

A GUIDE ON COUNCIL MEMBERS' ROLE, RESPONSIBILITIES AND DUTIES

This guide has been prepared for Council members. Its purpose is to set out in summary form the role, responsibilities, and legal duties of Council members. It is important that all Council members familiarise themselves with the information set out in this guide and in the various constitutional, governance and regulatory documents referred to in it (links are provided).

CONSTITUTIONAL STRUCTURE

The London School of Economics and Political Science (the School) is a company limited by guarantee and an exempt charity under the Charities Act 2011. The School is a higher education provider with its own degree awarding powers and is registered with the Office for Students, the regulator for Higher Education in England (OfS) in the Approved (Fee Cap) category.

The School's principal regulator is the OfS although it has numerous other legal and regulatory responsibilities, including under the Companies Act 2006 and charity law. The School is an independent member institution of the University of London federation and can award University of London degrees as well as its own degrees; the School has also obtained university title in its own right.

The School is principally governed by its [Articles of Association](#) which describe the charitable object (to advance education, learning and research for the public benefit) and powers of the School and define its governance arrangements, which are further described in other [underpinning governance documents](#).

The School's ultimate decision making authority is its Council. Council members are company directors, charity trustees and members of the company as well as governors of a higher education provider.

COUNCIL MEMBER ROLE AND RESPONSIBILITY DESCRIPTION:

Role of Council

Council is the governing body of the School. It is the legal entity and ultimate authority of the School and it is unambiguously and collectively accountable for institutional activities, taking all final decisions on matters of fundamental concern within its remit. In order to fulfil its responsibilities the School seeks to ensure that Council (directly and through its committees) has a range of knowledge, skills and experience, including for example strategic management, business and enterprise, education, research, finance, audit, government/public sector, human resources, international, governance, legal, risk management, marketing and communications, property, health and safety, fundraising, digital.

Council may comprise a maximum of 20 members, with Independent (in the majority), staff and student member categories. Information on current Council membership can be found [here](#).

Council covers a range of topics at its meetings including matters relating to: strategic development, research, education, staff, students, finance, estates, risk, governance and compliance. The proceedings of Council meetings and membership are regulated by Council through its [Standing Orders](#). Council members may not delegate responsibility for those powers set out in Article 5 of the Articles of Association. Save for those powers, Council may delegate responsibility to committees and individuals; a list of key delegations are set out in [Council committee terms of reference](#) and the [Council's Scheme of Delegation](#).

Relationship between Council and the Executive

Effective governance requires that there is a clear separation of roles and responsibilities between the School's Executive and the governing body, with delegated authority being given to the head of the

provider (in the School's case, the School Director) and to committees of the Council for certain management functions (e.g. corporate, financial and estates management).

Council should seek assurance that management has sufficient freedom within the governance framework to operate effectively in meeting the School's strategic objectives, and should establish and keep under regular review the policies, procedures and limits that are put in place in respect of the management functions that are under the authority of the School Director, as well as effective communication between the Council and the Executive.

The School Director is also the 'accountable officer' to the OfS under the OfS Framework and as such has specific responsibilities to the OfS.

External Statutory and Regulatory Requirements

Effective governance and management is a priority of the OfS. Its principal requirements for the governance of a provider are set out in the [OfS Regulatory Framework](#), supported by regulatory advice issued by the OfS from time to time. To remain registered a provider must demonstrate that it satisfies the ongoing conditions of registration set out in the Framework; failure to do so can lead to the OfS using its statutory powers of intervention, which can include enhanced monitoring, the imposition of further conditions, or formal sanctions (monetary penalties, suspension from the register or de-registration). The OfS Regulatory Framework includes its [Public Interest Governance Principles](#), with which registered providers are expected to comply as part of the ongoing conditions of registration with the OfS. Council, as the governing body of the School, must ensure the School's compliance with **all** its conditions of registration and with the OfS's Accounts Direction, subject to any authorised delegations.

The School is also a company limited by guarantee and the School, its members and directors are subject to the provisions of the Companies Act 2006. In this regard, Council members are both company directors and company members. Council primarily meets and makes decisions as company directors, but occasionally is required to meet and make decisions as company members, in accordance with company law requirements (e.g. to approve changes to the Articles of Association, to appoint the external auditors).

The School is also a charitable body. It is an 'exempt' charity (exempt from registration with the Charity Commission) and so is outside some of the obligations that apply to registered charities. However, the School and, by extension, its Council members (who are charity trustees) are still subject to the majority of charity law, as summarised in the Charity Commission's: [The Essential Trustee](#). A brief summary of those requirements is set out below.

The School has adopted the [Committee of University Chairs Higher Education Code of Governance](#) (CUC Code), a benchmark for good governance practice in the higher education sector and Council members are expected to comply with its Values and Primary Elements. The School regularly measures the effectiveness of its governance against the CUC Code.

In addition, the [Seven Principles of Public Life](#) (the 'Nolan Principles') provide the basis of the ethical standards expected of public office holders. As trustees of a public body, Council members are stewards of public resources and should adhere to the Nolan Principles.

Conflict of Interests

As part of the OfS's conditions of registration, the School is required to maintain a [public register of conflicts of interest](#) and manage such conflicts appropriately in practice. The [School's Conflict of Interests Policy](#) supports the [Ethics Code](#) by encouraging the declaration of conflicts of relevant interests so that they may be appropriately managed. Annex A of the Policy sets out how declarations of interests

by Council members are managed. Council members are asked, on appointment, on an annual basis and as and when a new potential conflict/interest arises, to declare any interests or associations with organisations, relationships, property or any other potential conflicts.

Role of Council members

Members are expected:

- To ensure that the responsibilities of Council are exercised in the best interest of the School, rather than representative of any constituency, and have a collective responsibility for all decisions. (If a member has a view that is not consistent with the collective view of the governing body they should abide by the principle of collective decision making; where appropriate any differing or opposing view should be reflected accurately in the minutes.)
- To actively participate in deliberations and decision-making, drawing on their particular knowledge and expertise. Given collective responsibility, there should not be any 'sleeping trustees', who do not actively engage in decision making (for example, all Council members share responsibility for financial decisions, not just those members of the finance committee).
- To recognise the proper separation between governance and executive management, providing a constructive and supportive, but challenging, working relationship with the School, holding management and the executive to account.
- To question intelligently, debate constructively, challenge rigorously, decide dispassionately and be sensitive to the views of others both inside and outside governing body meetings.
- To ensure that Council business is carried out in a manner that is appropriate for the proper conduct of public business and sector good practice, and that members act within their powers in accordance with the School's constitutional documents and internal policies, seeking advice from the School Secretary where required.

Responsibilities of members

- To perform their duties (whether statutory, fiduciary or common law) faithfully, diligently and to a standard commensurate with the functions of their role and their knowledge, skills and experience.
- To demonstrate that they are 'fit and proper' persons in accordance with OfS requirements, which will be confirmed both through due diligence as part of the appointment process and in the form of an annual declaration by all incumbent Council members.
- To ensure that Council exercises control over the strategic direction of the School, and that the performance of the School against its strategic objectives is properly assessed on a regular basis.
- To ensure that the School maintains its long-term financial viability, safeguards its assets and operates proper mechanisms to ensure effective control, risk management, governance and value for money.
- To promote and protect the reputation and values of the School.
- As a company director to:

- act within their powers in accordance with the School's constitution and to use those powers for proper purposes;
 - promote the success of the School;
 - exercise independent judgement;
 - exercise reasonable care, skill and diligence;
 - avoid conflicts of interest;
 - not accept benefits from third parties;
 - declare any interest in proposed transactions or arrangements.
- As a trustee of an exempt charity to (adapted from *The Essential Trustee: 6 Main Duties*):
 - ensure that the School is carrying out its purposes for the public benefit;
 - comply with the School's governing document and the law;
 - act in the School's best interests;
 - ensure the School is accountable;
 - manage the School's resources responsibly;
 - act with reasonable care and skill.
- To demonstrate an active commitment to the work and values of the School.
- To complete and maintain an up-to-date entry in the Register of Interests, which is held and published in summary form on the School website by the Secretary's Division. It is circulated each year to members for updating and members must notify the Secretary of any changes during the year, including any changes in their outside interests which might affect their ability to commit the required time to their appointment as a Council member. A Council member may be required to seek the Council's agreement before accepting further external commitments which either might give rise to a conflict of interest or a conflict with any of the member's duties to the School, or which might impact on the time that a member is able to devote to the School.
- To disclose any pecuniary, family or other personal interest in any matter under discussion at any meeting of Council, and accept the ruling of the Chair in relation to the management of the situation.
- To read the papers circulated for each meeting, attend meetings regularly and contribute to discussion as and when appropriate. To give apologies where absence is unavoidable and provide feedback in advance of the meeting via the Chair/Secretary.
- To participate in induction and development opportunities provided by the School or other bodies as appropriate.
- To participate in procedures for the regular review of the performance of individual members and the effectiveness of Council.
- To give to the Council and the School's auditors and advisers all such information, explanations, data and assistance as they require in connection with the governance, management and operation of the School.
- To observe confidentiality of Council business and information received by them as members of Council or its committees.
- To comply at all times with the School's data protection and IT security policies when accessing or processing personal data as part of their role.

- To maintain an awareness of the activities of the School and of the higher education sector in general (the School will provide support through induction and development opportunities).
- To observe the Seven Principles of Public Life drawn up by the Committee on Standards in Public Life (the “Nolan” Committee): Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty, Leadership.
- To uphold the School’s Ethics Code and promote equality, diversity and inclusion within the work and ethos of the School.
- Normally, to be a member of at least one Council committee and/or participate or contribute in other ways to the School, including through advocacy.
- To participate in senior appointment and interview panels where appropriate.
- To represent Council at a reasonable number of other School and associated events.

Indemnity and Insurance

Under the Articles of Association, the School, as a limited company, may indemnify Council members (as company directors) out of its own assets in respect of liabilities incurred by a member in defending proceedings in which judgment is given in their favour in which they are acquitted or in connection with any application where relief is granted to them by the courts from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the School.

Individual members of the Council are covered by the School’s Directors & Officers Liability Insurance in respect of the costs of any claim of negligence which may be made against them in the carrying out of their duties as a member of the Council, subject to the level of cover provided and any exclusions applying to that policy.

Time required

Members are expected to attend all Council meetings and the Council committee(s) to which they are appointed. Council meets at least four times per year, in addition to an annual away day and other meetings from time to time (e.g. briefing sessions), as well as occasional social events such as dinners following meetings. Council committees meet on average 3-4 times per year. In total, including preparation and meeting time, Council members will be required to commit c. 15-20 days per annum.

Council meetings are scheduled in November, February, May and June. The Council meetings typically last for three hours starting at 3pm UK time. Council committee meetings normally take place in the weeks in advance of Council to enable the outcomes of those meetings to be considered by Council.

In addition, there will be opportunities for members to be involved more broadly in aspects of School life, which will include invitations to relevant events, engagement in particular areas of activity, etc. as appropriate.

Remuneration

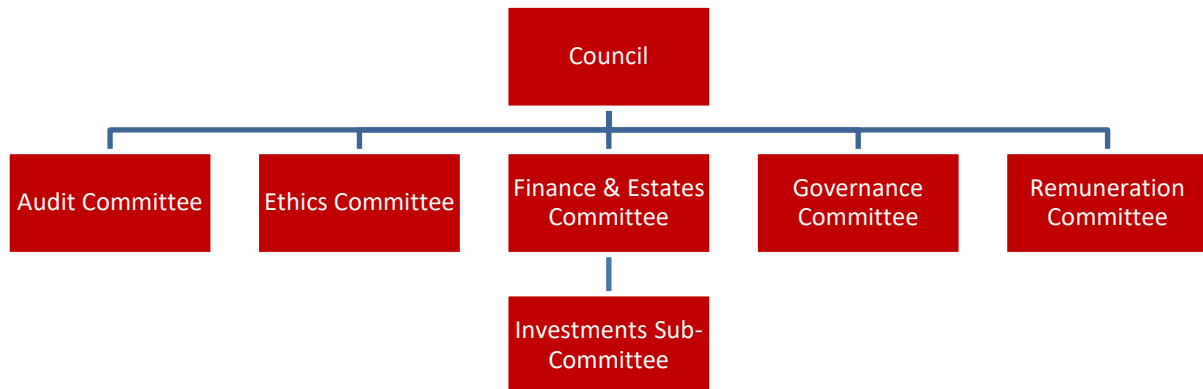
Council members are not remunerated but are eligible to reclaim travelling and similar expenses incurred in the course of School business in accordance with the School’s Travel, Subsistence and Personal Expenses Policy.

Period of appointment

The Standing Orders set out the terms of office for Council members.

Council sub-committees

Council delegates work to a range of Council committees as set out.



In addition, Council works with Academic Board, which is responsible for the academic standards and the direction and regulation of academic matters, having regard at all times to the educational character and Object of the School. It is important to note that, under Public Interest Governance Principles set out in the OfS Regulatory Framework, the Council is responsible for receiving and testing assurance that academic governance is adequate and effective. Academic Board is supported in its work by an academic governance sub-committee structure.

Further Information

More information about the governance of the School can be found [here](#).