

Governing Body

Terms of Reference (ToR)

Navitas UK Holdings Limited (NUKH)

Registered Company Number: 06009965

**Registered Company Address: The Lambourn, Wyndyke
Furlong, Abingdon, Oxfordshire, OX14 1UJ**

Last Reviewed: December 2022

1.0 Introduction

1.1 This Terms of Reference (ToR) sets out the functions and responsibilities of the Governing Body of Navitas UK Holdings Limited (the Company).

2.0 Definitions

2.1 In this Terms of Reference:

- Governing Body means the board of directors / board / governing board of the Company;
- Chair means the chairperson of the Governing Body;
- Company means Navitas UK Holdings (NUKH) and its subsidiary companies (network of Colleges and registered entities);
- Member means a director of the company, either executive or non-executive;
- Secretary means the nominated Company Secretary.

3.0 Primary Responsibilities of the Governing Body

3.1 The Governing Body is accountable and responsible for all matters relating to the strategic direction, policies, practices and the operation of the Company. Substantial oversight is therefore given to the Company's educational outcomes, risk, reputation, control, financial and accountability systems.

Without intending to limit this general role of the Governing Body, the specific functions and responsibilities include:

- i. setting the mission, vision, values and strategic goals of the Company with reference to the Navitas corporate strategic framework;
- ii. inputting into the final approval of management's development of corporate strategy and performance targets and objectives;
- iii. ensuring processes are in place to monitor and evaluate the performance and effectiveness of the institution against the strategy, targets and objectives;
- iv. reviewing and ratifying systems of risk management, operational controls and compliance, including plans for business continuity and tuition safeguards, and considering the occurrence and nature of formal grievances raised against the Company;
- v. reviewing the Company's institutional environment with an emphasis on workforce planning, strategic resource allocation, freedom of intellectual inquiry, protecting the principles of academic freedom and freedom of speech legislation, equitable treatment of students and staff, fostering of wellbeing of students and staff, supporting informed student decision making and that students are given the opportunity to participate in the deliberative and decision making processes of the Company, including supporting participation by demographics typically underrepresented in English higher education;

- vi. overseeing the academic governance of the Company and confirming that the provision of education provided by the Company is consistent with the Company's policies and provides value for money to students;
- vii. approving and monitoring financial and other reporting to ensure the Company maintains financial viability and sustainability, including that it has sufficient funds for its ongoing operations;
- viii. ensuring the Company continues to meet the General Ongoing Conditions to maintain registration with its educational regulator (as provided for by the Office for Students);

This will be achieved by:

- a) conducting its business in accordance with best practice in HE corporate governance (the HE Code of Governance) and with the Nolan Principles of Public Life, whilst safeguard the good name and values of the institution;
- b) establishing processes to monitor and evaluate the performance and effectiveness of the governing body itself;
- c) employing authority for all staff in the institution and to be accountable for ensuring that appropriate people strategies are established;
- d) promoting a culture which supports inclusivity and diversity across the institution;
- e) maintaining legal authority and ensuring systems are in place for meeting all the Company's legal obligations, including those arising from contracts and other legal commitments made in the Company's name;
- f) ensuring that all students and staff have opportunities to engage with the governance and management of the institution;

To ensure effective discharge of these functions the Governing Body shall implement an appropriate, documented, observed, and regularly reviewed system of delegation to a range of subcommittees (see 10.0) and senior management.

4.0 Composition of the Governing Body

4.1 Size

- (i) The Governing Body will comprise a minimum of three (3) directors including at least two (2) who are non-executive and independent of the Company.
- (ii) The Chair of the Governing Body should have independence to the Company and act as an independent non-executive director.
- (iii) Non-members may be invited to attend meetings at the Chair's discretion, including staff and students.

4.2 Quorum

- (i) The quorum for a Governing Body meeting is two (2) directors, including one that is an independent member, with the minimum number present for the whole meeting.

(ii) If not in-person, a director is treated as present at a meeting held by audio or audio-visual communication if the director can hear and be heard by all others attending and engaging fully.

4.3 Frequency

(i) The Governing Body will meet as frequently as required to perform its functions but must, at a minimum, meet three (3) times a year. Meetings may be held by members communicating with each other using any technology which enables them to simultaneously hear each other and participate in discussion.

4.4 Independent Directors

(i) A non-executive director is an independent director when he or she is not a member of management and when he or she:

- does not have a direct or indirect material financial interest with the Company;
- is not involved in the day-to-day management functions of the Company and not allied with the interests of management;
- is sufficiently impartial and disconnected from the Company's operations, such that they are in a position to hold management to account and act in the Company's best interests;
- does not have a material personal interest (i.e., does not stand to gain, benefit, or suffer a loss) in the outcome of a Governing Body meeting;
- is free of any interest, position, association, or relationship that might influence, or reasonably be perceived to influence, their capacity to exercise independent judgement; and,
- has not been a director with the Company for such period (e.g., eight years, exceptionally twelve - see 7.0 Terms of Appointment) that their independence may have been compromised.

4.5 Fit to Serve

(i) A director of the Company shall be confirmed as 'fit and proper' in accordance with good practice and Office for Students guidance, as amended.

4.6 Expertise

(i) The Governing Body shall ensure that, collectively, it has the appropriate range of expertise to properly fulfil its responsibilities, including:

- strategy;
- operations;
- finance and accounting;
- higher education;
- risk management;

- compliance; and,
- senior management-level experience.

The Governing Body shall review the range of expertise of its members on a regular basis and ensure that it has operational and technical expertise relevant to the operation of the Company.

5.0 Appointment of Directors

5.1 Directors are appointed by determination of the current directors through an ordinary resolution or by a decision of the Directors.

5.2 Director positions are to be identified through an open (advertised) process.

5.3 Where a director's position becomes vacant in between such elections, and in order to maintain the minimum number of directors, the Governing Body may appoint a replacement director as required.

5.4 The Governing Body has the power to remove any of its members from office and must do so if a member breaches the terms of his/her appointment, including the Chair.

6.0 Alternate Directors

6.1 Appointing an Alternate

- (i) A Director (other than an Alternate) may appoint a person who is approved by the Governing Body to act as Alternate for a specified period or each time the Appointor is unable to attend a Governing Body meeting or act as a director.

6.2 Obligations and entitlements of Alternates

- (i) may attend and vote in place of the Appointor at a Governing Body meeting at which the Appointor is not present;
- (ii) if also a director, has a separate right to vote as Alternate;
- (iii) if Alternate for more than one Appointor, has a separate right to vote in place of each.
- (iv) when acting as Alternate, is an officer of the Company and subject to all of the duties, and entitled to exercise all the powers and rights, of the Appointor as a Director; and
- (v) is entitled to reasonable travelling, accommodation and other expenses incurred in attending meetings of the Governing Body or of the Company or while otherwise engaged on the business of the Company on the same basis as other Directors but is not entitled to any other remuneration from the Company (but the Appointor may further remunerate the Alternate).

7.0 Terms of Appointment

7.1 Independent Directors are appointed for terms of four (4) years, renewable subject to satisfactory performance based on attendance, engagement and an annual review.

7.2 No independent member shall serve for more than two (2) consecutive terms (or a maximum of three (3) in exceptional circumstances) else they will be determined no longer independent.

8.0 Independent Professional Advice

8.1 To facilitate independent judgement in decision-making, each director has the right to seek independent professional advice at the Company's expense. However, prior approval from the Chair is required, which may not be unreasonably withheld.

9.0 Allocation of Responsibilities

9.1 Chair:

The Governing Body elects the Chair as a consensus of the current directors.

The Chair is responsible for leadership of the Governing Body, for the efficient organisation and conduct of the Governing Body's function, and for the briefing of all directors in relation to issues arising at Governing Body meetings.

The Chair's specific duties are to:

- appoint a deputy-chair;
- chair Governing Body meetings;
- establish the agenda for Governing Body meetings in consultation with the Secretary;
- ensure Governing Body minutes properly reflect Governing Body decisions;
- act as an ambassador for the Company outside the meetings; and,
- be the major point of contact between the Governing Body and senior management of the Company.

The Chair is not entitled to vote or participate in the deliberations on any matter in which he or she has a personal interest unless there is declaration of any conflicts of interest and other directors of the Governing Body consent to the Chair participating in the vote.

The Chair may be removed from office by consensus of the current directors.

9.2 Individual Directors:

Directors have the following responsibilities:

- exercise their powers and discharge their duties in good faith and in the best interests of the Company;
- use their powers of office for a proper purpose and not for personal advantage or for the benefit of another party;
- use due care and diligence;
- make a reasonable effort to become and remain familiar with the affairs of the Company;

- attend all Governing Body meetings and functions unless there are valid reasons for non-attendance;
- operate accordingly to the Nolan Principles and best practice in equality, diversity and inclusion; and,
- commit the necessary time and energy to Governing Body matters to ensure that they are contributing their best endeavours in the performance of their duties for the benefit of the Company, without placing undue reliance on other directors to fulfil these duties.

9.3 Secretary:

The Governing Body must appoint at least one individual and may appoint more than one individual to be the Secretary either for a specified time term or without specifying a term.

The Secretary is generally responsible for ensuring compliance with the Companies Act (2006) and carrying out a number of administrative requirements, including but not limited to:

- filing statutory documents and financial statements at Companies House. These include confirmation statements, tax returns and company accounts;
- ensuring the company's register and other records are up-to-date;
- establishing the company's registered office; and,
- safeguarding essential documents such as the memorandum and articles of association, and the certificate of incorporation.

The Secretary may appoint a Clerk to assist with particular administrative tasks which include:

- ensuring that the agenda and briefing materials for Governing Body meetings are prepared and forwarded to directors in a timely and effective manner; and,
- recording, maintaining, and distributing the minutes of all Governing Body and subcommittee meetings as required.

10.0 Sub-Committees

10.1 To assist with the execution of its responsibilities, the Governing Body has the authority to establish and determine the powers and functions of a proportionate number of subcommittees to report to the Governing Body.

10.2 The Governing Body will determine membership, appoint and remove members including the committee Chair(s), establish terms of reference and monitor each committees' activities.

10.2 The Governing Body shall arrange and maintain the following Committees to support the discharge of its duties:

- Risk and Audit Committee;
- Academic Board.

11.0 Changes to the Terms of Reference

11.1 Changes to the Terms of Reference must be approved by the Governing Body.

11.2 These Terms of Reference shall be reviewed annually.