

## **City College, Birmingham Corporation**

### **Corporation Meeting – 16<sup>th</sup> September 2008**

#### **Independent Professional Advice For Corporation Members (Policy)**

- 1) Corporation Members shall have, within the financial limits appearing in paragraph 3, the right to take advice from:-
- the Corporation's advisers; or
  - if necessary, at the Corporation's expense, independent advisers

on any matters concerning the exercise of their powers and responsibilities. Such matters shall:-

- include advice on their legal, accounting and regulatory duties, but
  - exclude advice to individual Corporation Members concerning their own respective personal interests in relation to the Corporation.
- 2) A Member who intends to seek advice under this procedure shall give prior written notice to the Clerk to the Corporation and such notice must contain:-
- a summary of issues on which advice is sought; and
  - if independent advice is sought (i.e. not from the Corporation's advisers), the name(s) of the advisers whom the Member proposes to instruct together with a short explanation of the reasons why consultation with the Corporation's advisers on the particular issues(s) is considered to be inappropriate.

The Clerk shall forthwith deliver a copy of the notice to the Chair of the Corporation and the Principal. Wherever practicable, a Member shall first enquire of the Clerk whether professional advice has already been obtained by the Corporation, before giving notice under this paragraph.

- 3) The Chair shall be authorised by the Corporation to pay or contribute up to £500 towards the costs of independent professional advice under this procedure, provided that the total of all such payments and contributions in any financial year of the College does not exceed £1,500.
- 4) The Chair shall decide whether to authorise such payment or contribution as soon as practicable after receiving a copy of the notice seeking advice under this procedure and in any event within ten working days. The decision shall be made after consultation with the Principal.

- 5) The Clerk will notify the Member in writing whether the costs for the professional advice are payable by the Corporation and, if they are not, brief reasons shall be stated in support of the decision.
- 6) Any advice which is obtained under this procedure shall, on request, be made available to all Corporation Members.
- 7) References in this procedure to the Chair shall include, in his or her absence or where he or she is seeking independent advice under this procedure, references to the Vice-Chair.

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#### GENERAL NOTES

- 1) *The purpose of this procedure is to establish a formal mechanism whereby Corporation Members can, collectively or individually, obtain independent professional advice at the Corporation's expense. This may, for example, be necessary if a Corporation Member is not satisfied with the advice already given by the Corporation's retained advisers or a previous request for professional advice has been ignored.*
- 2) *The Cadbury Code of Best Practice (Report of the Cadbury Committee on the Financial Aspects of Corporate Governance, 1st December 1992) recommends that such a procedure is formally established for boards of listed public limited companies:-*  
  
*"Paragraph 1.5            There should be an agreed procedure for directors in the furtherance of their duties to take independent professional advice if necessary, at the company's expense."*  
  
*The Corporation considers that Members should have a similar access to independent advice to enable them to perform their duties properly.*
- 3) *This procedure is additional to, and does not displace, the inherent power of Corporation Members to decide to take independent professional advice by passing a resolution to that effect.*