

Appointments and Governance Committee

20/26 A meeting of the Appointments and Governance Committee was held via teams on Monday 19 October 2020 at 1.30 pm.

Present: -

The President, Dr P.R. Preston (in the Chair)

The Vice-President, Mr T. Beardmore-Gray

The Vice-President, Mrs K. Owen

Member of the Council, Mrs S. Maple

Member of the Council, Mr J. Taylor

The Vice-Chancellor

The Deputy Vice-Chancellor

Mr James Magee

By invitation: -

The Vice-President, Mrs H. Gordon

The University Secretary

Head of Governance (Secretary)

20/27 **Minutes of the last meeting**

The Committee received and approved the Minutes of its meeting held on 9 June 2020.

20/28 **Matters arising**

It was noted that the report of the Committee to the Council on 6 July 2020 had been accepted.

Matters for Report

20/29 **Membership and Terms of Reference of the Appointments and Governance Committee (Item 2)**

The Committee received a statement of its Membership and Terms of Reference.

20/30 Disclosure of Interests (Item 3)

The Committee received and noted a paper from the University Secretary in regard to Disclosure of Interests.

The Committee noted the Risk Register for 2020/21.

20/31 Reports of Committees of Selection (Item 4)

The Committee noted that there was no separate report on this occasion.

20/32 Report of the University Executive Board (Item 5)

The Committee noted that there was no separate report on this occasion.

Appointment Matters

20/33 Membership of the Council in Class 2 (Item 6)

The Committee noted a statement of the present overall position in respect of lay membership of the Council.

The Committee agreed to recommend to the Council to extend the term of office for Kate Owen to 31 July 2024 and Penny Egan to 31 December 2024.

20/34 Committee Vacancies (Item 6)

The Committee received an update as to lay vacancies on Council committees. It was noted that Appointments and Governance Committee, Audit Committee, Honorary Degrees Committee, Remuneration Committee, and Student Experience Committee had a full complement of lay members.

New members of Council:

All existing lay members were on at least one committee of the Council; the Committee were asked to consider including the three new lay members on committees as soon as possible. There was only one required committee vacancy at the moment, on Strategy and Finance Committee.

Strategy and Finance Committee:

The lay membership of Strategy and Finance Committee (S&FC) was seven - the President, the three Vice-Presidents (Beardmore-Gray, Gordon, Owen), Egan and Pryce, leaving one vacancy. Appointments and Governance Committee agreed at its last meeting that it await the recruitment to the three lay vacancies on Council before making a recommendation as to filling this vacancy.

[Section 40]

Action: President

Investments Committee:

Investments Committee was now chaired by Corrigan. The President was a member, and there were two other members appointed by the Council. For the two vacancies, the President had been in discussion with Corrigan as to filling them. For one vacancy, expressions of interest from within Council were sought, and Peter Milhofer appointed. For the other, which did not need to be drawn from Council itself, it was agreed that property expertise was essential.

[Section 40]

Fundraising Ethics Committee, Professorial Pay Review and Grade 9 professional staff pay review:

A lay member of Council was asked to ensure the University's proper governance around three areas by attending meetings of relevant committees. This used to be done by Sue Woodman, who left the Council at the end of the last year. Remuneration Committee approved the pay reviews for professorial staff and the equivalent on the professional services side (Grade 9). The lay member sampled one or two of the meetings which determined the recommendations made to Remuneration Committee. They gave feedback to those running the processes and provided formal assurance to the Remuneration Committee of the propriety of the recommendations. This arrangement had worked well and should continue.

In addition, a lay member attended the Fundraising Ethics Committee, to seek assurance of the propriety of any fundraising matters that raise ethical questions.

Members of the Committee were asked if they were interested in attending any of these Committees and if so to let the University Secretary know.

Governance Matters

20/35 CUC Code of Governance (Item 7)

The Committee noted that the CUC had issued its new Code of Governance in September.

It was noted that the previous code had several practical steps which a governing body should follow, and it was possible to put them in a table and monitor progress against them easily. The new Code was more about values and ways in which the Council should work.

The President informed the Committee that the new Code had been a focus of work for CUC for some time and it had generated a lot of discussion. The President reported that the general opinion was that people felt that the old Code was something of a tick box exercise and had welcomed the fact that the new version focused more on the principles behind the Code and many felt that this was more user friendly. It was suggested that the revision was a good stand-alone document, and it gave a good appraisal of what needed to be done without being too prescriptive about how it was done.

It was noted that in institutions where things had gone wrong the governance arrangements had been forensically investigated and the knowledge and work of the governing body and individual governors had come under question. The President was keen to be able to demonstrate that Council, its Committees and its individual membership, were providing good and helpful governance to the University.

The Code focused on the effectiveness of governance in the institution, the performance of the governing body and its individual membership and also how the governing body engaged with the wider institution. These were areas where more work was required.

The Committee would need to recommend to Council how to deal with the CUC Code. The University Secretary suggested that Council should form a small group from among its members to review the Code, identify where there were gaps and to consider how adherence to the Code could be demonstrated and evidenced. Both [Section 40] volunteered to be part of the Group and it was suggested that one of the new members might provide a fresh perspective. The University Secretary agreed to seek representation from an internal member.

The Committee agreed that the Group should submit an interim report to the Committee through to Council in the Spring Term with a final report in the Summer Term.

Action: University Secretary

20/36 **Update on meeting regulatory requirements (Item 8)**

The Committee received and noted a progress report from the University Secretary in regard to the University's readiness to meet its regulatory requirements as set by the Office for Students, mainly in regard to returns to be made during the autumn term.

Temporary reduction in burden: In March 2020, the OfS issued a note about reducing its regulatory burden for the period of the pandemic. In particular, it relaxed its definition of what counted as a reportable event. It introduced a series of informal conversations between each Vice-Chancellor and a named senior colleague at the OfS, which allowed the OfS to receive a more dynamic understanding of the financial position of each institution. The OfS intended to continue with these informal meetings, which was welcomed by the sector. The OfS did not have any particular concerns about the University's financial position.

OfS way of working: In October, the OfS gave briefings and published a short report on how it intended to regulate in the future. The OfS intended to consult in the coming months on a number of areas such as how it best engages with stakeholders, and its requirements for reportable events.

Misbehaviour in making offers to applicants: A new temporary condition of registration with the OfS – Z3 – was introduced in July. It aimed to prevent HE providers from misusing the application process to the detriment of the reputation and sustainability of the sector. Reading's current and intended future practices did not fall foul of this condition, but the sector remained concerned about the regulator introducing a new condition of registration at speed.

Financial returns: The OfS had amended the content and timing of the financial returns that it required this year, with little notice. A new, interim financial data return was required by 30 October updating the OfS on the financial implications of student recruitment among other matters. The OfS wanted this as a guide to seeing how actual student recruitment had affected institutions' financial plans for 20-21, and indicative forecasts for 21-22. The deadline for this return was tight, given the need to have as reliable student numbers as possible. The Annual Financial Return, which was normally signed off by Council at its November meeting, had been delayed until 1 March, though it still needed Council sign off. The Council dates (26 January and

15 March) did not allow for this. A meeting of Council would need to be added at the end of February.

Other returns: The OfS had stated that it had for the time being reduced its demands on reporting in relation to the Prevent Duty. It would still, however, require an annual data return. The timing and sign of that return was awaited. The OfS continued to require acceptable progress against meeting the targets in the Access and Participation Plan, though regard would be had to the effects of the pandemic on the timing of meeting targets.

Reduced bureaucracy: The Department for Business, Energy & Industrial Strategy and the Department for Education had published a policy paper “Reducing bureaucratic burden in research, innovation and higher education”. The paper recognised the impact of the pandemic on research and teaching and outlined how it planned to support a refocus on these core activities removing administrative burdens.

20/37 **Report on the Personal Titles Process 2019/20 (Item 9)**

The Committee received and noted the report of the Personal Titles Process 2019/10. The Committee received a report each year on the number of appeals raised against decisions taken through the personal titles process, and any recommendations as to changes in process recommended as a result of appeals.

Cases for personal titles were considered first at School level. They either decide to pass the cases to the University stage or reject. An Appeals Committee chaired by an independent member (Bob Dwyer, former Vice-President of Council) heard appeals after the School committees had met. This year in his absence the Vice-President (Ms Owen) acted in his stead. [Section 40]

The University Personal Titles Committee considered the cases passed on by the School Committee. They made the final decision as to whether the personal title should be bestowed. When an applicant’s case was rejected, the reason would be given against one or more of the criteria which an applicant had to meet. An Appeals Committee chaired by an independent member (Howard Palmer QC, former lay member of Council) heard eligible appeals. The Chair considered the eligibility of each appeal submitted and the decision as to eligibility was communicated to each applicant, with reasons. On occasion he determined that some but not all of the grounds were eligible.

In 2019-20, 96 applications were submitted to the University Committee, 60 of which were successful. The percentage success rate of 62% was lower than last year’s of 89%. Unsuccessful candidates were given 3 weeks to appeal against the decision and five appeals were received (compared to six last year). [Section 40]

The Appeals Committee met on 28 September 2020 but did not uphold the appeals. No procedural changes had been identified at appeals stage.

20/38 **Governance of Professional Services**

The Committee received a paper from Helen Gordon and James Magee on the professional services. It outlined recommendations that would help Council understand the contributions, perspectives and challenges of Professional Services as a key stakeholder group along with the academic and student groups.

The Committee noted that well established mechanisms existed for Council to be aware and understand the academic and student groups, it was hoped that equivalent mechanisms could be developed for Professional Services to ensure that a more rounded picture relating to staff was available that should support Council in its governing role.

It was proposed that:

1. Building knowledge and understanding

Council would benefit from being brought up to speed on the contributions, role and capabilities of Functions within Professional Services. This was probably best achieved through a set piece presentation at a Council meeting, by a Head of Function, focused on delivery of the strategy and change programme but also talking about the day to day contribution of Professional Services staff.

2. Remaining informed and up to date

It was proposed that regular briefings on key matters relating to Professional Services Staff, were produced for Council as part of the Council papers, for information mainly. Content would be akin to that shared from Senate and student experience. Heads of Function had shown interest in being able to brief and update Council on their contributions upon delivering elements of the strategy. More rounded information should enable Council's insight and therefore ability to question developments armed with more insight.

3. Demonstrating Council's commitment to all stakeholder groups in our community.

It was recommended that allocating Council time to build and maintain awareness, understanding and oversight of Professional Services as this would signal the Council's commitment to mutual respect and recognition to all stakeholders groups and that in turn, would engender similar attitudes between them. This subtle adaptation by the Governing body would nevertheless be powerful indicator to the value of inclusivity in the community where all colleagues were equally valued and respected. The demonstration of Council valuing all staff could be achieved by deepening of understanding and greater communication.

4. Direct representation at Council

There already existed sufficient mechanisms of direct representation. Two members of Council were already committed to developing and enabling the voice of professional services staff, namely Helen Gordon as a Vice-President and James Magee as the elected representative for Professional Services. It was recommended that this representation continued.

5. Specific issues relating to governance

Where the Functions within Professional Services believed an important issue should be shared with Council as important to the effective governance of the University, it was proposed that these should be raised with the University Executive Board who could then bring it forward to Council. This would strike the right balance between demonstrating Council were genuinely keen to hear from Professional Services but that the correct management structure was preserved.

The Committee supported the development of the mechanisms outlined and that time be allocated at Council meetings to consider matters relating to the professional services. The

University Secretary was asked to consider how this could practically be taken forward in the schedule of upcoming meetings.

20/39 **Dates of Meetings in Session 2020-21**

Thursday 4 February 2021 at 3.30pm

Tuesday 8 June 2021 at 12.00pm