East Coast College

Corporate Governance and Board Assurance Framework

Quality Document Number	QD100
Version	June 2024
Document Type	Policy
Accountable Officer	Director of Governance
Responsible Officer	Director of Governance
Review Period	Every Three Years
Review Date	June 2027
JCC/ECG approval	
Equality Analysis	N/A
Student Council	
SMG Approval	N/A
Recommended by Audit Committee	
Approved by Corporation	2/07/2024
Informed	09/07/2024

This document can be provided in a larger font, electronically or other accessible requirement, upon request.

1.   Board Assurance

The purpose of the board assurance framework is to help the College determine how it will gain assurance over the effectiveness of controls that it relies upon to achieve its objectives. It is important therefore that the scope of the framework is set in the context of the College's objectives. These objectives are set out in the Strategic Plan 2020-2030.

Board assurance is a natural extension of risk management. The HM Treasury Guidance on Assurance Frameworks (2012) defines it as: 'an assurance framework is a structured means of identifying and mapping the main sources of assurance in an organisation, and co-ordinating them to best effect' and that … 'This assurance framework should be structured and provide reliable evidence to underpin the assessment of the risk and control environment for the annual Governance Statement, supported by independent appraisal…'

The Treasury Guidance sets out the three lines of assurance model:

- **First Line**

  This is operational assurance and includes areas such as good policy and performance data, KPIs, risk registers, reports on the routine system controls and other management information. It provides assurance that performance is monitored, risks identified and addressed and objectives are being achieved. Whilst this line might lack objectivity its value is that it comes from those that know the College.

- **Second Line**

  This is oversight of management activity. It is separate from those responsible for delivery, but not independent of the College's management. It includes self-assessments, reports to Board, internal reviews and formal organisational reviews. It provides assurance on how well work is being carried out in line with set expectations and policy or regulatory considerations. It will be more objective than first line assurance but is not external.

- **Third Line**

  This is independent and more objective assurance and focuses on independent and objective opinions on the framework of governance, risk management and control, including internal audit. Independent assurance and audit will place reliance upon assurance mechanisms in the first and second lines of defence. This enables resources to be directed most effectively, identification of areas of highest risk and gaps or weaknesses in other assurance arrangements.

Assurance mapping is a key part of the overall Board Assurance Framework as it provides the College with an improved ability to understand and confirm that they 'Do really know what they think they know'.

Assurance mapping identifies and records the key sources of assurance that inform management and the board on the effectiveness of the key controls/processes that are relied upon to manage risk and achieve the college's objectives. This will be used to inform the Audit Committee's Annual Report and to give assurance to the Corporation. Assurance mapping is included at Appendix 1, this will be reviewed termly and an update of the Assurance Map considered at each Audit Committee.

Examples of types of assurance

- **Meeting/discussion -** Often these provide opportunities to ask questions about how things are going. The assurance could be based on a person's word or notes of meetings.

- **Checks** – Can be a review of work or a walk around a site and is a quality check that something has been completed based on visual or substantive evidence

- **Reports** - Could be regular reports, such as termly performance information or monthly finance reports that provide management information that will indicate how a control may be being applied, based on outcomes

Assurance ratings

The following assurance ratings will be used:

- **High assurance** - full assurance provided over the effectiveness of controls

- **Medium assurance** - some assurances in place, or substantial assurance in place, but controls are still maturing so effectiveness cannot be fully assessed at this time

- **Low assurance** - poor effectiveness of controls

Roles and Responsibilities

The application of the Board Assurance Framework will help management and the Corporation to consider collectively the process of securing assurance using a formal structure that promotes good organisational governance and accountability.

- **Corporation** - Collectively responsible for all decisions and must provide an opinion each year within the statement of corporate governance and internal control.

- **Audit Committee** - Provide advice to the Corporation on the status of governance, risk and internal controls. Where do they get their assurances from?

- **Management** - What assurances do they have that processes and controls are effective that will result in achievement of corporate objectives?

The specific benefits of an embedded Board Assurance Framework include:

- Gaining a clear and complete understanding of the services delivered, the activities undertaken and the types of assurance currently obtained, and consideration as to whether they are effective and efficient;

- Identifying areas where assurance activities are not present, or are insufficient for the College's needs (assurance gaps);

- Identifying areas where assurance is duplicated, or is disproportionate to the risk of the activity being undertaken (i.e. there is scope for efficiency gains);

- Identify areas where existing controls are failing and as a consequence the risks that are more likely to occur;

- The ability to better focus existing assurance resources; and
- Providing an evidence base to assist the College in the preparation of its annual Statement of Corporate Governance and Internal controls.

2. Risk Management Process

The risk-based approach to Board Assurance looks at providing assurance over the key controls in place that mitigate the risks that threaten (or provide opportunity for) achievement of the College's objectives. It builds on and is aligned to the current risk management process that is set out in the separate Risk Management Strategy, Policy and Procedures, which includes the Governance oversite of risk

The structure of the College's risk information is split between Strategic and Tactical Risk Registers, with each Governance Committee having oversight or its Tactical Risk Register. These registers include the following key elements in order to provide a strong foundation for the assurance to be mapped and to assist in prioritising of resources:

- clear and concise risk descriptions;
- risks that consider the Strategy and Accountability Statement 0bjectives;
- detailed cause and effect analysis;
- detailed list of key mitigations
- 'Inherent' (gross) assessment score (before mitigation) and 'residual'(net) assessment score (after mitigation) of the risk; and
- details of planned mitigation,
- Risk appetite score for each risk against which the 'residual'(net) assessment score can be measured

The College has identified risks which may be generated from both the internal and/or external environment in order to deliver comprehensive risk management.

- **Internal risks** – those generated by the College's internal activity or inactivity. Internal risk is controlled by the internal control framework within the College and is a type of risk over which management have much greater power to mitigate and manage than with external risk.
- **External risks** – those generated by changes in the external environment. External risk is much more difficult for the College to control as it needs to be anticipated, and control and mitigating action is often reactive as opposed to preventative and may include risks that the College can only mitigate and not manage.

3. Business Continuity Management Process

The College uses Business Continuity Management which is a holistic management process that identifies potential threats to the College and the impacts to business operations those threats, if realised, might cause. It provides a framework for building organisational resilience with the capability for an effective response that safeguards the interests of key stakeholders, reputation, brand and value-creating activities. This process is expected to deliver the following two objectives for the College:

- **Business Impact Analysis (BIA)** - this activity enables the College to identify the critical processes that support its key activities, the interdependencies between processes and the resources required to operate the processes at a minimally-acceptable level.
- **Risk assessment** - the goal of this requirement is to establish, implement, and maintain a formal documented risk assessment process that systematically identifies, analyses, and evaluates the risk of disruptive incidents to the College.

4.   Corporate Governance

The College's Corporate Governance supports the Strategic Plan 2020-2030 and its overall aim is to provide outstanding governance to an outstanding College.

The roles and responsibilities of the Corporation are set out in the Instrument and Articles, Standing Orders, Code of Conduct and other supporting governance policies.

The Corporation abides by the Nolan Principles. These are:

- Selflessness.
- Integrity.
- Objectivity.
- Accountability.
- Openness.
- Honesty.
- Leadership.

The College has adopted and reports against the AoC Code of Good Governance 2023Corporation Model

The Corporation has set in place a committee model for its governance. This model will be kept under constant review to ensure that it is fit for purpose and supports the Corporation's strategic aims. The Committees currently are:

- Finance and General Purposes
- People
- Audit
- Quality and Curriculum Development
-
- Governance Remuneration and Search
- Estates (as a task and finish committee)

Each Senior Team member has a Committee within their remit who they report to and provide assurance to.

The Corporation receives independent advice from the Director of Governance. This is a Senior Post Holder position appointed by the Board.

The Corporation annually sets its governance schedule and biannually appoints its Chair, Vice Chair and Committee Chairs. The process for which is set out in its Standing Orders.

The Corporation has a scheme of delegation, see Appendix 2 and an annual business schedule, see Appendix 3. These are used to help manage the

Governance arrangements and inform the annual Governance Business Schedule.

The Corporation will at least annually, review the quality of governance through a self-assessment which will be considered by the Governance Remuneration and Search Committee before being recommended to the Corporation. This will be supported by annual reports from all Committees.

An external review of Governance will be completed at least 3 yearly. This and the annual self-assessment reviews will provide assurance and areas for action which will be reflected in the Governance QIP.

The Corporation has in place a succession plan and will look to continually recruit to refresh and improve the Board and its committees. Associate Governors will be appointed where their knowledge and experience would improve the work of the Committee that they are appointed to.

This succession plan will provide assurance that the governance team has the skills and knowledge needed to both have oversite over and help develop the College. This recruitment will be supported by external agencies where required.

A programme of governor induction, and board and governor development will be carried out annually. A schedule of this development will be recorded and assessed as part of the self-assessment, providing assurance that the governance team has received regular and appropriate development.

Appendix 1 – Example Strategic Risks Assurance Mapping

Assurance Items	Responsible Officer	Strategic Plan Link	1st Line of Assurance	2nd Line of Assurance	3rd Line of Assurance	Assurance RAG Rating
Failure to be financially viable	Deputy Chief Executive		• Financial Strategy • Financial Forecast • Regularity Manual and financial policies and procedures including clear lines of accountability and authorisation limits • Management Accounts • Financial records and control accounts • Finance Tactical Risk Register	• Finance & General Purposes review of management accounts • Corporation review of management accounts • Corporation approval of budget and financial forecast • Corporation approval of Financial Strategy • Finance & General Purposes review of finance risk register	• External Audit • Internal Audits of financial controls • ESFA Financial Health Rating • Bank covenant reviews	High
Failure to develop a curriculum that meets stakeholder expectations	Deputy Principal		• Curriculum Strategy • Curriculum Plan • Curriculum development tactical risk register	• Curriculum Development Reports • Curriculum Development review of Curriculum Plan • Corporation review of management accounts	• Internal Audit of recruitment, retention and marketing • External Audit • Ofsted	Medium

Assurance Items	Responsible Officer	Strategic Plan Link	1st Line of Assurance	2nd Line of Assurance	3rd Line of Assurance	Assurance RAG Rating
				• Corporation approval of budget and financial forecast		
Failure to maintain a good reputation, student experience and outcomes	Deputy Principal		• Quality Strategy • QIG • Quality Team • Quality processes • Standards Tactical Risk Register	• Student questionnaires • Self-Assessment • QIP • Quality Reports to Standards	• Ofsted • QAA • MEMSA Audit • Internal Audit	Medium
Failure to recruit and retain a high-quality team, including governors	Director of People and Wellbeing and Director of Governance		• Recruitment policy • Professional development • Appraisal • Governor succession plan • Governor Development and Inductions • Pay Strategy • Staff wellbeing • Governance tactical risk register • People tactical risk register	• Governance SAR • People SAR • Reports to GRS • Reports to People Committee • Staff questionnaires • Student questionnaires • Governor questionnaires • Staff exit interviews	• Internal Audit • External Review of Governance as per the White Paper requirements to be introduced • Times 100	Medium
Failure to implement the Estates Strategy	Deputy Chief Executive		• Estates Strategy • Project plans • Project manager	• Estates Committee reports • Project plan reports	• Internal Audit • Funding requirement audits	Medium

Assurance Items	Responsible Officer	Strategic Plan Link	1st Line of Assurance	2nd Line of Assurance	3rd Line of Assurance	Assurance RAG Rating
			• Estates tactical risk register to be produced • Project risk registers to be produced			

Appendix 2 – Scheme of Delegation

The Scheme of Delegation shows the level of delegated responsibility and functions that are given to the Corporation and its main Committees

Key

Column shaded: An inappropriate level for taking the decision in question.

Tasks	Corporation	Finance	Governance	Estates		Audit	People	Quality & Curriculum Development	Accounting Officer/CEO
									Level of Delegated Responsibility
Financial									
To annually approve the Budgets (capital and revenue) and Financial Forecast	X	X (recommend to Corporation)							X
To regularly monitor income and expenditure	X	X							X
To annually approve the audited Financial Statements and Annual Report for the year ending 31 July	X (finalised accounts)	X (draft figures)				X (Governance statement and management letter)			X
To annually review and comply with all the requirements specified in the Financial Regulations and Financial Memorandum/Directive, to include the requirement to ensure regularity, propriety and value for money.	X	X				X			X
To regularly review and ensure compliance with the covenants set by the funders	X	X							X
To ensure the solvency of the institution and the Corporation and safeguarding of its assets	X	X							X
To be able to assure the DfE and all funding bodies that the Corporation is meeting the high standards of probity in the management of public funds.	X								X
To appoint the Accounting Officer/CEO	X								
To appoint the designated Chief Financial Officer/DCEO	X								
To oversee the application of the College's Financial Regulations and Financial Procedures		X							
To consider and advise the Corporation on any relevant taxation issue, investments and borrowing, seeking the advice of external advisors		X							

					Level of Delegated Responsibility				
Tasks	**Corporation**	**Finance**	**Governance**	**Estates**		**Audit**	**People**	**Quality & Curriculum Development**	**Accounting Officer/CEO**
To regularly review and approve the Property Strategy of the Corporation	X			X					
Audit and Risk Management									
to advise on the adequacy and effectiveness of the College's systems of internal control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money);						X			
To oversee the internal audit, external audit and risk management processes and report on the effectiveness of the internal control system including the system for the management of risk						X			
To advise the Corporation on the appointment, reappointment, dismissal and remuneration of the financial statements auditor and the internal audit service						X			
To consider and advise on the audit strategy and annual audit plans for the internal audit service						X			
To regularly review the Corporate Risk Register and risk management processes and Board Assurance Model	X					X			
Regularly review the Committee's Risk Registers, reporting changes in upward trend or emerging risks to the Audit Committee.		X	X	X	X		X	X	
To produce an annual report, which includes the advice on the effectiveness of the risk management, internal control framework, governance and efficiency, effectiveness and economy processes, and any significant matters arising from the work of the internal audit service, the funding auditors (where appointed) and the financial statements auditor.						X			
To approve the annual reports of the Audit Committee, Internal and External Audit Services for the academic year.	X								
to ensure that all allegations of fraud and irregularity are properly followed up and the lessons learned acted upon as necessary	X					X			
Staffing Matters									
Annual appraisal/performance of the CEO and Director of Governance	X		X						
Annual appraisal/performance of the Deputy CEO, Deputy Principal and any other Senior Post Holders that the Corporation appoints	X		X (as recommended by the CEO)						X

Tasks	Corporation	Finance	Governance	Estates		Audit	People	Quality & Curriculum Development	Accounting Officer/CEO
Level of Delegated Responsibility									
Appointment/Suspension/dismissal and terms & conditions of Senior Post Holders	X		X						
Annual remuneration review and Annual Remuneration Report of Senior Post Holders	X		X						
Annual pay review and set the overall terms and conditions of staff	X						X		
To review staff satisfaction through staff surveys and other staff engagement mechanisms							X		X
To regularly review and approve the People Strategy of the Corporation	X						X (recommend to Corporation)		
To regularly review People issues, relevant policies and EDI considerations							X		
To monitor and review the achievement of strategic objectives and KPIs in relation to the quality of learning and teaching and in particular, curriculum delivery and outcomes, challenging and agreeing remedial actions when required								X	
To monitor and review performance against the quality strategy and internal and external targets, performance projections and peer group benchmarks and set appropriate targets for the forthcoming academic year, challenging and agreeing remedial actions in relation to performance when required.								X	
To receive the views on curriculum and quality issues of all stakeholders, in particular using the range of student voice reporting (employer, parent, student surveys) to inform, review and develop strategies								X	
To receive progress reports on the implementation of Quality Improvement Plans and any other formal evaluation reports related to the quality and achievement of learning across the provision to further inform and develop Quality Improvement Plans and strategies								X	
To agree and review progress with the Quality Improvement Plan	X							X	X
To regularly review and approve the Curriculum Strategy of the Corporation	X							X	

Tasks	Corporation	Finance	Governance	Estates		Audit	People	Quality & Curriculum Development	Accounting Officer/CEO
Level of Delegated Responsibility									
To review the validated outcomes of annual Self-Assessment and/or RiME Reports, identifying significant changes in results, emerging trends and risk in relation to future performance and recommend the report to the Corporation for approval	X							X	
To approve the validated outcomes of annual Self-Assessment	X							X	
To approve the validated outcomes of annual RiME Reports on behalf of the OFS/QAA	X							X	
Review the results of stakeholder surveys and improvement plans in response to the results.								X	
Maintain an overview of performance and achievement against any relevant external accreditations								X	
To approve the College's annual fee structure	X	X							
To draw up governing documents and any amendments thereafter, as detailed in the Instrument & Articles and Standing Orders.	X		X						
To hold a Corporation meeting and Committee meetings as often may be required and as a minimum as set out in the terms of references	X	X	X	X		X	X	X	
Maintain a Register of Governor/Members' Interests.	X		X						
Annually review the Committee's Terms of Reference		X	X	X		X	X	X	
Annually review and approve the Standing Orders, Code of Conduct and Committee's Terms of Reference	X		X (recommend to Corporation)						
To appoint the Chair and Vice Chair(S) of the Corporation on a bi-annual basis	X		X (recommend to Corporation)						
To appoint the Chair of the Committees of the Corporation on a bi-annual basis	X		X (recommend to Corporation)						
To appoint new Governors to the Corporation and/or Members of its Committees.	X		X (recommend to Corporation)						
To provide the appropriate training, guidance and support to the Governors of the Corporation and/or Members of its Committees			X						

Tasks	Corporation	Finance	Governance	Estates		Level of Delegated Responsibility			
						Audit	People	Quality & Curriculum Development	Accounting Officer/CEO
To annually review the effectiveness of performance and ability to innovate for the Governance Self-Assessment	X		X						

Appendix 3 – Business Schedule

Corporation Board Meetings	Owner	Term 1	Term 2	Term 3
Policy & Strategy Review for those matters reserved for the Board (in line with the policy schedule)	Document Owners	√	√	√
Principal Report	CEO/Principal	√	√	√
Governance Update	Director of Governance	√	√	√
Management Accounts and Financial Dashboard	Deputy Chief Executive	√	√	√
Strategic Risk Register	Deputy Chief Executive	√	√	√
Approval of College Performance Indicators	CEO/Principal	√		
Annual Safeguarding Report and review of policies	Assistant Principal Student Wellbeing and Support	√		
Self-Assessment Report	Deputy Principal	√		
Review & approve Quality Improvement Plan from SAR	Deputy Principal	√		
Approval of Financial Statements	Deputy Chief Executive	√		
Pay Award Decision	Director of People and Wellbeing		√	
Pension Review	Deputy Chief Executive			√
Audit Committee Annual Report	Director of Governance & Chair of Audit	√		
Annual Health and Safety Report	Deputy Chief Executive	√		
Annual Equality Report	Director of People and Wellbeing	√		
Business Continuity Plan review	Deputy Chief Executive	√		
Approve Internal Audit Plan	Deputy Chief Executive	√		
Annual Accounts	External Auditors	√		

Corporation Board Meetings	Owner	Term 1	Term 2	Term 3
Approval of Budget	Deputy Chief Executive			√
Approval of Financial Forecast	Deputy Chief Executive			√
Bi-Annual Appointment of Chair, Vice Chair(s) & Committee Chairs	Director of Governance			√
Approval of Governance schedule	Director of Governance			√

Audit Committee	Owner	Term 1	Term 2	Term 3
Financial Statements and Management Reports	External Auditors	√		
Regularity Self-Assessment	Director of Governance	√		
Internal Audit Committee Annual Report	Director of Governance	√		
Policy and strategy Review (in line with policy schedule)	Document Owners	√	√	√
Internal Audit Reports	Internal Auditors	√	√	√
Review of Draft Internal Audit Plan	Internal Auditors			√
Review of Audit recommendations implementation	Deputy Chief Executive	√	√	√
Review Business Continuity Plan	Deputy Chief Executive			√
Risk Register and Board Assurance	Deputy Chief Executive & Director of Governance	√	√	√
Annual Gifts & Hospitality Report	Director of Governance	√		
Value for money report	Deputy Chief Executive			√
Annual GDPR, whistleblowing and FOI Report	Director of Governance	√		
Review of Fraud Register	Deputy Chief Executive	√	√	√
Post 16 Audit Code and Accounts Direction Review of implications for the College	Director of Governance		√	

Quality and Curriculum Committee	Owner	Term 1	Term 2	Term 3
Presentation by curriculum area	Deputy Principal	√	√	√
Annual Self-Assessment and QIP	Deputy Principal	√		
Ofsted Update	Deputy Principal			√
Termly Quality Report, covering all provision	Deputy Principal	√	√	√
QIP Review	Deputy Principal	√	√	√
Annual Safeguarding Report	Assistant Principal Student Wellbeing and Support	√		
Termly Safeguarding Update	Assistant Principal Student Wellbeing and Support		√	√
Student Satisfaction Surveys	Deputy Principal	√	√	√
HE Annual Quality Assessment Return	Assistant Principal Higher Education & Access	√		
Risk Register re Quality	Deputy Principal	√	√	√
Annual Complaints and Compliments Report	Deputy Principal	√		
Student Destinations Report	Deputy Principal	√		
Student Union Report	SU President	√	√	√
Policy and Strategy Review (in line with policy schedule)	Document Owner	√	√	√
Annual Committee Report	Director of Governance	√		
Annual Curriculum Development Strategy Review	Deputy Principal	√		
Termly Curriculum Development Report including marketing	Deputy Principal	√	√	√
Curriculum Development Dashboard	Deputy Principal	√	√	√
Curriculum Development – areas of opportunity	Deputy Principal			√
Recruitment Report	Deputy Principal	√	√	√

Finance and General Purposes Committee	Owner	Term 1	Term 2	Term 3
Management Accounts	Deputy Chief Executive	√	√	√
Financial Dashboard	Deputy Chief Executive	√	√	√
Risk Register re Finance	Deputy Chief Executive	√	√	√
Policy and strategy Review (in line with policy schedule)	Document Owner	√	√	√
Annual Partnership Report	Projects Manager	√		
Termly Partnership Report	Projects Manager		√	√
Annual Health and Safety Report	Estates Manager	√		
Termly Health and Safety Report	Estates Manager		√	√
Review of financial forecast	Deputy Chief Executive			√
Review of Budget	Deputy Chief Executive			√
Review of covenants	Deputy Chief Executive	√	√	√
Annual Accounts	Deputy Chief Executive	√		
Annual Committee Review	Director of Governance	√		

Governance Remuneration and Search Committee	Owner	Term 1	Term 2	Term 3
Performance Review of Senior Postholders	Chair			√
Review of Senior Postholders pay & conditions	Chair			√
Review of Governors performance and appraisal	Chair and Director of Governance	√		
Succession planning	Director of Governance			√
Recruitment	Director of Governance	√	√	√
Governance SAR	Director of Governance	√		
Governance Skills Audit	Director of Governance	√		
Governance Equality & Diversity Review	Director of Governance	√		
Policy and strategy Review (in line with policy schedule)	Document Owner	√	√	√
Review of Instrument & Articles and Standing Orders	Director of Governance			√
Review of Governance Structure	Director of Governance	√		
Risk Register re Governance	Director of Governance	√	√	√
Bi-Annual Appointment of Chair, Vice Chair(s) & Committee Chairs	Director of Governance			√
Link Governors	Director of Governance			√
Governance schedule	Director of Governance			√
Senior Independent Director Report – where applicable	Senior Independent Director	√	√	√
Annual Committee Review	Director of Governance	√		

People Committee		Term 1	Term 2	Term 3
Annual Staff Survey Report	Director of People & Wellbeing	√		
Annual HR Report including E&D report	Director of People & Wellbeing	√		
Appraisal Review	Director of People & Wellbeing	√		
Review of People Strategy	Director of People & Wellbeing	√		
Review of Pay Strategy	Director of People & Wellbeing		√	
Review of staff survey action implementation	Director of People & Wellbeing	√	√	√
Policy and strategy Review (in line with policy schedule)	Document Owner	√	√	√
People Update	Director of People & Wellbeing	√	√	√
Review of pay and conditions (non SPHs)	Director of People & Wellbeing			√
Risk Register re People	Director of People & Wellbeing	√	√	√
Establishment Review	Director of People & Wellbeing			√
Annual Committee Report	Director of Governance	√		