



People Committee Minutes

Meeting held on Thursday 5 December 2024 at 4.00 pm, via Teams

- Governors:* Stuart Blackett (Corporation Chair), Liz Dixon (Staff Governor), Amanda Olvanhill (Committee Vice Chair) and David Watson (Equality, Diversity and Inclusion (EDI) Link Governor)
- Apologies:* Fabienne Bailey (Committee Chair) and Grant Glendinning (Chief Executive and Group Principal)
- In attendance:* Coreen Bone (governor awaiting completion of pre-appointment checks)
- Officials:* Adele Currie (Group Director of HR and People Development), Phil Hastie (Chief Operating Officer), Fiona Sharp (Chief Financial Officer), Sarah Thompson (Group Director of Governance) and Sam Young (Governance Support Officer)

P24/59 Agenda Item 1 – Welcome, apologies for absence, declarations of interest, notification of items of other business

Apologies for absence had been received from Fabienne Bailey and Grant Glendinning and were **accepted**. In the absence of the Committee Chair, it was **agreed** that Amanda Olvanhill should chair the meeting; she welcomed Coreen Bone and Adele Currie to their first People Committee meeting. There were no declarations of interest in items on the agenda; the Group Director of Governance noted that, if present, Fabienne Bailey would have been asked to leave the meeting during consideration of her reappointment under agenda item 11. A quorum was present and there were no items of additional business requested for consideration.

P24/60 Agenda Item 3 – Minutes of People Committee meeting

Minutes of the People Committee meeting held on 26 September 2024 had been circulated and were **approved** as an accurate record of the meeting.

The action progress log had been circulated and updates were **noted**, with the following discussed in more detail:

- The Group Director of Governance highlighted the use of bold font on the agenda to identify key items, as requested at the last meeting; governors commented that they had found this useful but also enquired about the use of colour coding.

P24/61 Agenda Item 3 – Risk Management

The Governance Support Officer presented the strategic risks delegated to the committee: STR0006: People and STR0011: Equality and Diversity; it was noted that there had been considerable discussion and changes proposed to the risks at the last meeting but since then a new Group Director of HR and People Development, the risk owner, had taken up post.

Governors **noted** the risks and that the newly appointed Group Director of HR and People Development intended to undertake a full review of the two strategic risks.

Employment Items

P24/62 Agenda Item 4 – People Statistics (Quarter 1)

The Group Director of HR and People Development presented her report giving people data for quarter 1 (Q1), covering August to October 2024, with a comparison to Q1 2023 and some analysis; she added that this data would be used as a baseline for reviewing risks and updating strategies and that she could provide any additional data requested by the committee in future reports.

A governor asked whether the group should be aiming to have more than [REDACTED] apprentices on staff and the Group Director of HR and People Development provided some updated apprenticeship and upskilling data [REDACTED]. She added that the levy was being used effectively for those entering employment with Etc. and as succession planning and talent management for existing employees. Noting that this represented about [REDACTED]% of the workforce, the governor asked if this was a reasonable target. The Group Director of HR and People Development agreed that a more stretching target would be possible and would reflect on an appropriate quantitative target. It was **agreed** that, following introduction of the Growth and Skills Levy, a review of levy spend levels and the potential for its use to recruit younger staff members should be undertaken.

A governor noted the higher turnover rate for female staff and asked if data on reasons was collected in exit interviews. The Group Director of HR and People Development agreed that work was needed on analysing exit interview information, adding that it was also important to analyse the reasons staff stayed with the organisation.

A governor noted that, in terms of Equity, Diversity, Inclusion and Belonging (EDIB), the percentage of staff declaring a disability remained very low. The Group Director of HR and People Development commented that data collection was already under review by the Senior Management Team (SMT). It was also noted that certain disabilities developed with age and over time indicating that staff should be asked to periodically review and refresh their personal information which could result in an increase in declarations.

A governor noted that it was positive to see an improving trend over the year from [REDACTED] to [REDACTED] staff declaring a non-white British ethnic origin and that the 'not stated' category had reduced from [REDACTED] to [REDACTED] but added that there was more work to be done. The Group Director of HR and People Development agreed and, noting that Teesside was not particularly ethnically diverse, reflected that there might be capacity to recruit nationally if the group could offer a relocation package though the affordability of any creative solutions would have to be carefully assessed.

Governors **noted** the update and the importance of data for understanding the impact of the wider People Strategy; they reflected on the positive data including decreased absence rates across the quarter compared to the previous year. They urged the new Group Director of HR and People Development to report on the data she felt governors needed and, at governors' request, the Group Director of HR and People Development **agreed** to review data presentation to facilitate better analysis of trends over time.

P24/63 Agenda Item 5 – People Strategy Update

The Group Director of HR and People Development presented the update, giving governors assurance that the current People Strategy was fit for purpose but was due for formal review over the coming year. She highlighted the intention to change the HR team to a business partnering model providing a more proactive and forward looking service; structure options and associated costs would be presented to SMT though being careful not to conflict with Ofsted preparation priorities. Two governors commented that the business partner model had been used successfully in their own organisations and it was noted that this approach was already used by other Etc. service departments including the Finance team, aligning the HR team with other group services.

Governors **noted** the work that would take place over the year to develop the next iteration of the People Strategy and supported the intention to take the HR team function to a business partnership model.

P24/64 Agenda Item 6 – Sexual Harassment Duty

The Group Director of HR and People Development presented her report which highlighted the requirements of the new sexual harassment legislation which had come into effect on 26 October 2024; this had introduced a proactive duty for employers to take reasonable steps to prevent sexual harassment in the workplace. The committee was asked to consider approving the new Prevention of Sexual Harassment Policy, a legislatively compliant policy adapted for the Etc. setting. She added that the introduction of the duty was being fully supported by staff communications and management development sessions; it was recognised that this could be an emotive topic but that taking a collective approach was expected to mitigate against this.

The Group Director of Governance proposed that, as this was a new policy, the committee should recommend its approval to the FE Corporation and request that in future its approval be delegated to the People Committee. The Group Director of HR and People Development highlighted the need for expediting approval of the policy; governors noted that the deadline had been overlooked due to the crossover between Group Directors of HR and People Development and suggested that ensuring that statutory legislative deadlines were met during such staff changes should be a learning point. The committee **agreed** that the policy should be approved at this meeting with ratification by the FE Corporation on 12 December.

The Group Director of HR and People Development gave the committee assurance that the group would be responding in a timely manner to changes introduced through the Employment Rights Bill, the implementation of which was currently delayed; further information would be brought to the People Committee once policy implications and timelines were clearer.

In response to a question about the group's response to the risk assessment requirements of the legislation, the Group Director of HR and People Development confirmed that the risk assessment was currently under development, including an audit trail to give assurance, and **agreed** to share a draft with committee members.

A governor asked how many complaints involving sexual harassment had been made during the previous academic year and the Group Director of HR and People Development confirmed that there had been a total of [REDACTED] complaints. [REDACTED] She reassured governors that incidents and allegations always resulted in learning outcomes, including identifying themes or

training needs. It was **agreed** that the impact of the policy and a breakdown of sexual harassment incidents should be reviewed by the committee in 12 months' time.

A governor asked if there would be wider staff communications on taking sexual harassment seriously and the Group Director of HR and People Development confirmed that this was already taking place, including an all staff video, with compliance recorded, and management training sessions, recorded to enable sharing with teams. Swift action had been taken to ensure that any awareness gaps had been filled and she assured the committee that there would also be robust communications around the upcoming Employment Rights Bill.

The Sexual Harassment Policy was **approved** and recommended to the FE Corporation for ratification.

P24/65 Agenda Item 7 – Equality, Diversity and Inclusion (EDI) review

The Group Director of HR & People Development highlighted that her knowledge and understanding of the group's priorities in terms of Equity, Diversity, Inclusion and Belonging (EDIB) had been developing at pace and she was keen to see the work of the EDIB Group develop over the year. The group's terms of reference and objectives had been shared with the committee.

A governor commented on the positive change of language from equality to equity and the addition of belonging. The EDI link governor, a member of the EDIB Group, confirmed that he had had detailed discussions with the Group Director of HR and People Development around the group's terms of reference and objectives.

Governors **noted** the report and that outcomes of the EDIB group and progress against objectives would be included in future reports to the committee; governors supported the gathering of a wide range of views to strengthen the action plan.

P24/66 Agenda Item 8 – Performance Related Pay

The Chief Operating Officer presented this report on behalf of the Group Director of Marketing and Business Engagement; it was noted that previously Performance Related Pay (PRP) arrangements had been reported through the Finance and Employment Committee.

A governor commented that the group's approach seemed sensible, including the use of percentage achievement targets, and added that, though used widely for sales teams, PRP did have the potential to be controversial.

[REDACTED] Governors supported a scheme which drove the right behaviours and cautioned against overly large PRP payments. [REDACTED]

[REDACTED]

The Group Director of Governance confirmed that PRP was on the committee's cycle of business annually in order to provide governors with assurance that the scheme was being used well and monitored robustly; in future, the report would be presented by the Group Director of HR and People Development. Governors **noted** the update on PRP.

P24/67 Agenda Item 9 – HR Policies

The Group Director of HR and People Development presented the Travel and Subsistence Policy for approval with some minor revisions proposed.

A governor queried whether the increased limit of £20 for an evening meal was sufficient or whether the policy wording could be changed to indicate that this was a guide rather than a limit, adding that too low a limit could encourage staff to eat unhealthily. In addition, it was noted that in London even a Travelodge could cost over £150 per night and governors agreed that they would not want staff to have to stay in poor quality accommodation to meet outdated financial limits. The staff governor also commented that the timings set in the policy could be quite restrictive; the Chief Financial Officer suggested that the policy probably needed a full review. The Group Director of HR and People Development commented that the consultation had taken place prior to her taking up post but would agree that the amounts should be guidelines with managers responsible for assessing whether claim levels were appropriate.

As the group was considered to have robust budget management processes, governors **approved** the Travel and Subsistence Policy, subject to amendment of wording to indicate amounts were guides rather than limits to allow some flexibility. It was also **agreed** that the policy should be fully reviewed and brought back to the committee for consideration.

Governance Items

P24/68 Agenda Item 10 – Governor equality, diversity and skills data

The Group Director of Governance noted that this was a regular report analysing the current composition of the board and co-opted members to support discussion on recruitment and succession; she thanked the Governance Support Officer for collating the information and providing benchmarking.

A governor noted that it had been challenging to find diverse candidates but that the recent recruitment exercise seemed to have made an initial positive impact on board diversity, though he cautioned that, with each governor representing a significant percentage, losing one governor with a specific characteristic could easily flip the data.

[REDACTED]

Governors **noted** the board composition data, with the board's slightly younger age profile seen as particularly pleasing.

P24/69 Agenda Item 11 – Corporation and committee membership, recruitment and succession

The Vice Chair highlighted that the committee had been asked to consider the reappointment of Rachel Beeken for a second term of office from 30 June 2025 and a request from Gary Wright to serve a third term from the end of his office in December 2026.

The Group Director of Governance confirmed that, having been approached around six months before the end of her term of office in line with usual practice, Rachel had confirmed that she wished to be considered for reappointment and a summary of her skills and contributions had been provided. In summary, Rachel had shown strong levels of engagement and, though she could not always commit to attending additional events, she made a strong contribution to the

Audit and Risk Committee. The Chair of the Audit and Risk Committee agreed that Rachel took a full role on the committee and offered a different perspective and diversity to the committee.

The Group Director of Governance explained that Fabienne Bailey was currently reflecting on whether she had the available time and flexibility to be put forward for reappointment and requested that consideration be deferred to the next meeting.

A governor asked for clarification of the exceptional circumstances that could support the reappointment of a governor for a third term; the Group Director of Governance confirmed that specific examples were not outlined in the Standing Orders but could include a skills set that was proving difficult to recruit to or progress to a leadership position on the board, acknowledging the time it could take for a governor to develop into a chair or vice chair role. Governors discussed the skills, experience and commitment that Gary brought to the board, including his link roles, as well as his employment with the NHS, a strategically important sector for Etc. The committee felt that there was a balance between retaining board experience and limiting terms of office to avoid complacency on the board and bring in valuable fresh eyes. [REDACTED]

It was **agreed** that the Corporation Chair should meet with Gary to thank him for his interest in seeking a third term and explain the committee's decision at this time.

The Group Director of Governance then explained that the student governor vacancies had now been advertised with a closing date of 11 December, with eight applications received to date; the applications would be reviewed by the Students' Union President supported by the Group Director of Governance and the Enrichment Officer. The committee was then asked to consider whether a place on the Corporation should be held open for a Sir William Turner Foundation nominee, given the recognised need to focus on improving education skills and experience and leadership of the Standards Improvement Committee. The committee expressed disappointment that there had been no further communication from the Sir William Turner Foundation but **agreed** that the board vacancy should not be held open for any longer and acknowledged that a suitable co-opted role could be made available to a nominee.

A governor asked whether adult learners could apply to be student governors and the Group Director of Governance confirmed that all students were eligible to apply but that Higher Education (HE) students often struggled with the time commitment; in addition, there was a specific HE co-opted member position on Standards Improvement Committee.

The committee then discussed a previous suggestion to consider using Business Development Unit contacts to identify younger, more diverse, governors and to potentially appoint to co-opted positions to act as a pipeline, providing support through a mentoring arrangement. It was agreed that this was not a current priority but should be retained as a possibility. Recruitment for a new co-opted member of Audit and Risk Committee would also remain an area for action at a more suitable time but the current recruitment priority remained education skills and experience.

Governors:

- i) **agreed** to recommend the reappointment of Rachel Beeken for a second term of office from 30 June 2025 to the FE Corporation;

- ii) **agreed** to consider any request for reappointment from Fabienne Bailey at the next meeting;
- iii) **agreed** that the Corporation Chair should meet with Gary Wright to feed back the committee's response to his request for reappointment for a third term of office;
- iv) **agreed** to commence governor recruitment during the 2025 spring term with a focus on education skills and experience.

P24/70 Agenda Item 12 – Governance Review and Self Assessment

The Group Director of Governance had provided the final Governance Action Plan and Governor Development Plan for 2023-24 and an initial progress update, with a request to extend the due date for one overdue action, a schedule for monitoring of governance Key Performance Indicators (KPIs). Governors **noted** the update and **agreed** to extend the due date for the overdue action to March 2025, the next meeting of the committee.

P24/71 Agenda Item 13 – Appraisal of Corporation Chair

The Group Director of Governance outlined the recently published guidance from the FE Commissioner on appraisal of Corporation Chairs; Remuneration Committee members had been supportive of the suggestion that, alongside appraisal of Senior Post Holders, Chair appraisal would sit more appropriately within the Remuneration Committee remit, with feedback coming from the Remuneration Committee chair. People Committee members agreed that this seemed a logical and sensible approach and, making clear that he was speaking as a committee member, the Corporation Chair agreed that this would bring a consistent approach to all senior post holder appraisals.

Governors **agreed** to transfer responsibility for determining the process for appraisal of the Corporation Chair and discussion of outcomes to the Remuneration Committee in line with FE Commissioner guidance.

Closing Items

P24/72 Agenda Item 14 – Any other business

There were no additional items of business considered by the committee.

P24/73 Agenda Item 15 – Approval of documents for public inspection

It was **agreed** that the agenda and supporting documents should be made available for public inspection, with the exception of reports under Employment Items (agenda items 4 to 8) deemed commercial in confidence and individual governor information provided under Item 11. The Sexual Harassment Policy (agenda item 6) and Travel and Subsistence Policy and Procedure (agenda item 9) would be made available on the Etc. Staff Gateway. Minutes would be made available following approval and consideration at the next meeting.

P24/74 Agenda Item 16 – Dates, times and venues of future meetings

Next meeting: Thursday 6 March 2025, 4.00 pm via Teams

The request to amend the summer term meeting, currently scheduled for Thursday 5 June, to Tuesday 10 June 2025, 4.00 pm via Teams, was **agreed**.

P24/75 Agenda Item 17 – Meeting effectiveness and key themes

- i) Meeting effectiveness and impact:

- Excellent chairing by the Committee Vice Chair
- Good challenge from committee members leading to, for example, proposed amendments to the Travel and Subsistence Policy
- Thanks to the Group Director of HR and People Development for her valuable contribution at her first meeting
- Thanks to the Governance Team for an excellent set of meeting papers
- Attending her first meeting, Coreen commented that it was clear that everyone had prepared for the meeting and read the papers; she felt that the challenge had been made respectfully. It had been a good learning experience and she hoped to be able to contribute more at her next meeting.

ii) Key themes to highlight to Corporation:

- Review of strategic risks assigned to the committee (STR0006: People and STR0011: Equality and Diversity)
- People Statistics (Quarter 1) – noted increased turnover in female staff and this would be further investigated; positive trend data in respect of reducing absences
- People Strategy Update – noted current People priorities and planned approach, including planned development of revised People Strategy
- Sexual Harassment Duty – update on action taken and future plans; recognition of the importance of processes being in place to ensure compliance with legal requirements, particularly in the event of staffing changes; recommended ratification of the Sexual Harassment Policy
- EDI review – received final report following external review by Irwin Mitchell and plans to revitalise the Etc. ‘Equity, Diversity, Inclusion and Belonging’ group
- Performance Related Pay – annual update on use of performance related pay across Etc.; recognition that this was limited and appropriate
- Travel and Subsistence Policy and Procedure – agreed updated policy subject to revision of wording to ensure amounts were a guide
- Governor equality, diversity and skills data – increasing diversity of Board noted, including improving gender balance
- Corporation and committee membership, recruitment and succession – considered action in relation to existing and forthcoming governance vacancies
- Governance Action Plan – progress update; one action deferred to March
- Appraisal of Corporation Chair – recommendation that this is undertaken by Remuneration Committee to link to Senior Post Holder appraisal processes
- Agreed a recommendation from Remuneration Committee to continue to include Senior Post Holders and the Group Director of Governance in the annual pay award

Liz Dixon, Phil Hastie and Fiona Sharp left the meeting.

P24/76 Agenda Item 18 – Remuneration Committee recommendations

This item was deemed confidential to independent governors and is included in a confidential appendix to the minutes.

The meeting ended at 5.20 pm

Approved at a meeting held on 6 March 2025