

Corporate Governance Code

June 2019

Document Control Information

Reviewed by the Audit Committee:	June 2019
Approved by the Board of Management:	June 2019
Date of Next Review:	June 2020

Contents Page

Introduction	3
1. Leadership	4
2. Board Composition	7
3. Performance	8
4. Remuneration	9
5. Accountability and Audit.....	10
Appendix A – Scheme of Delegation.....	13
Appendix B – Procedural Rules	17

Introduction

Corporate governance:

- is the way in which organisations are directed and controlled within a legislative framework
- defines the distribution of rights and responsibilities among the different stakeholders and participants in the organisation
- determines the rules and procedures for making decisions on corporate affairs including the process through which the organisation's objectives are set
- provides the means of achieving those ends and monitoring performance.

Colleges Scotland is legally constituted as a Company Limited by Guarantee, registered in Scotland, No: 143210. It is also a Scottish Charity, No: SC023848. Its Memorandum and Articles of Association set out its objects, powers, constitution and other fundamental aspects of its governance, and its Members, as Company Directors and Charity Trustees, must comply with the Companies Act 2006 and the Charity and Trustees Investment (Scotland) Act 2005.

Colleges Scotland must comply with a range of other legislation, and associated regulation, including the Freedom of Information (Scotland) Act 2002, the General Data Protection Regulation (2016), effective from May 2018, and the Equality Act 2010.

The Board of Colleges Scotland has chosen to adopt the Model Code of Conduct that is in place in the college sector to ensure that its conduct is consistent with the Ethical Standards in Public Life etc (Scotland) Act 2000.

The Board has also chosen to develop its own Code of Governance (the Code) which draws on the UK Code on Corporate Governance and the Code of Good Governance for Scotland's Colleges in setting out key principles and supporting provisions for effective governance.

The Code is not a rigid set of rules. It sets out what the Board considers to be good practice in the conduct of its duties. It is recognised that, from time to time, situations may arise which justify non-compliance with this Code if good governance can be achieved by other means. The Board should carefully consider such departures from this Code and explain properly the reasons for such non-compliance. Such reasons should be recorded in minutes of the meeting at which the route of non-compliance was decided. In providing an explanation, the Board should aim to illustrate how its actual practice is consistent with the principle to which the particular provision relates and contributes to good governance. This Code will be reviewed by the Board on an annual basis and updates documented by a reissue of the Code to all members of the Board.

1. Leadership

1.1 The Board

Main Principles

Colleges Scotland should be headed by an effective Board, which is collectively responsible for the success of Colleges Scotland.

Supporting Provisions

Role of the Board

The Board is collectively responsible for the success of Colleges Scotland. Its key responsibilities are to:

- provide leadership within a framework of prudent and effective controls which enables risk to be assessed and managed;
- set strategy and structure;
- ensure that the necessary financial and human resources are in place for Colleges Scotland to meet its objectives;
- review management performance;
- ensure, in so far as it can, that arrangements are in place to attract, motivate and retain the best quality personnel;
- set Colleges Scotland values and standards;
- ensure that Colleges Scotland operates in a way that is consistent with its charitable purposes and Code of Conduct, which includes the registration and declaration of interests.

Specific responsibilities reserved for the Board are set out in the Scheme of Delegation at **Appendix A**.

1.2 Decision Taking

Main Principles

All Board members must take decisions objectively in the interests of Colleges Scotland and in pursuance of its charitable objects.

As part of their role as members of the Board, members should constructively challenge and help develop proposals on strategy. Board members should scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance. They should satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible.

Supporting Provisions

- Board members are collectively responsible and accountable for all Board decisions.
- The Board should meet sufficiently regularly to discharge its duties effectively.
- The Board may delegate such of its functions as it determines to committees of the Board and others as set out the Articles of Association of Colleges Scotland.
- The Board should keep a record of all meetings of the Board and its committees and individual attendance by members at each.

- Where a Board member has concerns which cannot be resolved about the running of Colleges Scotland or a proposed action, they should ensure that their concerns are recorded in the Board minutes. On resignation, a Board member should provide a written statement to the Chair, for circulation to the Board, if they have any such concerns.
- The procedural rules for conduct of Board business are set out in Appendix B to this Code.
- Other than the Chair and the Chief Executive, members of the Board shall not speak publicly or make any verbal or written representation to government or other stakeholders without the prior consent of the Chair or the Chief Executive.

1.3 Division of Responsibilities: Chair, Chief Executive and Secretary to the Board

Main Principle

There should be a clear division of responsibilities at the head of Colleges Scotland between the running of the Board and the executive responsibility for the running of Colleges Scotland day to day operations. No one individual should have unfettered powers of decision.

Supporting Provisions

1.3.1 Role of the Chair

The Chair is responsible for leadership of the Board, ensuring its effectiveness on all aspects of its role. Responsibilities include:

- setting the Board agenda, ensuring Board members receive accurate, timely and clear information, of a quality to enable them to discharge their duties;
- ensuring that sufficient time is allowed for discussion of all agenda items, in particular strategic issues;
- promoting a culture of openness and debate and constructive challenge by facilitating the effective contribution of Board members and ensuring constructive relations between Board members and management and staff;
- taking the lead in addressing the development and training needs of individual Board members to ensure that they have the skills and knowledge to fulfil their role on the Board and any Board committee;
- ensuring effective communication with members and stakeholders;
- ensuring the performance of the Board as a whole and its committees is evaluated annually;
- evaluating annually the performance of each Board member in his/her role as a Board Member;
- evaluating and appraising annually the performance of the Chief Executive;
- providing input to the Board in relation to the policy for the remuneration of the Chief Executive and Executive Directors;
- holding meetings with the Board members without management or the company secretary present;
- being available to the Chief Executive to advise on matters relating to strategy and operations; and
- in conjunction with the Chief Executive, representing Colleges Scotland to government, stakeholders and the community.

1.3.2 Role of the Chief Executive

The Chief Executive is responsible for running the day to day operations of Colleges Scotland and the management and leadership of staff. The Chief Executive acts with the delegated authority of the Board. Responsibilities include:

- developing and implementing Colleges Scotland's Strategic Plan, as determined by the Board, ensuring that strategic and operational objectives set by the Board are achieved;
- reviewing the operational performance and strategic direction of Colleges Scotland and reporting to the Board on a timely basis;
- informing the Board of all relevant factors and developments that may impact on Colleges Scotland and the Board's activities;
- recommending to the Board an annual budget;
- allocating and controlling resources within an approved budget;
- ensuring a sustainable financial future for Colleges Scotland;
- being accountable to the members of Colleges Scotland for proper use of public funds including the review of operational performance and strategic direction;
- managing Colleges Scotland's risk management programme including all compliance issues and the environmental and health and safety performance of Colleges Scotland;
- ensuring effective and robust policies and procedures (including financial policies and procedures) are in place and are regularly reviewed;
- approving major contracts in accordance with authority levels delegated;
- maintaining open and effective communication through agreed representation channels for staff.

1.3.3 Role of the Secretary to the Board

- The Secretary to the Board has responsibility for guiding the Board in the execution of its tasks. All Board members should have access to the advice and services of the Secretary to the Board.

Responsibilities include:

- advising the Board on the proper exercise of its powers within Colleges Scotland's legal and regulatory framework;
- ensuring the smooth running of the Board and the Board committees by helping set agendas, preparing and presenting papers to the Board and, where applicable, to Board committees (where a committee may have separate secretariat support this shall be set out in the committee's terms of reference);
- ensuring good information flows within the Board and its committees and between the Chief Executive, Directors and Board members;
- advising on and ensuring that the Board adheres to approved policy and procedures;
- acting as a primary point of contact and source of advice and guidance for, in particular, Board members in relation to Colleges Scotland;
- keeping under close review all legislative, regulatory and governance developments that might affect Colleges Scotland's operations and ensuring that the Board is briefed on these;
- facilitating the induction of new Board members into Colleges Scotland and their roles and responsibilities and assisting in the ongoing training and development of Board members.

1.4 Information

Main Principle

The Board should be supplied in a timely manner with information in a form and of a quality appropriate to enable it to discharge its duties.

Supporting Provisions

- 1.4.2 Management has an obligation to provide relevant information in an appropriate form, but Board members should seek clarification or amplification where necessary.
- 1.4.3 Information and data that are important to the Board or Committee's understanding of the business and any agenda items will be distributed to members before the meeting, with sufficient time to allow members to give such materials appropriate attention. In exceptional circumstances where the subject matter is judged by the Chair of the Board or Committee Chair to be too sensitive, information may be withheld from circulation prior to the meeting and brought to the meeting for consideration.

2. Board Composition

2.1 Composition of the Board

Main Principle

The Board and its committees should have the appropriate balance of skills, experience, independence and knowledge of Colleges Scotland to enable them to discharge their respective duties and responsibilities effectively.

Supporting Provisions

- 2.1.1 The Board should be of sufficient size, within limitations set out in the Articles of Association, that the requirements of Colleges Scotland can be met and that changes to the Board's composition and that of its committees can be managed without undue disruption.
- 2.1.2 The Board shall consist of up to eighteen Board appointed (or deemed appointed) as follows:
- 2.1.3 The Chair of each Company Member shall be a be a Board Member save that:
 - 2.1.3.1 The University of the Highlands and Islands may nominate an individual who is not its chair to be a director; and
 - 2.1.3.2 The Chair of a Company Member which is a body referred to in Article 8.3 shall not be a Board Member.
- 2.1.4 The Chair of the Principals' Group shall be a Board Member.
- 2.1.5 The Chief Executive appointed under Article 72 shall be a Board Member.

- 2.1.6 Up to three persons who hold the position of Principal of a Company Member, and who have been nominated for office by the Principals' Group shall be Board Members.
- 2.1.7 Where there are membership vacancies, in circumstances as set out under section 49 of the Articles of Association, the Board may co-opt members, up to a maximum total Board membership of eighteen, with the relevant skills, knowledge experience or other attributes to meet the Board's needs.
- 2.1.8 The Board should periodically review and refresh the membership and chairing of its committees, in the interests of achieving an appropriate balance, promoting diversity including gender balance, and ensuring that undue reliance is not placed on particular individuals.

2.2 Appointments to the Board

Main Principle

Appointments to the Board must be made in accordance with the Articles of Association.

Supporting Provisions

- 2.2.1 The Board should retain oversight of membership and tenure and satisfy itself that plans are in place for orderly succession in relation to appointments to the Board.
- 2.2.2 The letter of appointment of Board members should set out the expected time commitment. Board members should undertake that they will have sufficient time to meet what is expected of them. Their other significant commitments should be disclosed to the Board before appointment, with a broad indication of the time involved and the Board should be informed of subsequent changes.

3. Performance

3.1 Induction, Professional Development and Appraisal

Main Principle

All Board members should receive an induction on joining the Board and should regularly update and refresh their skills and knowledge.

Supporting Provisions

- 3.1.1 The Chair of the Board should ensure that new members receive a full, formal and tailored induction on joining the Board.
- 3.1.2 The Chair should ensure that the Board members continually update their skills and knowledge and familiarity with Colleges Scotland to fulfil their role both on the Board and on committees.
- 3.1.3 The Chair should regularly review and agree training and development needs with the Board and discuss individual needs and aspirations at annual evaluation meetings with members.

- 3.1.4 The Chief Executive should ensure that the necessary resources are available to Board Members to develop their knowledge of the organisation, including access to relevant publications and reports, and the advice of the Chief Executive and Directors.
- 3.1.5 The Board Secretary should have a role in planning and implementing induction and development arrangements, including the identification of training and development opportunities.

3.2 Performance Evaluation

Main Principles

The Board should undertake a formal annual evaluation of compliance with the provisions of this document, its own performance, that of its committees, individual Board members, the Chair of the Board and committee chairs.

Individual evaluation should aim to show whether each Board member continues to contribute effectively and to demonstrate commitment to the role (including commitment of time for Board and committee meetings and any other duties). The Chair should act on the results of the performance evaluation by recognising the strengths and addressing the weaknesses of the Board.

Supporting Provisions

- 3.2.1 Evaluation should be carried out at least annually and every three years by an external facilitator.
- 3.2.2 A report should be produced on the outcome of the evaluation of the Board and committees with action points being given deadlines for completion.
- 3.2.3 The Board should agree a process for evaluating the effectiveness of the Board Chair and committee chairs. The evaluation of the board chair should normally be led by the Vice Chair.
- 3.2.4 The Board should consider engaging an external assessor to support the review of its effectiveness every three years in accordance with required good governance practice elsewhere in the sector.

4. Remuneration

4.1 The Level and Make-up of Remuneration

Main Principle

Levels of remuneration should be set fairly to commensurate with the duties, responsibilities, skills and experience of the post, sufficient to attract and retain.

Supporting Provisions

- 4.1.1 Comparisons should be sought but used with caution.
- 4.1.2 Performance-related elements of remuneration should be stretching and designed to promote the long-term success of Colleges Scotland.

- 4.1.3 Those responsible for making decisions on remuneration should be sensitive to pay and employment conditions elsewhere in the organisation and in the sector especially when determining annual salary increases.

4.2 Procedure

Main Principle

There should be a formal and transparent procedure for developing policy on remuneration and for fixing the remuneration package of the Chief Executive and Directors. The Chief Executive and Directors should not be involved in deciding his or her own remuneration.

Supporting Provisions

- 4.2.1 Board members (with the exception of the Chief Executive who is paid for his/her role as Chief Executive) shall not be remunerated for performing the office of Board member but shall be entitled to reasonable out of pocket expenses on basis of an expenses policy determined by the Board from time to time.
- 4.2.2 The Board has responsibility for setting remuneration for the Chief Executive and the Directors. Remuneration includes pension rights and any compensation payments.
- 4.2.3 The Board should have a formal procedure in place for the setting of the remuneration of the Chief Executive and Directors with appropriate delegation to the Remuneration Committee.

5. Accountability and Audit

5.1 Financial and Business Reporting

Main Principle

The Board should present a balanced and understandable assessment of Colleges Scotland's position and prospects.

Supporting Provisions

- 5.1.1 The Board's responsibility to present a balanced and understandable assessment extends to public reports and reports to regulators (particularly the Office of the Scottish Charity Regulator) as well as to information required to be presented by statutory requirements.
- 5.1.2 The Board should explain in the accounts its responsibility for preparing the accounts and there should be a statement by the auditors about their reporting responsibilities.
- 5.1.3 In causing the financial statements to be prepared, the Board shall ensure that:
- suitable accounting policies are selected and applied consistently;
 - judgements and estimates are made that are reasonable and prudent;
 - accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

- the financial statements are prepared on the going concern basis, unless it is inappropriate to presume that Colleges Scotland will continue in operation.

5.1.4 The Board shall:

- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of Colleges Scotland and hence to take reasonable steps to prevent and detect fraud;
- ensure reasonable steps have been taken to secure the economical, efficient and effective management of Colleges Scotland's resources and expenditure; and
- ensure sound corporate governance and the proper conduct of the organisation's operations.

5.2 Risk Management and Internal control

Main Principle

The Board is responsible for determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives. The Board should maintain sound risk management and internal controls systems.

Supporting Provision

- 5.2.1 The Board should, at least annually, conduct a review of the effectiveness of Colleges Scotland's risk management and internal control systems. The review should cover all material controls, including financial, operational and compliance controls.

5.3 Audit Committee and Auditors

Main Principle

The Board should establish formal and transparent arrangements for considering how they should apply the risk management and internal control principles and for maintaining an appropriate relationship with Colleges Scotland's auditors.

Supporting Provisions

- 5.3.1 The Board should establish an audit and risk assurance committee of at least four members. The Board should satisfy itself that at least one member of the audit committee has recent and relevant financial experience.
- 5.3.2 No one other than the committee chair and members is entitled to be present at a meeting of the audit committee, but others may attend at the invitation of the committee.
- 5.3.3 Neither the Board Chair nor Chief Executive may be a member of the audit committee although they may be invited to attend meetings.

- 5.3.4 The main role and responsibilities of the audit committee should be set out in written terms of reference and should include:
- to monitor the integrity of the financial statements of Colleges Scotland and reviewing significant financial reporting judgements contained in them;
 - to review Colleges Scotland's internal financial controls and to review internal control and risk management systems;
 - to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements.
- 5.3.5 The audit committee should review arrangements by which staff of Colleges Scotland may, in confidence, raise concerns about possible improprieties in financial reporting or other matters. The audit committee's objective should be to ensure that arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow-up action.

Scheme of Delegation

The Board shall review this Scheme of Delegation on an annual basis and may expand or restrict the delegated authority as it deems appropriate.

1. Reserved Matters

The following matters shall be reserved to the Board.

- 1.1 setting the strategy of Colleges Scotland;
- 1.2 approving an annual budget;
- 1.3 approving year-end financial statements;
- 1.4 identification of the principal business risks and setting the organisation's risk appetite;
- 1.5 determining the annual cost of Members' subscriptions to Colleges Scotland;
- 1.6 strategic oversight of Colleges Scotland operations and control structures;
- 1.7 reviewing regularly operational performance and updated forecasts for the current year;
- 1.8 approving the main operating policies and procedures for the control of finance activities and receiving regular reports on those activities;
- 1.9 retaining primary responsibility for the approval of borrowing, granting securities, guarantees or indemnities, major capital expenditure, major contracts and financing arrangements;
- 1.10 acquisition, disposal or lease of heritable property;
- 1.11 reviewing at least annually pension fund arrangements;
- 1.12 reviewing at least annually insurance and risk management programmes;
- 1.13 reviewing at least annually the environmental and health and safety performance of Colleges Scotland;
- 1.14 the appointment and removal of Board Members (including the appointment of Chair and Vice Chair) as set out in the Articles of Association;
- 1.15 the appointment and terms and conditions of the Chief Executive;
- 1.16 the appointment and terms and conditions of the Board Secretary;
- 1.17 any disciplinary action against, or the removal of, the Chief Executive or Board Secretary;
- 1.18 succession planning relating to committee and representation in other fora;
- 1.19 establishing and reviewing committees and appointments thereto;

- 1.20 ensuring compliance with company and charity law, and where appropriate with other legislation including information, equality and ethical standards legislation;
- 1.21 review and approval of the Corporate Governance Code, Procedural Rules and Scheme of Delegation.

2. Delegation to Committees

- 2.1 In accordance with the Articles of Association, the Board may establish committees and delegate authority to them as it considers appropriate.
- 2.2 All committees act under the authority of the Board and have terms of reference approved by the Board.
- 2.3 Except where authorised by its terms of reference, or through a distinct decision of the Board to delegate authority in a particular matter recorded in the minutes of the Board, the role of a committee is to oversee activity in an area of the Board's operation as set out in its remit, and to bring matters to the attention of, and make recommendations to, the Board in that area.
- 2.4 Matters considered and decisions taken by a committee shall be reported to the next meeting of the Board following the committee meeting, normally through the presentation of minutes by the Committee Chair.

3. Delegation to the Chair

- 3.1 The Chair of the Board may generally represent the views of the Board and speak on its behalf.
- 3.2 The Board may delegate authority to the Chair to take decisions and act on its behalf in a particular matter.
- 3.3 From time to time, it may be necessary for the Chair to take urgent action on behalf of the Board without prior approval. In such instances, the Chair shall report his or her action to the Board at the earliest appropriate opportunity.
- 3.4 The Chair has specific delegated authority to:
 - 3.4.1 Sign the annual financial statements on behalf of the Board further to Board approval.
 - 3.4.2 Monitor and review the performance of individual Board Members at least annually.
 - 3.4.3 Monitor and review the performance of the Chief Executive at least annually.
 - 3.4.4 Monitor and review the performance of the Board Secretary at least annually.
 - 3.4.5 Initiate, further to a decision by the Board, any disciplinary action against the Chief Executive or Board Secretary.
 - 3.4.6 Ensure appropriate induction and development arrangements are in place for Members of the Board.

4. Delegation to the Chief Executive

The Chief Executive reports to the Board and is accountable to the Board for his or her actions and shall therefore act at all times in a way that is in the best interests of the Board and Colleges Scotland.

The Board recognises the need to empower the Chief Executive so that he or she can effectively discharge the responsibilities given to that role.

The Board therefore delegates to the Chief Executive authority to act on its behalf in relation to operational matters in order to discharge the responsibilities of the role of Chief Executive, as follows, notwithstanding restrictions set out under item 4.2 below.

4.1 The Chief Executive shall have delegated authority for:

4.1.1 The management of the corporate affairs, finances and human resources of the organisation.

4.1.2 Implementation of Board strategy including risk management strategy.

4.1.3 Taking such measures as may be required in emergencies, subject to advising the Chair where possible and homologation by the appropriate Committee or Board as soon as possible thereafter, on any items for which approval of the Committee or the Board would normally be necessary.

4.1.4 Provision of information and representing the views of Colleges Scotland to the Scottish Government, other stakeholders, and publicly.

4.1.5 Taking out membership of and attending meeting of outside bodies where it is in the interests of Colleges Scotland to do so.

4.1.6 Authorising the issue of press releases and publication of documents on behalf of Colleges Scotland.

4.1.7 Determining the organisational structure, appointments and remuneration of staff except where specific provisions apply to all directors.

4.1.8 Opening bank accounts and making any necessary alterations to arrangements for the authorisation of payments within approved parameters.

4.1.9 Approval of expenditure with a per item value of up to £50,000, as per the Financial Regulations and Procedures Manual.

4.2 The following conditions shall apply to the delegation of authority to the Chief Executive.

4.2.1 The Chief Executive shall have no authority in relation to any matter reserved to the Board, the Chair or the Secretary by virtue of this Scheme of Delegation or to any matter reserved to a committee of the Board under the remit of such committee.

4.2.2 Any action must be consistent with the Board's strategy and objectives or any policy set by the Board.

4.2.3 Any action must be consistent with the budget approved by the Board.

4.2.4 All expenditure (including the entry into contracts and capital expenditure) with a per item value in excess of £50,000 must be approved by the Board or a

committee of the Board with authority so to approve, as per the Financial Regulations and Procedures Manual.

- 4.2.5 Disposal of assets (with a value in excess of £5,000) must be approved by the Board or a committee of the Board with authority so to approve.
- 4.2.6 The commencement or settlement of any litigation or claim with a value in excess of £5,000 must be approved by the Board or a committee of the Board with authority so to approve.
- 4.2.7 Any action must be consistent with the charitable purposes of Colleges Scotland.
- 4.2.8 Any action which has financial, reputational, strategic or operational risk for the Board or Colleges Scotland or may otherwise be considered potentially contentious must be brought to the attention of and, if necessary, receive the approval of the Board or a Committee with relevant delegated authority.

5. Delegation to the Secretary to the Board

The Board Secretary shall have delegated authority for:

- 5.1 The administration of appointments procedures including the receipt of applications and communication of Board decisions to applicants.
- 5.2 Maintaining and publishing a register of Board Members' interests.
- 5.3 Administration, circulation, retention and publication as appropriate of the records of all Board and Committee business.

Procedural Rules

The proceedings of the Board and its committees must be consistent with the detailed provisions of the Articles of Association which should remain the ultimate point of reference in matters of procedure in conjunction with any overriding legal and regulatory requirements. The following is a practical guide to the conduct of meetings and the distribution and recording of Board information.

1 Chair

- 1.1 The Chair shall be responsible for the general conduct of the meetings and shall, among other things:
 - a) preserve order and ensure that every member of the Board has a fair hearing
 - b) decide on all matters of order, competency and relevancy
 - c) determine all questions of procedure in reference to which no express provision is made in legislation, in the Articles of Association or under these Procedural Rules.
- 1.2 The ruling of the Chair on all matters within his or her jurisdiction as Chair is final.
- 1.3 In the case of an equality of votes the Chair shall not have the casting vote.

2 Conduct

- 2.1 At meetings of the board
 - a) the Chair, or in his or her absence, the Vice-Chair, shall take the Chair; in the absence of the Chair and Vice-Chair, the members present shall appoint one of their number to be Chair for the meeting
 - b) every member of the Board shall address the Chair
 - c) the Chair shall be heard without interruption
 - d) if any member of the Board disregards the authority of the Chair, or is guilty of obstructive or offensive conduct, a motion may be moved and seconded to suspend the member for the remainder of the meeting; the motion shall be put without discussion and, if carried, such member shall then immediately leave the meeting
 - e) the Chair shall be entitled, in the event of any disorder arising, to adjourn the meeting to a time he or she may then or afterwards fix.

3 Meetings of the Board

The Board shall normally meet at least four times per year.

4 Notice of Board meetings

Notification to members of the time and place of the meeting, and the business proposed to be transacted at the meeting shall be given by being left at, or sent by post, to the address provided by the member of the Board or by electronic communication to an email address provided by the member of the Board at least three working days before the meeting or, if the meeting is convened at shorter notice, then at the time it is convened.

5 Adjournment of Meeting

- 5.1 With the agreement of the meeting, the Board may adjourn any meeting to such time as the Chair may then or afterwards fix.
- 5.2 When an adjourned meeting is resumed, proceedings shall commence at the point at which they were broken off at the adjournment.

6 Quorum

- 6.1 The quorum for the transaction of the business of the Board may be fixed by the Board Members and unless so fixed at any other number shall be one third of all Board Members, or if at the time the total number of Board Members is not a multiple of three, the quorum shall be determined by dividing the number of Board Members by three and rounding up to the nearest whole number.
- 6.2 Participation through video or tele-conferencing shall be counted for the purpose of quorum.
- 6.3 If a quorum is not present after half an hour, the Chair shall adjourn the meeting as a formal meeting of the Board; the Chair shall have the power to decide, however, to take such items on the agenda that may require discussion on an advisory basis only, subject to a vote taken by the next quorate meeting by the Board.
- 6.4 Subject to 0, the proceedings of the Board shall not be invalidated by reason of any vacancy among the members, or any defect in the appointment of any member.

7 Order of Business

- 7.1 The order of business will be determined at the start of the meeting but generally will follow the format contained in the agenda accompanying the notice calling the meeting.
- 7.2 An exceptional item of business not appearing on the agenda for the meeting may be considered at the end of the meeting provided that the Chair of the meeting is of the opinion that it is relevant, competent and urgent.

8 Decision by Correspondence

- 8.1 A resolution in writing consented to and signed by a majority of Board members entitled to receive notice of a meeting shall be as valid as if it had been passed at a meeting of the Board. Consent and signature may be evidenced by electronic mail as well as in letter form.

9 Conflicts of Interest

- 9.1 Members should be familiar with the content of and comply with the terms of the Code of Conduct for the members of the Board and complete a Register of Interests form. Any change in a member's circumstances should be notified to the Secretary to the Board and entered into the Register of Interests within one month of the change.
- 9.2 Subject to sub-paragraph 0 below, where, whether before or during any meeting of the Board or any Board Committee, any member of the Board or of such Board Committee becomes aware that he or she or any person connected with him or her has a material interest in or relating to any matter to be or being considered by the Board or, as the case may be, the Board Committee, he or she shall declare such interest and withdraw from the meeting during such consideration and shall not vote on any question relating to the matter.

- 9.3 Notwithstanding sub-paragraph 0 above, where in relation to any member of the Board or of a Board Committee mentioned in sub-paragraph 0 below any matter referred to in that sub-paragraph is to be considered by any meeting of the Board or any Board Committee, he or she shall, unless invited to remain by resolution of the other members of the Board present, withdraw from the meeting during such consideration and shall not vote on any question relating to the matter.
- 9.4 The member of the Board mentioned in sub-paragraph 0 above is the Chief Executive in relation to his or her terms and conditions of employment, his or her suspension or dismissal or any other disciplinary measure relating to him or her and the appointment of his or her successor;
- 9.5 Subject to sub-paragraph 0 above, nothing in this paragraph shall require the Chief Executive to declare an interest or withdraw from consideration of any matter where his or her interest exists only by reason of his or her being the Chief Executive.
- 9.6 Section 252(2) of the Companies Act 2006 (meaning of “connected person”) shall apply for the purpose of determining whether a person is connected with a member of the Board or, as the case may be, a member of any Board Committee as it applies for the purpose of determining whether a person is connected with a director of a company shall be construed as if they were references to a member of the Board or, as the case may be, member of such Board Committee.

10 Disclosure of Information

Board and Committee agendas and minutes shall be published on the Colleges Scotland's website within a reasonable timeframe.

The Board may, from time-to-time, agree to withhold papers, within the provisions of the Freedom of Information (Scotland) Act 2002 (FOI(S)A), on the grounds of commercial or other confidence or which relate to personnel issues of a confidential nature. Such decisions will be made on a case-by-case basis by a majority of voting members present and the papers noted as “non-disclosure”.

Any requests under FOI(S)A to individual board members should be passed to the company secretary for processing.

11 Approval of Minutes

At each Board meeting the minutes of the previous meeting shall be submitted for approval. After the minutes have been approved as a correct record of the meeting to which they relate, subject to or without amendment, they shall be signed by the Chair.

12 Voting

- 12.1 Voting shall be by a show of hands or by voice, unless one third of the members present and entitled to vote at the meeting signify their objection. The Board will then require to decide whether the vote should be taken by ballot or by calling the roll or by noting the dissensions in the minutes.
- 12.2 Any member of the Board or a Committee thereof who disagrees with a decision upon which the Board or Committee has voted may require that his or her dissent be recorded in the minute of the relevant meeting.

13 Committees

13.1 The Board shall appoint such Committees as it considers necessary.

13.2 The Procedural Rules of the Board shall also be Procedural Rules of Board Committees.

14 Suspension of Procedural Rules

Any one or more of these Procedural Rules may be suspended, except where such suspension might lead to an action contrary to law, so long as at least two thirds of the Board members agree to do so.