



2 Terms of Reference: Remuneration and Nominations Committee

These Terms of Reference (the 'Terms') establish the structure, roles, responsibilities, and operating procedures for the Nominations and Remuneration Committee (the 'Committee') of the Board of Governors of LAAT.

This Committee is essential in ensuring effective governance in line with the CUC Code of Governance for Higher Education, the Office for Students (OfS) Regulatory Framework and the Public Interest Governance Principles, specifically, Principle VIII. Governing Body³.

2.2.1 Purpose and Responsibilities

The Board of Governors delegates the responsibilities for identifying and recommending qualified candidates for Board of Governor vacancies, and responsibilities for setting and overseeing fair, competitive staff pay, particularly for senior leadership, to the Nomination and Remuneration Committee.

It is also required by this committee to make necessary recommendations in relation to the position of Provost and others mentioned in the *section 2.1.2* of the Terms of Reference of the Board of Governors.

See [Public interest governance principles - Office for Students](#).

Nominations

The Committee shall:

- Develop and maintain a documented process for the identification, assessment, and nomination of qualified candidates for Board vacancies, and re-appointment of Governors, ensuring a diverse and skilled Board composition that reflects the needs of LAAT.
- Manage the recruitment and selection process for the positions of Governors ensuring compliance with the Equality Act 2020.
- Consider factors such as relevant experience, expertise, independence, and potential conflicts of interest when evaluating candidates.
- Perform due diligence on all potential candidates, including reference checks and verification of qualifications, to ensure they are fit and proper persons in accordance with OfS guidelines. Present recommendations for candidates to the Board for consideration and appointment.
- Conduct periodic reviews of the Board's skills and experience profile to identify any gaps or upcoming needs.



Remunerations

Also, the Committee shall:

- Develop and recommend a fair and competitive remuneration policy and/or pay scale for all staff, with a particular focus on senior leadership positions.
- Regularly review and update the remuneration policy to reflect changes in the market and institutional needs.
- Recommend the remuneration package for the Provost, Academic Dean and other senior executives to the Board for approval.
- Prepare and approve disclosures on remuneration, including all forms of compensation, for inclusion in the relevant reports, or financial statements, in accordance with applicable legal and regulatory requirements.

2.2.2 Composition and Membership

The Committee shall consist of at least three (3) members, including a Chair, two of whom are to be Independent Governors appointed by the Board.

The Chair of the Board may be a member but shall not chair the Committee.

Members of the Committee shall possess a balance of skills, experience, independence, and knowledge of the company to effectively undertake their duties.

Company Secretary shall provide secretariat services to the Committee. **Membership**

- (Chair) Independent Governor
- Executive Governor x 1
- Independent Governor x 1

2.2.3 Meetings and Procedures

Meetings shall be conducted in accordance with a written schedule and documented minutes.

- The Committee may establish working groups to address specific areas of its responsibilities.
- The Committee shall operate with transparency and maintain a record of its activities, including nominations processes and remuneration decisions. • Committee members shall declare any potential conflicts of interest and recuse themselves from relevant discussions or decisions.



- Company Secretary shall provide secretariat services to the Board of Governors.

2.2.4 Quorum

Two members will constitute a quorum.

2.2.5 Frequency

The Committee shall meet at least twice (2) annually, or more frequently as deemed necessary by the Chair to ensure the Committee can perform its duties.

2.2.6 Other

Review and Amendment

These Terms shall be reviewed periodically to ensure they remain appropriate to the needs of LAAT and comply with all regulatory requirements. Recommendations for any revisions shall be made to the Board.

2.3 Terms of Reference: Audit & Risk Committee (ARC)

2.3.1 Purpose and Responsibilities.

These Terms of Reference (the 'Terms') establish the structure, roles, responsibilities, and operating procedures for the Audit & Risk Committee (the 'Committee') of the Board of Governors of LAAT.

This Committee is essential in ensuring effective governance in line with the CUC Code of Governance for Higher Education, the Office for Students (OfS) Regulatory Framework and the Public Interest Governance Principles, specifically II. Accountability and V. Risk Management.

The Committee plays a crucial role in ensuring financial integrity, compliance with legal and regulatory requirements, and the effectiveness of internal control systems.

Responsibilities

The Board of Governors delegates the responsibilities for overseeing financial reporting, internal controls, and risk management of LAAT to the Audit & Risk Committee.



The Audit & Risk Committee shall:

Internal Audit

- Oversee the effectiveness of LAAT's internal audit function, including the appointment, reappointment, and removal of the head of the internal audit function.
- Consider and approve the remit of the internal audit function, ensuring it has adequate resources and appropriate access to information to enable it to perform its function effectively.
- Review and assess the annual internal audit plan.
- Receive reports on the results of the internal audit's work.

External Audit

- Recommend the appointment, reappointment, and removal of the external auditor, subject to Board approval.
- Approve the remuneration and terms of engagement of the external auditor. • Review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process.
- Review the findings of the audit with the external auditor, including any major issues that arose during the audit, management's response, and the arrangement of pre-audit and post-audit services.

Financial Reporting

- Oversee the integrity of the financial statements and other financial disclosures made by the company, ensuring that they comply with legal and regulatory requirements, including those related to financial reporting and anti-bribery and corruption.
- Monitor the effectiveness of the company's internal control over financial reporting and disclosure controls and procedures.
- Ensure that the company's financial statements are complete, accurate, timely, and understandable to the stakeholders.
- Ensure the financial sustainability of LAAT relates well to its strategic aims, particularly relating to its growth.
- Recommending an Annual Value for Money Report and Annual Value for Money Statement for approval by the Board of Directors.

Risk Management



- Oversee the effectiveness of the risk management framework, including the procedures for identifying, managing, and reporting risks.
- Ensure that the risk register is comprehensive and reflects the true risk profile of LAAT.
- Receive, review and discuss Senior Leadership Team's risk assessments and mitigation strategies.
- Ensure Risk Management in relation to Student Protection Plan is monitored effectively by the Senior Leadership Team.

2.3.2 Composition and Membership

The Committee shall consist of at least three (3) members, including a Chair, two of whom are to be Independent Governors appointed by the Board.

The Chair of the Board of Governors may be a member but shall not chair the Committee. The chair should be an independent governor. At least one member should have recent and relevant regulatory and/or financial experience ideally with a professional qualification from one of the professional accounting bodies.

Committee should call upon senior personnel from the Executive team to perform its functions. These may include, Provost, Registrar, Finance Director.

Membership

- (Chair) Independent
- Independent Governor x 1
- Executive Governor

2.3.3 Meetings and Procedures

Meetings shall be conducted in accordance with a written schedule and documented minutes.

- The Committee may establish working groups to address specific areas of its responsibilities.
- The Committee shall operate with transparency and maintain a record of its activities.
- Committee members shall declare any potential conflicts of interest and recuse themselves from relevant discussions or decisions.
- Company Secretary shall provide secretariat services to the Committee.



2.3.4 Quorum

- Quorum: two members will constitute a quorum.

2.3.5 Frequency

The Committee shall meet at least four (4) times annually. This schedule allows the Committee to effectively oversee financial reporting, internal controls, risk management, and compliance activities.

2.3.6 Other

Review and Amendment

These Terms shall be reviewed periodically to ensure they remain appropriate to the needs of LAAT and comply with all regulatory requirements. Recommendations for any revisions shall be made to the Board.