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| **CONFIRMED OPEN MINUTES OF THE MEETING HELD ON THURSDAY 22 SEPTEMBER 2022** | | | |
| PRESENT: via video conferencing | | | |
| Lord Kerslake (Chair) | | Dr Jia Liu | |
| Professor Jeff Bale | | Penny Thompson | |
| Professor Sir Chris Husbands | |  | |
| IN ATTENDANCE: | | | AGENDA ITEM |
| Clair Marlow, Head of Legal Services and Deputy University Secretary | | | All |
| Ruth Thei, Head of Governance and Sector Regulation | | | All |
| Tracey Goodwill, Committee Secretary, Directorate of Governance, Legal and Sector Regulation (GLSR) | | | All |
| APOLOGIES: Joanna Allen, Sabahat Khan and Meg Munn | | | |
| Minute Ref | Item of Business | | Paper Ref |
| GNC/2022-09-22/01 | DECLARATIONS OF INTEREST | |  |
| 1.1 | There were no declarations of interest. | | |
| GNC/2022-09-22/02 | MINUTES OF THE PREVIOUS MEETING | | GNC/2022-09-22/P2 |
| 2.1 | The minutes of the meeting held on 20 June 2022 were approved as a correct record. | | |
| GNC/2022-09-22/03 | MATTERS ARISING/ACTION TRACKER | | GNC/2022-09-22/P3 |
| 3.1 | The Committee noted the action tracker. | | |
| 3.2 | **Matters Arising GNC/2/22/9 Board Effectiveness Review and Action Plan**  A progress report on the Action Plan including work to address the outstanding recommendations of the AdvanceHE 2020/21 review of Board effectiveness would be made to the March 2023 meeting.  **Action:** Head of Governance and Sector Regulation | | |
| GNC/2022-09-22/04 | OTHER URGENT BUSINESS | |  |
| 4.1 | There was no other urgent business. | | |
| GNC/2022-09-22/05 | DEPUTY CHAIR OF THE COMMITTEE | |  |
| 5.1 | The Committee **elected** Penny Thompson as Deputy Chair of the Committee to serve until the first meeting of the Committee in autumn 2023. | | |
| GNC/2022-09-22/06 | BOARD OF GOVERNORS | | GNC/2022-09-22/P6 |
| 6.1 | The Chair highlighted the series of interlocking membership matters for consideration which included the following:   * Size of the Board compared with the sector average for English Institutions. * the vacancy for an Independent Member from 1 August 2023 created by the retirement of the Deputy Chair of the Board who completes a maximum term of eight years on 31 July 2023. * The Committee has previously advised that a member with a background in commercial property acquisition and management/development would be a priority in a future search for new Independent Members of the Board. * The balance of experience and expertise on the Finance and Employment Committee and whether its membership should be retained at eight members following the planned retirement of an Independent Member on 31 July 2022. * The planning, including procedure and timeline, to fill the vacancy for a Chair of the Board who would retire on 31 July 2024 having completed a maximum term of eight years. Two other Independent Members complete a maximum term on 31 July 2024. * The role of the Deputy Chair of the Board in the procedure to fill the vacancy for a Chair of the Board. * The timing in 2022/23 to identify a successor to fill the vacancy for Deputy Chair of the Board from 1 August 2023. | | |
| 6.2 | The Committee **noted** the membership matters, Succession Planning and Skills and Experience matrix for membership of the Board from 1 August 2022. | | |
| 6.3 | **Size of the Board and vacancy for one Independent Member following a planned retirement on 31 July 2023**  The Committee **noted** the background information, including AdvanceHE data on governing body size and research by the GLSR team. At 22 members the Board was larger than the 18.7 sector average for English institutions. The AdvanceHE final report on Board effectiveness in July 2021 recommended that the size of the Board (against the sector average) continued to be monitored over the coming years.  At the conclusion of the discussion the Committee supported a reduction in the size of the Board which could be managed using planned turnover.  The Committee recommended to the Board that (noting the requirement for an Independent Member majority) the Independent vacancy created by the retirement of the Deputy Chair of the Board on 31 July 2023 should not be filled and the number of Independent Members be reduced from 15 to 14. The Board’s total size to reduce by one from 22 to 21 from 1 August 2023. | | |
| 6.4 | **Vacancy for a Deputy Chair of the Board**  a) The term of office of the Deputy Chair of the Board was commensurate with the term of office on the Board and would end on 31 July 2023.  This was part way through the timeline to fill the vacancy for a Chair of the Board (Minute GNC/2022-09-22/8 refers). A confidential minute was recorded.  b) The options for the timing of Deputy Chair handover to ensure continuity of lead through the Chair of the Board recruitment process were discussed.    c) At the conclusion of the discussion the Committee advised that:   * The responsibilities for leading the process to appoint a new Chair of the Board should be delegated to the Deputy Chair. * Arrangements should be made early in 2022/23 to implement the procedure for the election of a Deputy Chair of the Board to identify an Independent Member of the Board to succeed the Deputy Chair of the Board from 1 August 2023. This would enable handover and continuity through the Chair of the Board recruitment process. * A confidential minute was recorded. | | |
| 6.5 | **Extending terms of office for a further year to 31 December 2023**  A confidential minute was recorded. | | |
| 6.6 | **Priority in a future search for new Independent Members of the Board**  The Committee has previously advised that a member with a background in commercial property acquisition and management/development would be a priority in a future search for new Independent Members of the Board.  At the conclusion of the discussion of the interlocking membership matters, the Committee advised that if forthcoming vacancies on the Board for Independent Members are not to be filled to enable a reduction in Board size with planned turnover, then it would be necessary to consider the external co-option of a member with this background to the Finance and Employment Committee (FEC). This would be considered later in the meeting (Minute GNC/2022-09-22/7) refers). | | |
| 6.7 | The content and presentation of the Board skills and experience matrix would be reviewed to ensure that future reports on membership matters continue to serve the decision-making needs of the Committee. | | |
| 6.8 | **Action:** Committee Secretary to progress the actions arising in connection with the membership matters. | | |
| GNC/2022-09-22/07 | COMMITTEES OF THE BOARD | | GNC/2022-09-22/P7 |
| 7.1 | The Committee **noted** the report on the memberships of the committees which included a report on the membership needs of the Finance and Employment Committee. | | |
| 7.2 | a) The Committee considered the planned turnover of members on the Finance and Employment Committee and the need for it to continue to have eight members which included a vacancy for one Independent Member following a planned retirement on 31 July 2022. The Committee noted that the balance of FEC members’ skills and experience remained strong with seven members and advised that no immediate action should be taken to fill this Independent Member vacancy from existing Board membership.  b) The Committee noted that the FEC membership would benefit from a member with digital experience. A confidential minute was recorded.  c) The Committee noted that subject to an appointment being made to the Finance and Employment Committee in 2022/23, its membership size would continue to be eight until 31 July 2023. The term of office of the Chair FEC would end on 31 December 2022 and they would continue as a FEC member until 31 July 2023.  d) The Committee advised that at its meeting in March 2023 the balance of members’ skills and experience would be reviewed and include consideration of:   * the next steps with the planned vacancy on the Finance and Employment Committee for an Independent Member from 1 August 2023. * whether to conduct a targeted search for an individual, with a background in commercial property acquisition and management/development, to be appointed as an external co-opted member of the Finance and Employment Committee. This would be in the context of the size of the Board, as discussed earlier. | | |
| 7.3 | **Development opportunity as an external co-opted member on either the Audit and Risk Committee or the Finance and Employment Committee**   1. The Committee considered that in addition to the development opportunity on the Finance and Employment Committee (Minute GNC/2022-09-22/7.2 refers), the external co-opted vacancy on the Audit and Risk Committee was also a development opportunity. 2. The Committee **advised** on the initial next steps. A confidential minute was recorded. | | |
| GNC/2022-09-22/08 | CHAIR OF THE BOARD APPOINTMENT PROCEDURE AND TIMELINE | | GNC/2022-09-22/P8 |
| 8.1 | The Head of Governance and Sector Regulation introduced the report which outlined the options for further work to enable the implementation of the proposed timeline to fill the vacancy created by the planned retirement of the Chair of the Board on 31 July 2024. The options for consideration follow research by GLSR including the experiences of other institutions who had recently advertised or appointed a new Chair of the Board. | | |
| 8.2 | Lord Kerslake reported that other than in discussion of the procedures, he would not be engaged in this process to ensure its transparency and independence. | | |
| 8.3 | The Committee discussed the options. A confidential minute was recorded. | | |
| 8.4 | Further work to review the role description, person specification and associated documents would be progressed outside of the formal meeting schedule and the Committee’s views sought as appropriate. This was with a view to presenting the final documents for approval at the March 2023 meeting of the Committee and then launching the search process. The Board would be kept updated.  **ACTION:** Head of Governance and Sector Regulation | | |
| GNC/2022-09-22/09 | ANNUAL GOVERNANCE REVIEW | | GNC/2022-09-22/P9.1 |
| 9.1 | The Head of Governance and Sector Regulation introduced the report which gave the headline results and themes from the first Board-level annual governance review and survey. The implementation of the survey completes an action from the 2020/21 Board effectiveness review.  Overall, the survey outcomes showed a high level of governors’ confidence in the operation and effectiveness of the Board and its Committees and included some suggestions for further development and enhancement. The Committee would receive an update at its meeting in March 2023. | | |
| 9.2 | The Committee commented:  i) on the size of the Board’s meeting books and requested that papers should be shorter, clear and concise. In addition the agendas of other post-1992 universities should be reviewed to see if the volume of items on agendas could be reduced where that was appropriate in the context of the Board’s responsibilities in its annual cycle of business.  ii) that consideration should be given to using Board and committee members as a resource for key questions between meetings. Where appropriate this may remove the need for a paper to be prepared for a meeting.  It was noted that approvals should be sought only as necessary and at the appropriate level in accordance with the Board’s Regulations. | | |
| 9.3 | **Action:** For the 2023 survey, GLSR would review the process and timing to streamline it with other effectiveness work. | | |
| 9.4 | The survey was complemented by analysis conducted by the Governance Team of business cycles, terms of reference and delegations. Recommendations for changes to terms of reference and delegations for individual Committees would be considered by the respective Committee for recommendation ahead of seeking Board approval. | | |
| GNC/2022-09-22/10 | GOVERNANCE AND NOMINATIONS COMMITTEE: TERMS OF REFERENCE | | GNC/2022-09-22/P9.2 |
| 10.1 | The Committee **noted** the report on its first full year of operation following the AdvanceHE 2020/21 review of Board effectiveness which recommended bringing together elements of the governance agenda into the Nominations Committee.  The Committee supported the proposal to explore whether it may take the lead with delegated authority to assist the Board in the discharge of its duties under section 22 of the Education Act 1994.  This included approval of the Students’ Union Constitution (Articles of Governance) and Code of Practice.  **Action:** GLSR to clarify the legal advice given to the University in 2001. Subject to the advice it may be appropriate to ask the Board to consider delegating authority to the Committee.  A report would be made to the Committee at its meeting in March 2023. | | |
| GNC/2022-09-22/11 | 2022 REGULATIONS UPDATE | | GNC/2022-09-22/P10 |
| 11.1 | The Committee **noted** the amendments to the Board’s Regulations which were made to:   * reflect the amendments to the Chief Finance Officer role and job title (Section A5.1.5 Board Appointment); * remove specific values from Section A4.4.6 on the Use of Delegated Authorities which duplicated detail in the Accountability and Authority Matrix in the Financial Regulations which had recently been reviewed. | | |
| GNC/2022-09-22/12 | TRAINING AND DEVELOPMENT PROGRAMME | | GNC/2022-09-22/P11 |
| 12.1 | The Committee **noted** the report on the Board of Governors Training and Continuing development programme.  In response to a question it was reported that a key facts/quarterly update on the University was being prepared to provide support for members of the Board in their ambassadorial role. It was suggested that the update may also be suitable for issue to visitors to the University, including Government Ministers.  Members commented that the report, which included the proposed 2022/23 programme was useful and, given the changing external environment, should look ahead to consider future training needs. | | |
| GNC/2022-09-22/13 | OFS CONDITIONS OF REGISTRATION - UPDATE | | GNC/2022-09-22/P12 Confidential |
| 13.1 | The Committee **noted** the report which provided an update on the Office for Students’ (OfS) consultations and other regulatory proposals. The University had submitted a Reportable Event notification as outlined in the report.  Members commented briefly on the:   * extent to which new providers had entered Higher Education; there were some new, private providers in health, law and business, but not many. * the Government’s position and members appointed to the Cabinet by the new Prime Minister. There were no developments to report in connection with Higher Education policy. | | |
| GNC/2022-09-22/14 | ANNUAL BUSINESS CYCLE 2022/23 AND SCHEDULE OF MEETINGS | | GNC/2022-09-22/P13 |
| 14.1 | The Committee noted the outline annual cycle of business for 2022/23 and that the next meeting would be held on Thursday 2 March 2023 from 11.00am to 12.30pm. | | |
|  | CLOSING COMMENTS BY THE COMMITTEE | |  |
| 15.1 | Members commented that the meeting book content was excellent, in particular the reports on the Chair of the Board (item 8) and the Annual Governance Review (item 9.1). The Committee was able to cover a lot of ground efficiently because of the work by the GLSR Team.  The GLSR Team was thanked for its work which provided evidence that progress was being made and gave the Committee assurance about governance. | | |