

## Code on the Roles and Responsibilities of the Members of the Association and the Governing Body of the London Film School

1. The purpose of this Code is to set out the framework within which the roles and responsibilities of the members of the Association and the Governing Body (the Board) of London Film School (LFS or the School) are carried out. The Code is informed by a commitment to good practice in the governance of the School.
2. This Code summarises the role of the members of the Association and the Board as set out in the School's constitution and sets out the expectations for how those roles are carried out and interact. This is so that misunderstandings that might have a negative impact on LFS's governance are avoided and good governance is fostered.
3. The Code arises from a governance effectiveness review by the Leadership Foundation for Higher Education (LFHE), which reported in March 2018 and recommended that "A formal memorandum between the Board and the Association should be established which codifies the relationship between the bodies, and also the parameters for when the Association may (in extremis) deploy their right to remove Directors.". The Board has agreed, in consultation with members of the Association, to implement this recommendation.

### Background

4. LFS is constituted as a charitable company limited by guarantee registered with both Companies House and the Charity Commission. Its governance arrangements are set out in its Memorandum and Articles of Association (Articles) originally registered on 20 January 1975 (under the name London International Film School Limited) and amended by special resolutions passed on 8 July 1985, 21 March 2002 and 29 April 2008.
5. A charitable company has two related elements in its governance: a board of directors who are also the trustees of the charity (this is the Board), and the members of the company (the members of the Association). For many charitable companies these two elements are comprised of the same people; however, for LFS this is not the case.
6. The Articles set out the members of the Association: the original subscribers; the current registered students of the School; the members of the Board; and those members of the teaching staff and past students who apply to join the Association and whose applications are approved by the Board.
7. The Association and the Board are not separate, distinct entities. The company is referred to as the Association in the Articles, and the Board is the Governing Body of the Association. Members of the Board are also members of the Association.
8. The recommendation from the LFHE governance review (see 3 above) reflected a need for the roles of the members of the Association and the Board to be understood and consistently interpreted, and through this for the Board to be confident in exercising its powers and carrying out its responsibilities for the governance and management of the School.

### Goals and Objectives

9. The aim of this Code is to ensure that:
  - members of the Association and the Board are well informed about their respective roles and responsibilities within LFS's governance arrangements and respect the boundaries of their roles;

- members of the Association and the Board can be confident that they are able to exercise their legitimate and lawful powers;
- the arrangements for meetings of the Association and the Board, and for the appointment, removal and replacement of members of the Board, are understood and followed;
- it is clear how concerns are raised and, if reasonably possible, addressed.

## Roles and Responsibilities

10. The members of the Association and the Board have a common interest in ensuring that the objects of LFS are met and that the company's powers are exercised in accordance with the Articles and the requirements of both company and charity law. The objects set out in the Articles describe the fundamental purposes of LFS and the powers set out how those objects may be pursued.
11. The powers of the members of the Association, as the members of the company, are set out in the Articles and in the Companies Act 2006. The powers of the members of the Association include:
  - the election (i.e. appointment), removal and replacement of directors (members of the Board);
  - the amendment of the Articles (subject to Charity Commission consent for certain kinds of changes);
  - the approval of certain transactions between the company and its directors;
  - determining what is done with any remaining assets if the company is wound up.
12. The Board manages the affairs of LFS in accordance with the objects of the company in accordance with the powers given to the Governing Body in the Articles. Under Article 47, the management of the business and control of the company is vested in the Board, which may exercise all the powers and authorities set out in the Articles except those that are required to be exercised by the members of the company in a General Meeting.
13. The Board is responsible for determining the School's strategy and deciding how it will be put into effect. It oversees how LFS is run and the Director of the School is accountable to the Board for the effective running of the School.

## Meetings

14. There are two types of meetings of the Association, General Meetings and termly meetings.
15. A General Meeting is a meeting of the members of the Association to carry out formal company business, such as approving the previous year's accounts and appointing the auditors, and anything that company law and the Articles say must be done by the members passing a resolution, such as the election, re-election, removal and replacement of directors. The Articles provide for an Annual General Meeting, and for other General Meetings (called "Extraordinary Meetings") to be called by the Board as it determines necessary, or at the request of at least 25 members of the Association. The Articles set out the notice which must be given for General Meetings, depending on what is the business of the meeting. Any member of the Association attending a General Meeting may speak on any aspect of the business notified for the meeting.
16. The Articles provide for the Director of the School to convene a meeting of all the members of the Association at least once a term to report on the affairs of the School. At these meetings the Director reports on the development and running of the School and members of the Association can ask questions about and discuss this report.

17. Meetings of the Board take place at least once a term as required for the business of the School, in accordance with the provisions of the Articles.

### Appointment, Removal and Replacement of Members of the Board

18. The Board has implemented processes under the remit of its Nominations Committee to search for, select and appoint its members. The members of the Board are the governors of LFS and are its company directors and charity trustees. The processes include the opportunity for members of the Association to suggest and nominate candidates to be considered for appointment as Board members. Details of the Board's processes will be made available.
19. Board members must also be elected by the members of the Association in a General Meeting. The members of the Association will be provided with information about the Board members proposed for election so that their suitability can be judged. The expectation is that they will be elected provided it is demonstrated that they are suitable to be directors and trustees of the School.
20. The Articles include arrangements for the cyclical retirement and replacement of members of the Board and these will operate in accordance with the Articles. The Board is empowered under the Articles to fill casual vacancies in its membership and to appoint additional Board members up to the specified maximum number.
21. The Board will ensure that its processes for the appointment of Board members are in line with practice for higher education providers and specifically with the requirements of the CUC Higher Education Code of Governance. The Board will also specify terms of office and maximum periods of membership of the Board that meet the requirements of that Higher Education Code of Governance. This will ensure that the membership of the Board is refreshed regularly with suitable members.
22. The Companies Act 2006, s168 allows a director of a company to be removed before their term of office has expired by an ordinary resolution of the company members, so a member of the Board may be removed by the members of the Association (as the members of the company) exercising this power in a General Meeting. In addition, the Articles include a specific power for the members of the Association to pass an extraordinary resolution (at a General Meeting) to remove any member of the Board and to replace him/her with another member. It is expected that a proposal by the members of the Association to remove a member of the Board will normally be made because of misconduct or impropriety or a breach of the Board member's duties as a director and trustee. It may also be done *in extremis* where it can be demonstrated that the objects of the company are significantly and materially compromised by the actions of the Board member. It is not expected that such an action will be taken solely because of a difference of opinion by members of the Association about the School's strategy and how it is put into effect as agreed by the Board.
23. A resolution to remove a member of the Board must meet the requirements of company law and the Articles in the way the resolution is proposed and voted on, including the rights of the Board member to be notified and to make representations.
24. Members of the Board may also be removed under relevant provisions in the Articles or if they are disqualified from acting as directors or charity trustees.

## Raising Concerns

25. Charity Commission guidance says that members of a charitable company have a duty to act in the interests of the charity, rather than their own interests. It is expected that members of the Association will respect this advice by ensuring that concerns they have in their capacity as current or past students or as members of staff of the School are raised through the processes within the School where concerns can be expressed and resolved. These processes include: arrangements for consultation with staff and students; representation by the Students' Union; representation by trade unions for staff; student complaints and staff grievance procedures, policies and procedures on bullying and harassment; and staff and students being members of bodies in the School's governance structures. The Board is also committed to effective alumni relations with the School's past students. Those who hold responsibilities under the School's processes and who participate in them are expected to aim to resolve justified concerns if reasonably possible. It is expected that members of the Association will not use their powers as company members to pursue concerns about how the management of the School affects them as students, past students or staff which should be addressed through these processes.
26. The Public Interest Disclosure Act 1998 (whistle blowing) provides statutory safeguards and ways to raise concerns about serious misconduct by the School's management or the Board. The School operates a staff grievance policy which is available on the School's intranet and is in the process of developing a Whistleblowing Policy which is due to be approved by the Governing Body in November 2018.
27. In overseeing the management of the School and under its responsibility for ensuring good governance, the Board will ensure, as far as is reasonably possible, that concerns that are brought to its attention are addressed appropriately and effectively within the parameters of the School's agreed strategy, policies and processes. The Board will ensure that there are suitable processes and procedures for handling complaints and disputes from students and staff and for responding to concerns raised with the Board.

## Undertakings and Review

28. This Code is one of the governance policies approved by the Board and contains provisions intended to ensure good and effective governance. It is expected that members of the Association and the Board will abide by this Code.
29. This Code will be reviewed by the Board as part of the periodic review of governance effectiveness required by the CUC Higher Education Code of Governance, and when any amendments to the Articles impact on the provision set out in this Code.

Approved by the Governing Body of London Film School