

Committee Governance Review

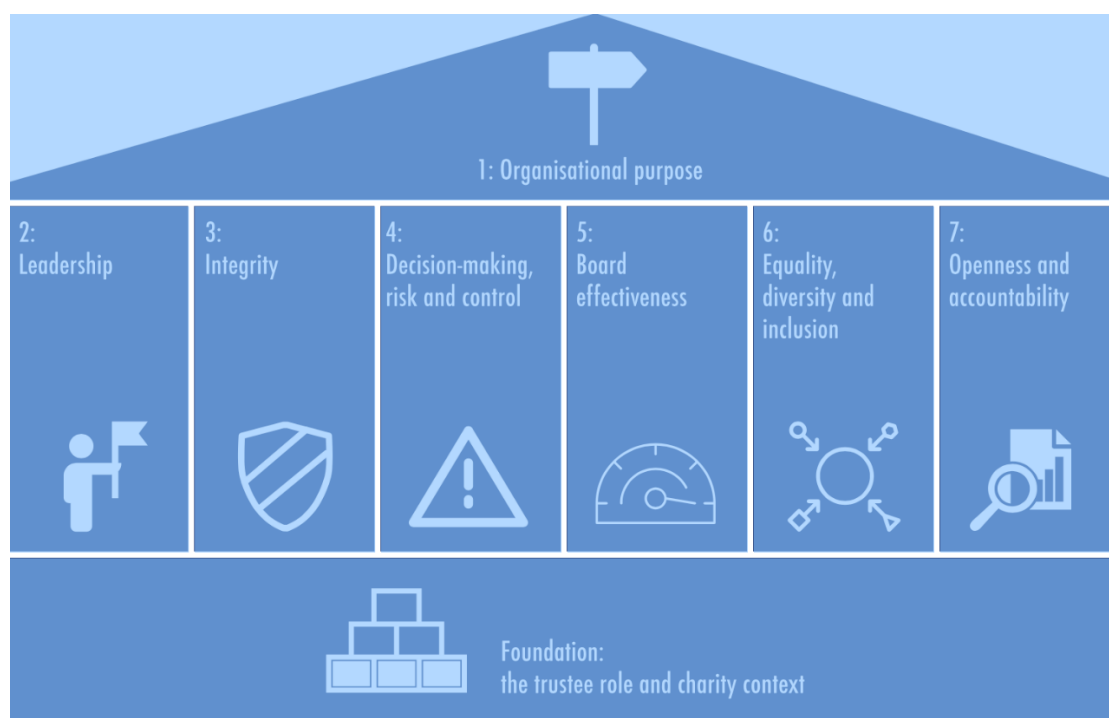
Background

The Diocesan Synod has numerous Boards and committees, most of which report to its standing committee, Bishop's Council. It emerged that a number of these committees were unaware of the basis on which some of their members had been appointed or their terms of office. Furthermore, a review of most of these committees had not been conducted for some time, so it was unknown if the membership composition or even purpose were still relevant. A review was therefore carried out of the governance of the various boards and committees, especially Bishop's Council and those reporting to it, to make recommendations for improvement. Bishop's Council considered its recommendations in some detail at its meetings in February and May 2021 and this report is to share with Diocesan Synod the key outcomes.

Why a review was important.

The diocese's governance needs to support its mission: this review has been an opportunity to consider whether it is doing so as effectively as it could. Governance is also as much about culture and so we need to remain vigilant as to whether culture amongst staff and amongst our committees is such as to create the best possible conditions for optimal decision-making, paying particular regard to the Nolan Principles of Public Life. Committee members and staff need to complement each other, with clear transparency about roles and accountability.

This review has paid attention to the recently-refreshed Charity Governance Code: <https://www.charitygovernancecode.org/en>. The seven areas of particular focus are:



A Board establishes committees to free up the Board's time, by tasking them with specific powers to act on their behalf, whilst still retaining ultimate responsibility for any decisions made. The use of committees rather than the Board, enables a smaller group to look at an issue in more detail, and provides opportunity to involve experts, who are not on the board, and for them to be supported by the most relevant staff and advisers. Board committees constitute an important element of the governance process and it is therefore important that a Board can assure itself that its committees are properly carrying out any duties delegated to them. The profile of governance issues is now high – both as part of environmental, social and governance (ESG) and separately – and it is important that the diocese is seen to follow (and model) good practice.

Approach

The review scope covered all Diocesan Synod (DS) and Bishop's Council committees and related companies. This included 36 committees and involved reviewing existing committee constitutions, relevant legislation, the last year's worth of committee minutes and membership registers where these existed, as well as best practice governance guidance.

Findings and Recommendations

There were recommendations affecting many individual committees, which are being addressed during 2021 in conjunction with the individual committee. The general recommendations were as follows:

1 Clarify all committees' purpose and responsibilities

Committees have been established by the Diocesan Synod, or directly by its standing committee, Bishop's Council, to carry out specific strategic or statutory objectives on its behalf and have thus been granted certain responsibilities as a result. However, it was commonly found that committee governance documents (i.e. constitutions or terms of reference) where these existed, did not clearly state for what purpose committees existed or what scope of authority had been granted to them.

There has been some confusion over whether some committees have some responsibility for staff or budgets of the department to which they most closely relate. Staff are overseen through the line management structure of heads of department, reporting in the case of the Diocesan Board of Finance to the Diocesan Secretary who is accountable via the Bishop of Oxford and DBF Chair to Bishop's Council for the management of all DBF staff. Financial management is overseen via the Planning and Budget Sub-Committee, reporting to Bishop's Council, with operational management delegated to the Diocesan Secretary and Director of Finance, who refer matters to the DBF Chair when required.

2 Lack of clarity over appointment basis and terms of office of committee members

Less than half of the committees reviewed have a formalised basis of appointment for all members, i.e. whether elected (and by who) or nominated. A few of the committees have no formal appointment basis, so members may be nominated or even appointed by existing members. Without committees having to, and adhering to, a formal basis of appointment, Bishop's Council will not be able to assure itself that these committees acting on their behalf are appropriately constituted in terms of levels of skill, experience, diversity, representativeness of the diocese and independence.

Terms of three years provide a balance of continuity of membership and the prospect of the injection of new ideas and perspectives that new members bring. It ensures there is a conscious decision to re-appoint or re-elect. It has been agreed that terms of office should in future be limited to a maximum total continuous term of nine years, to ensure committees are able to benefit from periodic refreshment of new members. Some transitional provisions are being agreed for this year. It is not currently intended to apply this to Diocesan Synod although Synod may wish in due course to debate the pros and cons of this.

3 Increase diversity of committee members

Diversity is now recognised as being extremely important to good governance, probably the area of governance that has increased most in profile in the last five years. Diversity is important to reflect those that the organisation exists to serve and to ensure that a wide range of lived experiences informs discussion and decisions. Whilst it is the Diocese's policy to support and encourage diversity within the Diocese at all levels as part of its commitment to equality as well as to gain the benefit from wider representation, there are currently no official measures in place to encourage or require a rebalance in membership away from its current weighting of white males, over (often substantially over) the age of fifty. This is not to say that those in this category are unwanted on committees; only that we should seek to secure some balance.

Whilst it would be challenging to require this of smaller committees where it is often difficult to obtain members, and being representative of the diocese's churchgoing demographic will also impose some constraints, high profile fora such as the ODBE and Bishop's Council have a large enough membership to be able to implement a more proactive policy to strive for equal male/ female representation, more UKME and younger candidates and those from wider socio-economic backgrounds. Being more diverse is also part of the new Church of England vision. There are advantages and disadvantages of quotas but, having carefully considered this, by a clear majority Bishop's Council has determined that the elections to Bishop's Council in 2021 will provide for at least one-third of elected places to be filled by women. Additionally, consistent with the recent report *From Lament to Action*, nominated places will be used if required to achieve three UKME (formerly known as BAME) members on Bishop's Council.

4 Record keeping on members

Currently there is no central record maintained on committee members, other than the records legally required to be held for charity trustees and company directors and it is rare for there to be any kind of skills matrix to ensure that all the necessary skills are covered.

It has been agreed that outline due diligence should be carried out for those proposed to be appointed or elected to Bishop's Council, DBE and DTOL to avoid the embarrassment of significant trustee roles being held by those for whom outline due diligence would have shown this might be inappropriate. Due to the greater awareness of safeguarding, DBS checks should be performed on new trustees (or re-appointment) to ensure safe recruitment where statutorily allowed.

5 Lack of conflicts of interest policy

The reporting companies adhere to the charity and company requirements, and stipulations of their Articles regarding conflicts of interest. Information is also collected from new trustees as part of the appointment process on declarations of interests. Some committees now ask members to declare at the beginning of the meeting any interests related to the business to be discussed.

However, where committee members are not trustees (a member of Bishop's Council, ODBE or DTOL) they do not need to submit a declaration of interest on enrolment. Due to the lack of a policy on this issue it is currently down to the individual committees whether they request declarations of interest from members on enrolment and also at every meeting and, if any are declared, how this is handled.

Given the responsibilities of many of these committees, such as investing funds, using contractors etc, it is important for both propriety and financial reasons, to ensure members are at all times carrying out their duties in the best interests of the Diocese. There are also times when modern governance requires more than a declaration of interests i.e. that the member completely absent themselves from discussion on the item so that decisions are not affected, or perceived to be, by their presence.

A diocesan conflicts of interests policy has now been agreed and is on the website [link](#).

6 Establish an Appointments Committee

To ensure each committee has access to the skills, diversity and representativeness it needs to carry out its task, and to enable proactive consideration (prompted by a list to be built up) of those with particular skills, and of diverse backgrounds, who are willing to serve the diocese on committees or working groups, Bishop's Council has established an appointments committee. This initially comprises the Bishop of Oxford, Chair of House of Clergy, Chair of House of Laity, DBF Chair, Ms Anna Thomas Betts, Rev Tess Kuin Lawton and the Rev Catharine Mabuza.

Many committees draw membership from Diocesan Synod and there is no intention that this should cease. The process of electing new members to a committee can work well when there are several candidates, as it can offer the prospect of an open and equitable process to obtain fresh membership from the already elected membership base of the Diocesan Synod. However, it is more problematic when a committee is performing a specialised function or one that is less well known throughout the Diocese, and thus posts are hard to fill. This can be administratively burdensome requiring further calls for Synod members to put themselves forward, often leading to members being persuaded to put themselves forward or individuals being enrolled automatically due to an uncontested election without Synod members having any opportunity to review the person's suitability for the role. By comparison, an appointment basis for selection of new members, in such circumstances, offers a more transparent process with high calibre, more diverse, candidates being able to be identified and selected. It also crucially allows gaps in skills, experience and diversity to be filled, including from those who do not wish to serve in our Synodical structure but have particular skills to offer to the diocese.

Bishop's Council has agreed the approach that will apply in the case of each committee but generally it will be for *some* of the places currently filled by election by Diocesan Synod to be filled by appointment by Bishop's Council, after consideration by the Appointments Committee. We will be inviting all Diocesan Synod members to provide details of the type of opportunities they would wish to be considered by the Appointments Committee for, and what skills and experience they offer, as well as continuing to stand for elected places.

7 Evaluation of committee effectiveness

In order to assess whether a committee is optimally fulfilling its purpose, there needs to be regular upward reporting of a committee's activities, in a form that enables members to be able to assess how the committees are discharging their responsibilities, and the committees should periodically self-review their effectiveness. Steps have been agreed to enhance this accountability and transparency.

8 Induction

There is no standard process for committees to provide an induction for new members. This could lead to a poor start by committee members by misunderstanding the nature of their role and the organisation and consequentially diminish the value of their contribution. It has been agreed, going forwards, that all committees should run an induction session for new committee members, which includes a training session and a pack of information on the committee (including terms of reference and last year's meeting papers) and the organisation. This would ensure the new member is informed of the purpose of the committee, their duties to it and the expectations upon them, in order to provide a valuable contribution.

9 Attendance record

It is noted, through review of the minutes that, on a number of committees, there are members who are poor attendees. Although there may be different reasons for these, if a member is often unable to attend, then their contribution is being missed and so the place would be better filled by someone who can make this commitment and thus contribute. Where the poor attendees are ex-officio roles it should be evaluated whether it is necessary for these roles to be members. For trustees, there is the added concern of whether they can be considered (by the Diocese or the Charity Commission) to be properly exercising those responsibilities. Committees will now maintain membership attendance records and there should be a requirement within a committee's terms of reference, after a specified number of missed meetings (e.g. three consecutively), for the committee Chair to review whether their membership should continue, in order to free up the place for someone who can attend and make a contribution. For Bishop's Council, the attendance record will be published online/ in the Annual Report, to aide transparency.

10 Environmental, Social and Governance (ESG)

ESG consideration and reporting has been increasingly a factor in good governance in recent years, first in the corporate world and now in the charity sector. They are principles that are as applicable in a Church context. We have, of course, already been paying more regard to the environmental, with the declaration of a climate emergency and a focus area on this, and social, with our work on social justice and now on social investment, and on governance, with this review. Bishop's Council agreed that we should in future publish an ESG statement and the first such statement appears in the DBF's 2020 Financial Statements.

11 Transparency of Committee activities

Much of the activities that the committees perform is not known by wider Diocesan stakeholders, as it is not currently communicated. This fuels possible misunderstandings that these committees add bureaucracy and cost to the process of the governing the Diocese, rather than the reality of carrying out important and necessary work for the Diocese. Clear information will be added on the website on the work of committees, reflecting their purpose and membership. Committees are being encouraged to share developments or updates with the Communications department, as appropriate, for public communication, to further enhance transparency of these committee activities.

The new format Annual Review, which replaces the previous reports of committees to Diocesan Synod, has been conceived to enhance transparency and accountability as it was clear that there was very little visibility by anyone from across the diocese other than members of Diocesan Synod of the previous document. The new document will be circulated widely and will, we hope, provide good visibility of the work being carried out at diocesan level, overseen by the various committees. It is formally the report of Bishop's Council, through which most (but not all) diocesan committees report.

As regards some of the individual committees:

1 Bishop's Council

The membership of Bishop's Council is currently weighted to clergy, white, men over fifty. To embody the Church's focus on greater diversity and good governance and to encourage a wider cross section of ideas and discussions, Bishop's Council has agreed that at least one elected clergy place and at least one elected lay place from each of the larger three archdeaconries should be filled by a woman. In accordance with the recommendations in *From Lament to Action*, there will be three UKME (formerly known as BAME) members on Bishop's Council, using Bishop's nominations if required to achieve this.

2 Planning and Budget Sub-Committee

This committee currently acts as the finance committee for Bishop's Council and reviews all matters that have a material financial impact on the Diocese, prior to going to Bishop's Council for review and approval. Whilst there are very few financial decisions this committee is permitted to make itself, there is a potential perception that the PBSC is where the financial decisions are made as opposed to recommendations to Bishop's Council for decision.

Bishop's Council has agreed that PBSC should now be renamed the Finance Committee and that the Glebe Committee and Glebe Investment Committee should become sub-committees of the Finance Committee rather than of the Buildings Committee.

3 Board of Mission and the Common Vision Steering Group

The Board of Mission's constitution (like several other committees') is unclear what it has been established to do and its scope of authority. Meetings in recent years have reflected discussion for ideas or updates, with few actions or decisions. It was also not evident to see any review or discussion of the work of its various sub-committees. It was also noted that the sub-committees do not cover all the work of the department of Mission and Ministry, which has wide coverage of the Diocese's activities. It is not realistic or necessary to have a single committee which spans the whole of the work of the department of Mission and Ministry; and it is a key part of the task of Bishop's Council to ensure that all our mission and ministry is appropriately overseen. It is of course also the case that mission is carried out across other departments of Church House.

The Common Vision Steering Group has been carrying out an effective role in overseeing all our Common Vision work, and particularly the work of the focus areas (some of which span the work of several departments). It makes regular reports to Bishop's Council. Following substantial discussion, and consultation with members of the existing Board of Mission, and in line with a recommendation of a review of the department of Mission, Bishop's Council reached the decision that the Board of Mission should cease to exist at the end of 2021. We will continue to have both formal and informal ways of ensuring that there is input into shaping and assuring the effectiveness of all our mission work, which is clearly of the utmost importance.

4 Diocesan/ Area Mission and Pastoral Committees

The review has surfaced issues about the role and composition of Area Mission and Pastoral Committees, to which at present almost all the roles that would normally be carried out by Bishop's Council as Diocesan Mission and Pastoral Committee are currently delegated. Further consideration is being given to these matters and Bishop's Council has not taken any decision on this as yet.

5 Safeguarding Panel

A review of the role and membership of the Safeguarding Panel was carried out in 2020 and the outcomes endorsed by Bishop's Council in October 2020. These have brought about major changes to its composition, to enhance its robustness and independence.

Diocesan Synod is asked to take note of the review that has taken place and of its key conclusions, both in the interests of transparency and accountability and as several of these will affect the elections to diocesan committees to be carried out this autumn. The Diocesan Registrar advised that the decisions taken are all matters within the decision-making powers of Bishop's Council, but we are of course happy to answer any questions and to take account of views as we implement these various changes out of a desire to become a more Christlike Church.

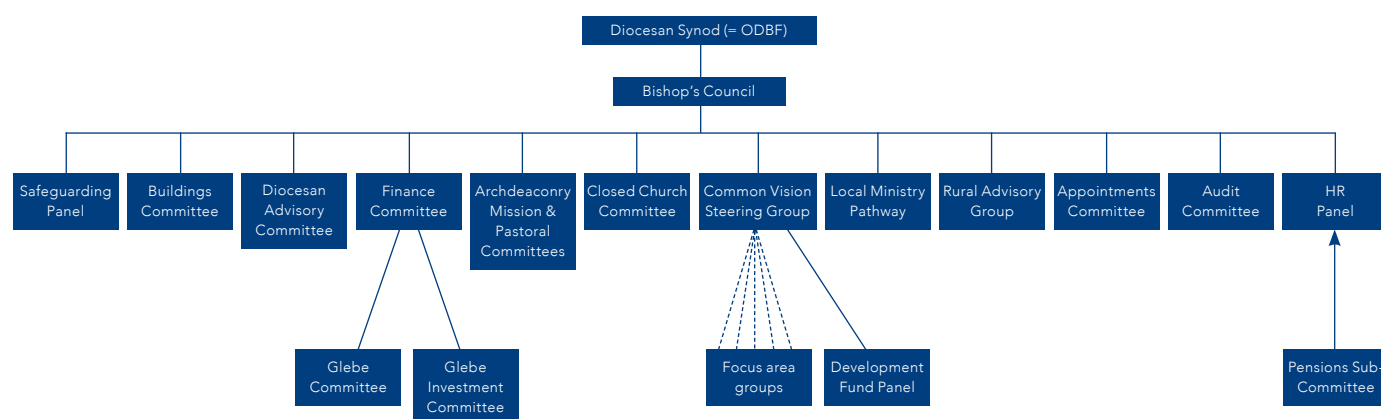
Mark Humphriss, Diocesan Secretary
On behalf of Bishop's Council

25 May 2021

GOVERNANCE

The majority of diocesan boards and committees report to Bishop's Council, which also acts as the Standing Committee of the Diocesan Synod, the Board of Directors of the ODBF and the Diocesan Mission and Pastoral Committee. All these committees have specific responsibilities from Diocesan Synod or Bishop's Council to discharge certain duties on their behalf. To ensure the diocese's governance best supports its mission, a governance review was undertaken in 2020, with consideration being paid to the applicable statutes that govern many of the committees' activities, as well as the Charity Governance Code and the Nolan Principles of Public Life.

A number of recommendations were made in the review, which have now been approved by Bishop's Council and are being implemented during 2021. The main changes to be made are aimed at improving transparency and accountability of the committees' activities. Reporting lines will be clearer and shorter, as set out below. There will be a greater diversity of committee members, assisted by the establishment of an appointments committee. Diversity will also be promoted by increasing the understanding and awareness of the committees' work, internally as well as externally, via such measures as standardised terms of reference and enhanced reporting to Bishop's Council. This will in turn enable this report to reflect the whole spread of diocesan activity.



The Diocesan Board of Education (ODBE), Diocesan Council for the Deaf and Hard of Hearing (ODCD) and DT(O)L are separate legal entities with an accountability to Diocesan Synod.

Partnership in World Mission and the Interfaith Committee have an accountability to Diocesan Synod but will also have engagement with both Bishop's Council and the Senior Management Group.