

Preston's College

Redacted¹ Minutes of the Search and Governance Committee Meeting held on 6 February 2020 at 5.30pm at Preston's College

Present:

Mr J Taylor (Chair)
Dr E Smith (Principal and Chief Executive)
Mr E Bassa (from Minute 5)
Mr J Boydell

Apologies

Ms J Jones

In attendance:

Mrs C Rayner Clerk to the Board

1. Welcome and Apologies

The Chair welcomed members to the meeting. It was noted that apologies had been received from Ms Jones.

2. Declarations of Interest

It was noted that the Principal and Chief Executive and the Clerk, as Senior Post Holders (SPH), had an interest in item 8 Compliance with AoC Code and item 9 SPH Remuneration Code - progress report.

3. Minutes of the Meeting held on 14 November 2019

The Committee agreed the minutes of the meeting held on 14 November 2019 as a correct record.

Resolved: The minutes of the previous meeting held on 14 November 2019 were agreed by the Committee as a correct record and signed by the Chair.

4. Matters arising

The Committee discussed and noted a report on progress on the actions from previous meetings.

The Clerk provided a verbal update on actions, making reference to:

ongoing improvements to the Governors' Portal including implementation of the Committee's suggestions for content. In response to a query the Clerk explained that the Governors' Portal would not be able to provide the interactivity previously discussed by the Committee. However, other alternatives would be explored when the new College app was launched;

¹ Please note that any matters which the Corporation is satisfied should be dealt with on a confidential basis have been removed from these minutes.

- the necessity for a lead deputy/ alternative College's nominated governor for safeguarding for succession planning cover periods when Ms Hornsby was unable to attend meetings, would be progressed;
- ongoing initiatives to support governors in their role and in particular, initiatives to support new governors and student governors. The Committee commented positively on improvements to date. The Principal and Chief Executive referred to efforts to increase the student voice and in particular efforts of Nathan Bunting, Pastoral Co-ordinator, and the Clerk to encourage students to stand for election as a student governor;
- consideration was being given to how best to provide further information to governors on the challenges faced by staff due to a more diverse student body and safeguarding issues;
- all other matters would be covered during the meeting.

Resolved: the Committee noted a progress report on actions from previous meetings.

5. Board Skills and Experience Audit - Updated

The Committee considered the updated Board Skills and Experience Audit report (the audit report) which had now been completed by all governors. The Clerk highlighted:

- that the two new student governors had not been asked to complete the audit;
- that additional commentary of Board strengths had been added;
- how the audit report would be used to identify strengths, shape succession planning and inform training plans and Board and committee forward work programmes;
- some governors had requested further information on curriculum planning and this had been covered at the Strategic Planning meeting on 30 January 2020.

The Committee discussed:

- the importance of ensuring governors had refresher training on Charity law and the insolvency regime. It was noted that this had been covered as part of governor induction for new governors;
- following the retirement of Mr Wilson, it would be helpful to have a governor with property/estates management background/experience.

The Committee:

- **noted the collated updated report of the Board Skills and Experience Audit;**
- **noted the actions the Clerk would continue to implement as a result of the audit, particularly in the development of induction and training opportunities for governors.**

Action:

- **The Clerk to progress governor refresher training on: Charity law and the insolvency regime.**

6. Board and Committee Membership

a) Board and Committee Membership and Terms of Office

The Clerk presented a report on the Corporation Board membership, Terms of Office and Committee membership as of February 2020. The Committee noted the importance of increasing the membership of the Audit Committee as soon as possible, following the retirement of Mr Wilson.

The Committee noted that two governors with education experience and knowledge had been unable to attend Quality and Standards Committee meetings in 2019/20 to date and co-opting a member from an FE/educational background to the Quality and Standards Committee would be beneficial.

b) Induction Reviews

The Committee considered Induction Review reports for Mr Stephen Edwards, Ms Janine Garcia, Mr James Jepson and Mr Dipesh Patel who were appointed to the Board in December 2018. It was noted that the reports included information on Board and Committee attendance, training and other contributions during their first year on the Board. It was noted that the Committee had a remit to consider the contribution of members after a year and then make a recommendation to the Board on whether members should continue to serve as governors.

i) Mr Edwards

Following discussion, the Committee agreed that Mr Edwards should be recommended to the Board to complete his term following a successful induction year.

ii) Ms Garcia

Following discussion, the Committee agreed that Ms Garcia should be recommended to the Board complete her term following a successful induction year.

iii) Mr Jepson

Following discussion, the Committee agreed that Mr Jepson should be recommended to the Board complete his term following a successful induction year.

iv) Mr Patel

Following discussion, the Committee agreed that Mr Patel should be recommended to the Board complete his term following a successful induction year.

c) Board and Committee attendance for 2019 – 20

The Committee considered Board and Committee attendance for 2019-20 to date.

The Clerk provided an update on the reasons one of the governors had been unable to attend meetings in 2019 to date which were noted by the Committee. The Committee noted its remit of maintaining a watching brief on Board and Committee attendance, with support from the Clerk as required.

d) Governor recruitment

The Clerk reported that the governor vacancy had been advertised to date on: the College website, Inspiring FE Governance, Governors for Schools, LinkedIn and Women on Boards. She had also forwarded the role portrait to governors to pass on to their contacts and she would progress advertising the vacancy in local networks.

The Committee discussed:

- promoting the vacancy to organisations such as the Forum for the Built Environment,
- asking internal and external auditors to promote the opportunity to their clients.

The Committee discussed the role portrait, Appendix F, and the draft person specification, Appendix G and:

- discussed the role of the Board in setting/approving the College's strategy and how this was best described this in the person specification;
- suggested "scrutiny" should be included in the draft governor person specification as part of a governor's role;
- discussed the possibly of also co-opting governors to committees, particularly if candidates with an FE/educational background or audit background applied;
- agreed that a potential candidates should be asked to submit a CV and a supporting statement;
- an additional communication was required which introduced Preston's College and conveyed the benefits of the governor role to applicants; it was suggested that the presentation and tone should "win the hearts and minds" of potential governors.

Resolved: The Committee:

- **noted the current Board membership and Term of Office and Committee membership;**
- **agreed that the continued service of Mr Edwards, Ms Garcia, Mr Jepson and Mr Patel should be recommended to the Board after successful induction years;**
- **noted Board and Committee attendance for 2018 – 19.**

Actions:

The Clerk to:

- review the presentation and tone of communications re governor recruitment to ensure they introduced the College and conveyed the benefits of the governor role to applicants;
- further promote the governor vacancy.

7. Review of Standing Orders and Committee Terms of Reference

The Clerk referred to the Committee's role in reviewing the Corporation's Standing Orders and Terms of Reference and advising the Board on proposed changes.

a) Proposed changes to Standing Orders and Committee Terms of Reference

The Clerk took the Committee through the proposed key changes to the Standing Orders and Committee Terms of Reference, making reference to changes to:

- the process for Board and Committee decision making between meetings;
- the policy and procedure approval process to ensure the Board retained oversight and ownership where appropriate;
- ensure consistency with the Instrument and Articles and Financial Regulations;
- further cosmetic changes.

The Clerk also recommended that a governor Code of Conduct was introduced and referred to the Eversheds Sutherland Code of Conduct template at Appendix D, which could be adapted.

The Committee discussed and approved the proposed amendments and agreed the template Code of Conduct should be adapted for use at Preston's College and proposed to the Board.

Following suggestions by governors, the Committee agreed to:

- amend 3.8 to include reference to the suitability of governors as outlined in the role portrait as part of induction year reviews;
- retain the membership of three governors on the Appeals Committee.

b) Development and review of committees

The Clerk outlined the necessity to develop terms of reference for a Special Purposes Committee and a Remuneration Committee. The Committee agreed that the terms of reference for a Special Purposes Committee should be developed. It was noted that the terms of reference for the new Remuneration Committee would be considered under item 9.

The Clerk referred to the establishment of Office for Students (OfS) as a regulatory body for HE in 2018 and the increased importance of the College's compliance with OfS conditions, particularly given potential serious financial implications of non-compliance. She explained that, in this context, the HE Sub-Committee had suggested that its remit should be reviewed.

The Clerk and the Principal and Chief Executive explained that, as the Board was responsible for OfS compliance, it must ensure it retained oversight of the College's compliance with OfS conditions. Following a review of various models, it was proposed that the HE Sub-Committee should be dis-banded and:

- the Quality and Standards Committee Terms of Reference to be amended to include oversight of HE Quality and Standards;
- other committees of the Board have oversight of the appropriate OfS conditions e.g. the Audit Committee would review the HE risk register, the Resources Committee would review HE fees/charges, funding incomes, student protection and sustainability and the Search and Governance Committee would consider HE related governance matters;
- the Board would receive biannual reports on HE performance, strategy and compliance with OfS conditions.

During discussion of the proposal the Committee noted:

- the advantages of the proposed approach ensured that the Board retained oversight; HE provision was reviewed in the context of the College's overall curriculum offer and not in a silo and it played to individual governors' strengths e.g. Audit Committee members reviewed the risk register, Search and Governance Committee members considered HE governance implications;
- a summary of OfS – Initial and general ongoing conditions of registration at Appendix E.

The Committee agreed to recommend to the Board that the approach proposed should be recommended to the Board.

c) Next Steps

The Committee noted that:

- the draft Terms of Reference would be updated and shared with each committee for comment as they might wish to propose further changes;
- the Board would consider the proposed amendments to Standing Orders and Terms of Reference at its meeting on 19 March 2020;
- subject to time constraints, a revised version of the Standing Orders and Terms of Reference would be sent to the Search and Governance Committee ahead of the Board meeting.

Resolved: The Committee agreed to recommend to the Board proposed changes to the Standing Orders and Terms of Reference. It was noted that any further proposed amendments would be issued to the Search and Governance Committee between meetings.

Actions: The Clerk to:

- **revise the terms of reference of committees to include oversight of HE as required;**
- **adapt the template Code of Conduct for use at Preston's College.**

8. Compliance with the AoC Code of Good Governance

The Clerk referred to the Board's delegation to the Search and Governance Committee of an initial review of the College's compliance with the AoC Code of Good Governance (the Code).

She referred to a draft report designed to assess the College's compliance with the Code. She explained that evidence of the College's compliance with the Code had been provided in this report for some of the 'detailed considerations.'

The Committee noted that as no governors had been able to attend a proposed working group meeting to agree proposed RAG ratings for each 'detailed consideration' the Clerk had met with ELT to review and propose RAG ratings to the Committee. However, where the detailed consideration related to the Board, a rating had not been proposed as it should be considered by the Committee.

The Committee worked through the draft report with the Principal and Chief Executive and the Clerk and discussed the rationale for proposed RAG ratings and supporting evidence. The Committee noted the actions already in progress, or proposed, to address detailed considerations rated amber and red including:

- development of an annual report;
- development of stakeholder engagement plan;
- increased reporting to Board/committees on student voice;
- ongoing improving to governance processes.

The Committee agreed:

- to endorse all RAG ratings proposed by the Clerk/ELT;
- 2.10 and 2.11 - collective accountability of the Board, should be rated green;
- 7.4 - reporting of new ventures, should be amber;
- 8.3 - Board obligations for Equality and Diversity should be amber, pending governor Equality and Diversity training;
- 8.6 - best practice of the Search and Governance Committee in relation to Equality and Diversity, should be amber;
- 9.4 and 9.18 - governor attendance at meetings, should be amber;
- 9.19 should be green;
- 9.9. and 9.10 - to be reviewed following implementation of SPH Remuneration Code;

- 9.11 to 9.16 - effective governance structures and the role of the Chair, should be green; *(The Chair of the Board left the room for the discussion on the role and contribution of the Chair.)*
- 9.17 – governors contributing proactively to meetings and supporting and challenging the executive by ensuring the student interest was always put first - should be amber as the Committee felt that whilst progress had been made there was more that could be done. Members discussed the importance of ensuring that new governors were encouraged to contribute at meetings;
- 9.20 - relating to governor succession planning, should be amber;
- the report should be considered by the Board at its meeting on 9 July 2020.

Resolved: The Committee:

- **approved the draft Compliance with the AoC Code of Good Governance report to date;**
- **noted that the report would be updated based on the Committee’s discussions and would be considered by Board at its meeting on 9 July 2020.**

Action: The Clerk to update the report with the additional comments from the Committee and proposed outstanding RAG ratings agreed by the Committee.

9. Senior Post Holder Remuneration Code

The Clerk referred to the AoC Senior Post Holder Remuneration Code (SPH Code) which the Board had agreed to adopt in principle at its meeting on 12 December 2019. The Clerk presented her report on the SPH Code which outlined progress to date and referred members to a summary of the implementation of the SPH Code principles at the College, at Appendix A.

The Clerk also referred to a draft Terms of Reference for the new Remuneration Committee, at Appendix B. She outlined:

- options for the membership of the Remuneration Committee. The Committee discussed the advantages and disadvantages of the Chair of Audit Committee being a member of the Remuneration Committee;
- options for which committee/body reviewed reports on SPH target setting and appraisal. The Committee noted that the Chair conducted the appraisal of the Principal and Chief Executive and the Clerk and the Principal and Chief Executive conducted the appraisal of the Executive Director Resources.

Following discussion, the Committee agreed the draft Remuneration Committee Terms of Reference should be amended to:

- include reference to the membership of the Remuneration Committee as Chair of the Board, Vice Chair of the Board, Chair of the Resources Committee, Chair of the Search and Governance Committee, Chair of Quality and Standards Committee and a member of Audit Committee;
- include review of reports on SPH target setting and appraisal as part of its remit.

The Committee reviewed the first draft of the SPH Pay Principles Policy. The Committee noted:

- that the policy was a work in progress and would be revised to reflect the recommendations of the Committee agreed at the meeting;
- the Clerk (part time) was contractually required to seek prior approval of the Board before commencing other employment or business alongside the role of Clerk;
- the final SPH Pay Principles Policy (or extracts from the policy) would be published as part of the College's annual statement on SPH Remuneration.

At this juncture the Principal and Chief Executive and the Clerk left the room to allow the Committee opportunity for a private discussion on item 9.

Following discussion, the Committee agreed to recommend the draft SPH Pay Principles Policy to the Board. The Committee noted the importance of a cap on the number of additional annual leave days which could be awarded to the Principal and Chief Executive which was included in the draft policy.

Resolved: The Committee:

- **reviewed the principles of the AoC Senior Post Holder Remuneration Code and noted the update on how they could be implemented at Preston's College;**
- **approved the draft terms of reference for the Remuneration Committee, subject to amendments agreed by the Committee; for recommendation to the Board;**
- **agreed to recommend the draft SPH Pay Principles Policy to the Board.**

Action: The Clerk to: update the draft Remuneration Committee terms of reference.

10. Correspondence from Further Education Commissioner

The Clerk referred to correspondence which had been issued that day by Richard Atkins, FE Commissioner, and distributed copies at the meeting. The Committee discussed the letter and in particular the FE Commissioner's comments on the importance of good governance. It was noted that the letter would be included on the agenda of the next Board meeting for further discussion.

11. Date of the next meeting

It was noted that the next meeting of the Search and Governance Committee would take place on Thursday 11 June 2020.

The meeting closed at 8pm.