TERMS OF REFERENCE FOR THE INDEPENDENT BOARDS IN THE LONDON SOUTH EAST EDUCATION GROUP (LSEEG)

> ### LONDON SOUTH EAST COLLEGE (LSEC) BOARD & STANDARDS

> ### LONDON SOUTH EAST ACADEMY TRUST BOARD (LSEAT) & STANDARDS

> ### LONDON SKILLS FOR GROWTH (LSfG) BOARD & STANDARDS

(JULY 2018)

1	**STRATEGIC**	**INDEPENDENT BOARDS - LSEC, LSEAT AND LSfG**
1.1	Strategy, Vision and Ambition	Approve strategy, vision and ambition for the independent Board
1.2	Strategic Plan	Each independent Board to approve their Strategic Plan
1.3	Oversee the completion of due diligence and fit with strategy prior to approving the opening or acquisition of any type of new education provision	Independent Boards to approve any new acquisition that falls within their remit. As the sponsor of the Trust, LSEC Board to approve any new schools joining the Trust, with approval also required from the LSEAT Board.
2	**GOVERNANCE**	
2.1	Establish Committees and approve Terms of Reference	Each independent Board to delegate approval to the LSEEG Group Board
2.2	LSEEG Scheme of Delegation	Each Independent Board to approve LSEEG Scheme of Delegation The Scheme of Delegation between the LSEAT Trust Board and the Trust's Local Governing Bodies to be approved by the LSEAT Trust Board
2.3	LSEEG Board Terms of Reference	Each Independent Board to approve LSEEG Board Terms of Reference
2.4	To appoint Governors and Trustees	1) LSEC Board - To approve LSEC Governor appointments 2) LSfG Board - To approve LSfG Trustees 3) LSEAT Members - To approve LSEAT Trustees 4) LSEAT Board - To approve LSEAT Co-opted Trustees
2.5	To appoint Chairs & Vice Chairs	LSEC Board and LSfG Board to

		approve their Chair and Vice Chair appointments. The sponsor body (LSEC) to approve LSEAT Chair and Vice Chair
2.6	Removal of Governors/Trustees/Chairs and or Vice Chairs	Each independent Board to approve. The sponsor body (LSEC) for LSEAT may also remove the Chair and Vice Chair
2.7	Appointment and dismissal of the Accounting Officer and Senior Post Holders	LSEC Board to approve
2.8	Appoint Clerk	Each independent Board to approve their clerking arrangements
2.9	Approval of Group wide governance policies	Each independent Board to approve those governance policies that apply to them
3	**LEADERSHIP & MANAGEMENT**	
3.1	Oversee compliance with Charity Law; Company Law, Instrument & Articles of Government, Articles of Association	Each independent Board to have ultimate responsibility for compliance
3.2	Oversee compliance with DfE (incl. its executive agencies) as the Secretary of State for Education is the 'Principal Regulator' for all Colleges of Further Education and Academies	LSEC Board and LSEAT Board to have ultimate responsibility for compliance with DfE and Secretary of State for Education.
3.3	Monitoring the safeguarding arrangements including matters relating to PREVENT internet safety and ensuring appropriate policies are in place and are effective	Each independent Board to have ultimate responsibility for compliance
3.4	Pay & conditions of service - staff	Each independent Board to approve their budget
3.5	Pay & conditions of service of senior post holders	LSEC Board to approve
3.6	Health & Safety	Each independent Board to have ultimate responsibility for compliance
3.7	Data Protection	Each independent Board to have ultimate responsibility for compliance
3.8	Equality & Diversity	Each independent Board to have ultimate responsibility for compliance
3.9	Approval of the group policy matrix, group policies, and policies for each entity	Each independent Board to approve where appropriate
3.10	Responsibility for the system of internal control	Each independent Board to have ultimate responsibility for all aspects of internal control
3.11	Compliance with funding agreements with the ESFA	Each independent Board to have ultimate responsibility for compliance

3.12	Regularity and use of funds	Each independent Board to have ultimate responsibility for compliance
3.13	Responsibility for ensuring Value for Money	Each independent Board to operate within the Value for Money parameters set by the LSEEG Board
4	**QUALITY OF EDUCATION PROVISION**	
4.1	Setting Strategy, Setting KPIs and Monitoring of performance	Each independent Board to approve the recommendations from the LSEEG Board. Each independent Board to monitor performance against the set strategy and KPIs and to report to the LSEEG Board on performance. Any significant non-performance against the set strategy/KPIs to be reported to the LSEEG Board.
4.2	Quality of teaching, learning & assessment, and the student experience	Each independent Board to approve their KPIs, to monitor performance against the KPIs
4.3	Self Assessment	Each independent Board to approve their annual self assessment report
4.4	Monitor the impact of Quality Improvement Plans	Each independent Board to approve their Quality Improvement Plan and to monitor implementation of the QIP
4.5	Scrutinise and provide robust challenge on seeking continuous improvements for all aspects of the student experience	Ultimate responsibility for each independent Board
4.6	OFSTED Readiness	Each independent Board to ensure Ofsted readiness for inspection
4.7	Education Policy change - Keeping strategic oversight of policy change in education and ensuring that policies and practices across the Group keep pace with change	Each independent Board to make required changes to their policies and practices in light of any changes to Education Policy
4.8	Curriculum Review & Planning	Each independent Board to review and approve
4.9	Learner Voice/Learner Views	Each independent Board to approve their arrangements for the 'Learner Voice' and to monitor
4.10	Employer Voice/Employer Views	Each independent Board to approve their arrangements for the 'Employer Voice' and to monitor
5	**FINANCIAL**	
5.1	The annual budget and out-turn forecasts	Each independent Board to draft and approve their budget in line with the strategy and financial KPIs proposed by the Group Board for the independent Board.

5.2	The annual capital expenditure and any major capital development.	Each independent Board to draft and approve their capital budget in line with the strategy and KPIs proposed by the Group Board for the independent Board. Any single capital project in excess of £1m to be proposed to the LSEEG Board for LSEEG Board approval
5.3	Increases in the approved surplus/deficit for the year.	Each independent Board to approve any changes to their budgets
5.4	Increases to the annual capital expenditure budget	Independent Boards to approve increases above £50k and up to £1m. Group CFO have delegated authority to approve up to £50k.
5.5	The Three Year Financial Plan including KPIs and financial forecasts.	Each independent Board to draft and approve their 3 Year Financial Plan in line with the strategy and financial KPIs proposed by the LSEEG Board for the independent Board
5.6	The year-end financial statements.	Each independent Board to approve their Financial Statements
5.7	Fixed Asset & Depreciation accounting policies	Each independent Board to approve their accounting policies
5.8	Individual bad debt write offs	Below £50k the Group CFO to have delegated authority to approve Independent Boards to approve any bad debt over £100k
5.9	Approval of contracts, orders, leases, hire purchases commitments and tender arrangements	Below £1m the Group CEO/Group CFO have delegated authority to approve. £1m - to £1.5m to be recommended to the LSEEG Finance Committee for approval £1.5m and above to be recommended to the LSEEG Board for approval
5.10	The acquisition of any land or buildings, or the leasing of any land and buildings	Below £100k the Group CEO/Group CFO have delegated authority to approve. £100k to £150k to be recommended to the LSEEG Finance Committee for approval £150k and above to be recommended to the LSEEG Board for approval
5.11	The disposal of any assets	Below £100k the Group CEO/Group CFO have delegated authority to approve. £100k to £150k to be recommended to the LSEEG Finance Committee for

| | | approval

£150k and above to be recommended to the LSEEG Board for approval |
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| 5.12 | The Property Strategy. | LSEC Board to approve including LSEAT property strategy as the LSEC Board is the sponsor of LSEAT |
| 5.13 | Any lending, short-term facilities or overdraft arrangements and, in connection with such borrowing, granting securities or giving guarantees, charges or indemnities. | The Group CEO/Group CFO have delegated authority to draw down and operate approved short term facilities. |
| 5.14 | The Bankers used by the Group | Independent Boards to delegate approval to the LSEEG Board |
| 5.15 | Establishing and regulating any Trust Funds. | The Group CEO/Group CFO have delegated authority to approve

Any use of such delegated authority to be reported to the LSEAT Board and or LSEEG Finance Committee |
| 5.16 | Establishing, terminating, selling any company or joint venture company. Any loan, investment or decrease in share capital in any of these companies. | Independent Boards to approve |
| 5.17 | The Salary Scales and Pay Awards for Staff. | Framework for setting the pay of staff to be approved by the independent Board

Pay awards to be approved by independent Boards through approving their budget |
5.18	Severance payments to Senior Post Holders.	LSEC Board to approve severance payments to Senior Post Holders as their contract of employment is with LSEC
5.19	Severance payments for all other staff	The Group CEO/Group CFO have delegated authority to approve up to £50k
5.20	Expenses claims and credit card logs of the Principal & CEO.	Chair of Group Board/LSEC Corporation and the Clerk have delegated authority to approve these
5.21	Expenses claims of Governors.	Clerk to Corporation has delegated authority to approve these
6	**AUDIT**	
6.1	Appointment, continuance and remuneration of internal auditors	Independent Boards to delegate approval to the LSEEG Audit Committee
6.2	Annual Internal Audit Plan & Strategy	Independent Boards to delegate approval to the LSEEG Audit

			Committee
6.3	Review of performance of internal audit service and establishment of annual performance indicators for next year	To note through the minutes of the LSEEG Audit Committee
6.4	Internal Audit Annual Report	Each independent Board to approve their Annual Audit Report
6.5	Audit actions Tracker Report on previous recommendations	To note through the minutes of the LSEEG Audit Committee
6.6	Appointment and Remuneration of Financial Statement & Regularity Auditor	Independent Boards to delegate approval to the LSEEG Audit Committee
6.7	Financial Statement Audit Plan	To approve internal audit plan through the minutes of LSEEG Audit Committee
6.8	Regularity Self Assessment Questionnaire	Independent Boards to delegate approval to the LSEEG Audit Committee
6.9	Post Audit Management Letter	To approve when approving the Financial Statements
6.10	Letters of Representation	To approve when approving the Financial Statements
6.11	Financial Statements	Each independent Board to approve their Financial Statements
6.12	Group Audit Committee Annual Report: To submit an annual written report to each of the Independent Boards to include the Committee's opinion on the: ➢ Adequacy and effectiveness of the audit arrangements Framework of governance ➢ Risk management and control systems ➢ Processes for securing economy, efficiency and effectiveness ➢ Measures it has taken to ensure it has fulfilled its statutory and regulatory responsibilities	Each independent Board to approve the LSEEG Audit Committee Annual Report for the independent Board

	Review of its own effectiveness.	
6.13	Board Assurance Framework	Independent Boards to delegate approval to the LSEEG Audit Committee
6.14	Fraud Reports	Independent Boards to report any frauds to their funding body as determined by their Funding Agreement
6.15	Risk Management Policy	Independent Boards to delegate approval to the LSEEG Audit Committee
6.16	Risk Registers	Each independent Board to review their strategic Risk Register
6.17	Value for money policy and strategy	Independent Boards to delegate approval to the LSEEG Audit Committee