

**GOVERNANCE AND EFFECTIVENESS COMMITTEE OF THE BOARD OF
GOVERNORS OF THE GUILDHALL SCHOOL OF MUSIC & DRAMA**

Friday, 23 October 2015

Minutes of the meeting of the Governance and Effectiveness Committee of the Board of Governors of the Guildhall School of Music & Drama held at the Guildhall EC2 at 11.30 am

Present

Members:

Sir Andrew Burns (Chairman)	Lucy Frew
Deputy John Bennett (Deputy Chairman)	Professor Barry Ife
Christina Coker	

Officers:

Gemma Stokley	- Town Clerk's Department
Katharine Lewis	- Academic Registrar, Guildhall School of Music and Drama

1. APOLOGIES

Apologies were received from Gareth Higgins.

2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

There were no declarations.

3. PUBLIC MINUTES

The public minutes of the meeting held on 7 November 2015 were considered and approved as a correct record.

MATTERS ARISING

Post TDAP Amendments to the School's Governance Arrangements (page 1) – The Academic Registrar reminded the Committee that various proposals regarding amendments to the School's Governance Arrangements were put to the City of London Corporation but that the majority of these were rejected. Members were reminded that the Academic Board proposal had been approved and implemented.

In response to questions, the Academic Registrar reported that the School were still awaiting formal notification from Privy Council regarding its revised Instrument and Articles of Government. It was anticipated that an application for Research Degree Awarding Powers would be made in 2020.

The Principal went on to report that the School had been successful in its recruitment for Doctorates to date.

The Principal went on to highlight that the Chancellor's Autumn Statement on 25 November would be extremely significant for the School and for the sector as a whole. He stated that never before had there been greater uncertainty on the future of Higher Education and Higher Education funding than at present.

4. THE HIGHER EDUCATION CODE OF GOVERNANCE AND THE GUILDHALL SCHOOL

The Committee considered a report of the Principal of the Guildhall School of Music and Drama relative to The Higher Education Code of Governance and the Guildhall School.

The Chairman began by drawing Members' attention to the Principal's covering report and highlighted the School's need to identify alternative means of supporting the core business of training students for professional life, building advocacy for its work and identifying a more diverse range of financial support.

The Committee noted the senior management team's decision to form an advisory group of industry professionals and other potential advocates who have agreed to work more closely with the School to provide the range of professional advice and support not otherwise available to the management team. The Principal stated that, following the Policy and Resources Committee's rejection of the School's proposed amendments to governance earlier this year, this was a renewed attempt at addressing certain issues whilst still operating within existing structures.

The Chairman summarised the current situation by commenting on both Governance issues and management challenges at the School (i.e. a reduction in full time staff dedicated to the financial management of the School) all of which were having a weakening effect.

The Committee went on to examine each of the requirements set out within the CUC Higher Education Code of Governance and the areas identified as needing further explanation/exploration under the new 'comply or explain' approach. The Principal stated that he was anxious that the assurances provided by HEFCE at the last, 2011 review referred to within the appendix to the report would not be so favourable when the exercise was repeated in 2016. The Principal went on to outline some of the SMT's broader anxieties around whether the School, which was now operating in an increasingly competitive market, had the correct governance and management arrangements in place to survive.

The Principal went on to underline the strong view that the School urgently required both a Director of Finance and a Director of Development.

Whilst the Committee noted some of the 'quick wins' identified within the appendices to the Principal's report, there was also some discussion as to whether a more radical response should be considered going forwards. The School could, for example, look into becoming incorporated and gaining Royal Charter status as it was noted that the value of this, internationally, was substantial.

Members' went on to discuss each of the points highlighted as 'must' statements by HEFCE within Appendix 1 to the report. During discussion the following points were made:

- The School should be asked to produce a paper setting out the pros and cons of the School seeking charitable status and this should not be ruled out as a future option;
- Quorum – could this be easily amended by the Board/Court of Common Council to reflect the involvement of all Members (including external Members) or would a change such as this still require Privy Council's sign off?;
- The City of London was the 'lender of last resort';
- The periodical review of KPI's by the Board of Governors should be revived;
- The Audit and Risk Management Committee of the Board of Governors should be tasked with taking a more pro-active role in terms of setting the audit programme for the School;
- The Town Clerk's representative to the Board was not an HE specialist and the School would benefit from their own Clerk/Policy Officer.

The Chairman asked that the School provide a composite response to each of the statements following today's discussion. This would then be presented to the Board of Governors in February 2016.

The Principal stated that he would also be making the Board aware of the existence of the new informal advisory group. A Member asked that the Board also be made aware of the group's role and terms of reference.

5. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were no questions.

6. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

There were no urgent items of business for consideration.

The meeting closed at 1.10 pm

Chairman

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