MILTON KEYNES COLLEGE

SEARCH & GOVERNANCE COMMITTEE (S&G)

Draft Minutes of the meeting held on Tuesday 31ˢᵗ October 2023, MS Teams, 16:00 – 17:30

Committee Members	Attendance Record 2023/24	Present at this meeting
Sally Alexander	1 of 1	Sally Alexander
Ruby Parmar	0 of 1	Apologies
Ian Revell (Chair)	1 of 1	Ian Revell
Manish Verma	1 of 1	Manish Verma
Total Percentage attendance (this meeting)	**75%**	3/4
Total percentage attendance (year to date)	**75%**	3/4

In attendance: Karen Brown (Head of Governance), Sam Samuels (Governance Partner)

1.0   PROCEDURAL

1.1   Committee Chair / Vice-Chair
Ian Revell was ratified as Committee Chair and Manish Verma as Committee Vice-Chair (previously agreed by email)

1.2   Welcome and Apologies
Ian Revell welcomed everyone to the meeting. Ruby Parmar sent apologies (Ruby was attending the FE Chairs' Leadership residential programme).

1.3   Declaration Of Interests:
Ruby Parmar (item 2.1B)

2.0   BOARD EFFECTIVENESS AND PERFORMANCE

Karen Brown and Sam Samuels led on these items.

2.1A   Board Composition / Succession Planning *(previously circulated as Paper 2.1A)*

Board Composition

Independent Governors

Membership of the Board includes 'up to 14' Independent Members. In addition, the Standing Orders allows for two additional Independent Members to be appointed for succession planning. There are currently 13 Independent Members, and the Chair of Governors retires on 31ˢᵗ December and will be succeeded by Ruby Parmar.

<u>Staff and Student Governors</u>

Rebecca Myrie has been elected as the non-teaching Staff Governor. A Student Governor election (one vacancy) is in progress.

<u>Vice-Chair of Governors 1st January 2023 to 31st July 2024</u>

The Committee requested the Head of Governance to commence the process to elect a second Vice-Chair of Governors to serve from 1st January 2024 (when Ruby Parmar vacates the role).

Action 1: Karen Brown

<u>Committee Membership</u>

There are no current vacancies. Committee and Scrutiny Groups have elected their chairs for 2023/24.

<u>Skills and Diversity</u>

Paper 2.1B refers to Skills

Diversity:
- Females are underrepresented. Of the 13 Independent Governors, 11 (85%) are male and 2 (15%) are female which is below the target of 50% male and 50% female.
- Ethnicity (30%) and Disability (8%) are on target.

<u>Governor demographics in colleges</u>
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The ESFA collects 'workforce' data (including governors) annually, for benchmarking purposes. As of July 2023:
- More of our governors were of working age (89% compared to the benchmark 70%)
- Our Board is more ethnically diverse than most (27% of members were non-white compared to the benchmark 14%)
- Females were in line with benchmark (42% compared to the benchmark 43%) however, since July the number of Independent female members has reduced to 15%.

<u>Code of Conduct for Corporation Members</u> *(Consent Paper 3.5)*

Eversheds Sutherland have published a revised Code of Conduct to reflect the reclassification of Colleges (in November 2022). Governors will be requested to sign the revised Code of Conduct; the Code is normally signed on appointment and re-appointment.

The Committee:
- ***Noted the Board current composition, committee membership, skills, and diversity***
- ***Reviewed the revised Code of Conduct for Corporation Members (18th edition) and recommended this to the Board for approval.***
- ***Noted the governor workforce data and comparisons with national benchmarks***

2.1B   Board Composition continued

<u>Board Re-appointment</u>

When considering appointments and reappointments, the Committee takes account of the skills and experience of existing Members (and any gaps), any selection criteria agreed by the Board, skills required to deliver the strategic plan and the diversity targets. For re-appointments, the Committee also considers the governor's contribution and attendance record and the balance between retaining skills and experience versus recruiting fresh ideas.

The Committee noted that Ruby has been elected to serve as Chair of Governors for three years from 1st January 2024. Ruby is currently Vice-Chair, a member of the Search & Governance and Remuneration Committees and Anchor Partner and Link Governor for the IoT, Digital and Business. Ruby's overall attendance in the last three years is 73%.

The Committee agreed to recommend to the Board that Ruby Parmar be re-appointed for a third term of office from 1st January 2024 to 31st December 2026 (which aligns to her term as Chair of Governors)

2.1C   Skills Analysis *(previously circulated as Paper 2.1C)*

New Criteria / Self-Assessment

'Knowledge of Local Skills Needs' and 'Environmental Sustainability / Green Skills' have been added to the skills matrix. No other new categories were identified.

Governors will be requested to review their self-assessment annually in future.

Notional Targets

The target scores have been reviewed in the context of current strategic priorities and adjusted where appropriate.

Skills Gap

There is one area where there is a skills gap:
- Education & Skills: 14-19

The College is well networked with schools and HE institutions and there are some leads which are being pursued. The Committee discussed how the skills and gender gap could be addressed and how the College could be more proactive in advertising the role e.g., at civic events.

The Committee:

- ***Approved changes to the target scores for 7 categories and added two new categories 'Knowledge of Local Skills Needs' and Environmental Sustainability / Green Skills***

2.2   Board Self-Assessment 2022/23 / Board Development Plan 2023/24 *(previously circulated as Paper 2.2)*

Self-Assessment of Board Effectiveness

The FE Code of Governance states that: the Board must conduct an annual governance self-assessment except in the years where there is an External Governance Review (EGR). Board members were invited to complete a self-assessment questionnaire in July 2023 and 13 replies were received. The Executive Leadership Team (ELT) also provided feedback through a differently styled questionnaire.

The Committee discussed:

- 96.3 of the responses from governors were positive (i.e., governors 'agreed' or 'strongly agreed' with the statements). 88% of the responses from the ELT were positive.

- In the Board's Statement of Corporate Governance & Internal Control (part of the Financial Statements), Boards are required to grade themselves based on the results of the Board Self-Assessment. Having reviewed the responses, the Committee concluded that its self-assessment of governance for 2022/23 was 'Good'. Governors understand their role and carry this out effectively, they ensure that the College has a clear vision and strategy and that resources are managed well and they hold leaders to account for the quality of education and training and help to ensure continuous and sustainable improvement.

- The Committee discussed the negative (disagree / strongly disagree) responses and focused on the three statements which had the highest number of negative responses i.e:
  1. The Board is aware of and measures the impact of governor's contribution to Board decision-making (2 disagreed)
  (Governors' individual contributions are discussed at the biennial reviews with the Chair / Vice-Chair)

  2. The Board takes time out to review and reflect on how it works as a collective and with the senior management team, and consciously focuses on building trust, confidence, and synergy in its relationships (3 disagreed)
  (This will be a theme for the EGR)

  3. The Board's understanding of the college's effectiveness is informed by views of learners, staff, employers and other stakeholders, and governors are cognisant of the college's strengths and weaknesses (2 disagreed).
  (Stakeholder surveys are reported to governors and the annual Self-Assessment Report (SAR) which is approved by the Board, includes strengths and weaknesses).

  Non-positive responses will be followed up where appropriate in a discussion with the Chair.

Board Development Plan (Annex 3)

It is good practice for the Board to consider a Development Plan in response to any areas prioritised for development.

The Committee discussed seven areas for development in 2023/24 which will be monitored by the Committee. The seven areas are:
  1. Reduce skills and diversity gaps
  2. Board reporting (e.g., dashboard) and refocused agendas
  3. Link Governor Scheme
  4. Board culture
  5. Transition to a new Code of Governance
  6. Raise awareness of the Board's work
  7. Explore an external Board portal

Items 1-5 are aligned to the themes in External Governance Review (see item 2.9).

An internal audit of corporate governance is scheduled for January 2024 which will have a compliance focus.

The Committee:
- ***Reviewed the feedback from the Board and ELT on Board Effectiveness and self-assessed governance as 'Good'***

- ***Agreed the Board Development Plan and recommended this to the Board for approval***

2.3A   AoC Code of Governance 2022/23 *(previously circulated as Paper 2.3A)*

The Board adopted the 2021 version of the AoC's Code of Good Governance for English in July 2022. It is a voluntary Code which includes over 100 'must' (mandatory) and 'should' (good) practice statements; the 2021 version introduced new sections on Equality, Diversity & Inclusion (EDI and Environmental Sustainability. Auditors expect colleges to 'comply or explain' and colleges are required to report in the Statement of Corporate Governance & Internal Control (in the Financial Statements) whether the Board has adopted / complied with the Code. The aim of the Code is to help Boards meet and exceed basic governance requirements, by setting out principles and practices.

The Committee reviewed the self-assessment, including the documented sources of evidence and members were pleased to note full compliance. There were a couple of areas relating to Environmental Sustainability where good practice is still being implemented e.g., an annual report on Environmental Sustainability will be presented to the Board in December.

The Board will continue to report against the current version of the Code in 2023/24.

The Committee reviewed the self-assessment against the AoC FE Code of Good Governance for English Colleges and confirmed that the College complies with all provisions of the Code, and it has complied throughout the year ended 31st July 2023.

2.3B   Revised AoC FE Code of Governance *(previously circulated as Paper 2.3B)*

As anticipated, the AoC has now published a revised (2023 version) of the FE Code with the expectation this will be adopted by Boards from 1st August 2024 to apply to the 2024/25 Financial Year.

The Board can choose to adopt an alternative Code (either the UK Corporate Governance Code or the Charity Governance Code) however the AoC FE Code is written by the sector for the sector and is the Code previously adopted by our Board on the recommendation of this Committee.

The 2023 Code is considerably streamlined - the current 100+ 'must' and 'should' statements have been replaced with six principles and suggested behaviours, outcomes, recommended practice and sources of assurance. One of the aims of the revised Code has been to avoid duplication with policies and procedures published in other documents e.g., in the Instrument and Articles of Government. Unlike the current Code, it is not a compliance checklist so there will be higher reliance on the Head of Governance to refer to other policies and procedures to ensure that the Board fulfils all its duties (the Scheme of Delegation (item 2.6) is a good source of reference).

The Committee reviewed a baseline self-assessment against the 2023 Code and noted two areas of current non-compliance which will be addressed before 1st August 2024:
1. Reporting on Environmental Sustainability
2. An External Governance Review

Compliance against the 2023 Code is a theme for the External Governance Review.

The Committee agreed to recommend to the Board for approval that the AoC FE Code of Governance (revised 2023) be adopted from 1st August 2024.

2.4   Board Training and Development *(previously circulated as Paper 2.3)*

a) <u>2022/23 Training Record</u> (Annex 1)

The FE Code of Governance states that Board members should regularly refresh their skills and knowledge through developmental activities and ensure that individually and collectively they have sufficient understanding of the work of the College to be able to engage fully in the affairs of the Board. Training and Development is reported in the Board's Statement of Corporate Governance and Internal Control.

The record of training and development activity is evidence that governors have carried out a wide range of training including workplace training and professional CPD which is relevant to their governor role, including their statutory responsibilities e.g., Safeguarding & Prevent.

b) <u>Governors' Training Plan 2023/24</u> (Annex 2)

The training plan, which has been updated for 2023/24, includes mandatory training and recommended development programmes and events, ongoing activities, and induction training. Training is also being continually reviewed and new training is added, The ETF (Education Training Foundation) Governance Programme will be moving to a new platform.

The Committee confirmed there were no training needs which are not covered by the plan although this is kept under constant review.

The 2023/24 Training Plan will be circulated to governors.

Action 2: Sam Samuels

c) <u>Policy & Procedures for Board Training & Development</u> *(previously circulated as Paper 2.4B)*

No changes are proposed.

The Committee:
- ***Noted the Governors' Training Record for 2022/23***
- ***Approved the Training Plan for 2023/24***
- ***Approved the Policy & Procedures for Board Training & Development***

2.5 Governor Engagement & Link Governor Policy and Procedure *(previously circulated as Paper 2.5)*

There were 37 Link Governor reports completed in 2022/23. The number of Link Governor visits was higher as reports were not completed on every occasion. The Link Governor Scheme provides additional challenge and support however, completing (and chasing) is not effective use of time.

The following changes were discussed and agreed by the Committee:
1. College Leads are responsible for arranging and reporting on visits
2. The minimum expectation is two visits per year (termly is desirable)
3. The feedback form has been simplified and should be completed at the end of the visit (by the College Lead in collaboration with the Link Governor). Comments should be made by exception i.e., where a plan is not on track
4. Curriculum Link reports will be circulated to CQG members
5. All reports will be shared with ELT who will arrange to feedback to the Link Governor where appropriate
6. Link Governor activity will be a consideration when considering Board re-appointments.
7. Prompts for discussion will be circulated termly.

8. Linked areas will be reviewed annually. For 2023/24 these are:
    a. Statutory roles
    b. Curriculum areas which would benefit from additional scrutiny
    c. Strategic priorities and projects

9. A record of Link Governor visits will be reported this Committee twice a year.

Changes to the process will be communicated to College Leads and Link Governors

Action 3: Sam Samuels

The Link Governor scheme is a theme for the External Governance Review i.e. to consider that the process adds value and is not onerous for governors

The Committee reviewed and approved the Governor Engagement and Link Governor Policy and Process

2.6   Scheme of Delegation *(previously circulated as Paper 2.6)*

Section 2.3 of the current FE Code of Governance states that the Board must set out its primary responsibilities in the Instrument and Articles of Government and these responsibilities should be supported by a Scheme of Delegation (SoD), including those items which the Board delegates to the CEO.

The SoD makes reference to the duties included in the Instrument and Articles of Government, Post 16 Audit Code of Practice, ESFA (Education and Skills Funding Agency) Agreement, Ofsted Inspection Handbook. Office for Students Regulations, FE Code of Good Governance (2021 version), and the Further Education corporations and sixth-form college corporations: governance guide.

The SoD has been reviewed and updated to reflect amendments to the Instrument and Articles of Government (paper 2.7 Annex 2) and Post 16 Audit Code of Practice following the reclassification of colleges.

The Committee reviewed the changes and agreed to recommend the revised Scheme of Delegation to the Board for approval

2.7   Instrument & Articles of Government / Board Standing Orders *(previously circulated as Paper 2.7)*

Instrument & Articles (I&A) (Annex 1)

- The I&A set out the legal position in respect of Board responsibilities. The Education Act 2011 gave power to Corporations to amend their Instrument and Articles of Government, subject to a minimum set of requirements (known as 'Schedule 4'). Consequently, there is no longer a 'standard' I&A for colleges.

- The I&A have been reviewed alongside the SoD, Standing Orders (Annex 2) and Eversheds Sutherland's Guidance (19th Edition).

The Committee reviewed the key change: Articles 14 and 16 (delegation of responsibility to the Principal for Staff Conduct / grievance, disciplinary and suspension of staff other that Senior Post Holders. This corrects a previous inconsistency.

Board Standing Orders (Annex 2)

The Committee reviewed the key changes:

- Previous omissions now added e.g., Associate (co-opted) governors, eligibility to serve, reference to the Board attendance policy
- Clarification: definition of a majority,
- Additional guidance: video conferencing, quoracy, annual review of confidential minutes

The Committee reviewed the changes and agreed to recommend the revised I&A and Board Standing Orders to the Board for approval

2.8   Committee Performance / Committee Annual Report 2022/23 *(previously circulated as Paper 2.8)*

Committee Self-Assessment (Annex 1)

The Committee reviewed the self-assessment which is evidence that the Committee has met its terms of reference. Members had made suggestions to improve governance effectiveness and concluded:
- Governors who leave before completing their full term of office should have an exit interview with the CEO or Chair
- The CEO and Head of Governance will inform the Committee of any candidates who have expressed an interest in joining the Board (but have not proceeded to interview)
- The Committee will aim to alternate its meetings between Teams and face to face depending on agenda items (the Committee Chair will confirm).
- Cameras should be kept on throughout meetings.

Committee Annual Report (Annex 2)

The Committee's Annual Report is presented to the Board in December and provides evidence supporting the Statement of Corporate Governance and Internal Control (which forms part of the Financial Statements). The report is assurance that the Committee is meeting its Terms of Reference.

The Committee:
- ***Approved the Committee's self-evaluation and agreed further actions***
- ***Approved its annual report***

2.9   External Governance Review *(previously circulated as Paper 2.9)*

A working group comprising the Chair, Vice-Chairs and CEO have agreed the themes for the External Governance review which will take place between January and March 2024.

The themes are:
1. Independent Governor search, recruitment, induction, development and retention Including succession planning. *What more can we do to recruit the right skills and diversity (and retain them). What do other Boards do that we don't.*
2. Our governance model (regular Board meetings, few formal committees, additional scrutiny / Task & Finish Groups). Consider: number of meetings, composition of the Board, numbers of governors, effectiveness of papers / meetings. *We are happy with our governance model but interested in confirmation that this is effective and / or different ideas / ways to make best use of governor time.*
3. Link Governor Scheme. *What should be the role (additional support and challenge, coaching, reverse mentoring)? How do we allocate? Ensure the process adds value / is not onerous for governors.*
4. Board / Chair/ ELT / Governance Professional dynamics and effectiveness of working relationships. *What does the CEO want from the Chair and vice versa. What good practice can we gain from other organisations?*
5. Compliance with the 2023 Code of Governance (focusing on areas which we self-assess as non-compliant / requiring further action of improvement).

The Committee noted the themes for the External Governance Review

3.0   CONSENT AGENDA

The following items were approved by consent (without discussion).

3.1   Review of confidential Board and Committee minutes *(previously circulated as Paper 3.1)*

The Committee approved the review of confidential minutes and agreed to release the confidential Board minutes of 14th December 2022 (relating to the partnership with Red Bull) which has since been made public)

Action 4: Sam Samuels

3.2   Board Attendance Analysis 2022/23 *(previously circulated as Paper 3.2)*

The Committee reviewed the attendance levels for 2022/23; governors' attendance is published in the Statement of Corporate Governance and Internal Control (Financial Statements)

3.3   Declarations of Interest / Conflicts of Interest Policy *(previously circulated as Paper 3.3)*

The Committee:
- *Noted that all governors have completed their annual declarations, including eligibility to serve as a governor and trustee*
- *Approved the Conflicts of Interest Policy*

3.4   Minutes of the Last Meeting(s) held on 14th June / 4th July 2023 *(previously circulated as Papers 3.4, 3.4C and Confidential 3.4B, 3.4D).*
Matters arising – see below

The Committee approved the minutes of the meetings held on 14th June and 4th July 2023

3.5   Code of Conduct for Corporation Members (18th Edition) *(previously circulated as Paper 3.5)*

Minuted in 2.1A above

4.0   GOVERNANCE

4.1   Items for the next meeting are:
- Board Development Plan (progress)
- External Governance Review: findings, recommendations and actions
- Board Composition / Succession Planning
- Board re-appointments (if appropriate)

NEXT MEETING: 12th March 2024

Date	Actions Arising	Action Owner	Current Status
4th July 2023	Review the target scores for skills at the next meeting	Committee	Complete – agenda item 2.1C
	Arrange for Tom Wraight to meet Ruby Parmar to discuss the expectations of the role.	SS	Complete

	Seek clarification from the auditors on whether a related party disclosure is required for Tom Wraight	KB	In progress
	Convene an additional meeting in September to make a recommendation on the revised FE Code.	SS	Not required. The revised Code was published in October 2023 to be adopted from 1st August 2024. Agenda item 2.3B above

Approved 12 March 2024
Chair of Search and Governance Committee – Ian Revell