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|  | **HUDDERSFIELD NEW COLLEGE FURTHER EDUCATION CORPORATION**  **Search & Governance Committee Meeting held on Tuesday 14th June 2022 from 5.00pm via Teams.** |

**Confirmed Minutes**

**Present: Ms M Boryslawskyj (Chair), Ms L Summers, Ms J Muscroft and Mr M Smith- Connor. (attendance 100%)**

**Clerk: Mrs C Coupland**

1. **Apologies for Absence/ Declaration of Interest**

There were no apologies submitted.

There were no declarations of interest recorded**.**

Mr Smith-Connor was welcomed to his first S&G committee meeting as the Principal. The committee wished to formally record their thanks to Ms A Williams for her challenge, guidance and support offered over the years as Principal which has contributed to the positive impact and effectiveness of the governance framework at HNC.

1. **Minutes from Meeting held on 2nd March 2022**

* **That the minutes be received as a true record.**

1. **Matters arising**

*Code of Good Governance:*

It was confirmed by the Clerk that the draft ESG strategy is to be considered by the F&R committee once available. Mr Smith-Connor advised that Ms Thomas was named senior lead for the strategy and that she was working as part of a national multi-College group led by SFCA in determining a sector appropriate framework to best support ESG initiatives going forward.

The committee remained mindful that ESG reporting is not currently legally required but signs continue to indicate that this will change in coming years. It was also recognised that ESG reporting is far more than setting out environmentally sustainable practices to maximise the effective use of estates and to reduce environmental impact. It therefore may be necessary to delegate the monitoring of the ESG strategy to an alternative committee to that of F&R. It was agreed that reporting delegations and any changes required to terms of references are to be determined once the overarching plan has been drafted and agreed.

**Resolved:**

* **That the update be received.**
* **For the initial draft of the ESG to be considered by F&R committee.**

*External Governance Reviews:*

The Clerk confirmed that the external governance reviews (EGR) guide for sixth form colleges and FE colleges was published 20th May 2022. The Guidance states that an external governance review independently evaluates governance effectiveness and confirms the following:

* Colleges must have an external governance review (which should not be a peer or auditor’s review) between August 2021 and July 2024, and every 3 years after that.
* A governance self-assessment is due every year from 2021 to 2022 onwards, except in the year of an external review.

Given the assurance and compliance reviews regularly undertaken by the college’s internal auditors (contributing to the IA’s annual audit opinion); the committee was of the view that the scope of the EGR should predominately (if not exclusively) concentrate on assessing governance effectiveness regarding the impact of its committees as well as boardroom culture, dynamics and behaviours. Evidence of impact of Board & Committee interactions would therefore be collated via observations of meetings (virtual & physical), review of minutes and interviews with Governors.

The committee noted that the Guide states that transparency and accountability are fundamental to ensuring public trust and confidence in how a charity is run and to the Seven principles of public life.

Boards are therefore required to report when an external review was carried out, and by whom, in their annual report and financial statements.

It recommended that an overview of the review should be available on the website, for example in the annual report. This overview should contain:

* a summary of the review outcomes
* highlights from your action plan, with updates following the annual governance self-assessment

Time was spent determining the timeline requiring Corporation approval to ensure that the review is undertaken by end of 2023/24 as per the new funding agreement.

Consideration was also given as to the list of organisations to approach for Tendering. It was agreed that interviews would be necessary as part of tender process to test breadth of experience to inform selection and appointment of the external governance reviewer .

**Resolved:**

* **That the update be received.**
* **For the agreed timeline to be recommend to corporation for approval.**

1. **National Developments: impact on governance frameworks**

A key task for the Search & Governance Committee is to review and improve the effectiveness of Governance policies, practices and procedures and make recommendations to the Corporation.

The Corporation is committed to seeking out sector best practice to inform development opportunities as well as monitoring and overseeing regulatory changes to ensure compliance with requirements and government initiatives.

This self-critical approach enables the corporation to provide a strong level of assurance to all stakeholders of the Corporations high standards and continued commitment to conduct its business in the best interest of its students and stakeholders.

*Government Guidance : The scope of work of audit committees and internal auditors in college corporations (Jan 2022)*

The Clerk advised members that the Audit Committee, at its meeting in March 2022,receieved the government’s guidance as to how to implement audit committee arrangements that meet the requirements of the post-16 audit code of practice (P16ACOP) and also enable Governors to better discharge their responsibilities for the effective stewardship and oversight of the College.

Annex A of the Guidance suggested areas of work for an audit committee. It was not intended to be an exhaustive list but rather focused on risk driven areas that will vary more across corporations. The Audit Committee addressed each of the core areas listed under the Annex to evidence HNC Corporation’s current practice The Audit Committee undertook this as a voluntary exercise as a part of corporation’s continual improvement agenda and commitment to best practice.

Post deliberations, the Audit committee reported to be satisfied that the existing frameworks, policies, procedures and processes in place satisfy all area expectations and requirements thus enabling the corporation and its committees to fulfil role responsibilities effectively and confidently. It was agreed appropriate to undertake a further review of the risk driven areas biennially.

**Resolved:**

* **That the update be received.**

*Further education corporations and sixth-form college corporations: governance guide (subject to redraft - May 2022. Last updated 2019):*

The Clerk advised the Committee that she had been asked to provide feedback to the DfE on the redraft.

The committee was informed that the guide summarises the key legal and regulatory requirements that apply to FE corporations and sixth-form college corporations as charities providing education. It also summarises recommended practice. The guide is intended to highlight key points for each topic, with links to more detailed information. It is expected that the guide should be read in conjunction with our corporation’s instrument and articles of government, and the standing orders and governance code used.

The Clerk raised points of interest taken form the Guide. The Committee welcomed the opportunity to consider the possible implications for HNC governance frameworks. It was agreed appropriate for the Clerk to continue to monitor national developments in this area and to source emerging guidance as applicable.

It was noted that stakeholder engagement will continue to be a priority development area for the corporation going forward. Student engagement in particular is important as the Corporation’s primary beneficiaries. It’s therefore important that the board continues to listen to students, understand the student experience and take their views into account in decision-making. Mr Smith-Connor confirmed that student feedback to college questionnaires etc will continue to be provided to Governors via the Corporate report as a source of assurance regarding student voice. He however invited Governors to also participate in future deep dive exercises as an alternative and direct way to seek the views of students regarding college experience.

**Resolved:**

* **That the update be received**
* **For Governors to receive invites to Deep Dives as scheduled throughout 2022/23. (Clerk to be advised of dates)**

*The Office for National Statistics (ONS) to review the classification of colleges for statistical purposes (Notification received June 2022)*

The Clerk advised the committee that ONS announced on 6th June 2022 that it will be reviewing the private sector status of Sixth Form and FE colleges. The ONS expects to have completed its review of colleges by September 2022, and will conduct a similar review of universities in January 2023. Implications of any changes to status classification are yet unknown.

Time was taken for the committee to be briefed on the outcome of the SFCA’s webinar with ESFA representatives as attended by Linda Summers (Chair), Marcus Smith-Connor (Principal), Claire Coupland (Clerk), John Flynn (Chief Finance Officer).

Mr Smith-Connor explained that the College is intending to comply with the requests made from ESFA for immediate assistance. The College has been asked to provide ESFA with a consent letter to disclosure of lender information and to also return an excel template providing details of all college borrowing & financing arrangements as at 31 May 2022 and also details of future financing needs currently known.

The Clerk confirmed that the Audit Committee and the Finance & Resources Committee will also be briefed on the ONS review.

**Resolved:**

* **That the update be received**

1. **Membership Determination & Vacancies**

*Corporation Membership – June 2022:*

The Clerk confirmed that at present the Corporation comprises of 13 Governors.

There are three external governor vacancies:

* 1 x vacancy: ring-fenced for finance professional. As briefed at the last meeting, an expression of interest has been received
* 1 x vacancy : committed to underrepresented groups on the board. The Clerk continues to promote this opportunity via many outlets (directed distribution and general promotion via social media).
* 1 x vacancy : general appointment.

Time was spent by the Committee to consider an application received to date for the ring fenced finance vacancy. It was noted that the applicant had previously resigned from the Corporation in February 2021 due to personal and professional commitments at the time. All agreed with recommending reappointment to the corporation noting the desirable skill set of the applicant, especially to bolster the F&R Committee’s membership. The applicant’s governor experience will also be beneficial to the corporation given the ongoing strategic intent to academise.

The committee recalled that from the recent ESFA strategy planning conversation (which took place on 25th January 2022), it was raised that it would be beneficial for the corporation to appoint a governor with specific FE and education expertise, knowledge and skills. An option to explore is Mr Smith-Connor’s suggestion, as raised at the last corporation meeting, for HNC to reach out to the education sector to possibly recruit senior and/ or aspiring leaders from other organisations. The clerk was tasked with seeking out interest from emerging or appointed senior leaders at local schools/colleges.

*Corporation Membership from 2022 beyond:*

In light of recent strategic decisions, the committee agreed it timely to consider how it is to recruit Governors (fill vacancies) going forward whilst facing academy conversion. The benefits of extending Governors terms of office who are nearing retirement or even reinstating retired governors were therefore openly debated as a possible means of securing stability in membership going forward.

Retiring Governors:

The Committee was informed that Mr Dawson is set to retire at the end of this academic year. He has however expressed an interest in continuing to serve as a Governor for a further period of time as deemed necessary by the corporation in recognition that the academisation debate continues with a decision about type of conversion to be made.

Members agreed that Mr Dawson as a long serving Governor and chair of F&R committee (reaching the end of his second term)is a highly experienced and effective governor with significant knowledge about the College’s financial history and current performance, quality imperatives, governance requirements and strategic intent. Members also were mindful that Mr Dawson is fully briefed on the corporation’s journey to academisation and is therefore well placed to contribute to future decision making. His professional skill set would also add value to future due diligence arrangements as deemed necessary as part of any conversion.

The Clerk explained that the Corporation’s Instrument and Articles of Government set out the regulatory framework within with HNCs corporation operates. They define the legal responsibilities of the governing body, ensuring that it acts legally and they provide the underpinning authority for the proper management of college business.

The instrument outlines the constitution of the corporation, the appointment and dismissal of members and the conduct of meetings. The Articles define the powers and duties of the corporation, the Principal and the Clerk. They also cover the responsibilities of the governing body, the role of its committees and they set out the basis for dealing with certain matters including audit arrangements the appointment and dismissal of staff and student discipline. The instrument makes clear that the length of term of office shall not exceed four years. Members retiring at the end of their term of office shall however be eligible for reappointment, subject to any by-law made by the corporation concerning the number of terms of office which a person may serve, as permitted by the articles.

The committee agreed that serving more than 2 terms potentially risks an assumption of a lack of independence, but conversations with NORVIC colleagues demonstrates that that whilst 2 terms (8 years) are common, there is a widely held view that the rule should be dropped, if deemed appropriate, with little point sacrificing a governors experience and knowledge after an arbitrary period of time has lapsed. This indicates that any decision made by the committee to recommend extensions to terms of office for reasons as identified above, reveals that HNC would not be out of kilter with other college’s approaches to recruitment and remains complaint with our standing orders.

Professional advice as provided by the College’s Governance Legal Advisors also confirmed that the college’s Standing Orders makes allowance for additional terms beyond two, especially at times of significant change, as long as reasons for reappointment are clearly recorded within meeting minutes. Legal advice also confirmed that securing experienced governors with desirable skills set to continue to oversee the strategic direction of the college demonstrates effective governance with reappointments being justifiable in lead to conversion.

Members were of the view that progressive refreshing of the board is to be reinstated post conversion as it was noted that Academisation will naturally provide an opportunity to re-evaluate the balance of skills, knowledge and experience required for the new trust set-up and the boards needs at that time.

Retired Governors:

The committee also considered the possibility of bringing back retired governors with valuable skill sets to support the college with its academy conversion.

In line with HNC’s standing orders, appointments would only be made on merit and after reassessing candidates by means of objective criteria. With terms and conditions of any appointments set out clearly for transparency and accountability.

The familiarity afforded by reinstating retired governors allows for a more responsive and effective appointment, the individual appointed would already be acquainted with the roles and responsibilities of the board and with the strategic direction of the college. However there is a need to recognise that this also brings the counter argument that reappointing retired governors may result in loss of oversight or for the board be seen to be actively encouraging a ‘revolving door’ to governance here at HNC.

Post deliberations, the committee therefore agreed it sensible for the Clerk to continue to advertise the general governor vacancy . Should interest be expressed from retired governors this would be welcomed and treated as any other application. Consideration would also be givenwas also given to alternatively appointing retired governors as co-opted members to any sub-committee created by the corporation to lead on academy conversion.

*Student Governor:*

Ms Natasha Woodhouse is the serving Student Governor until Easter 2023. Natasha has been invited to all Head student meetings to be able to keep abreast of student initiatives and to also serve as a link to the Corporation.

*Staff Governor:*

Ms Maria Dean is the appointed Staff Governor. Ms Dean’s final term of office is for two years until August 2022. The opportunity to serve as the next staff governor has been advertised – to date one application has been received a further two expressions of interest has been made. Deadline for nominations is Friday 24th June 2022.

*Parent Governor:*

The committee is aware that Ms Richards’ final term of office is to also expire in July 2022. The opportunity to serve as a parent governor has recently been advertised to all parents/carers/guardians. One expression of interest has been made to date.

*Committee Membership :*

The Committee noted that a long standing co-opted member’s term of office is to expire at the end of the academic year for 2022/23, this retirement will impact the Audit committee for a new Committee chair will also need to be appointed. Poor planning has been recognised as a risk, by the committee, to the stability and effectiveness of the corporation’s governance framework. The Clerk was tasked with seeking out expressions of interest to specifically address this anticipated skill gap, including asking if the existing Chair would like to serve for an extended period of time.

The committee was of the view that it would be sensible to recruit a co-opted member from a HR background to serve on the R&P Committee. This skill set will compliment the existing membership of this committee and support delivery of the committees terms of reference. It would also to support academy conversion especially regarding its impact (or not) on staffing matters e.g. TUPE.

The Clerk confirmed that opportunities for co-opted members continue to be advertised. The Clerk continues to pursue all lines of enquiry.

*Covid 19 Sub-Committee:*

The committee noted that the Covid 19 sub group had first been formed to support SLT in addressing the immediate impact of COVID 19. Members recognised that the ongoing pandemic poses less of a challenge to the college now with the Governments ‘living with Covid’ guidance informing colleges ongoing risk assessments, which is reported to the Audit Committee.

It was therefore deemed appropriate and timely to cease this sub-committee and its terms of reference with immediate effect.

**Resolved:**

* **That Ms A Needham be recommended for reappointment as an external Governor for a period of 4 years commencing September 2022 to the end of the Autumn term 2026. For Ms Needham to serve on the F&R Committee.**
* **That Mr J Dawson be recommended to serve a further term of office for two years to end of July 2024 to support the corporation’s strategic intent to academise. For Mr Dawson to continue to serve as F&R Committee Chair during this time.**
* **For the Clerk to continue to advertise governor vacancies and co-opted member opportunities. Retired Governors may express interest in applying for vacancies; recruitment procedures to apply in all circumstances.**
* **To cease the COVID 19 sub-committee and its terms of reference with immediate effect.**

1. **Standing Orders 2022 : annual review**

The constitution and powers of the Corporation continue to be set out in the Instrument and Articles of Government of Sixth Form College Corporations. These Standing Orders are to be referred to alongside the Instrument and Articles to gain a full understanding of the operation of the Board. The Clerk advised the Committee that the Corporation’s standing orders are subject to annual review.

The committee agreed that no amendments were necessary, as recommended by the Clerk.

**Resolved:**

* **To note that an annual review of the Standing orders has been undertaken and no changes are required.**

1. **Scheme of Delegation 2022: annual review**

The Clerk advised members that the Scheme of Delegation continues to accurately reflect

current governance practices and remains compliant with legal requirements.

The Clerk explained however that one minor amendment was required to ensure that the scheme of delegation accurately reflects the levels of financial delegation as listed within the Financial Regulations regarding significant capital schemes: (agreed by the corporation in December 2021).

The Clerk confirmed that the policy approval route remains compliant with the College’s Governance Legal Advisors recommendations of the most important policies and codes which sixth form colleges should have in place. It was agreed that no amendments were therefore required. It was also noted that all policies continue to be subject to formal reviews within specific timescales (no greater than 3 years).

**Resolved:**

* **For the corporation to note that the annual review of the Scheme of delegation has been undertaken**
* **To note that the minor change required was last approved by the Corporation in December 2021.**

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1. **Code of Conduct 2022 : annual review**

The Clerk explained to the Committee that the Code is intended as a guide, to indicate the standards of conduct and accountability which are expected of Corporation Members, to enable them to understand their legal and ethical duties and to assist them both in carrying out those duties and in their relationship with the Corporation and Principal as the Chief Executive.

This Code therefore is aimed at promoting effective, well informed and accountable college governance, and is not intended to be a definitive or authoritative statement of the law or good practice.

The Code continues to apply to every committee and working party of the corporation and adequately reminds governors and co-opted members that breach of the code may lead to termination of appointment

The Clerk confirmed that the Code of Conduct accurately reflects local processes and procedures. The existing code also continues to satisfy the model template as issued by Eversheds (The College’s Governance legal advisor).

The only amendments therefore required are to ensure that the code of conduct reflects the college’s revisited mission, vision and values and curriculum intent as per the Corporation’s decisions at its recent strategy planning day in June 2022.

All Governors and Co-Opted members are asked to sign and return the form confirming that they shall agree to observe this code of conduct to the best of their abilities.

**Resolved:**

* **That the Code of Conduct be recommended for approval by the Corporation.**
* **For all governors to confirm by email to the Clerk that they shall agree to observe this code of conduct to the best of their abilities.**

1. **S&G Committee Self-Assessment.**

The Committee reflected upon its work throughout the academic year and agreed that it is fully covering its terms of reference.

Members were asked to consider how the Committee’s work had impacted/ contributed to the overall work of Governing Body during this academic year. Initial thoughts on impact statements were agreed – members were asked however to email any further thoughts to the Clerk for insertion into the committee’s self-assessment report which will be distributed to all Governors at the end of the summer term.

**Resolved:**

* **That the Committee has complied with its terms of reference**
* **For members to email the Clerk with any further impact statements by the end of**

**term.**

1. **Any other Business**.

There was no additional business to be considered.

1. **Learner Impact Reflection**

The impact of discussions and scrutiny of the Committees work in improving the outcomes and experience for all learners was considered and the following agreed:

* **Assurance received that the governing framework and assurance reporting of H&S is compliant with statutory responsibilities and regulations.**
* **The Board continues to conduct its affairs as openly and as transparently as possible**
* **Maintaining high performance amongst Governors enables the Corporation to continue to provide strategic leadership and accountability**
* **A high performing corporation is able to support the college to achieve its aims and objectives and secure positive outcomes for students**
* **The Corporation is committed to ensuring the effective control and due diligence takes place and that systems of delegation and accountability are in place**
* **To continue to ensure that the college publishes accurate and honest information about its activities and processes**
* **Systems for rigorous evaluation and analysis are embedded within governance with a clear focus on continuous and ongoing improvement.**
* **By reviewing membership and agreeing succession planning strategies, the committee ensures that the corporation continues to have the required mix of skill sets to effectively undertake its business in improving the quality of Teaching, Learning and Assessment.**
* **This self-critical approach enables the corporation to provide a strong level of assurance to all stakeholders of the Corporations high standards and continued commitment to conduct its business in the best interest of its students and stakeholders.**

1. **Determination of confidentiality**

The supporting papers for agenda item 5 are deemed confidential

1. **Date of next meeting. To be confirmed.**