter 3 of MPMNI and the Treasury document Regularity and Propriety and Value for Money (a copy of which the Principal/Chief Executive shall receive on appointment). Section IX of the Financial Memorandum refers to other key guidance;

- ensure all relevant staff subscribe to the Accountability and Financial Management Division (AFMD) of DoF website and implement guidance as necessary;
- give evidence, normally with the Accounting Officer of the Department, if summoned before the Public Accounts Committee on the use and stewardship of public funds by the college;
- ensure that an Equality Scheme is in place, reviewed and equality impact assessed as required by the Equality Commission and TEO;
- ensure that Lifetime Opportunities (the NI Executive's anti-poverty and social inclusion scheme) is taken into account; and
- ensure that the requirements of the Data Protection Act 1998, the Freedom of Information Act 2000, the Data Protection Act 2018 and the General Data Protection Regulations (GDPR) are complied with.

3.7 The Chief Executive's role as Consolidation Officer

For the purpose of Whole of Government Accounts, the Principal /Chief Executive/ of the college is normally appointed by DoF as the college's Consolidation Officer.

As the college's Consolidation Officer the Principal /Chief Executive shall be personally responsible for preparing the consolidation information that sets out the financial results and position of the college, for arranging for its audit and for sending the information and the audit report to the Principal Consolidation Officer nominated by DoF.

As Consolidation Officer, the Principal /Chief Executive shall comply with the requirements of the Consolidation Officer Letter of Appointment as issued by DoF and shall, in particular:

- ensure that the college has in place and maintains sets of accounting records that will provide the necessary information for the consolidation process; and
- prepare the consolidation information (including the relevant accounting and disclosure requirements and all relevant consolidation adjustments) in accordance with the consolidation instructions and directions ["Dear Consolidation Officer" (DCO) and "Dear

Consolidation Manager” (DCM) letters] issued by DoF on the form, manner and timetable for the delivery of such information.

Sanctions for breaching the Code of Conduct-please see amendments in Code of Conduct document

PROCEDURE FOR DEALING WITH COMPLAINTS AGAINST THE GOVERNING BODY AND BOARD MEMBERS

1.1 This procedure is solely for dealing with complaints against the Governing Body (GB) or an individual Member of the GB in their capacity as a Governor. This procedure may be used by Students, Staff, Governors and any other third party. This procedure only applies where no other policy or procedure can be used to make a complaint. On the application of another existing policy this procedure cannot be used. Complaints considered under this procedure must relate to the Complainant’s own treatment by the GB or a Member of the GB acting in his/her capacity as Governor. Complaints considered under this procedure must relate to:

- the performance by the GB, or a Member of the GB, of the functions respectively allocated to them under the Articles of Government of the College; and/or
- the exercise by the GB of its powers; and/or
- any other alleged breach or non-observance of the duties of the GB or individual GB Members under the Instrument or Articles of Government of the College, its Code of Conduct for GB Members or the Financial Memorandum.

1.2 All complaints should be made in writing and addressed to the Secretary to the GB. Ordinarily, a complaint will not be considered if it is presented more than 3 months after the event(s) giving rise to the complaint. However, the Chair of the GB (or determining Chair (see below) if the complaint is against the Chair of the GB) may, exceptionally, exercise the discretion to permit a complaint presented outside the time limit to proceed, taking account of all the circumstances including (but not limited to): the length of and reasons for the delay in presenting the complaint; the seriousness of the complaint.

1.3 The Complainant is required to state clearly the nature of and grounds for the complaint (see paragraph 1.1 above) and, if appropriate, provide copies of any related documentation. The Complainant should also state the remedy he/she (or its) is seeking. It is not possible for a Complainant to require the disciplining or the removal of a GB Member as these are decisions for the Department for the Economy (DfE) in accordance with the Instrument and Articles of Government of the College.

1.4 On receipt of a complaint, the Secretary to the GB shall acknowledge receipt of the

complaint in writing within seven working days (subject to the Secretary's presence at work). If the complaint is made directly against the Chair of the GB, the Secretary to the GB should consult with the Vice Chair and follow the process in 1.5 below. If the complaint is directly against both the Chair and the Vice Chair, the Secretary to the GB should consult with a Committee Chair and this individual will become the determining Chair for the purposes of para 1.5 below. If the complaint is against the GB as a whole, the Chair of the GB is the determining Chair.

1.5 On receiving the complaint from the Secretary of the GB, the Chair of the GB (or determining Chair) shall determine:

- If the complaint can be considered and dealt with by the GB (or a part thereof) as part of normal business or;
- If, due to the nature of the complaint, it should be referred to an External Agency such as the police and the DfE in the first instance or;
- If the complaint should be referred to an independent investigator, external to the College who has substantial experience of college governance or is otherwise qualified to conduct the investigation.

In all cases the independent investigator appointed must not have been involved in the matters subject to the complaint.

1.6 Save in exceptional circumstances, copies of the complaint will be provided to members of the GB about whom the complaint is made.

1.7.1 If it is determined that the complaint can be considered by the GB, it will be brought before the GB at the next meeting. The Complainant may be given the opportunity to present their complaint and answer questions from Governors. The GB will determine whether or not any further investigative steps are required (including obtaining further evidence and/or interviewing other witnesses). The GB will then make a determination and inform the Complainant of that determination in writing. This will be the final stage in the process and no appeal lies from the determination by the GB.

1.7.2 The Governors reserve the right to refer the complaint to an External Agency or an independent investigator if information is provided at the meeting with the Complainant which results in the GB deciding that it should not make a determination.

1.8 If it is determined that the complaint should be referred to an External Agency, the Chair will carry this out, informing DfE and the GB. The External Agency will then deal with the matter under its own procedures and this procedure will no longer apply.

1.9 If it is determined that the complaint should be referred to an independent investigator,

the Chair (or, determining Chair) will consult with the Chief HR Officer to procure the services of an independent investigator. The independent investigator will then:

a. consider the complaint and, if necessary, in order to determine disputed issues of fact, interview the Complainant, those who are the subject of the complaint and any other witnesses identified as appropriate by the independent investigator;

b. produce a written report setting out their findings and recommendations in relation to the complaint. The GB will ordinarily strive to obtain the report within twenty-eight days of the complaint being presented. However, in some instances, for good reason, the investigation may take longer. In such cases, both the Complainant and any individual Governor who has had a complaint made against them will be kept informed of progress and likely timescale.

2.0 The GB shall meet, as soon as possible after receipt of the report, normally within 20 working days. The GB will then consider the report and make a determination on accepting the report's findings and recommendations in whole or part and, if so, what, if any, remedy should be granted to the Complainant. Where the GB does not accept the report either in whole or in part they must record their rationale for doing so in writing. No individual member of the GB who is the specific subject of the complaint shall participate in the decision-making process

2.1 The Chair of the GB (or, determining Chair) shall, ordinarily within seven working days of the GB meeting, issue a written response to the Complainant confirming the decision of the GB in relation to the complaint, with reasons for its decision where appropriate and enclose a copy of the report. Where the complaint has been made against an individual member of the

GB, that individual member should also receive a letter confirming the decision of the GB, the reasons for the decision and a copy of the report. This is the final stage in the process and there is no further right of appeal within the College.

2.2 If there is any reason why the GB considers redactions should be made to the report before it is provided to either Complainant or the subject of the complaint, specific advice should be taken before a final decision on redactions is made. The reason for redactions should be explained to the affected party in writing.