

The National Film and Television School

STRUCTURE & STANDING COMMITTEES OF THE BOARD OF GOVERNORS

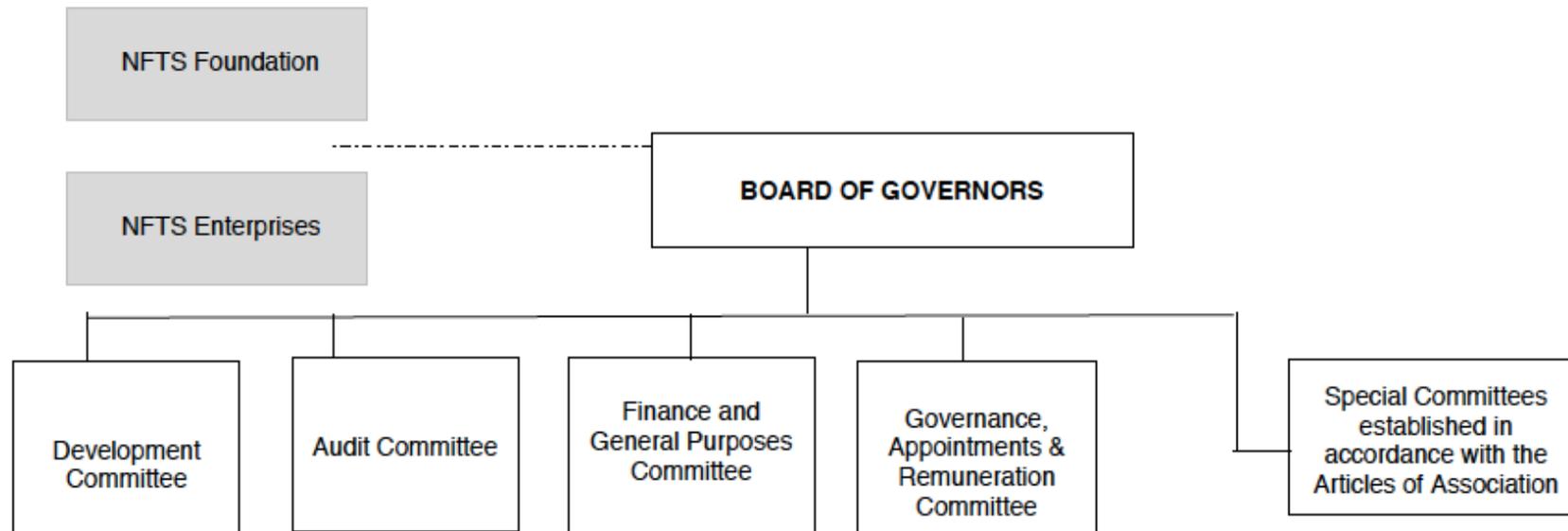
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COMMITTEE STRUCTURE OF THE BOARD OF GOVERNORS



MEMBERSHIP OF NFTS STANDING COMMITTEES OF THE BOARD OF GOVERNORS

Finance and General Purposes Committee

Stephen Louis (Chair)
Patrick McKenna
Ken Roberts
Leon Morgan
Robert Kingston

Audit Committee

Steve Mertz (Chair)
Christine Corner
Neil Forster
Patrick Fuller

Governance, Appointments & Remuneration Committee

Patrick McKenna (Chair)
Stephen Louis
Bal Samra
Sue Vertue

Development Committee

Patrick McKenna (Chair)
Additional Member TBC
Additional Member TBC

BOARD OF GOVERNORSTerms of Reference and Statement of Primary Responsibilities

The NFTS Board of Governors has adopted this Statement as a summary of its responsibilities. The Statement conforms to the model Statement of Responsibilities published by the Committee of University Chairmen.

1. To approve the mission and strategic vision of the institution, long-term academic and business plans and key performance indicators, and to ensure that these meet the interests of stakeholders.
2. To delegate authority to the head of the institution (known as the Director), as chief executive and the accountable officer, for the educational, corporate, financial, estate and personnel management of the institution and to establish and keep under regular review the policies, procedures and limits within such management functions as shall be undertaken by and under the authority of the Director.
3. To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk assessment, and procedures for handling internal grievances and for managing conflicts of interest.
4. The Audit Committee receives a report at each of its meetings on the major risks facing the School. Any matters of concern are reported to the Board.
5. To ensure processes are in place to monitor and evaluate the performance and effectiveness of the institution against the plans and approved key performance indicators, which should be, where possible and appropriate, benchmarked against other comparable institutions.
6. To establish processes to monitor and evaluate the performance and effectiveness of the Board itself.
7. To conduct its business in accordance with best practice in higher education corporate governance.
8. To safeguard the good name and values of the institution.
9. To appoint the Director of the NFTS as chief executive and accountable officer, and to put in place suitable arrangements for monitoring his/her performance.
10. To appoint a Clerk to the Board and to ensure that, if the person appointed has managerial responsibilities in the institution, there is an appropriate separation in the lines of accountability.
11. To be the employing authority for all staff in the institution and to be responsible for establishing appropriate human resources policies and practices.
12. To be the principal financial and business authority of the institution, to ensure

that proper books of account are kept, to approve the annual budget and financial statements, and to have overall responsibility for the institutions assets, property and estate.

13. To be the institution's legal authority and, as such, to ensure that systems are in place for meeting all the institution's legal obligations, including those arising from contracts and other legal commitments made in the institution's name.
14. To make such provision as it thinks fit for the general welfare of students.
15. To act as trustee for any property, legacy, endowment, bequest or gift in support of the work and welfare of the institution.
16. To ensure that the institution's articles of association are followed at all times and that appropriate advice is available to enable this to happen.
17. To prepare the annual financial statements, ensuring that:-
 - suitable accounting policies are selected and applied consistently
 - judgements and estimates are made that are reasonable and prudent
 - applicable Accounting Standards have been followed
 - the going concern basis is used unless it is inappropriate to presume that NFTS will continue in operation for the foreseeable future.

Membership

The number of members is limited to 25 (Articles of Association)

Quorum

Five Independent members

Frequency of Meetings

As required but a minimum of four times per year.

Audit Committee - Revised September 2018Terms of Reference

The Committee is authorised by the Board of Governors to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee.

All employees are directed to co-operate with any request made by the Committee.

The Committee is authorised by the Board of Governors to obtain outside legal or other independent professional advice and to secure the attendance of non-members with relevant expertise and expertise if it considers this necessary, normally in consultation with the Director and/or Chair of the Board of Governors. However it may not incur direct expenditure in this respect in excess of £5,000 without the prior approval of the Board of Governors.

The Audit Committee will review the audit aspects of the draft annual financial statements. These aspects will include the external audit opinion, the statement of members' responsibilities, the statement of internal control and any relevant issue raised in the external auditors' management letter. The Committee should, where appropriate, confirm with the internal and external auditors that the effectiveness of the internal control system has been reviewed, and comment on this in its annual report to the Board of Governors.

Duties of the Audit Committee

1. To advise the Board of Governors on the appointment of the External Auditors, the audit fee, the provision of any non-audit services by the External Auditors and any questions of resignation or dismissal of the External Auditors.
2. If necessary to discuss with the External Auditors, before the audit begins, the nature and scope of the audit.
3. To discuss with the External Auditors problems and reservations arising from the interim and final audits, including a review of the management letter incorporating management responses, and any other matters the External Auditors may wish to discuss (in the absence of School's management where necessary).
4. To consider and advise the Board of Governors on the appointment and terms of engagement of the Internal Auditors, the audit fee, the provision of any non-

audit services by the Internal Auditors and any questions of resignation or dismissal of the Internal Auditors.

5. To review the Internal Auditors' audit risk assessment and strategy; to consider major findings of internal audit investigations and management's response; to monitor the outcome of such findings; and to promote co-ordination between the Internal and External Auditors.
6. The Committee will ensure that the resources made available for internal audit are sufficient to meet the School's needs (or make a recommendation to the Board of Governors as appropriate).
7. To keep under review the effectiveness of the risk management, control and governance arrangements, and in particular to review the External Auditors' management letter, the Internal Auditors' annual report, and management responses.
8. To monitor, within an agreed timescale, the implementation of agreed audit-based recommendations, from whatever source.
9. To ensure that all significant losses have been properly investigated and that the Internal and External Auditors, and where appropriate the OfS Accounting Officer have been informed – with a report on any significant losses becoming a standard agenda item for each meeting.
10. To oversee the School's policies on fraud, irregularity and public interest disclosures, including being notified of any action taken under these policies.
11. To satisfy itself that appropriate arrangements are in place to promote economy, efficiency and effectiveness.
12. To monitor annually the performance and effectiveness of External and Internal Auditors, including any matters affecting their objectivity, to promote coordination between the services, and to make recommendations to the Board of Governors concerning their reappointment, where appropriate.
13. To consider elements of the annual financial statements in the presence of the External Auditor, including the Auditor's formal opinion, the statement of members' responsibilities and any corporate governance statement. This responsibility includes consideration of internal control and risk management statements.
14. To oversee the Schools management of risk, as a part of this process to receive and review the School's Risk Register at each meeting.
15. To ensure appropriate audit work on risk management is undertaken and to challenge risk owners on progress towards the mitigation of risks.
16. To oversee the School's policies and practices on GDPR, including being notified of any action taken - with a report on any GDPR becoming a standard agenda item for each meeting.

17. To satisfy itself that the School has effective procedures (overseen by the Board) to manage the quality of learning and teaching, and to maintain academic standards.
18. In the event of the merger or dissolution of the institution, to ensure that the necessary actions are completed, including arranging for a final set of financial statements to be completed and signed.
19. To receive any relevant reports from the National Audit Office, OfS and other organisations.
20. To consider any matters referred or delegated by the Board of Governors.

Major objectives

To adopt a risk-based approach to assessing systems and controls.

To monitor action plans and address any key risks identified in the School's Strategic and Operational plans.

To ensure the highest quality of financial reporting by reviewing financial statements on behalf of the Board of Governors.

Other duties:

To present the minutes of Committee meetings to the Board of Governors

To prepare an annual report covering the School's financial year and any significant issues up to the date of preparing the report. The report will be addressed to the Board of Governors and the Director, summarising the activity for the year. It will give the Committee's opinion on the adequacy and effectiveness of the School's arrangement for the following:

- a. Risk management, control and governance (including the accuracy of the statement of internal control included in the annual statement of accounts)
- b. Economy, efficiency and effectiveness (VFM)
- c. The School's systems for the management and quality assurance of data

This opinion should be based on the information that is provided to the Committee.

The annual report should be submitted to the Board of Governors before the governors' responsibility statement in the annual financial statements is signed.

To ensure a copy of the annual report is submitted to OfS, as required.

Constitution and Membership

The Audit Committee is a standing committee of the School's Board of Governors. It advises both the Board and the Director as the Accountable Officer.

The Committee's membership, including its chair, is appointed by the Board of Governors and consists of members with no executive responsibility for the management of the School. There shall be no less than three members from the Board of Governors, one of whom should have a background in finance, accounting or auditing.

No member of the Committee may also be a member of the Finance & General Purposes Committee. Staff members of the Board may not serve on this Committee. The Committee may, if it considers it necessary or desirable, co-opt advisers or specialists with particular expertise. A quorum is two members.

Meeting requirements and attendance

The Director of Finance, a representative of the internal auditors, and a representative of the External Auditors shall normally attend meetings where business relevant to them is to be discussed.

The Committee should meet normally at least two times a year each financial year. There should be at least one meeting a year, or part thereof, where the external auditors and internal auditors attend without management present. The internal or external auditors can request a meeting of the Committee if they consider it necessary.

F&GP COMMITTEE - Updated September 2018**Terms of Reference**

The Finance and General Purposes Committee is a standing committee of the Board of Governors with the following responsibilities:

Finance

1. To submit to the Board of Governors at or before the start of each quarterly board meeting the estimates of income and expenditure of the curriculum and administrative activities of the NFTS, and supporting services, and to provide assurance to the Board of Governors on the viability of those estimates.
2. To review annually the out-turns of income and expenditure of the curriculum and administrative activities of the NFTS and supporting services and to report to the Board of Governors thereon.
3. To approve financial forecasts.
4. To monitor and control expenditure, and to report to the Board of Governors whenever necessary on banking operations, investments, cash statements, and other matters relevant to the income and expenditure of the NFTS.
5. To delegate specified operational powers to individuals and to publish a statement of such delegations.
6. On behalf of the Board of Governors, to exercise the following devolved powers:
 - To approve expenditure additional to the budget of up to £25,000 in any one instance and to approve contracts up to the value of £100,000 per annum and to make recommendations to the Board of Governors on amounts beyond those limits.
 - To appoint bankers and any investment managers and determine the period and terms and conditions relating to any such appointments.
 - To devise an investments strategy for the NFTS and to be responsible for the investments of the NFTS.To report to the Board of Governors thereon.

General

1. To oversee generally the provision of such property, services and amenities as may be necessary for the efficient running of the NFTS.
2. To consider and deal as appropriate with such other issues or matters referred to it by the Board of Governors or Director of the NFTS.

3. The Chair (or in the Chair's absence the Deputy Chair) may take action on behalf of the Finance and General Purposes Committee on any matter that is in the Chair's opinion either urgent (but not requiring a special meeting) or non-contentious.
4. To review the Health and Safety reports from the Health and Safety Officer and the minutes from the Health and Safety Committee in accordance with the NFTS Health and Safety Policy and to report any significant concerns to the NFTS Management team and the Board of Governors.
5. To review the Hospitality Register and Policy for Anti-Bribery to ensure their effective implementation.
6. To consider key issues relating to the school' duties as a UK Visas and Immigration (UKVI) Sponsor Licence holder.
7. To be responsible to the Board for the policies for recruitment, training and development, promotion, resignation, dismissal, retirement and conditions of service of all staff.

Membership (6 voting members)

Minimum four members including two governors and one staff member. Non-governors may also be members.

Three voting members of the Committee constitute a quorum.

Frequency of Meetings

As required but a minimum of four times per year.

GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEETERMS OF REFERENCE

- The Governance, Appointments and Remuneration Committee (GAR) is a standing committee of the Board of Governors.
- Membership is the Chair of the Board and a minimum of three other governors appointed by the Board.
- The Director of the NFTS and the NFTS Personnel Manager will be invited to attend meetings from time to time to provide the Committee with information on specific items on the agenda.
- The Chair of the Committee shall be the Chair of the Board, but s/he will relinquish the Chair during any discussion of the Director's salary or remuneration.
- Three members of the Committee constitute a quorum.
- Meetings shall normally be held at least twice a year, and minutes kept.

RESPONSIBILITIES.

A. GOVERNANCE

- To review regularly the effectiveness and governance structure of the Board and its committees and make recommendations to the Board with respect to the proper functioning of the Board and its committees, including professional development opportunities for Board members.

B. APPOINTMENTS

- To review current and forthcoming vacancies on the Board and its committees, to identify core and specific competency profiles for Board vacancies, and to recommend suitable candidates for appointment.
- To receive and consider nominations of candidates for the positions of Chair of the Board and Deputy Chair of the Board and recommend for Board approval the name of one person for each position at the first meeting in each calendar year.
- To make recommendations to the Governors on the appointment of members of the Finance and General Purposes Committee; the Audit Committee, and such other committees as the Governors may from time to time direct

C. REMUNERATION

- To determine on behalf of the Board of Governors the salary, other remuneration (including performance reward payments), performance criteria and conditions of service of the Director and the Director of Finance, taking into consideration available information on the remuneration of Chief Executives and FDs in other comparable Higher Education Institutions.
- The Chair may determine that the committee should determine the remuneration of other senior managers and staff as appropriate.
- No individual shall be present during discussions or decisions reached in relation to his/her own remuneration.
- To approve the design of, and determine targets for, any performance/merit related pay arrangements operated by the School and approve the total payments made under such schemes.
- To ensure that all provisions regarding the disclosure of remuneration, including pensions, are fulfilled.
- To determine a material financial settlement for i) the Director and ii) where settlements are outside of normal policy, any member of staff listed in [II] above, in the event of individuals specified in i) and ii) leaving the employment of the institution in circumstances where that is deemed appropriate.
- In respect of other staff, to (i) receive and review decisions made by the Director in relation to salaries, other emoluments and conditions of service; and (ii) approve the overall remuneration policy.
- To set the terms of reference for any remuneration consultants who advise the Committee.
- To deal with other relevant remuneration matters referred to it by the Board of Governors.

PROCESS FOR BOARD AND COMMITTEE APPOINTMENTS

- The Board of the National Film and Television School is committed to ensuring that appointments to the Board and its Committees are conducted with full regard to the School's governing documents, the strategic aims of the organisation and in accordance with legislative and regulatory requirements. A particular focus is placed on equality and diversity in that the Board is committed to the achievement of equality of opportunity and diversity throughout the School, and has particular responsibilities in relation to its own operation including appointments.
- It is important that all public appointees such as Governors uphold the standards of conduct set out in the Committee on Standards in Public Life's Seven Principles of Public Life, and are 'Fit and Proper Persons' for appointment, as required by the Office for Students. The GAR Committee must satisfy itself that all candidates for appointment can meet these standards and have no conflicts of interest that would call into question their ability to perform the role.

Identification of vacancies

- The Staff Governor is elected by the staff of the School to serve one three-year term of office.
- The Student Governor elected annually by members of the Students' Union as their representative.
- The Clerk to the Board will identify the need for new Governors as they arise in consultation with GAR Committee. This may arise from completion of a term of office, resignations by individual members, or because particular skills or areas of knowledge are required to ensure that the Board operates effectively.
- When necessary, the GAR Committee will also review membership of the Board including identification of gaps and vacancies together with options for consideration. Although the nominations process is delegated to the GAR Committee, which will make individual recommendations to the Board for approval, the Board retains overall responsibility for decision making.

Skills and experience

- The Clerk will maintain and regularly update a background governor skills and experience chart, together with rotational retirement dates and membership and Committee lists. The skills and experience chart is a background tool which is used by the GAR Committee to inform its overall consideration of the range of skills and areas of expertise within the Board, particularly in the context of new appointments. An annual regular review of the existing skills of the Board will be carried out to inform the appointment and development needs of the Board.
- Consideration is given to those with public and private sector experience or knowledge in the creative industries and/or higher education, with a particular preference for those with leadership and strategic management experience.

Conflicts of Interest

- The GAR Committee will consider any existing or potential conflicts of interest before the appointment of a Governor. Consideration will be given to the ability of prospective Governors to act in the best interests of the School as opposed to the interests of representative groups. On appointment, Governors also assume legal responsibilities as Trustees of a registered charity.
- Prospective Governors will be asked about potential conflicts of interest, and these should be declared by way of a Declaration of Interests form provided at the offer of an appointment. As a matter of best practice, the School Finance Director also asks Governors to submit an annual declaration of actual or potential conflicts of interest at the start of each new academic year. As well as each Governor being required to annually declare any changes in circumstance, conflicts of interest with items on the agenda at each meeting must also be declared.

Due diligence

- When preparing to appoint a new Governor, the School will ensure that the person is qualified to act as a Governor. The School Finance Director will check that candidates have not been disqualified from acting as Governors, and candidates are asked to confirm in writing to the FD if this is the case.

Diversity

- The School believes that governance is enhanced where Governors are appointed from a wide range of backgrounds. This includes Governors from minority and ethnic communities and people with disabilities. The GAR Committee is also charged with maintaining a good gender balance on the Board. The School is committed to the notion that a diverse board can help to increase accountability, public confidence and reputation amongst its stakeholders as well as encouraging well-informed broad-based decision making.
- There are also legislative requirements with which the School as a public body must comply; the Equality Act 2010 gives public authorities a general duty to eliminate discrimination on certain grounds, and to advance equality of opportunity. An organisation which is not a public authority, but which exercises public functions such as the School, must also have due regard to these matters.
- The Board will look to appoint members in areas where it is under represented, for example by advertising and by making specific efforts to assist people who might otherwise have difficulties in attending board meetings.

Process for appointing Governors

- Appointments will be for three years with the exception of the Student Governor who is elected annually.
- Governors will normally serve not more than three terms of three years, although it may be possible on occasion to be a Governor for longer, subject to full Board consideration and approval.
- Appointment following Internally Managed Search -
 - An internally managed search for candidates will involve governors and the Executive being asked to recommend suitable candidates based on particular skills and experience identified as being required on the Board. Suitable candidates may be identified from within existing networks and stakeholder groups and knowledge of specific individuals. The GAR Committee will draw up a long list of recommended candidates, will consider the options and make recommendations to the Board.
 - Appointment after advertisement and expression of interest. The GAR Committee may ask the Board for approval to place an advertisement seeking expressions of interest from candidates wishing to join the Board. The advert may target particular skills and areas of expertise or may invite expressions of interest from candidates who would enhance

aspects of the Board's diversity where it is under-represented.

- Expressions of interest will be considered by the GAR Committee and a preferred candidate or candidates will be recommended to the Board for appointment.

Process for appointing the Chair.

- The Articles set out the requirement for the Board to elect a Chair from among its members.
- The Chair shall hold office for a term of three years and shall be eligible for re-election for two further terms, providing that s/he continues to be a Governor. It is generally not anticipated that the Chair will hold office for more than three periods of three years (i.e. 9 years in total); however, it may be possible on occasion to hold office for longer, subject to full Board consideration and approval. Whenever re-election of the Chair is considered, the GAR will table the proposal to the full Board for consideration and approval.
- If the current Chair wishes to stand for a further term of office he or she may express an interest in doing so to the GAR Committee which will consider the nominee and make a recommendation to the full Board at its next meeting.
- During the considerations on re-appointing the Chair, the proposed nominee will not participate in the discussions or take part in the voting and shall withdraw from the meeting at which the matter is discussed: At any such times the Deputy Chair shall act as Chair of the meeting for that item when seeking a decision on the appointment.
- If the current Chair does not wish to be re-appointed or has already served three terms, the GAR Committee on behalf of the Board will, as part of a succession plan, consider at least six months before the retirement of the current Chair the process for consulting Board members about the appointment of a new Chair.
- The process for appointing a Chair from amongst the current membership will be by an expression of interest from the member to the Clerk or from the GAR Committee approaching the member to assess their interest. The GAR Committee will consider the nominee and make a recommendation to the full Board at the next meeting.
- During the considerations on appointing a new Chair, the proposed nominee will not participate in the discussions or take part in the voting and shall withdraw from the meeting at which the matter is discussed.

FOR INFORMATION - not part of the Terms of Reference

Constitution of the Board

- The Board consists of a majority of Independent Governors and, when complete, consists of not more than 25 members. A quorum is 5 members.

- The following are ex officio members of the Board:
 - A Staff Governor elected to serve one three-year term of office by NFTS staff.
 - A Student Governor elected annually by members of the Students' Union as their representative.
 - The Director and the Finance Director also attend Board meetings and other members of staff are invited to attend for specific agenda items as required.
 - All Governors by virtue of their obligations and powers in the constitution are automatically the charity trustees of the School.

DEVELOPMENT COMMITTEE

Terms of Reference The Development Committee is a standing committee of the Board of Governors with the following responsibilities:

1. Develop a co-ordinated School strategy for fundraising.
2. To review progress on fundraising targets and agreeing targets for the Senior Management Team and the Head of Development.
3. To prioritise fundraising projects in line with wider School strategy and policies.
4. To advise the School on how philanthropy can maximise income potential.
5. To make recommendations to the Board of Governors on development strategy, policies, activities and future direction.
6. To receive regular reports of progress on fundraising projects with potential and current donors.
7. To ensure the fundraising strategy is implemented through the Head of Development and the Alumni and Events Team.
8. To oversee the development of marketing materials for fundraising projects.
9. To approve naming opportunities made by the Senior Management Team and Head of Development.
10. To ensure the NFTS Donations Policy is regularly reviewed.

Membership

- Three Board Members
- Two members selected from the staff members of the Board.

Three voting members of the Committee constitute a quorum.

Frequency of Meetings

At least once per year.