

<b>Committee:</b> Board of Governors of the Guildhall School of Music & Drama	<b>Date:</b> 24 May 2018
<b>Subject:</b> Appointment of Sub Committees for 2018/2019	<b>Public</b>
<b>Report of:</b> Town Clerk	<b>For Decision</b>
<b>Report Author:</b> Martin Newton	

### **Summary**

The purpose of this report is to consider the appointment of your Audit & Risk Management, Remuneration, Nominations, Reference Sub, Finance & Resources and Governance & Effectiveness Committees for 2018/2019.

### **Recommendations:**

The Board is asked to approve -

- (b) the membership of the Audit & Risk Management Committee for 2018/19, along with the appointment of a Chairman;
- (c) the membership of the Remuneration Committee for 2018/19;
- (d) the membership of the Nominations Committee for 2018/19;
- (e) the membership of the Reference Sub Committee for 2018/19;
- (f) the membership of the Finance & Resources Committee for 2018/19;
- (g) the membership of the Governance & Effectiveness Committee for 2018/19; and
- (h) the membership of the Academic Assurance Working Group.

### **Main Report**

1. It should be noted that only **full** Governors may serve on the Audit & Risk Management, Remuneration, Nominations, Finance & Resources and Governance & Effectiveness Committees, although others may be invited to attend.

#### **Audit & Risk Management Committee**

2. The membership of the Audit & Risk Management Committee in 2017/18 was:
  - Christina Coker (elected Chairman by the Board)
  - Marianne Fredericks
  - Alderman David Graves

- Graham Packham
  - Neil Constable (Co-opted on to the Audit and Risk Management Committee at the Board's agreement)
3. The Committee and its chair shall be appointed by the Board of Governors, from among its own members, and must consist of governors with no executive responsibility for the management of the Guildhall School. There shall be no fewer than three members; a quorum shall be at least two members. The Chairman of the Board of Governors shall not be a member of the Committee. Members shall not have significant interests in the Guildhall School.
  4. At least one member should have recent and relevant experience in finance, accounting or auditing. The Committee may, if it considers it necessary or desirable, co-opt members with particular expertise. No member of the Committee may also be a member of a Finance or Resources Committee (or equivalent) of the Board of Governors of the Guildhall School.
  5. There is currently one vacancy on the Audit & Risk Management Committee for 2018/19, with Alderman David Graves no longer a Board member, and the Board is asked to note that Christina Coker, current Chairman of the Committee, completes her second and final 3 year term of office in November 2018.
  6. The Audit & Risk Management Committee should be a small authoritative body which has the necessary financial expertise and the time to examine the institution's risk management control and governance under delegation from the governing body. It should not confine itself to financial systems but should examine risk management, control and governance independently and report areas of concern to the governing body. The Audit & Risk Management committee **must** produce an annual report for the governing body including its opinion on the adequacy and effectiveness of the School's risk management, control and governance arrangements, and arrangements for promoting economy, efficiency and effectiveness (value for money).
  7. The specific responsibilities of the Board in respect of audit are:-
    - to appoint the Audit & Risk Management Committee and its Chairman
    - to consider, and where necessary, act on an annual report from the Audit & Risk Management committee
    - to appoint the external auditors
    - to receive and approve the audited annual financial statements

*(This is usually reserved to the governing body for its collective decision without delegation).*

8. At its meeting in January, the Audit and Risk Management Committee identified some required minor amendments to its terms of reference arising mainly from changes to officer designations. These changes are set out in bold and italics in Appendix A and the Board is asked to approve them.

9. **Recommendations: That you approve the membership, and elect a Chairman, of the Audit & Risk Management Committee for 2018/19.**

**Remuneration Committee**

10. The membership of the Remuneration Committee in 2018/19 was:

- Sir Andrew Burns (Chairman)
- John Bennett (Deputy Chairman) – chair of Board
- Prof Maria Delgado (Co-opted)
- Michael Hoffman
- Vivienne Littlechild
- Sheriff & Alderman William Russell
- Jeremy Simons
- Lynne Williams - Principal

11. Terms of Reference

- The Chairman and Deputy Chairman of the Board of Governors
- At least three non-Common Council Governors
- Two Common Council Governors
- The Principal (except when his or her remuneration is discussed)
- May include up to three other lay/independent members (who are not necessarily members of the governing body)

12. The Terms of Reference provide for at least three other lay/independent members (not necessarily members of the governing body) and the lay treasurer if such an office exists, from among whom a Committee Chairman should be appointed. The Committee should make recommendations to the Board of Governors and the Establishment Committee in respect of overall staffing pay structure, having regard to equal opportunities. From last year's membership, Jeremy Simons is no longer a Board member.

13. There is currently one vacancy on the Remuneration Committee for 2018/19, with Jeremy Simons no longer a Board member.

14. At its meeting in March, the Remuneration Committee was informed that recent guidance indicates that the Principal should not be a member of the Committee but should attend meetings (except on items where the Principal's personal salary is under discussion). The Remuneration Committee also identified some other required minor amendments to its terms of reference and these changes

are set out in bold and italics in Appendix A. The Board is asked to approve the changes.

15. It should be noted that the School is subject to the Corporation's priorities, budgetary and other policies, financial regulations and standing orders. Furthermore, the City of London Corporation's Establishment Committee has overriding responsibility for human resources and employment within the City of London Corporation (including the Guildhall School).
16. The Remuneration Committee has a helpful advisory role regarding the salaries of senior staff at the School and a mapping of the remuneration/skills etc. required against other parts of the Higher Education Sector. Accordingly following the submission of its considered views to this Board, advice could then be fed into the establishment process within the City Corporation.
17. **Recommendations: That you approve the membership of the Remuneration Committee for 2017/18.**

#### **Nominations Committee**

18. The membership of the Nominations Committee for 2017/18 was:
  - John Bennett (Chairman)
  - Viv Littlechild (Deputy Chairman)
  - Christina Coker
  - Marianne Fredericks
  - Jo Hensel
  - Michael Hoffman
  - Graham Packham
  - Jeremy Simons
19. Terms of Reference
  - Chairman and Deputy Chairman of the Board shall serve as Chairman and Deputy Chairman of the Nominations Committee.
  - Quorum of any three Committee Members.
  - All Members are entitled to vote.
  - Members should include three co-opted Governors, three Common Council Members, and one senior Member of the Academic Staff.

The Nominations Committee meets as and when required.
20. Governing bodies should establish a Nominations Committee to seek out and recommend the appointment of new lay/independent/co-opted members to the Governing Body. Membership of the Nominations Committee should include the Chairman of the Board (who should normally chair it), at least three other lay/independent/co-opted members, the Principal and at least one senior member of the academic staff.

21. The Comptroller and City Solicitor has confirmed that independent Members in terms of the Nominations Committee should encompass Court of Common Council Governors and the Co-opted Governors. Independent members are external and independent of the School.

There is currently two vacancies on the Nominations Committee for 2018/19, with Jo Hensel and Jeremy Simons no longer Board members, and the Board is asked to note that Christina Coker completes her third and final term of office as a Board member in November 2018.

22. Vacancies for lay/independent members and co-opted members should be publicised (including a job specification and a clear indication of the skills, knowledge and experience required) within and outside the institution. Staff and students, as well as members of the Board, should be invited to submit names to the Clerk of the Board in due course.
23. In making its recommendations to the Board, the Nominations Committee must pay regard to the balance of membership and the needs of the Guildhall School, and may keep a 'skills register' against which to consider the field of candidates. The question of inclusion of appropriate members of the local community should also be addressed.
24. The Committee also considers any application(s) for nominations for Fellowships and/or Honorary Fellowships and recommends the Board of Governors on any applications, as and when required.
25. **Recommendations: That you approve the membership of the Nominations Committee for 2017/18.**

#### **Reference Sub Committee**

26. The Reference Sub Committee meets as and when required to consider any issues that arise outside of the normal cycle of the Board and which are not suitable to be advanced through the City's urgency procedures.
27. The membership of the Reference Sub Committee for 2017/18 was:
- John Bennett
  - Vivienne Littlechild
  - Sir Andrew Burns
  - Michael Hoffman
  - Sheriff & Alderman William Russell
28. Terms of Reference
- Chairman and Deputy Chairman of the Board shall serve as Chairman and Deputy Chairman of the Reference Sub Committee.
  - Quorum of any three Governors.

- All Members are entitled to vote.
29. The Board could appoint further members, as many Non Common Council Governors as they wish and also up to three lay/independent persons who do not have to be on the Board. Governors are invited to express their interest in serving on the Reference Sub Committee.
30. **Recommendations: That you approve the membership of the Reference Sub Committee for 2018/19.**

#### **Finance & Resources Committee**

31. The membership of the Finance & Resources Committee for 2017/18 was:
- John Bennett (Chairman)
  - Viv Littlechild (Deputy Chairman)
  - John Chapman
  - Sheriff & Alderman William Russell
  - Jeremy Simons
32. Terms of Reference
- Chairman and Deputy Chairman of the Board shall serve as Chairman and Deputy Chairman of the Finance and Resources Committee.
  - Quorum of any three Committee Members.
  - All Members are entitled to vote.
  - Members of the Audit & Risk Management Committee are not eligible to serve as Members of the Finance and Resources Committee and vice versa.
- There is currently one vacancy on the Finance and Resources Committee for 2018/19, with Jeremy Simons no longer a Board member.
33. Governors are invited to express their interest in serving on the Finance & Resources Committee.
34. **Recommendations: That you approve the membership of the Finance and Resources Committee for 2018/19.**

#### **Governance & Effectiveness Committee**

35. The membership of the Committee for 2017/18 was:
- Sir Andrew Burns (Chairman)
  - John Bennett (Deputy Chairman)
  - Christina Coker
  - Professor Geoff Crossick
  - Gareth Higgins
  - Michael Hoffman

- Vivienne Littlechild
- Lynne Williams

36. Terms of Reference

- The Membership shall include the Chairman and Deputy Chairman of the Board of Governors, the Chairman of the Audit & Risk Management Committee, the Principal of the Guildhall School and two Members of the Board of Governors
- A Chairman shall be appointed from amongst the membership
- The quorum consists of three Members

Although all previous Committee members remain on the Board, the Board is asked to note that Christina Coker completes her second and final 3 year term of office in November 2018.

37. Governors are invited to express their interest in serving on the Governance & Effectiveness Committee.

38. **Recommendations: That you approve the membership of the Governance & Effectiveness Committee for 2018/19.**

**Contact:**

Martin Newton  
 Committee & Member Services Officer  
 Town Clerk's Department  
 E: [martin.newton@cityoflondon.gov.uk](mailto:martin.newton@cityoflondon.gov.uk)  
 T: 020 7332 3154