

THE SIXTH FORM COLLEGE, COLCHESTER

Minutes of the Search, Governance & Remuneration Committee Meeting No 52 held on June 14th 2019

Chair	D. Morran
Present	K. Finnigan, J. Leslie, N. Gerrard
In Attendance	I. MacNaughton (Principal)
Clerk	T. Johnson

The Chair opened the meeting and welcomed J Leslie as a new member of the committee.

Agenda Item

52.1 Apologies for Absence

Apologies were received and accepted from A. Beatty.

52.2 Any Other Business

None.

52.3 Declarations of Interest

The Principal and Clerk declared an interest in Part B of the agenda – senior Post Holder Performance Management and Terms and Conditions of Service.

52.4 Determination of Confidential Items

None, in addition to those identified on Part B of the agenda.

52.5 Minutes of Meeting No. 51

The minutes of meeting No. 51 held on 6th June 2018 were agreed and signed as a true record.¹

52.6 Matters Arising

A meeting with union representatives will be arranged for the first half of

¹ Received by members of the Corporation July 2018

the 2019 autumn term. The Chair, Vice Chair, Principal and Clerk will attend the meeting.

Action: Clerk

52.7 **Membership**

52.7.1 a) Skills Audit

The skills set and experience of members of the Corporation was considered. Although the skills audit showed small gaps in the areas of estates, law, health & safety and community relations, the committee agreed that the required skills are adequately covered. It was agreed that Corporation Members should as a minimum update their skills audit every 3 years.

Action: Clerk

52.7.2 b) Terms of Office

Members were provided with copies of the Corporation's skills audit detailing outcomes both with and without the members proposed for reappointment.

In the context of the skills audits the committee agreed to recommend to the Corporation the re-appointment of the following members :

- Andy Beatty, as a Community Governor, for a further term of 4 years commencing 1st September 2019

At this point K Finnigan withdrew from the meeting

- Kevin Finnigan, as a Community Governor, for a further term of 4 years commencing 1st September 2019

At this point K Finnigan re-joined the meeting

Action: Clerk

52.7.3 c) Committee Membership

The Clerk will email Corporation members seeking a volunteer to fill the current vacancy

Action: Clerk

52.7.4 d) Induction Feedback

It was noted that the 2018-19 year had been an exceptional year in terms of the number of new members joining the Board and requiring induction (7 plus 1 co-opted member)

Anonymised induction feedback responses circulated in advance of the meeting were considered. In general, responses showed that induction process and supporting documentation was considered to be thorough, well

thought through and appreciated.

52.7.5 e) Succession Planning

Succession planning in the context of key roles and responsibilities was deliberated. It was noted that when completed, the Individual self-assessment questionnaire (see agenda item 52.8) will contain questions on future leadership aspirations, which will be used to inform an elementary succession planning register. Early identification of those interested in taking on a leadership roles will as applicable, ensure training and development opportunities are provided.

Action: Clerk

In the context that it is expected that the 2018 -19 governance budget will be significantly underspent (approx. £500 following the move to predominately e-governance), it was agreed that a corporate event, combined with, for example a performance review exercise, should be arranged for the 2019/20 year with the aim of members better understanding of each other's interests and professional backgrounds.

Action: Clerk/Chair

52.8 Key Efficiency Indicators

52.8.1 a) Self- Assessment Questionnaire

The draft self-assessment questionnaire was placed for committee approval. The Clerk advised the meeting that the assessment had been rewritten to reflect the strategic leadership, compliance and accountability responsibilities of Corporation Members. The aim had been to produce a comprehensive, reflective self-evaluation that will serve multiple purposes (and remain relevant for future years) including but not limited to:

- Individual reflection on whole board competencies
- Individual reflection on personal practice & competencies
- Identifying Individual training needs
- Identifying gaps in information dissemination at both micro and macro levels
- Identifying areas for inclusion in the Corporation development plan 2019- 21

Members will be assured that all responses will remain confidential to the clerk and will be used to populate the 2019-20 Corporation development plan. A summary of responses will be presented at the next meeting, alongside the Corporation development plan (for approval).²

It was agreed that the wording on the front cover indicating that members were not expected to individually achieve all competencies should be

² Subsequent to the meeting the Chair requested that the survey be circulated for completion and first analysis prior to the Corporation meeting to be held 15.07.2019, therefore the action point is not applicable.

further highlighted.

Action: Clerk

All external members will be required to complete the self-assessment. Following receipt of the completed questionnaires the Clerk will produce an anonymised summary of responses and comments for consideration as applicable.³

Action: Clerk

52.8.2 b) Attendance

It was noted that although the Corporation had set an 80% corporate attendance target for the 2017-18 year, it was nonetheless expected that Members would attend all meetings. Combined attendance for Board and committee meetings for the 2017-18 year was reported as 77%. There were no matters arising from consideration of individual member attendance. In all instances, offers of apologies had been accepted

2017-18 Comparison Data [93 SFC and FE colleges] - The overall picture was similar to previous years. The mean average attendance rate (for board meetings and committees combined) was 80.37%. For the last 4 years the figure has been within one percentage point (+ or -) of 80%. However, the range for the 2017-18 slightly narrower than usual with the lowest being 63% and the highest being 92% (last year's figures were 70% and 95%).

The 2018-19 year attendance data will be considered at the next meeting.

52.8.3 c) 2018-19 Key Efficiency Targets

The interim review of the 2018-19 efficiency indicator targets was received and noted. The Clerk confirmed that she will be preparing a full report / briefing on the efficiency indicators for the July Corporation meeting

Action: Clerk

52.9 Code of Good Governance⁴

52.9.1 a) Summer term review [see also minute 52.9.3 (c)]

In furtherance of demonstrating outstanding governance the Code of Good Governance had been mapped against the Charity Code of Governance. The clerk reported that any of the principles contained within the Charity Code that are not included in the Code of Good Governance have been

³ Any individual issues considered urgent will be actioned by the clerk as appropriate

⁴ In order to satisfy their funding requirements, sixth form college corporations are required to provide an annual corporate governance statement which reports on the implementation of stated governance principles for the year. For that reason, although not legally binding on corporations, adopting and reporting against a code of governance can be a useful tool to evidence and demonstrate a college's commitment to good governance practice. Also, regulators and inspectors will take note of any failure to adhere to the terms of an adopted code in assessing the college's performance.

<https://sfcawebsite.s3.amazonaws.com/uploads/document/Occasional-Paper-1-Governance-codes.pdf?t=1560873243>

added an appendix to the Corporation's working documentation.

The progress, made towards the statutory and best practice benchmarks was agreed to be 'very good', with the majority of principles in both Codes achieved. Outstanding action points were reviewed and it was noted that following development of the strategic business plan and establishment of terms of reference for lead governors the vast majority of the principles will have been met in full.

The Chair reported his intention to consider further how best to meet the requirements of the Code re obtaining the views of stakeholders on specific matters. The Principal suggested that feedback obtained from past students as part of the reunion and rewards event could be shared with members of the committee.

Action: Chair/Principal

A full review of compliance against the principles of the Code is undertaken termly by the Clerk. The outcomes of the review may fluctuate due to ongoing variables such as the skills and knowledge base of members and statutory and legislative changes. Members requested an electronic index be included linked to each of the principles.

Action: Clerk

The summer 2019 update of the Code will be shared with Corporation Members via SharePoint.

13.40pm K. Finnigan left the meeting

52.9.2

b) Corporation Visit Days

Following the success of the first focused 'Visit Day' held April 2019, members of the committee agreed that Visit Days should be held twice yearly. During the 2019-20 year the second visit day should (as a one year trial), replace the current link governor/Assistant Principal/departmental visit scheme which, in recent years has not received the required level of Member engagement.

It was agreed that the first visit day should be held after the 2019 October half term, with the programme for the day replicating as far as practicable the April visit day. The main focus of the March 2020 visit day (possibly a half day) will be departmental SAR discussions.

Action: Clerk

Corporation member's views on dates will be sought via email prior to the July Corporation meeting.

Action: Clerk

c) Senior Post Holder Remuneration Code

Committee members considered the content of the Senior Post Holder Remuneration Code, and suggested annex to the Code of Good Governance and the rationale for adoption. Although voluntary, in order to be compliant with the Code of Good Governance, the Corporation will need to adopt and must have due regard for the Remuneration Code (as stated in 9.9 and 9.10 of the Corporation's Code of Good Governance). In the context of transparent governance, it was noted that Corporations (Trustees) are being encouraged to meet the principles and outcomes of the Code. Charities that adopt the Code are encouraged to publish a brief statement in their annual report (Financial Statements) explaining their use of the Code.

Members agreed that adopting the Code would further demonstrate the Corporation's commitment to transparent leadership and stewardship in relation to remuneration.

Pre 2013 the Search Committee's terms of reference were extended to include the terms and conditions of Senior Post Holders. Historically the Chair of the Corporation has been appointed as Chair of the committee, with the Vice Chair of the Corporation appointed as the Vice Chair of the Committee. The committee recognised that it is good practice to establish an independent remuneration committee to ensure that the pay and terms and conditions of service of senior post holders are dealt with in a structured and disciplined way. The Code states that '*Remuneration Committees must be independent, competent and should not be chaired by the Chair of the Corporation*'. In this context, Committee members agreed that if adoption of the Code was to be proposed, to the Corporation a concomitant proposal re the terms of reference of the Search, Governance & Remuneration Committee would also need to be proposed i.e. removal of remuneration matters from the committee's terms of reference and the formation of a discrete remuneration committee with a different Chair person.

Although some changes to the Code would be required to reflect the Corporation's Sixth Form College Status it was agreed to recommend to the Board the adoption of the Remuneration Code and the formation of a Remuneration Committee.⁵

Action: Clerk

Briefing papers on the Remuneration Code, remuneration committee and required terms of reference will be produced by the Clerk for circulation prior to the July Corporation meeting.

Action: Clerk

⁵ Points 9.10 and 9.9 of the Code of Good Governance will be revised according to the Board's decision

52.10 Committee Terms of Reference

The following terms of reference for the 2019-20 year were considered.

- a) Search, Governance & Remuneration Committee*
- b) Appeals Committee
- c) Special Committee

It was agreed that all of the above should be placed for Board approval at the July Corporation meeting.

*Revised terms of reference for the Search & Governance Committee (excluding remuneration matters - see minute 52.9.3) will also be prepared for presentation to the Board for presentation in the event that the Board resolves to adopt the Remuneration Code.

Action: Clerk

52.11 Policy Review

- a) Code of Conduct for Corporation Members

Committee members were provided with an historic overview re the reasons for the rewrite of the Code of Conduct. The current version of the Code of Conduct was written prior to 2013, with some focused revisions made in 2016 to bring the Code in line with the Instruments & Articles of Government and to include provision for the suspension/removal of members. In 2018 Eversheds issued a revised model Code of Conduct, which was significantly more extensive than previous versions being of some 20 pages in length. The additional length appeared in the main to have been a result of the model containing 'cut and paste' sections from other statutory guidance documentation, for example the Accounting Officer's responsibilities as laid out in the ESFA Conditions of Funding Agreement. In the context that Chairs⁶ believed that some elements of the model could not properly be considered 'conduct', the Clerk was asked to compare both documents and submit a rewrite of the Corporation's Code of Conduct for consideration by the Committee. In this context, committee members considered the draft code of conduct circulated in advance of the meeting.

The draft Code of Conduct for Corporation Members was unanimously approved. A copy of the Code of Conduct will be placed on Share Point and emailed to members with the annual declaration forms and register of pecuniary interests.

Action: Clerk

At this point due to committee members availability it was agreed to move to the Part B agenda

⁶ As in post summer term 2018

PART B

52.12

Pay and Conditions of Service for Senior Post Holders

The Chairman reported that plans are in hand to undertake the performance management reviews of the Principal and Clerk.

The Chair explained that in previously years the approach of the Corporation to performance management and salary reviews of Senior Post Holders had been a little 'hap hazard' and that in line with the anticipated adoption of the Remuneration Code he fully intended to ensure a transparent and documented procedure was in place. In this context the Chair advised the committee that he has asked the Clerk to prepare a written process and procedure, including a timeline of actions to be taken that moving forward, would assist Chairs' with their performance management and salary review duties.⁷

Action: Clerk

The Chair explained that the Corporation had agreed at the May 2019 meeting to implement the nationally negotiated pay award to all staff and to senior post holders. The purpose of this meeting would be to consider whether the Corporation would want to pay anything above that to individual Senior Post Holders. The Chair reported that for a number of years it has been the policy of the Board not to award Senior Post Holders anything above 1%.

The Chair reported that performance management objectives for the 2018-19 academic year had been set for both the Principal and Clerk and it had been his intention to undertake a final review of the objectives during September 2019 and to make any recommendations to the committee and if applicable subsequently to the Board during the October meeting. Members were reminded that the College does not operate a system of performance related pay. The Principal advised that he does not know of any Sixth Form College that would have a performance based pay system for staff that are not at Senior Post Holder level. For the benefit of new members it was explained that the Senior post holders are on a spot salary not on a salary scale and therefore discussion re increments is not applicable.

The Chair further reported that there had been some misunderstanding regarding when the end of year performance management for the Clerk would take place. The Chair explained that his initial view had been that it would be better to undertake performance management reviews for both Senior Post Holders (Principal and Clerk) at the end of the academic year when, for example, the examination results are known, and the financial year has ended. Members suggested that it would perhaps be more

⁷ Subsequent to the meeting the Chair informed the Clerk that he wished to write the process and procedures documentation

appropriate to undertake the Clerk's performance management review in June/July as the role is not attributable to student outcomes and the annual workload is not calendar restricted, and the Principal's performance management review should take place during the autumn term after the August examination results have been finalised and in line with senior staff performance management reviews; this cycle of reviews would also spread the workload for the Chair.

Action: Chair

Seeking views of others on the performance of Senior Post Holders - The Chair reported that the processes are already underway and he has already started to informally seek views on the clerk's performance.

At this point N Gerrard and I MacNaughton left the meeting.

The Clerk declared the meeting inquorate at 14.24pm.

Signed
Chair

Dated.....

The Chair convened a working party to consider the 2019-20 policy and procedures schedule. J. Leslie and D.Morran considered the 2019-20 policy and procedures schedule circulated in advance of the Search, Governance & Remuneration meeting. There were no changes suggested to the delegation limits previously applied. The new policies/procedures added to the schedule and the advice given by the Clerk in relation to these matters was discussed. Members were advised by the Clerk to consider the content of the DfE Statutory Governance Guidance for FE and SFC College Corporations, re Investments and Reserves.

Signed
Chair

Dated.....

Date of the next meeting: September 27th 2019