



Annual review of compliance against the CUC HE Code of Governance

Outcome requested:	Governance Committee is asked to: <ul style="list-style-type: none"> (i) consider the annual self-assessment of compliance against the Code; (ii) agree any areas where further work should be undertaken.
Executive Summary:	<p>[a] All universities are expected to demonstrate how the expectations of the Code are applied (or otherwise) and confirm this within the framework of publicly available reporting on corporate governance.</p> <p>[b] Council formally adopted the Code in October 2015 in conjunction with monitoring progress against an action plan. The action plan was closed in October 2016 with Governance Committee concluding that Queen Mary was fully compliant with the fundamental requirements of the Code. It was agreed that the university's adherence to the Code would be monitored through an annual self-assessment exercise.</p> <p>[c] The Council Secretariat has undertaken the annual self-assessment and changes since the last review are summarised in this paper.</p> <p>[d] The updated mapping against the Code is included as an appendix.</p>
QMUL Strategy:	Effective governance supports the achievement of all strategic aims.
Internal/External regulatory/statutory reference points:	CUC Higher Education Code of Governance QMUL Charter and Ordinances
Strategic Risks:	N/A
Equality Impact Assessment:	The CUC Higher Education Code for Governance places strong obligations on governing bodies with respect to equality and diversity and its performance in meeting these obligations will form part of the annual assessment of compliance with the Code.
Subject to prior and onward consideration by:	By Council
Confidential paper under FOIA/DPA	No
Timing:	An annual self-assessment of Queen Mary's adherence to the Code is considered by Governance Committee and Council.

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Higher Education Code of Governance

Compliance with the Code

1. The Higher Education Code of Governance was published by the Committee of University Chairs (CUC) in December 2014 and revised in 2018. All universities are expected to demonstrate how the expectations of the Code are applied (or otherwise) and confirm this within the framework of publically available reporting on corporate governance.
2. Governance Committee and Council received a mapping of Queen Mary practices against the Code in October 2015, which enabled Council to formally adopt the Code in conjunction with monitoring progress against an action plan. In October 2016, Governance Committee reviewed the action plan to ensure compliance with the expectations of the Code and noted that most actions had been completed, or were continuous activities forming part of the regular business of Council and the Secretariat. Governance Committee agreed to close the action plans and to monitor ongoing activities through the normal business of the Committee and an annual self-assessment exercise of Queen Mary's adherence to the Code.
3. The Council Secretariat has undertaken the annual self-assessment and the changes since the last review are outlined below. These relate to: student representation on the governing body; monitoring institutional sustainability; oversight of academic governance; risk management; fundraising and development; equality and diversity legislation; and training and induction.

1.4 Student and staff members of the governing body share the same legal responsibilities and obligations as other members and must not be routinely excluded from discussion.

The activities to support our compliance in this area have been updated to show that the QMSU President is a full member of Finance and Investment Committee from 2019–20. The membership of Remuneration Committee includes an academic staff member and the QMSU President is invited to meetings where the remuneration of the President and Principal is discussed. These updates put Queen Mary ahead of much of the sector in relation to staff and student input into governance. The level of compliance remains unchanged at 'full'.

3.3 It [the governing body] must rigorously assess all aspects of the institution's sustainability, in the broadest sense, using an appropriate range of mechanisms which include relevant Key Performance Indicators (KPIs) not just for the financial sustainability of the institution but also for its impact on the environment.

Our compliance in this area has been updated from 'partial' to 'full'. From 2019–20, Council will receive an update on progress against the KPIs associated with the university's 2030 strategy at each meeting. These KPIs will record performance against financial sustainability, but also academic quality and student experience. Council receives the annual report on Carbon management through the Finance and Investment Committee.

4.1 A high-quality student experience and, where appropriate, research portfolio are determinants of institutional sustainability and are therefore core governing body responsibilities which it shares with the wider institutional community. This, taken with the governing body's responsibility for the long-term reputation of the institution, means that it must satisfy itself that academic governance is operating effectively.

The compliance level has been amended from 'full' to 'partial'. New initiatives introduced for 2019–20 will seek to bring Council's oversight of academic governance back into line with full compliance. These include the roll out of enabling plans to support the 2030 strategy; a review of the effectiveness of academic governance; and improvements to the reporting by Senate to Council as recommended in the latest external review of Council effectiveness.

4.2 The underlying principles of sound academic governance are based upon collegiality, and it follows that the governing body must therefore respect the role, as defined within charters, statutes or articles, of the Senate / Academic Board and other bodies involved in academic governance. However governing bodies will still wish to receive assurance that academic risks (such as those involving partnerships and collaboration, recruitment and retention, data provision, quality assurance and research integrity) are being effectively managed.

The revised Strategic Risk Register reports on academic risks in greater detail than previously. It is expected that this improved reporting will bring the compliance level up to 'full'. The compliance level remains unchanged for this year at 'partial'.

5.1 As already noted, the governing body has a responsibility to ensure the long-term sustainability of the institution and maintaining its reputation. It will therefore want assurance on external activities with significant potential financial or reputational risks. Where such activities involve commercial transactions, care must be taken to ensure that arrangements conform to the requirements of charity law and regulation. This is particularly the case where institutions have established subsidiary entities, for example separate operating companies or charitable trusts.

Our compliance has been updated from 'partial' to 'full'. Council is assured, through the Finance and Investment Committee, that the potential financial and reputational risks of external activities, including partnerships and subsidiaries is taken into consideration and that the activities are conducted in accordance with charity law and regulation.

5.2 The governing body will also want to ensure that fund-raising, donations, corporate sponsored research and partnerships and similar activities do not inappropriately influence institutional independence, mission, or academic integrity.

Compliance has been amended from 'full' to 'partial' to reflect the progress being made towards a development strategy. The gift acceptance policy is being revised for approval in 2019–20.

6.1 HEIs are required by law to comply with extensive equality and diversity legislation, and governing bodies are legally responsible for ensuring the compliance of their institution. The legislation covers the individual rights of staff and students not to suffer discrimination on the grounds of a number of protected characteristics. Legislation in this area does not distinguish between domestic and international students and staff.

Compliance has been updated to 'full'. Queen Mary is compliant with the relevant equality and diversity legislation but our strategy requires us to go further to become the most diverse and inclusive Russell Group university. Updated activities include the appointment of a Vice-Principal for People, Culture and Inclusion who will oversee the university's work in this area.

6.3 The governing body must ensure that there are arrangements in place to:

- Eliminate unlawful discrimination, harassment and victimisation;

- Advance equality of opportunity between people who do and do not share a protected characteristic; and
- Foster good relations between people who share and those who do not share a protected characteristic.

As with 6.1, the university is committed to improving inclusivity and to ensure that anyone can flourish at Queen Mary irrespective of background. Our compliance in this area remains unchanged at 'partial'.

6.4 This means going further than simply avoiding discrimination, and it requires the active promotion of equality in a number of defined areas. The governing body must therefore satisfy itself that agreed action plans to implement the equality and diversity strategy are progressed throughout the institution.

The revised Strategic Risk Register will provide Council with progress on institutional measures relating to diversity and inclusion. Improved reporting in this area is expected to bring compliance up from 'partial' to 'full'.

7.5 The Chair and Secretary will want to ensure all members receive an appropriate induction to their role and the institution as necessary.

Compliance has been amended to partial from full. This reflects comments made in the effectiveness reviews of Council and the committees in 2018–19 that induction and training for members could be improved. Initiatives introduced for 2019–20 include: individual training records for members; bespoke training programmes; opening up the induction session to all members; improvement to the Council members' handbook; and circulation of the Council and co-opted member role description. It is expected that improvements to training and induction will restore compliance to 'full'.

Outcome requested

4. Governance Committee is asked to:

- [a] **consider** the annual self-assessment of compliance against the Code;
- [b] **agree** any areas where further work should be undertaken.

CUC Higher Education Code of Governance mapping – as at October 2019

Element 1: The governing body is unambiguously and collectively accountable for institutional activities, taking all final decisions on matters of fundamental concern within its remit.

	Key requirement	Level of compliance	Evidence of QMUL compliance
1.1	The governing body has responsibility for all decisions that might have significant reputational or financial implications (including significant partnerships or collaborations). It must therefore seek assurance that the situation meets all legal and regulatory requirements imposed on it as a corporate body, including through instruments of governance such as statutes, ordinances and articles.	Full	<p>QMUL has clear and appropriate governance structures and instruments in place.</p> <p>Charter and Ordinances</p> <ul style="list-style-type: none"> The Charter and Ordinances were approved by the Privy Council, following major revision in 2010. The Statement of Primary Responsibilities is set out within the Ordinances (Ordinance A3) and is consistent with the model statement presented in the code. <p>Delegation Framework</p> <ul style="list-style-type: none"> The Delegation Framework sets out the location of authority within Queen Mary University of London (QMUL) for particular types of decision made in QMUL's name and on its behalf. It provides a reference point to inform the locus of responsibility for categories of decisions. The delegation framework supports the governance arrangements for Council, Senate and the Senior Executive Team (SET). Council approves the Delegation Framework which is reviewed every 3 years. Council is responsible for approval of the Scheme of Delegation of Financial Authority on the recommendation of the Finance and Investment Committee. This is reviewed every 3 years. <p>Committees of Council</p> <ul style="list-style-type: none"> The Council has five committees, laid down by Ordinance, to which it delegates much of the detailed work. Each of these committees is formally constituted with written terms of reference and specified membership, including a significant proportion of lay members, from whom its Chair is drawn, and reports regularly to the Council. <p>Legal and regulatory compliance reporting</p> <ul style="list-style-type: none"> Audit and Risk Committee receives an annual report on legal compliance and is thus able to provide assurance that legal and regulatory requirements are being met.
1.2	The regulatory and legal requirements will vary depending on the constitution of the individual HEIs, but, for most governing bodies, members are charitable trustees and must comply with legislation governing charities and case law in the exercise of their duties. Some institutions are constituted as companies, and governing body members	Full	<ul style="list-style-type: none"> Council members are charitable trustees and are required to comply with the relevant legislation. Members' duties as charity trustees are set out in the Council Handbook and recruitment materials. The role descriptions for Council members and co-opted Committee members are shared with members at the beginning of every academic year.

	are normally the company's directors; the primary legislation in this case will be the requirements of the Companies Acts.		
1.3	In both instances members are required to discharge their duties in line with the accepted standards of behaviour in public life, ultimately accepting individual and collective responsibility for the affairs of the institution. The main accountability requirements falling upon the governing body in respect of public funding are set out in financial memoranda issued by the funding bodies and these must be followed.	Full	<ul style="list-style-type: none"> Expectations of members with respect to adherence to accepted standards of behaviour in public life, and of their responsibility for the affairs of the institution are set out in the Council member role description and the Council members' handbook. Council conducts its affairs in an open and transparent manner, with agendas and minutes of its meetings published on the university's intranet. <p>Financial memoranda</p> <ul style="list-style-type: none"> The External Auditors provide assurance that the requirements set out in the financial memoranda issued by the funding bodies have been followed. Queen Mary's annual corporate governance statement sets out the university's governance arrangements, including the mechanisms overseeing Queen Mary's Public Interest Disclosure Policy, and is included in the financial statements and on the university website.
1.4	Student and staff members of the governing body share the same legal responsibilities and obligations as other members and must not be routinely excluded from discussions.	Full	<ul style="list-style-type: none"> Student and staff members of Council share the same legal responsibilities and obligations as other members and are rarely (if ever) excluded from discussions. The Chair of Council has annual one-to-one meetings with student and staff members in the same way as all other members and these members are invited to Council dinners and residential events as other members. The President of Queen Mary Students' Union (QMSU) is a full member of Finance and Investment Committee from 2019–20. The membership of Remuneration Committee includes one academic staff member, and the President of QMSU is invited to participate in meetings where the remuneration of the President and Principal is discussed.

Element 2: The governing body protects institutional reputation by being assured that clear regulations, policies and procedures that adhere to legislative and regulatory requirements are in place, ethical in nature, and followed.

	Key requirement	Level of compliance	Evidence of QMUL compliance
2.1	In protecting the reputation of the institution the governing body will want to ensure the highest standards of ethical behaviour amongst its members, who must act ethically at all times in line with the accepted standards of behaviour in public life, and in the interests of the institution.	Full	<p>General</p> <ul style="list-style-type: none"> It is enshrined within Queen Mary's values that Queen Mary and its staff act with integrity and to the highest ethical standards in all that they do. <p>Members of Council</p> <ul style="list-style-type: none"> The responsibilities of members to act ethically at all times are laid out in the Council members' handbook and the Council role description, as are the expectations that

			<p>members make decisions collectively. This is reiterated in the induction delivered to all members.</p> <p>Partnerships</p> <ul style="list-style-type: none"> • SET has approved a Partnerships Ethical policy. <p>Research</p> <ul style="list-style-type: none"> • Queen Mary has an Ethics of Research Committee, which, with the delegated authority of Senate, advises on all research policies, oversees their ethical content, and provides advice on ethical and related issues arising from their implementation. • Queen Mary's research management policies ensure robust research governance processes and reporting mechanisms and take due regard of a range of sector codes of practice. Queen Mary is a signatory to the ARRIVE (Animal Research: Reporting of InVivo Experiments) Guidelines and the Concordat on Openness in Animal Research.
2.2	As such, members of governing bodies must act, and be perceived to act, impartially, and not be influenced by social or business relationships. A member who has a pecuniary, family, or other personal interest in any matter under discussion must disclose the interest. A member does not necessarily have a pecuniary interest merely because he/she is a member of staff or a student.	Full	<p>Register of Interests</p> <ul style="list-style-type: none"> • The Council Secretariat maintains and publishes a register of interests of Council members. All members are expected to disclose information about their interests which others might reasonably think could influence their actions and decisions as members of Council. • Members are asked to provide details of any other charity trusteeships held. • Members are asked to confirm or update the information held on the register on an annual basis but are encouraged to provide updated information at their earliest convenience. <p>Declaration of interests</p> <ul style="list-style-type: none"> • Members are expected to declare any known, likely, or potential pecuniary or other interest in matters under discussion during Council and sub-committee meetings. • Declarations of interest at a meeting are recorded in the minutes of the meeting. <p>Fit and Proper Persons Test</p> <ul style="list-style-type: none"> • In line with the requirements for OfS registration, Council members complete the fit and proper persons test.
2.3	The governing body must ensure that its decision-making processes are free of any undue pressures from external interest groups, including donors, alumni, corporate sponsors and political interest groups.	Full	<ul style="list-style-type: none"> • Audit and Risk Committee receives a report at each meeting on disclosures made under the whistleblowing policy and reports to Council via its annual report on numbers and outcomes. • Members are required to declare any interests or potential conflicts of interest prior to any relevant discussion. Any such declaration is minuted.
2.4	Members whose views are not consistent with the decisions of the governing body should abide by the principle of collective decision making and avoid putting specific interests before those of the institution. Individually they	Full	<ul style="list-style-type: none"> • The expectation that members make decisions collectively is laid out in the Council members' handbook and the Council member role description. • There are no reported instances of any agreements having been made without the requisite authority.

	must not make any agreement for which they do not have the authority.		
2.5	Legislation requires that the governing body must take practical steps to ensure that the students' union or association operates in a fair, democratic, accountable, and financially sustainable manner. This requirement is in addition to corporate and charity legislation that many student organisations are independently subject to.	Full	<ul style="list-style-type: none"> During 2017–18, Council approved QMSU's revised Memorandum and Articles of Association. QMSU is in the process of reviewing a number of aspects of its bye-laws and procedures, including the composition of Student Council, during the coming year and Council will receive reports on progress and the outcome of the review. <p>Memorandum of agreement (MOA)</p> <ul style="list-style-type: none"> Council approves the Memorandum of Agreement between Queen Mary and QMSU and QMSU Services Limited, as the wholly owned subsidiary of QMSU. The MOA is subject to review every 5 years. <p>MOA review panel</p> <ul style="list-style-type: none"> The MOA review panel was established to monitor the implementation of the agreement, the Service Level Agreements and other arrangements agreed under it. The panel includes one external member of Council. <p>QMSU reports</p> <ul style="list-style-type: none"> The QMSU management accounts are submitted annually to Finance & Investment Committee. QMSU presents an annual impact report to Council. Council receives an update report from the President of the Students' Union at each meeting.
	<p><u>Other</u></p> <p>The governing body should:</p> <ul style="list-style-type: none"> benchmark institutional policy and practice against sector practice and external requirements. 	Full	<ul style="list-style-type: none"> The most recent external review of Council's effectiveness enables Council's performance and processes to be benchmarked against other institutions in the sector. Audit and Risk Committee discusses with the Internal Auditors how the institution compares with other organisations in areas undergoing audit.

Element 3: The governing body ensures institutional sustainability by working with the Executive to set the institutional mission and strategy. In addition, it needs to be assured that appropriate steps are being taken to deliver them and that there are effective systems of control and risk management.

	Key requirement	Level of compliance	Evidence of QMUL compliance
3.1	The governing body is responsible for the mission, character and reputation of the institution at a strategic level, and members will need to be adequately informed in order to carry out this key responsibility. They can expect the head of the institution to help them by providing strategic advice and guidance on the mission and strategic development of the institution.	Full	<ul style="list-style-type: none"> Council is responsible for determining the strategic direction of Queen Mary by approving the mission and strategic vision of the institution, long-term academic and business plans and key performance indicators, and ensuring that these meet the interests of stakeholders. Council receives the enabling plans, which are approved by SET and are aligned to the Queen Mary 2030 Strategy, and reports from SET members on their implementation. Corporate and social responsibility is embedded within all Queen Mary activity. The President and Principal presents a report to each meeting of Council, covering sector developments as well as key strategic issues and challenges for the university

			<ul style="list-style-type: none"> • . • The President and Principal provides an update on the external context at each Council meeting in his report. The President and Principal also gives a “horizon scanning” presentation to Audit and Risk Committee once a year.
3.2	The strategic plan plays a crucial role in ensuring the successful performance of the institution, and the governing body will want to demonstrate its commitment to and support for the plan by formally approving or endorsing it in accordance with its constitution. Aligned to this, it must ensure there is an appropriate financial strategy and be responsible, without delegation, for the approval of the annual budget.	Full	<p>See 3.1 above.</p> <ul style="list-style-type: none"> • Council approves the strategic plan. • Council approves the annual budget and the financial five year plan. • Finance and Investment Committee recommends the financial strategy to Council.
3.3	It must rigorously assess all aspects of the institution’s sustainability, in the broadest sense, using an appropriate range of mechanisms which include relevant Key Performance Indicators (KPIs) not just for the financial sustainability of the institution but also for its impact on the environment.	Full	<ul style="list-style-type: none"> • Council receives a report on institutional performance measured against the Key Performance Indicators (KPIs) associated with the 2030 Strategy at each meeting. • Council receives an annual report on progress against the Carbon Management and Implementation Plan via the Finance and Investment Committee minutes.
3.4	In ensuring sustainability, the governing body must be in a position to explain the processes and the types of evidence used and provide any assurances required by funders. Where such assessments indicate serious issues which could affect future sustainability, the governing body must undertake appropriate remedial action.	Full	<ul style="list-style-type: none"> • Council receives regular reports on the financial health and sustainability of the institution via the Finance and Investment Committee. • Council considers and approves for onward submission to the Office for Students (OfS) the annual accountability return. • Council approves and periodically reviews policies on treasury management. • Finance and Investment Committee receives an annual report on pension liabilities and their potential implications. The External Auditors provide assurance that pension funds are properly reported in the annual accounts.
3.5	The governing body must receive assurance that the institution is meeting the conditions of funding as set out by regulatory and funding bodies and other major institutional funders which include the requirements of the financial memoranda. These include the need to: use public funds for proper purposes and achieve good value for money; have a sound system of risk management, financial control and governance; ensure the use of regular, reliable, timely and adequate information to monitor performance and track the use of public funds; and safeguard institutional sustainability.	Full	<ul style="list-style-type: none"> • The External Auditors provide assurance that the requirements set out in the financial memoranda issued by the funding bodies have been followed and that financial systems in place are appropriate. • Council receives assurance from Audit and Risk Committee on the effectiveness of Queen Mary’s systems for financial control, obtaining value for money, responding to alleged financial irregularities, and risk management. • Council receives regular reports on the financial health and sustainability of the institution via the Finance and Investment Committee. • Council receives an update on the strategic KPIs at each meeting.
3.6	The governing body must periodically review the delegated authority of the accountable officer (usually the Vice-Chancellor) and inform its funding body of any ‘material adverse’ change in its circumstances and any serious incident which, in the judgement of the accountable officer	Full	<ul style="list-style-type: none"> • The responsibilities and delegated authority of the President and Principal are set out in the Delegated Framework which is reviewed every 3 years. • Council has overall responsibility for ensuring that Queen Mary complies with the terms and conditions of funding for higher education institutions, including the obligation to inform the

	and the governing body, could have a substantial impact on the interests of the institution.		<p>OfS of any 'material adverse' change in its circumstances and any serious incident which could have a substantial impact on the institution.</p> <ul style="list-style-type: none"> • Audit and Risk Committee is responsible for obtaining assurances that any significant losses have been appropriately disclosed and (where appropriate) reported to the OfS and other external bodies (Audit and Risk Committee Terms of Reference).
3.7	Requirements of governing bodies as stipulated by the funding bodies relating to audit include: appointing the Audit Committee; considering and, where necessary, acting on the annual report from the Audit Committee; appointing the external auditors; considering the annual report of the internal audit service; and receiving and approving the audited annual financial statements (this responsibility to be reserved to the governing body for its collective decision, without delegation.)	Full	<ul style="list-style-type: none"> • Council has established an Audit and Risk Committee (ARC). • ARC prepares an annual report for consideration by Council. • Council appoints external auditors on the recommendation of ARC. • ARC receives the annual report from the internal auditors. The Head of Internal Audit Opinion is appended to the Committee's annual report. • Council receives and formally approves the audited annual financial statements.
3.8	Data submitted for funding purposes on behalf of the governing body must comply with directions published by the respective funding body and includes: annual accountability returns; any data requested by the Higher Education Statistics Agency (HESA); any information needed for the purpose of charity regulation; and other information the funding body may reasonably request to understand the institution's risk status.	Full	<ul style="list-style-type: none"> • Council approves the annual accountability returns for onward submission to the OfS, following scrutiny by Finance and Investment Committee and Audit and Risk Committee as appropriate. • All data returns to HESA, the OfS, and the Student Loans Company (SLC) are made within the specified timelines and in adherence to the requirements stipulated by those agencies. • QMUL complies with requests from OfS for information.
3.9	Operational financial control will be exercised by officers of the institution under delegation from the governing body, and responsibility for financial management and advising on financial matters is generally delegated to the Director of Finance (or equivalent). That individual must have access to the head of the institution wherever he/she deems it appropriate.	Full	<ul style="list-style-type: none"> • Council reviews and approves the QMUL Financial Regulations annually and Scheme of Delegation of Financial Authority every 3 years. • The Finance Director, to whom responsibility for financial management and advice is delegated, has full access to the Head of the Institution and is a member of the Senior Executive Team.
3.10	The governing body must get assurance that there are effective arrangements in place for the management and quality assurance of data. To do so the governing body could seek assurance from the Audit Committee about data quality.	Full	<ul style="list-style-type: none"> • Audit and Risk Committee provides assurance through its opinion on the management and quality assurance of data in its annual report to Council. • ARC receives assurances from internal audit reviews, external audits, e.g. by the OfS, where these have been conducted, and reports from senior officers.
3.11	The Audit Committee needs to be a small, well-informed authoritative body which has the expertise and the time to examine risk management control and governance under delegation from the governing body. It cannot confine itself to financial matters, and its role extends to all areas of institutional activity. While responsibility for devising, developing and maintaining control systems lies with the Executive, internal audit provides independent assurance	Full	<ul style="list-style-type: none"> • The composition of Audit and Risk Committee allows for up to seven members. • As at July 2019 there are six members and there are no plans to recruit additional members at this time. • Audit and Risk Committee oversees Queen Mary's procedures for external audit and internal audit, financial control and risk management, which necessarily extends to all areas of institutional activity.

	to the governing body which should have an approved annual audit plan (it can delegate to its Audit Committee the power to agree the plan on its behalf).		<ul style="list-style-type: none"> It is responsible for approving, on Council's behalf, the annual plans for external and internal audit.
3.12	The Audit Committee must be composed of a majority of independent members (who may also be drawn from outside the governing body) and produce an annual report for the governing body, including: its opinion on the adequacy and effectiveness of the institution's risk management, control and governance arrangements; processes for promoting value for money (VFM) through economy, efficiency and effectiveness; and (in institutions receiving funding body support) the management and quality assurance of data.	Full	<p>Membership</p> <ul style="list-style-type: none"> All members of the Audit and Risk Committee are independent from the institution. Up to two of the members may also be drawn from outside of the Council membership. <p>Annual report</p> <ul style="list-style-type: none"> Audit and Risk Committee submits an annual report to Council which includes its opinion on the adequacy and effectiveness of the institution's risk management, control and governance arrangements; processes for promoting value for money (VFM) through economy, efficiency and effectiveness; and (in institutions receiving funding body support) the management and quality assurance of data.
3.13	The proper remuneration of all staff, especially the Vice-Chancellor and his/her immediate team, is an important part of ensuring institutional sustainability and protecting the reputation of the institution. Accordingly, governing bodies must establish a Remuneration Committee to consider and determine, as a minimum, the emoluments of the Vice-Chancellor and other senior staff as prescribed in constitutional documents or by the governing body.	Full	<p>The Remuneration Committee meets up to 3 times per academic year to determine and review at least annually the salaries, objectives in relation to the Strategy, and terms and conditions of the following members of staff of Queen Mary:</p> <ul style="list-style-type: none"> The Principal; The Vice-Principals; Such other senior members of staff as Council deems appropriate.
3.14	The Remuneration Committee composition must include the Chair of the governing body, be composed of a majority of independent members (who, as with audit, may also be drawn from outside the governing body) and have appropriate experience available to it. The Vice-Chancellor or other senior staff may not be members of, but may attend by invitation, Remuneration Committee but must not be present for discussions that directly affect them. Remuneration Committees, when considering Hol remuneration, must be chaired by a senior independent governor who is not Chair of the board.	Full	<p>In November 2017, Council approved the following changes to the membership and terms of reference of the Remuneration Committee:</p> <ul style="list-style-type: none"> in order to provide clearer lines of governance regarding the performance and remuneration of the President and Principal, the Vice-Chair of Council has taken over from the Chair of Council as Chair of Remuneration Committee, and the President and Principal has stepped down from the Committee, attending only as necessary to present recommendations on other senior members of staff; in order to provide greater transparency, one elected staff member of Council has been added to the membership and the President of the Queen Mary Students' Union attends the meeting at which the performance and remuneration of the President and Principal is discussed. A co-opted member with experience in senior pay and tax has joined the Committee. <p>The Committee is considering co-opting an external HR professional.</p>
3.15	The Remuneration Committee must consider comparative information on the emoluments of employees within its remit when determining salaries, benefits and terms and conditions and ensure that all arrangements are unambiguous and diligently recorded. It must report on its decisions and operation at least annually to the governing	Full	<ul style="list-style-type: none"> The Remuneration Committee ToR state that it will consider comparative information when determining salaries, benefits, and terms and conditions of staff within its remit. The Remuneration Committee ToR state it will provide an annual report to Council on its decisions and the business conducted.

	body; such a report should not normally be withheld from any members of the governing body.		<ul style="list-style-type: none"> Steps are being taken to expand Queen Mary's public information on senior staff pay in line with Conditions E2 and E3 of the Regulatory Framework for Higher Education in England.
3.16	Remuneration Committee members must consider the public interest and the safeguarding of public funds alongside the interests of the institution when considering all forms of payment, reward and severance to the staff within its remit.	Full	

Element 4: The governing body receives assurance that academic governance is effective by working with the Senate / Academic Board as specified in its governing instruments in order to maintain quality.

	Key requirement	Level of compliance	Evidence of QMUL compliance
4.1	A high-quality student experience and, where appropriate, research portfolio are determinants of institutional sustainability and are therefore core governing body responsibilities which it shares with the wider institutional community. This, taken with the governing body's responsibility for the long-term reputation of the institution, means that it must satisfy itself that academic governance is operating effectively.	Partial	<p>Strategy</p> <ul style="list-style-type: none"> The Strategy, approved by Council, includes strategic aims relating to education and the student experience; and research and innovation. Council receives a report on institutional performance measured against the KPIs associated with the 2030 strategy at each meeting. More detailed aims and indicators of progress are contained in the enabling plans of the faculties and professional services departments, approved by SET. The deep dives planned for Council and sub-committees for 2019–20 in relation to student experience will provide a breakdown of information at the departmental level enabling governors to satisfy themselves of the operational efficacy of academic governance and strategy. <p>Senate</p> <ul style="list-style-type: none"> Senate is nominated in the Charter as the body responsible for the academic activity of Queen Mary, subject to the general superintendence and control of Council. Senate provides a report to Council after each meeting on the business considered and decisions made. The external review of Council effectiveness has recommended that Senate reports are shorter, focused high-level reports on academic quality written for the lay members. <p>Academic Governance</p> <ul style="list-style-type: none"> Council receives an annual report on academic assurance. Queen Mary conducts an academic governance review every four years. The summary outcome report of the last review was considered by Council in autumn 2015. The next review is planned for 2019–20. The external review of Council effectiveness looked at the reporting by Senate to Council. A session on the academic governance framework and the way in which Senate discharges its duties is included in the training provision for Council members in 2019-20. <p>Students' Union</p>

			<ul style="list-style-type: none"> • Council receives regular reports from the President and Principal and the President of the Students' Union on matters related to the student experience.
4.2	<p>The underlying principles of sound academic governance are based upon collegiality, and it follows that the governing body must therefore respect the role, as defined within charters, statutes or articles, of the Senate / Academic Board and other bodies involved in academic governance. However governing bodies will still wish to receive assurance that academic risks (such as those involving partnerships and collaboration, recruitment and retention, data provision, quality assurance and research integrity) are being effectively managed.</p>	Partial	<p>General</p> <ul style="list-style-type: none"> • Council receives regular reports via the Audit and Risk Committee on exposure to risk in relation to all aspects of the academic affairs of Queen Mary and regularly receives an update on the strategic KPIs. • Audit and Risk Committee tests the effectiveness of risk management by seeking 'deep dive' risk reports into particular management functions or risk groups. • The internal auditors review aspects of the student experience and academic matters each year as part of their operational plan, approved by Audit and Risk Committee. • The revised Strategic Risk Register reports on academic risk. <p>Partnerships</p> <ul style="list-style-type: none"> • Council has oversight of all major academic partnerships involving significant institution-level risks. In approving partnerships, Council seeks assurance that due diligence processes have been conducted and that risks have been appropriately considered and mitigated where possible. • The Partnerships Board, reporting to Senate, is responsible for overseeing partnership approval and maintenance processes. Council approval is required for major partnerships. • Finance and Investment Committee reviews annually the financial health of all major partnerships. • In 2018-19, the management of international partnerships was the subject of an internal audit review. • <p>Recruitment and retention</p> <ul style="list-style-type: none"> • Student recruitment is identified as a strategic risk and the exposure and effectiveness of controls is monitored by the Audit and Risk Committee and onto Council as appropriate. • Student recruitment updates are reported by the President and Principal at each meeting of Council and routinely discussed at Finance and Investment Committee. • Council receives an annual report on student retention. <p>Data provision – see section 3.10</p> <p>Quality assurance</p> <ul style="list-style-type: none"> • Senate has oversight of academic quality assurance and reports to Council. • There have been no instances where an issue has been escalated to Council. • Council receives an annual report on student complaints and appeals and the annual letter from the Office of the Independent Adjudicator. • Council receives regular reports on the outcomes of key internal and external surveys of student satisfaction.

			Research integrity <ul style="list-style-type: none"> Audit and Risk Committee receives an annual report on research integrity.
4.3	The governing body must understand and respect the principle of academic freedom, the ability within the law to question and test received wisdom, and to put forward new ideas and controversial or unpopular opinions, without placing themselves in jeopardy of losing their jobs or privileges, and its responsibility to maintain and protect it as enshrined in freedom of speech legislation.	Full	See 4.2 above. Academic Freedom is enshrined in Article 4 of the Charter. This is highlighted in the Council member handbook.

Element 5: The governing body works with the Executive to be assured that effective control and due diligence takes place in relation to institutionally significant external activities.

	Key requirement	Level of compliance	Evidence of QMUL compliance
5.1	As already noted, the governing body has a responsibility to ensure the long-term sustainability of the institution and maintaining its reputation. It will therefore want assurance on external activities with significant potential financial or reputational risks. Where such activities involve commercial transactions, care must be taken to ensure that arrangements conform to the requirements of charity law and regulation. This is particularly the case where institutions have established subsidiary entities, for example separate operating companies or charitable trusts.	Full	Delegation Framework and the Scheme of Delegation of Financial Authority (see also section 1.1) <ul style="list-style-type: none"> Council has oversight of all major partnerships involving significant institutional-level risks. In approving partnerships, Council receives assurance that due diligence processes have been conducted and that risks have been appropriately considered and mitigated, where possible. Finance and Investment Committee reviews the financial risk and the appropriateness of contracts and receives assurance on the legal advice received. Contracts are drafted to specify the requirements for membership of any boards created to oversee subsidiary activity, where appropriate. See 4.2 above regarding the monitoring of partnerships. QMI <ul style="list-style-type: none"> Queen Mary has vested control and management of IP exploitation through QMI. It receives an annual report on the success or otherwise of the various projects being executed through a subsidiary. Finance and Investment Committee approves the creation of new subsidiary companies. It receives annual reports on QMI's activities and reviews the collective activities of QMI presented in the consolidated I&E and Balance Sheet when setting the budget. The operational management of these activities is delegated to SET and/or QMI. Use of the seal <ul style="list-style-type: none"> There is a robust process in place for the affixation of the Common Seal of Queen Mary on contracts. The Use of the Seal is a standing item on the agenda of each meeting of Council.

5.2	The governing body will also want to ensure that fund-raising, donations, corporate sponsored research and partnerships and similar activities do not inappropriately influence institutional independence, mission, or academic integrity.	Partial	<p>Development Strategy</p> <ul style="list-style-type: none"> • Actions for 2019–20 include the creation of a new development strategy. • Finance and Investment Committee will consider biannual reports on development and fundraising activity and reports to Council as necessary. <p>Donations</p> <ul style="list-style-type: none"> • QMUL’s gift acceptance policy provides a set of ethical principles against which potential benefactions are considered; donations are accepted on the understanding that the funder can have no influence over the academic freedom and independence of the university. <p>Partnerships</p> <ul style="list-style-type: none"> • In approving partnerships Council considers the alignment of any proposed partnership or similar activity against the university’s strategy and mission, and ensures conformation to the high standards of academic integrity expected. • The Partnerships Ethical policy sets out the principles against which all partnerships will be assessed.
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Element 6: The governing body must promote equality and diversity throughout the institution, including in relation to its own operation.

	Key requirement	Level of compliance	Evidence of QMUL compliance
6.1	HEIs are required by law to comply with extensive equality and diversity legislation, and governing bodies are legally responsible for ensuring the compliance of their institution. The legislation covers the individual rights of staff and students not to suffer discrimination on the grounds of a number of protected characteristics. Legislation in this area does not distinguish between domestic and international students and staff.	Full	<p>Equality and Diversity strategy and action plan</p> <ul style="list-style-type: none"> • There is an equality and diversity action plan for 2016-20. Progress and compliance with the Single Equalities Act will be monitored centrally by the Equality, Diversity and Inclusion Steering Group and reported on a termly basis to SET and periodically to Council. • The appointment of a Vice-Principal (People, Culture and Inclusion) will oversee work in this area. <p>Audit and Risk Committee</p> <ul style="list-style-type: none"> • Compliance with equality legislation is included within the annual legal compliance report submitted to the Audit and Risk Committee. • The Committee’s annual report to Council provides an opinion on whether policies and procedures are being consistently applied and whether there is appropriate compliance with relevant legislation, including equality legislation. <p>Information for Committees</p> <ul style="list-style-type: none"> • Paper authors are requested to include a brief equality assessment in the coversheet for all papers submitted to Council and its committees and to SET.

			<ul style="list-style-type: none"> • Council routinely requests that analysis of data includes breakdown of data by protected characteristics in standard reports, including those relating to retention and completion rates, HR data, complaints and appeals.
6.2	Beyond this there is evidence that board diversity promotes more constructive and challenging dialogue, which in turn can improve governance outcomes by helping to avoid 'groupthink' and that as a result there is a strong business case for diversity alongside legal and moral expectation.	Full	<ul style="list-style-type: none"> • Council has confirmed its commitment to achieving greater diversity amongst its members, including, where appropriate, by appointing candidates with less experience to sub-committees and providing opportunities for future development. • Governance Committee proactively seeks to recruit new members that will enable Council to reflect the diversity of Queen Mary's student body. Recent recruitment activity has included targeted advertising in national publications and in the Alumni newsletter with an emphasis on seeking applications from women and those from ethnic minority backgrounds. Executive search is also used to source diverse candidates for the Chair of Council role. • Currently 52% of Council members are women and 29% are from Black and Asian minority ethnic groups.
6.3	<p>The governing body must ensure that there are arrangements in place to:</p> <ul style="list-style-type: none"> • Eliminate unlawful discrimination, harassment and victimisation; • Advance equality of opportunity between people who do and do not share a protected characteristic; and • Foster good relations between people who share and those who do not share a protected characteristic. 	Partial	<ul style="list-style-type: none"> • Equality and diversity are embedded within the Strategy and there are a number of strategic aims that relate to equality and diversity. • EDI Training has been delivered to HR Business Partners, HR Strategic Partners and HR Advisers. • Equality Impact Assessment (EqIA) training has been delivered to HR Business Partners, HR Strategic Partners and HR Advisers. • The introduction of the Report & Support recording tool allows Queen Mary to capture incidents of harassment, bullying and victimisation by students and staff. • The School of Medicine and the Institute of Dentistry achieved Athena SWAN Silver awards. • The School of Business and Management achieved an Athena SWAN Bronze award. • The Gender Equality Self-Assessment Team (GESAT) is co-ordinating the university's application for an Athena SWAN Silver institutional award. • The 'Dignity at Queen Mary' policy has been reviewed and updated. The Dignity Disclosure Officers (DDOs) have been recruited and retrained in the first semester. • The EDI Steering Group (EDISG) is processing and signing-off new key policies in relation to menopause and trans-gender persons. • Queen Mary's annual corporate governance statement has been updated to include a statement of its activities in relation to equality and diversity.
6.4	This means going further than simply avoiding discrimination, and it requires the active promotion of equality in a number of defined areas. The governing body must therefore satisfy itself that agreed action plans to implement the equality and diversity strategy are progressed throughout the institution.	Partial	<ul style="list-style-type: none"> • Council receives a report at each meeting on institutional performance measured against the KPIs associated with the 2030 Strategy, including performance against targets relating to Equality, Diversity and Inclusion.
6.5	The governing body must also routinely reflect on its own composition and consider taking steps to ensure that it reflects societal norms and values.	Full	<ul style="list-style-type: none"> • Governance Committee is responsible for reviewing the composition of Council and its sub-committees. • Council members are asked to complete an anonymous equality and diversity survey annually.

			<ul style="list-style-type: none"> Both Governance Committee and Council are committed to providing training for potential or less experienced members, appointing them to sub-committees to gain experience and providing other opportunities for their participation in board-related events.
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Element 7: The governing body must ensure that governance structures and processes are fit for purpose by referencing them against recognised standards of good practice.

	Key requirement	Level of compliance	Evidence of QMUL compliance
Composition and appointments			
7.1	The governing body must have a majority of external members, who are independent of the institution. All members should question intelligently, debate constructively, challenge rigorously, decide dispassionately and be sensitive to the views of others both inside and outside governing body meetings.	Full	<ul style="list-style-type: none"> Council has a membership of 21 and a majority of external members (12), including the Chair and Vice-Chair, who are independent of the institution. The size of Council has been determined in order to ensure an appropriate balance of skills and experience. Members are appointed for a 4 year term of office, renewable for a further term of 4 years subject to satisfactory performance. They are provided with information about the required time commitment prior to and on appointment to Council via the Council member role description. Members are provided with an annual programme of internal and external training and development opportunities in order to refresh their skills and knowledge, and to ensure members can question intelligently, debate constructively, challenge rigorously, decide dispassionately and be sensitive to the views of others. Members undergo a formal annual appraisal process with the Chair.
7.2	The governing body must have the power to remove any of its members from office, and must do so if a member breaches the terms of his / her appointment.	Full	<ul style="list-style-type: none"> The Charter specifies that a member who does not attend for twelve consecutive calendar months shall be deemed to have resigned his/her membership unless Council decides otherwise. This is set out in Ordinance A4. Governance Committee monitors the attendance of and contribution made by Council members and attendance is discussed in the annual appraisal with the Chair.
7.3	The governing body must establish a Nominations Committee (or similar) to advise it on the appointment of new members and the terms of existing members as well as the perceived skills balance required on the governing body. Normally final decisions on appointment are taken by the governing body.	Full	<ul style="list-style-type: none"> Governance Committee is a committee of Council, and is responsible for considering and making recommendations to Council on nominations for co-option to membership of Council and its sub-committees. It is also responsible for reviewing the skills base of Council, collectively and individually, and identifying skills and expertise that would be of benefit. Council members are asked to complete a skills matrix annually. Members have been recruited through advertisement of vacancies in national publications in order to increase the pool of talent available.
7.4	The governing body will need to ensure suitable arrangements exist for the continuation of business in the absence of the Chair. In some cases arrangements for a Deputy Chair are codified within institutions' governing instruments; where they are not, the Nominations Committee can advise the governing body on what arrangements should be.	Full	<ul style="list-style-type: none"> Council has both a Chair and Vice-Chair, to ensure that business can continue smoothly in the absence of the Chair. The Vice-Chair role description includes an expectation that the Vice-Chair shall act as the Chair during a vacancy in the office of the Chair and during the absence or disability of the Chair.

7.5	The Chair and Secretary will want to ensure all members receive an appropriate induction to their role and the institution as necessary.	Partial	<ul style="list-style-type: none"> Members are provided with a programme of induction activities to ensure a good understanding of the role and Queen Mary. These are tailored to the particular needs of each individual. All new Council members are provided with an electronic copy of the Council member handbook, which is updated annually. The handbook, past meeting papers and minutes, as well as reference documents on internal and external policy, is available in the document library on Convene.
7.6	There is an expectation, often enshrined within the constitutional documents of HEIs, that governing bodies will contain staff and students members and encourage their full and active participation.	Full	<ul style="list-style-type: none"> The President of the Student Union is an <i>ex officio</i> member of Council. A second representative nominated by the President of QMSU attends meetings of Council as in attendance. This arrangement was agreed by Council at its meeting in February 2016. There are seven members of staff on Council, of whom 2 are nominees of the President and Principal and 5 are elected. All members are encouraged to participate fully, and no distinction is made at meetings of Council or its committees between members from different constituencies. The Chair of Council has annual one-to-one meetings with student and staff members in the same way as all other members.
7.7	<p>Current normal practice is not to remunerate external members and to pay only travelling and other incidental expenses. However, if the governing body decides it is appropriate to remunerate, it will need to consider the:</p> <ul style="list-style-type: none"> Provisions of charity and employment law; Implications for the division of responsibilities between the governing body and the executive; Public service ethos which applies generally among HE governors; Need to be explicit about time commitments; Need to apply a formal process of appraisal to the remunerated governor. <p>Where it is decided to remunerate, payments would need to be both commensurate with the duties carried out and reported in the audited financial statements.</p>	Full	<ul style="list-style-type: none"> Queen Mary does not remunerate its external members of Council. Reimbursement of reasonable expenses, such as travel expenses, is permitted. Governance Committee agreed at its meeting in October 2015 that Queen Mary should give consideration on an ad hoc basis to the payment of members' expenses relating to caring responsibilities.
Operation			
7.8	The Secretary (or Clerk) is responsible to the governing body for the provision of operational and legal advice in relation to compliance with governing instruments, including standing orders. He / she is also responsible for ensuring information provided to the governing body is timely, appropriate and enables an informed discussion so that it may effectively discharge its responsibilities.	Full	<ul style="list-style-type: none"> The Secretary to Council is responsible for ensuring appropriate and timely information is provided to members, and provides operational and legal advice in relation to compliance with governing instruments. This is set out in the role description for the Secretary to Council agreed by Governance Committee in June 2015 and approved by Council.
7.9	All members of the governing body must have access to the services of the Secretary. Arrangements for appointment or	Full	<ul style="list-style-type: none"> Council is responsible for the appointment of the Secretary to Council. The arrangements for the Secretary's appointment are defined in the Ordinances (Ordinance A3).

	removal of the Secretary may be defined by the governing instruments; where they are not, it must be a decision for the governing body as a whole.		<ul style="list-style-type: none"> All members of Council have access to the services of the Secretary and the Governance team in ARCS.
Review			
7.10	Governing bodies need to adopt an approach of continuous improvement to governance, in order to enhance their own effectiveness and provide an example to institutions about the importance of review and evaluation.	Full	<p>External effectiveness review</p> <ul style="list-style-type: none"> Council conducts an internal review of its effectiveness on an annual basis and an external review at least every 5 years in line with CUC good practice guidance. The most recent external review took place in 2018-19. An action plan and timeframe for addressing the recommendations has been created. Governance Committee considers progress against the plan at each meeting and reports to Council. <p>Annual effectiveness reviews</p> <ul style="list-style-type: none"> The committees of Council review their terms of reference and effectiveness on an annual basis. <p>Adherence to this code</p> <ul style="list-style-type: none"> An initial mapping exercise was undertaken in the autumn 2015, from which it was concluded that Queen Mary accepted the principles enshrined within the code and was fully compliant in most areas. This led to an action plan to address issues where there was not yet full compliance with the code or areas where it was felt governance could be strengthened. An annual review of Council's adherence to the principles of the Code is undertaken and reported to Governance Committee and Council.
7.11	Accordingly, governing bodies must conduct a regular, full and robust review of their effectiveness and that of their committees, the starting point for which should be an assessment against this Code and the statutory responsibilities alongside those which it has assumed and articulated independently (e.g. through a statement of primary responsibilities). Many governing bodies find an external perspective in this process useful, whether provided by specialist consultants or peer support from other governing bodies.		
7.12	Codes of governance in other sectors adopt a period of two or three years. Recognising the need to balance the cyclical nature of HE and the impact this can have on the implementation and embedding of new practices, and the swiftly evolving HE and broader legislative environment, reviews must be conducted at least every four years with, as a minimum, an annual summary of progress towards achieving any outstanding actions arising from the last effectiveness reviews.		