

Search and Governance Committee Minutes

Meeting held on Wednesday 4 October 2023 at 6.00 pm, via Teams

Governors: Fabienne Bailey, Stuart Blackett (FE Corporation Chair) and Grant Glendinning (Chief Executive and Group Principal)

Apologies: None

In attendance: Rachel Robson (External Governance Reviewer, Stone King) and Dot Smith (Corporation Vice Chair)

Officials: Sarah Thompson (Clerk to the Corporation) and Sam Young (Governance Support Officer)

Minutes of previous meetings, an action progress log and reports for all agenda items had been circulated in advance of the meeting.

S23/36 Agenda Item 1 – Appointment of Chair and Vice Chair

Governors **agreed** to reappoint Fabienne Bailey as Chair for 2023-24. Due to committee restructure proposals, it was **agreed** to defer the appointment of a Vice Chair to the next meeting.

S23/37 Agenda Item 2 – Welcome, apologies for absence, declarations of interest, notification of items of other business

The Chair welcomed Rachel Robson, Stone King, to the meeting and noted that there were no apologies for absence. There were no declarations of interest or notifications of items of other business.

S23/38 Agenda Item 3 – External Governance Review

Rachel Robson was invited to present the external governance review report and confirmed that the review had been a positive experience; she signposted governors to the second and third paragraphs of the executive summary summarising the review findings. The governance structures put in place compared well against many other colleges and it had been apparent that governors valued the group and its place within its local, and quite different, communities. The board had a positive culture and there was a good relationship between governors and staff. The Chief Executive and Group Principal had been extremely positive about the challenge and support provided by governors and the challenge was also well received by staff, with questions answered directly, with openness and transparency. The Corporation Chair drew each item to a conclusion during the Corporation meeting which she had observed, a particularly useful practice for minute takers.

The report outlined ten recommendations, some compliance-related and some which she believed would improve governance practice beyond its currently strong level. These included a review of the strategic risk register, with a proposed maximum of 12 risks; the addition of and amendments to some specified governance documents and processes; a change of role title for the Clerk to the Corporation; a review of the ordering of Corporation meeting agendas; training for Audit Committee members; a review of the level of detail presented to the Finance and Employment Committee; and improvements to link governor feedback mechanisms.

The Corporation Chair thanked Rachel, adding that the recommendations would be taken seriously and that work was already in progress on actioning them, for example, giving the Chief Executive and Group Principal's report greater prominence on Corporation agendas. Risk management would be a priority and discussions had already taken place with the Standards Improvement Committee Chair on succession planning. He also commented that the challenge had been valuable and that he would be looking into Chair's training and development, which would be helpful for network building.

The Committee Chair agreed that the report had been a pleasing read which had held no surprises and that this was by far the strongest and most productive board she had been part of; she added that the recommendations had been sensible and constructive and would add a level of enhancement.

The Chief Executive and Group Principal added his thanks, agreeing that the review had been a positive experience and had endorsed the decision taken by himself and the Corporation to hold the review in their first year of office, bringing external insight, affirmation, and confidence.

Rachel ended the discussion by highlighting that the board discussion on the Innersummit acquisition had been an exemplary instance of governance, with many governors giving their point of view and that this practice would not happen in all boards; she added that the Clerk was welcome to contact her at any time for support.

Rachel Robson left the meeting.

The Clerk confirmed that she had met with Tom Morrison at Stone King to review the process and it was **agreed** that the Corporation Chair should send a letter of thanks.

Governors:

- i) **noted** the positive outcomes of the external governance review;
- ii) **agreed** to action all recommendations outlined in the external governance review;
- iii) **agreed** the suggestions identified within the external governance review report and the priority areas for inclusion in the 2023-24 Governance Action Plan, which would be presented to the Corporation for approval.

S23/39 **Agenda Item 4 – Governance Self Assessment**

The Corporation Chair confirmed that most one to ones had now taken place and that feedback so far had been positive; governors' comments on how they could support the group's strategic objectives had also been discussed. The focus, particularly with recently appointed governors, had been on developing greater involvement, sharing committee responsibilities, and the induction process. Once one to ones had been completed, link governor role details would be circulated to those who had expressed an interest. All governors had been positive about accessing SharePoint and the length of board packs, recognised as a universal challenge for boards and also referenced in the external review, had also been discussed.

He added that it had been a pleasure to see governors' passion for being Etc. board members, with many seeing it as an honour and feeling able to contribute to the success of the group; the board was felt to be collaborative and friendly whilst maintaining the ability to challenge. The Corporation Chair had been able to reassure staff governors of the importance of their role in making the board and senior managers aware of the potential impact of decisions on staff and it was **agreed** that the Chief Executive and Group Principal would arrange catch ups with staff governors as a follow up to their inductions.

The possible use of external review outcomes in governor recruitment materials was then discussed; the Corporation Chair confirmed that he had recorded a video for the Etc. website earlier in the week and the Governance Team **agreed** to follow up both its use and the review outcomes as part of the development of Becoming a Governor resources. The Clerk added that a summary of the recommendations would be included in the Etc. Annual Report.

The Clerk confirmed that governor commitment was evidenced in continued high attendance and good levels of involvement in training and development. A governor wondered if the review of meeting effectiveness at the end of meetings had become formulaic and asked whether a suite of governance Key Performance Indicators (KPIs) could be developed. The Clerk confirmed that KPI development was included in the Governance Action Plan and that Rachel Robson had shared those she used in her own role but that, apart from governor attendance, no national benchmarking data was currently available.

The Clerk highlighted that a review against last year's Governance Action Plan and a new plan for the coming year with any actions carried forward had been included in the meeting pack. The highest priority area was risk management and the embedding of risk consideration into committees and report writing; it was felt that the implementation of 4Risk would assist with this but that it could take longer than the current year to embed. The agenda structure for the next Corporation meeting on 19 October incorporated external review recommendations including the prominence of committee feedback and all chairs would be asked to reflect on drawing agenda items to a conclusion, with a resolution reflecting the view of the committee or Corporation. The protocol for learning

walks would be extended to link visits and attendance at learner forums. Role titles and job descriptions for both the Clerk to the Corporation and the Governance Support Officer would be considered to reflect current roles and responsibilities. Succession planning priorities reflected the need to enhance experience of education and quality on the Standards Improvement Committee and to identify future chairs for both the Audit and Standards Improvement committees. In terms of governor training and development activities, three members of the Audit Committee had recently attended the Association of Colleges' Audit Committee Masterclass.

Governors:

- i) **noted** feedback to date from governance self assessment activity for 2022-23 and that actions arising had been reflected in the Governance Action Plan 2023-24;
- ii) **recommended** the proposed themes for the Governance Action Plan 2023-24 to the FE Corporation for approval, commenting on the high quality of the plan.

S23/40 Agenda Item 5 – Minutes of Previous Meetings

Minutes of the Search and Governance Committee meetings held on 22 June and 5 July 2023 had been circulated and were **approved** as an accurate record of the meeting. Notes of a shortlisting meeting and interviews were **received**.

The action progress log had been circulated and was noted. The following additional updates were provided:

- All college principals had been willing to be a point of contact for student governors; five applications had been received for the student governor vacancies, with the hope that the January appointment date would encourage engagement and allow student governors to step down before sitting A Level examinations.
- The Clerk would follow up on development of a new report template with the Corporation Chair following publication of the external governance review.
- Work was ongoing on Becoming a Governor resources with the intention to make them more interactive and less text heavy.

S23/41 Agenda Item 6 – Governor equality, diversity and skills data

The committee discussed the board composition data circulated. The gap in Net Zero skills was noted but, with this being an emerging sector, was not considered surprising; there was also a gap in governors employed by small businesses given their prevalence in the Tees Valley, with 88% of all firms employing fewer than 10 people. It was agreed that, although this could be considered during governor recruitment, it could be difficult for small business owners to meet the time commitments involved.

As part of the self assessment process, the Committee Chair had commented that it would be useful for the board to engage more with the community groups that were directly or indirectly impacted by board decisions; it was thought this could be a useful discussion at Corporation.

Governors noted that recent recruitment activity had filled the gap in the 25 to 34 age range and felt that the board now had a good spread of ages. However, board composition was now quite skewed towards governors who had been in post for less than a year and, although the standard of those recruited was felt to be high, the committee would need to work with the Clerk to ensure that recruitment activity was better paced in future. It was thought positive that there was a greater proportion of female to male governors and the Corporation Chair highlighted that in his recently recorded video he spoke about the importance of equality and diversity and bringing life skills to the board.

The Clerk highlighted that disadvantage data had been collected for the first time this year and, with 11% of governors having been eligible for Free School Meals at some point during their school career, indicated that there could be an understanding of the needs of vulnerable groups on the board; however, there were no governors who had been in care. A governor noted though that the board included professionals who currently worked or had worked with these cohorts.

Governors **noted** the diversity and skills information and discussed possible data for consideration in governor recruitment activity and appointments. It was acknowledged that board composition was broadly in line with the Etc. student and local population.

S23/42 Agenda Item 7 – Corporation and committee membership, recruitment and succession

The Clerk highlighted that, due to Vanessa Housley's resignation in July 2023, there would be one independent governor vacancy if the committee wished to recommend maintaining Corporation membership at 19 beyond July 2024. If so, the recruitment focus proposed would be education expertise and it was proposed to commence recruitment from January 2024 to allow for a settling in period for recently recruited governors. The Clerk confirmed that a thank you gift had been sent to Vanessa.

The Clerk then confirmed that Hope Ubertalli had asked to step down as a student governor in December 2023 due to work for A Level exams; there had been five expressions of interest in the student governor vacancies, two each from Bede and Redcar and Cleveland College (RCC) and one from Stockton Riverside College (SRC). Consideration would be given to inviting the prospective applicants to attend a committee meeting rather than the December Corporation meeting.

In addition, Anne Vickers would reach the end of her first term of office in May 2024 and it was thought likely that she would seek a second term in office. The importance of the link with the Sir William Turner Foundation was acknowledged and the Corporation Chair and the Chief Executive and Group Principal were engaged in succession planning activity.

Governors noted that Subhash Chaudhary would reach the end of his second term of office in October 2024 and that, although there were suitable governors on the board to replace him as Audit Committee Chair, the loss of the employer and industrial engagement he

brought would represent a significant gap in governor skills and experience. It was proposed that a soft recruitment exercise should also start in January 2024 as the lead in period to appointment could be quite lengthy. On balance, these industry links were thought to be a more important focus than apprenticeship background, another gap identified.

Governors **noted** the membership and recruitment update and **agreed** to recommend the following to the FE Corporation:

- i) to maintain a total Corporation membership of 19 members;
- ii) to commence recruitment for two independent governors from January 2024 (one with education experience / expertise and one bringing employer engagement expertise).

S23/43 Agenda Item 8 – Review of Search and Governance Committee 2022-23 Performance against Terms of Reference

The Clerk outlined that the committee had had a busy year and thanked committee members for their support during governor recruitment of four independent and two co-opted governors; she added that all new appointees were contributing well.

Governors then considered the proposed committee structure changes for recommendation for Corporation approval; it was noted that the committee had previously agreed the need to create a People Committee to reduce the Finance and Employment Committee's workload. The changes proposed were considered to be positive, with the new Finance Committee's terms of reference including oversight of major capital project in preparation for the possible winding down of the Capital Group as NETA relocation and the All Access Academy became the only remaining priorities for the group's estates strategy. The committee discussed whether it was too early to disband the Capital Group given the task and finish group's role in overseeing complex projects and more flexible meeting schedule to enable greater responsiveness. Whilst acknowledging these concerns, it was thought important to move to a longer term committee structure, incorporating Capital Group's work into a Finance and Resources Committee in due course. The committee suggested that the committee should be called the Finance, Capital and Resources Committee.

There was support for the Search and Governance Committee to become a People Committee as organisational culture and the Great Place to Work Strategy complemented the committee's current work and this would allow for greater consideration beyond financial matters.

Governors:

- i) **noted** the need to increase committee membership and **agreed** that the committee had been effective and met its terms of reference in 2022-23;
- ii) **agreed** to recommend the establishment of a People Committee and proposed terms of reference to the FE Corporation.

S23/44 Agenda Item 9 – Committees and subsidiary companies – membership and terms of reference

The Clerk confirmed that this was the annual high level review of committees with the main change proposed for this current year the establishment of People and Finance and Resources committees. It was noted that Anne Vickers and Liz Dixon had expressed an interest in joining the People Committee and that, although potential changes had been proposed to balance committee membership numbers, the Clerk had not yet confirmed this with individual governors.

The Chief Executive and Group Principal clarified that Hamish Rutherford, independent governor, had confirmed that he would be willing to join the Innersummit Board and governors felt this would be a positive appointment. The Chief Executive and Group Principal added that the next Senior Management Team Awayday would be hosted at the headquarters of Floe (the co-working provider founded by Hamish Rutherford).

Governors:

- i) **noted** the high level review of the membership and terms of reference of the Corporation's committees and task and finish groups;
- ii) **agreed** to recommend the proposed new committee structure to the FE Corporation.

S23/45 Agenda Item 10 – Link Governors

The Clerk had also prepared a high level review of link governor roles and role descriptions; she confirmed that she planned to discuss continuation of the Employer Engagement link role with Mark Wilson given this was not a link role specified in the FE Governance Guide. The Corporation Chair **agreed** to follow this up in his one to one with Mark alongside discussing the possibility that Mark take on the Equality, Diversity and Inclusion (EDI) link role, given he had expressed interest in this area.

In response to a governor's question, the Clerk confirmed that the T Level link governor role had been introduced when T Levels were first introduced; she had considered whether the link role was still necessary but the two T Level link governors and the Executive Principal SRC, Strategic Lead for T Levels, all wished to continue. The Chief Executive and Group Principal felt that T Levels were entering a new phase, with new areas of delivery this academic year and no Etc. students having yet completed their T Level programme, and therefore remained an area for monitoring and focus for governors. The previous year's focus would have been on recruitment and work placements, with a change of focus to delivery and outcomes this year.

It was noted that the EDI and Special Educational Needs and Disabilities (SEND) link governor roles remained vacant; the Clerk confirmed that Amanda Olvanhill had felt that she was too operationally involved in SEND to take on the link role.

Governors **recommended** to the FE Corporation:

- i) the proposed Link Governor role descriptions;

- ii) that Gary Wright is reappointed as Safeguarding Link Governor and Careers Link Governor;
- iii) that Anne Vickers and Mark Wilson are reappointed as T Level Link Governors;
- iv) that the Corporation appoints SEND and EDI Link Governors;
- v) that the Clerk to the Corporation is reappointed as the Corporation representative to the Students' Union trustees.

S23/46 Agenda Item 11 – Governance Documentation

The Clerk confirmed that the proposed changes to the Instrument and Articles of Government met the recommendation from the external governance review; she added that references to parent governors had probably been incorporated following the merger with Bede Sixth Form College. The final version of the revised Code of Good Governance had just been released and was much more concise than the previous version.

Governors **agreed** to recommend to the FE Corporation:

- i) the proposed updates to the Instrument and Articles of Government;
- ii) adoption of the updated AoC Code of Good Governance.

S23/47 Agenda Item 12 – Any Other Business

There were no items of other business.

S23/48 Agenda Item 13 – Approval of Documents for Public Inspection

It was **agreed** that the agenda and supporting documents should be made available for public inspection, with the exception of the appendix to agenda item 6 summarising governors' support for achieving the Strategic Objectives; minutes would be published following committee approval.

It was also **agreed** to ask governors for their permission to share their comments on the Strategic Objectives with the Senior Management Team (SMT) as this had not been requested at the time of submission.

S23/49 Agenda Item 14 – Date, time and venue of next meeting

The Clerk confirmed that the next meeting would take place on Thursday 1 February 2024, 5.30 pm via Teams; she added that remaining meeting dates for the year were not expected to change following any committee restructure.

S23/50 Agenda Item 15 – Key Themes and Meeting Effectiveness

The following items were identified as key themes:

- Rachel Robson, External Reviewer, Stone King, attended to present the outcomes of and recommendations from the External Board Review undertaken during the summer term 2023; she commented favourably on governance structures, the positive culture of the board and the openness and transparency of the relationship between

governors and staff. Committee members recorded their thanks to Rachel and agreed that the review had been valuable and provided external verification of the board's effectiveness; all recommendations from the report were agreed for action

- Feedback from Corporation Chair One to Ones to date; governors generally reported that they felt able to contribute to the success of Etc. and governors' passion for being on the board had been clear
- Agreed to recommend proposed themes for the Governance Action Plan 2023-24, including suggestions from the external review, to the Corporation for approval
- Discussed board composition data and considerations for governor recruitment; update on student governor recruitment activity and skills and experience focus for independent governor recruitment activity commencing from January 2024 agreed
- Discussed proposals for improving committee workload balance, recognising the need for a greater focus on people initiatives and capital projects through revised committee structures, whilst noting the possible continued need for Capital Group given proposals for the All Access Academy at RCC
- Link Governor roles discussed, particularly gaps for the EDI and SEND link roles
- Permission from governors to share Strategic Objective comments in annual returns with SMT members to be sought

Governors assessed the effectiveness of the meeting and noted:

- The high quality of papers produced by the Governance Team, which helped to strengthen the work of the committee
- Governor challenge: highlighting the need to seek governors' permission to share their data with SMT and the appropriate timing for disbanding Capital Group
- Effectiveness: debating the evolution of governance structures and priorities
- Ability to change the way of thinking in response to other governors' comments
- Positive, constructive meeting and encouraging to have affirmation and verification of the board's effectiveness from the external governance review report

The meeting ended at 7.25 pm

Approved at a meeting of the People Committee held on 1 February 2024