

MINUTES OF A MEETING OF THE BOARD OF LEICESTER COLLEGE CORPORATION:

SEARCH AND GOVERNANCE COMMITTEE HELD ON 15 SEPTEMBER 2022



Present: Jonathan Kerry (Chair)
Chan Kataria (Vice Chair)
Nicola Gonsalves
Danielle Gillett
Verity Hancock

In Attendance: Louise Hazel Director of Governance and Policy
Matt Widdowson Governance and Policy Officer

1. DECLARATIONS OF INTEREST

- 1.1. The Chair introduced new governor Nicola Gonsalves to the Committee.
- 1.2. The Chair declared an interest in items five and six.
- 1.3. The Director of Governance and Policy highlighted that all governors may have an interest in item six.

2. APOLOGIES FOR ABSENCE

- 2.1. Apologies were received from Shaun Curtis.

3. MINUTES AND MATTERS ARISING FROM THE PREVIOUS MEETINGS

- 3.1. The minutes of the meeting held on 24 May 2022 were agreed as an accurate record and approved.
- 3.2. The minutes of the meeting held on 1 July 2022 were agreed as an accurate record and approved.
- 3.3. The minutes of the meeting held on 27 July 2022 were agreed as an accurate record and approved.

4. SUCCESSION PLANNING

- 4.1. The Director of Governance and Policy presented a paper on succession planning. The following points were highlighted.

- 4.1.1. There were two governor vacancies: one vacancy for an independent governor, and another for a student governor. The election of the student governor was taking place.
 - 4.1.2. The Committee had agreed to appoint Amir Ahmed as a governor on 1 July 2022. However, since then, his work commitments had changed, and he had informed the Director of Governance and Policy that he would find it difficult to commit time to the governor role. It was proposed that Amir Ahmed was not appointed as a governor at this time but could be approached again in the future.
 - 4.1.3. There were still vacancies on Committees. Due to the rules around membership of the Audit Committee and the Finance and General Purposes Committee it may be that vacancies might go unfilled.
 - 4.1.4. The Board was well balanced in terms of age profile, and gender was balanced.
 - 4.1.5. John Allen's term would expire in September 2023, and he had indicated that he would not be serving a third term. This could potentially leave three vacancies to fill in the coming year.
 - 4.1.6. With John Allen's term ending it would be valuable to recruit at least one governor with recent post-16 experience. Given the loss of two accountants (Simon Meakin and Tim Gray), and the vacancies on the Audit Committee and the Finance and General Purposes Committee, it might also be useful to recruit another qualified accountant.
- 4.2. Governors made the following **comments**.
- 4.2.1. **Amir Ahmed had taken a sensible approach in notifying the Director of Governance and Policy as soon as he did. It would be a good idea to keep in him mind for future recruitment.**
 - 4.2.2. **It was noted that all boards struggled to recruit accountants. Accountants recruited to the Board should have strategic experience rather than just operational level experience.** Agreed; there was always the option to co-opt a member as had been the case with Roger Merchant.
 - 4.2.3. **Why had John Allen indicated that he did not wish to serve a third term?** This was due to his personal circumstances.
 - 4.2.4. **Was there a high demand for retired FE professionals?** There was, and that there was the need to go slightly out of area.
 - 4.2.5. **Ensuring that diversity was considered and those recruited with the right skills also reflected the population of the city would also be important.**
 - 4.2.6. **What would be the timetable for recruiting new members?** The process could be started in advance of there being vacancies and potential governors could attend meetings as observers ahead of taking up governor positions.
- 4.3. **The Committee agreed to start exploring their own contacts for potential governors with the necessary skills and experience.**
- 4.4. **The Committee agreed to keep Amir Ahmed in mind for future recruitment.**

- 4.5. **The Committee noted committee membership and the current skills matrix.**

5. GOVERNOR ENGAGEMENT

- 5.1. The Director of Governance and Policy presented a paper outlining governor attendance and engagement throughout 2021/22. The following points were highlighted.

5.1.1. Overall, attendance was down and below the College's target. It could be below the average for the sector. However, the College did have a large board, and the previous year's meetings had been online which could be contributing factors.

5.1.2. There had been occasions over the previous year where meetings had come close to not being quorate.

- 5.2. Governors made the following **comments**.

5.2.1. There was an error in Appendix 1 regarding the attendance of the Chair and Vice Chair of the Search and Governance Committee.

This would be corrected.

5.2.2. Governors asked if there were any patterns of non-attendance.

There were no obvious patterns; it was a matter of individual attendance and illness had been a factor for some governors.

5.2.3. The Chair confirmed that attendance was discussed during his one-to-one meetings with governors.

5.2.4. It was noted that most governors are attending almost every meeting.

- 5.3. The Director of Governance and Policy introduced a paper on the work which the Chair had carried out during 2021/22. This had been requested by governors.

5.3.1. This paper did not detail the full range of work undertaken by the Chair but included many of the national policy and other meetings that he had participated in.

- 5.4. The Chair made the following comments.

5.4.1. The range of work had expanded over time and not everything listed was core to the role.

5.4.2. The time dedicated to the Chair's role averaged at around four days a month, although this time was unevenly distributed across the year. This did not include reading time, and preparation for meetings.

5.4.3. The most worthwhile engagement was the Regional Chairs' Network Meeting which took place twice a term.

- 5.5. The Principal noted that the Chair's engagements had a positive effect on the College's reputation.

- 5.6. **Governors noted the attendance and engagement Report and the report detailing the Chair's activities and thanked the Chair for all his work.**

6. PAYMENT OF THE CHAIR

- 6.1. The Director of Governance and Policy presented a paper outlining some of the issues associated with remunerating chairs of governors. The following points were highlighted.
- 6.1.1. The Committee meeting on 24 May 2022 had suggested that it would be sensible to discuss this considering the election of a new Chair due to take place in December 2022.
 - 6.1.2. The payment of chairs in the FE and university sector was unusual and, as such, there was little evidence available.
 - 6.1.3. Payment of governors required explicit permission from the Charity Commission either to pay a specific individual for a fixed period or to amend the Articles of Government. A strong argument was required for permission to be granted. The inability to recruit a Chair would be an argument.
 - 6.1.4. Loughborough College had a paid Chair.
 - 6.1.5. Advantages and disadvantages were outlined. A disadvantage was that it would change the role from an unpaid trustee to one that is effectively a paid member of staff. This could affect the relationship between the Chair and the other governors, and the Chair and the Senior Leadership Team.
 - 6.1.6. Charity trustees could be held personally liable for any loss or detriment to the charity arising from their actions. Case law suggested that courts looked more favourably on unpaid trustees who have acted in good faith, rather than paid Chairs.
- 6.2. Governors made the following **comments**.
- 6.2.1. Why was the issue being discussed now?** It was being discussed due to the current Chair's term of office expiring.
 - 6.2.2. Once chairs were paid it would be irreversible. There was also the chance of "creep" with the prospect of future discussions around the payment of the Vice Chair and chairs of Committees.**
 - 6.2.3. There was a real concern about the prospect of a paid Chair changing the relationship between governors.**
 - 6.2.4. At some point in the future, paid Chairs would be the norm due to competition for individuals with the right skills and experiences. Payment would also help professionalise the role.**
 - 6.2.5. There would be issues regarding the exact terms on which the Chair was engaged and performance management issues. This could be resolved through a service agreement.**
 - 6.2.6. It was worth considering whether there was a correlation between paying chairs and attracting talent. It might be a good idea to try to recruit first without offering payment.**
 - 6.2.7. The External Board Review might be able to provide more insight into issues around perception and quality which might further inform this discussion.**

6.2.8. There was no need for the College to become an early adopter of payment for chairs. Evidence could be gathered from other colleges which had decided to take this route.

6.2.9. When would the Chair's role would be advertised? This would be at the beginning of November 2022.

6.3. The Committee agreed that it would return to this issue if the recruitment of an unpaid Chair was unsuccessful.

7. COMMITTEE'S ANNUAL REPORT TO CORPORATION

7.1. The Director of Governance and Policy presented the Search and Governance Committee's Annual Report to Corporation.

7.2. The Committee approved the Annual Report to Corporation.

8. EXTERNAL REVIEW OF GOVERNANCE UPDATE

8.1. The Director of Governance and Policy provided an update on the External Review of Governance. The following points were highlighted.

8.1.1. Surveys had been issued to all governors and there had been ten responses so far. Fifteen responses were required in total, and the reviewers had been impressed with the rate of replies.

8.1.2. Twelve interviews had been arranged with governors.

8.1.3. Charles Buchanan and Sheelagh Duffield would be observing Corporation and Committee meetings.

8.1.4. A draft report was expected on 7 November 2022 which would go before a special meeting on 17 November 2022.

8.2. Governors made the following comments.

8.2.1. The Principal had been interviewed by Charles Buchanan. He had been interested in the impact of the board and examples were given included the investigation commissioned by the Chair which had led to the creation of MECC, and the decision to run down subcontracting. Another example was the impact which the Audit Committee had on quality and compliance in apprenticeships.

8.2.2. Governors highlighted the need to be open and honest with the reviewers.

8.2.3. The review was running slightly behind schedule, but the end date has not changed.

8.3. Governors noted the verbal update.

9. REVIEW OF CONFIDENTIAL ITEMS FILED IN 2021/22

9.1. The Director of Governance and Policy presented a paper on confidential items filed in 2021/22. The following points were highlighted.

9.2. It was good practice to review these papers.

- 9.2.1. Most confidential papers related to individuals including those relating to senior pay.
- 9.2.2. The staff pay settlement was now public.
- 9.2.3. Some of the Audit Committee papers related to the appointment of external auditors and were commercially sensitive.
- 9.3. Governors made the following **comments**.
 - 9.3.1. **Was thirty-seven papers more than usual?** It was; however, this was due to senior pay being discussed at multiple meetings.
 - 9.3.2. **Could these documents be subject to a Freedom of Information request?** They could be and documents would have to be reviewed to determine whether they were suitable for release.
 - 9.3.3. **Could these documents be subject to a Subject Access Request?** They could be.
- 9.4. **The Committee agreed to approve the recommendations set out in paper.**

10. CORPORATION AND COMMITTEE SELF-ASSESSMENT

- 10.1. The Director of Governance and Policy presented a paper detailing the results of Corporation and Committee self-assessments. The following points were highlighted.
 - 10.1.1. The results for the Search and Governance Committee were very positive. The areas for improvement included responding to the External Board Review, increasing the membership of the Committee, succession, working together as a group and working with students.
 - 10.1.2. There were positive responses to the Corporation self-assessment with some very positive impact identified. There were issues which were raised including making Equality, Diversity, and Inclusion a guiding principle and the structure of meetings.
- 10.2. Governors made the following **comments**.
 - 10.2.1. **It was noted that there were no student governors on the Search and Governance Committee. It was important to pay attention to how students could make the best contribution in meetings.**
 - 10.2.2. **The volume of papers was discussed and there was the suggestion of highlighting the relevant sections of papers to ease the burden.** Agendas for the coming year had been restructured to place the emphasis on the teaching, learning and the student experience.
 - 10.2.3. **It would always be difficult to show a direct connection between the Corporation and its impact on teaching. The Corporation's role was to steer the business, appoint the Principal, and hold staff to account for the quality of the student experience.**
- 10.3. **Governors noted the report.**

11. DRAFT GOVERNANCE SAR

11.1. The Director of Governance and Policy presented the draft governance self-assessment report. The following points were highlighted.

11.1.1. The SAR might require amending to take account of any recommendations made by the external review.

11.1.2. Two areas, a focus on Equality, Diversity and Inclusion and on apprenticeships which had been areas for improvement in the previous year would be continued for 2022/23.

11.2. Governors asked the following **questions**.

11.2.1. **Which areas had weaknesses in teaching?** The Principal did not agree that there were weaknesses in teaching but instead, issues in a few areas with sequencing and assessments. There was no evidence to show consistently weak teaching. The SAR would be amended to reflect this.

11.2.2. **Could the Principal be confident that Ofsted would find no areas for concern regarding teaching.** This was always a possibility, but the issue was more likely to be in the way in which the curriculum is being delivered rather than poor teaching.

11.3. **The Committee requested that the amended wording be circulated to governors. The Governance SAR was approved subject to that amendment.**

12. GOVERNANCE IMPROVEMENT ACTION PLAN

12.1. The Director of Governance and Policy presented the draft Governance Improvement Action Plan. The following points were highlighted.

12.1.1. The plan was pending the outcome of the external review and any recommendations.

12.1.2. Some new actions were included as a result of the self-assessment process and the Chair's one-to-one meetings with governors.

12.1.3. There was an action around having more thematic leads. New governor, Lee Soden would be leading on health and safety, and leads would also be required for Equality, Diversity and Inclusion, and special educational needs.

12.1.4. Improving governor attendance had been included as a new action.

12.1.5. Work was continuing on the governor dashboard, elements of which had been completed.

12.1.6. There was currently no Stakeholder Engagement Plan and this was an area for action.

12.2. **The Chair asked whether the timeframes for completing actions were realistic.** They were.

12.3. **The Committee approved the Governance Improvement Action Plan.**

13. FEEDBACK FROM GOVERNORS' COUNCIL

- 13.1. The Chair had been unable to attend the previous Monday's meeting due to the death of the Queen.
- 13.2. The Director of Governance and Policy had attended the Governance Professionals' meeting. The Department for Education had commissioned the Education Training Foundation to develop competencies for governors and governance professionals.
- 13.3. There was ongoing work to update the Code of Good Governance. It was expected that this work would be complete by the end of the year.
- 13.4. **Governors noted the verbal feedback.**

14. ANY OTHER URGENT BUSINESS NOTIFIED TO THE CHAIR PRIOR TO THE MEETING

- 14.1. There was no further urgent business.

15. DATES AND TIMES OF FUTURE MEETINGS

- 9 February 2023
- 24 May 2023