

**Extraordinary Search, Remuneration and Performance Committee
18 March 2021 18:00-20:00, Boardroom and Teams**

Minutes

Committee	Sue Kingman (Chair); Ian Valvona; Andy Chew; Mike Sutcliffe; Vincent Neate; Jim Marshall
In Attendance	Elaine McMahon (Interim Principal and CEO); Alison de Lord (Assistant Principal HR & OD) for items 1-3; Sarah Connerty (interim governance advisor)
Apologies	No apologies received

Item	Item Description	Action
1	<p>Welcome and apologies</p> <p>The Chair welcomed colleagues to the meeting. There were no apologies received. AdL is attending for the first item on staff terms and conditions and will then leave due to a conflict of interest on items 4 and 5. VN noted that he will leave the call for a short time at 18.00 and then leave the meeting at 19.00.</p>	
2	<p>Declarations of interest</p> <p>EM and SC declared an interest for their own reviews at item 4. It was agreed to take these at the end of the meeting. The Committee confirmed that they were happy for SC to continue to minute this section of the meeting. There were no other conflicts declared.</p>	
3	<p>Merger - staff terms and conditions</p> <p>AdL reported that the pack contains a cover paper and the mapping exercises with HCUC that had been undertaken with the FEA HR consultant. Key points are:</p> <p>Policies – are generally the same across both colleges and based on AoC templates and any differences can be addressed</p> <p>Terms and conditions – are different and RuTC staff will be TUPED over. It is difficult to compare like for like in T&Cs. At the RuTC restructure the Director posts were removed but dependent on the postholders responsibilities they could be working at director level. RuTC teachers do have a lot more holiday at 63 days against 53 for HCUC. That has been something the College has wanted to address for some time. HCUC pay more because they have had 1% pay rises for the last 10 years and RuTC have had one in 10 years. The Board had asked the College to look at a pay award for staff and AdL confirmed that a 1% pay award was affordable and is recommended. There was a discussion at FRC around putting 2% in the budget for 2021-22</p> <p>Harmonisation – all staff will be TUPED over with their RuTC terms and conditions. For new staff RuTC need to consider what contract to give them. It is a recommendation in the paper for them to go onto HCUC contracts which have the benefit of higher pay for staff, don't include the quantum on teaching hours (this is a policy at HCUC so doesn't require consultation to increase hours), allow for three weeks block leave (compared to four weeks at RuTC) and has holiday pay more in line with the sector. There are some minor areas which RuTC would lose around only paying statutory sick pay for a disciplinary or negotiation which are less</p>	

favourable, but on balance the HCUC contract is preferable. Although people will have protection under TUPE staff could elect to move over to the new contract which could be encouraged and would attract more pay.

Pay award – The Chair asked if the 1% pay award was budgeted for this year and AdL noted that having spoken about affordability at CLT it is. JM agreed that the 1% is included in this year’s finances and would be backdated. He updated on the discussions at FRC about putting in a 2% increase in the 2021-22 budget and this will be included and balanced against a reduction in contingency to ensure 65% staff costs as a percentage of income are retained. It is recognition for staff for their hard work and the historic shortfall due to RuTC not being in a position to offer pay awards over a number of years. It was noted that this would be a HCUC decision.

[confidential item]

JM asked if it has been costed to move to HCUC contracts. AdL noted she hasn’t because she doesn’t know which bands staff will be in and the mapping of RuTC staff to HCUC staff hasn’t been done as the information isn’t available yet. AdL noted that she could speak to IR about doing some modelling. JM agreed it was important to look at what the merger profit and loss looks like for the new college.

IV felt that on balance HCUC is a better option for RuTC staff so there may be incentivisation put in place for RuTC staff to move over which would indicate what the position for new starters should be and how harmonisation post dissolution on contracts would work. It does need to be modelled but there could be a creative tension around the costs and modelling and if it is a benefit to our staff even if it comes at a cost it should be encouraged.

AC asked what staff turnover rate is and what would be the minimum number of new starters. AdL reported that it is about 12% but it is difficult to model over the last few years because of Covid and the restructure. The turnover this year isn’t likely to be very high because there are no redundancies and people are feeling more secure and are less likely to move. There are some hard to fill vacancies and the College will have to recruit more teaching staff for the growing number of students. Vacancies for new starters from the 1 August will be mainly for teachers as there is no budget for support staff to retain the 65%. She noted that there may be 10% more new teachers.

RESOLVED: The Committee recommended to approve a 1% pay award from April 2021 backdated to 1st August 2020 for all staff

The Committee recommended to approve option 3 “Put all new starters in the College Group on HCUC contracts from 1st August 2021” to HCUC as part of merger TUPE measures for consultation.

AdL noted that she has a meeting tomorrow with FEA and HCUC to talk about the new recommendations so it will be helpful to pass these recommendations on.

The Committee asked if an RuTC staff member takes on a new post-merger whether this would be on HCUC terms. It was agreed to check the clarity around what point that post is taken up and the approach of harmonisation.

The Committee asked about harmonisation and AdL noted that it would be tricky to change anything around terms and conditions for about two years because of TUPE but incentives to move staff could be brought in.

AdL

	(AdL departed 18.25)	
4	<p>Senior Leadership Team mid-year reviews for 2020-21</p> <p>EM explained that midyear reviews are an established part of the College’s performance review cycle which is used for support staff and management. Objectives were set by the team in September linked to the Strategic Plan with agreed CPD targets. With merger taking place each of the senior team, as well as managers, were given a coach or a mentor and this was very welcomed. The paperwork includes the reviews of the team, including Diana Dimond’s (DD) work and then the six months to February that the team have worked with EM. EM thanked governors for their feedback.</p> <p>EM reported that there is a strong CLT team who have individual strengths, which complement each other. They have enabled the College to function and grow and move forward in a challenging year. They have performed very well through a SPA, merger process and Covid whilst growing the business.</p> <p>[confidential item]</p>	
5	<p>1. Governance framework and governor appointments</p> <p>The Chair presented the paper and the following points were raised:</p> <p>Governor appointments</p> <p>Process for expressions of interest. IV has already had calls with all independent governors about their interest and governors have been kept up to date on the timelines. The suggestion is for SC to circulate a note to governors detailing:</p> <ul style="list-style-type: none"> • There is a commitment to 4-6 Board places from HCUC including a vice chair role • There is a commitment to 3 non-executive places from HCUC on the Stakeholder and Scrutiny Committee. It is proposed that this is managed as a separate process once the designate RuTC Principal is appointed in May • Appointments will be skills based • A copy of the timetable including deadlines to be included in the mailout • A link to the skills audit for completion for interested parties alongside a survey monkey proforma to complete • Opportunity to speak with IV, SK or SC if further information is required • Circulate on Monday 22 with deadline of Monday 29 March <p>RESOLVED: The Committee agreed with the process and timelines for calling for expressions of interest for governor appointments to the new Board</p> <p>Questions about the size of the new Board, where RuTC governors will move into the merged entity – IV noted the strong feeling that RuTC governors don’t want to bolt onto an existing Board and he agreed that there are many more conversations to be had with HCUC’s Chair Nick Davies. IV pointed out the reality that ND is not going to ask any of his committee chairs to step down. SC has really moved the governance discussions on in terms of succession planning which was set out in the paper for JSG members.</p> <p>AC raised a question about the Stakeholder and Scrutiny Committee and how this would work with the commitment to three RuTC governors to join as non-executive directors. He noted that not many governors are local to the College. SC agreed and she has also raised this as the current model at Harrow and Uxbridge uses the three NED roles as local stakeholders, businesses, MPs which would not necessarily fit with current Board members.</p>	SC

	<p>RESOLVED: It was agreed that the expressions of interest proforma would include a question around interest in the Stakeholder and Scrutiny NED roles but the appointment process and skills audit for this would be addressed when the RuTC Principal role was appointed.</p> <p>Staff governors and election process. The JSG agreed to recommend that one staff and student governor from each college would be appointed to the Board for the transition year to be reviewed after this point. The Committee noted that RuTC staff governors’ term of offices terminate at dissolution and an election process was due to commence in May. There was a discussion about how the staff governor role could be best utilised to benefit the Board and the staff and students in the transition year and the commitment to reviewing the staff and student determined numbers on the Board after one year. SC explained that any change to either electing for a one-year term or extending the term of office of existing staff governors would require consultation with staff as it would alter the current constitution. The Committee felt the greatest benefit could be had from extending current terms by one year and if both staff governors wanted to go forward to raise with HCUC the possibility of rotating the role for the first year. SC noted that another of the staff governors’ term of office finishes in August 2022 so it would tie in well with a succession planning programme.</p> <p>RESOLVED: SC agreed to take forward the Committee’s views on the staff governor appointment process for the new Board with the RuTC governors and the HCUC Head of Governance [after note: after Heads of Governance consideration it was agreed that a rotating position would be problematic for Board determination and voting rights]</p> <p>Terms of office for RuTC governors on the new Board. The Committee unanimously felt that it would not be in the spirit of good governance to reset the terms of office and that current terms should be carried over. The Committee discussed the role of governors and the importance of governor skills being matched to the strategy and vision of the new College and how membership should evolve based on that. They agreed that best practice would be to continue with current terms with an understanding that governors due for renewal to a second term during the first year can be reappointed as they have already undergone a process of skills review.</p> <p>Committee chair appointments and Vice chair roles. The Committee noted IV’s earlier update that ND wasn’t planning to revisit current HCUC committee chairs as part of the new Board process. The JSG had been asked to think about whether committee chair roles should be included as part of the skills audit and appointments process. There have been no commitments around this from HCUC but it will be raised as a suggestion. IV noted that if this is not moveable, he would like it firmly couched in succession planning terms. There is a need to start with external advertising for the Chair and Vice Chair roles. There are known difficulties in the sector around succession planning for some roles such as finance and audit and this needs to be considered. IV noted that he was comfortable about introducing vice chair roles while being mindful that it didn’t close off succession planning opportunities. The Committee agreed that they didn’t want it introduced as a way of trying to find meaningful jobs for current RuTC chairs and governors.</p>	<p>SC</p> <p>SC</p>
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	<p>Board size. It was agreed that a Board of 24 feels too big and the Committee would like a commitment to review Board size as part of the timetabled plan in the short to medium term. IV reported that ND’s feeling is that there would be natural attrition when meetings come back into college and governors are commuting between sites. It was agreed that with a board of more than 20 there can’t be a reliance on natural attrition and the Board will need to be proactive in coming up with a plan for the right model of governance. It was agreed that it does need shaping. [confidential item]</p> <p>The Committee considered whether to select an independent governor to be involved in the appointment process. It was agreed that in principle this is a good idea and AG and RS were suggested as possible governors. IV noted that AG doesn’t quite fit into the list of skills required from HCUC and would want to contribute more than he has had the opportunity to so far. It was noted that he has skills in commercial and student experience which are important areas of expertise.</p> <p>RESOLVED: It was agreed to consider selecting an independent governor after the expressions of interest have been received. IV agreed to have a conversation with all independent governors who do not have an interest in moving to the new Board</p> <p>Governance framework. SC noted that the suggestion for the heads of governance to draft a timetabled governance plan had been well received and the JSG had agreed to take forward the seven areas in the plan – Statutory documents and byelaws, commitment to a voluntary code of governance, commitment to Board diversity, succession planning, Board support, governance budget and governor development and self-assessment. SC asked the Committee if they were content to be consulted and updated as the plan progressed, and updates will come to the JSG as the plan is developed. The Committee agreed this was sensible. SC confirmed she was meeting with TR to take forward tomorrow.</p> <p>2. Proposed executive structure [confidential item]</p>	
6	<p>Merger workstream plan for governance</p> <p>SC noted that this is the working document being used by the governance teams for the merger and provides assurance to the Committee that the governance work is progressing to plan. SC and TR meet regularly to progress governance work. SC confirmed that governance was working to the timeline and there were no issues to report.</p>	
7	<p>Any other business</p> <p>Membership updates - The Chair noted that Vincent Neate and Helen Litvak have resigned from the CRPG. VN Chairs ARC and is a member of SRP and sits on CQS as the safeguarding governor. He is safeguarding and mental health and wellbeing governor for the Board. The resignation is due to capacity. Helen has noted increased hours at the University and capacity. Helen is the chair of the Campus Marketing Group.</p> <p>To note that Japneet Kaur has not attended or been in contact since January and SC will contact. The Committee asked for confirmation back.</p>	SC
8	<p>Meeting dates for 2020-21: 10 May 2021, 18:00-20:00</p> <p>The Committee agreed that they had a moral due diligence responsibility to continue with oversight of governance and remuneration matters until dissolution</p>	

	so a further meeting date should be scheduled in the summer term. There is also a need to look at whether the framework for staff is in the right place. IV noted that he would like to test out the plan for staff and students and whether this would be a 100-day plan or something similar.	SC
EM departed the meeting (20.30)		
9	Midyear reviews for 2020-21 The Committee confirmed that they had received the feedback from IV for EM and SC. [confidential item] The Chair thanked colleagues for their time and closed the meeting.	

Meeting closed: 20:49