

Governance Effectiveness Review

Glasgow Clyde College

Report compiled by Jan Polley

Polley Solutions Ltd

March 2017



Overview

1. This governance effectiveness review was facilitated independently by Polley Solutions Ltd. This report records the main findings of the review. It was conducted in an open and engaged manner and included:
 - ❖ a discussion with the Board Chair and secretary
 - ❖ observation of a Board meeting
 - ❖ one-to-one structured confidential discussions with a sample of board members and senior staff
 - ❖ a desktop review of the college's governance documentation
 - ❖ a facilitated workshop for board members at which they agreed the governance areas for development for next year.
2. From this evidence, Glasgow Clyde College has a committed and conscientious Board that works well with its senior management team and board secretary. Collectively they are putting considerable and thoughtful effort into building the effectiveness of the Board. There is clear adherence to the Code of Good Governance.

Areas of good practice

3. This is a very new Board - most its members, and the board secretary, were appointed in the latter half of 2016. While the Chair has been on the Board for around a year, he was only appointed to that role in July 2016. The evidence of this review is that the senior staff team have coped with this, and other changes, remarkably well and everyone involved shows immense enthusiasm and energy for the task of building a strong and effective governance partnership. This review identified a number of existing areas of particular good practice including:

Code of Good Governance sections	Examples of good practice
Leadership and Strategy	Substantial evidence of the ethical leadership provided by the Board and staff, described by one person as <i>"a real passion to do things right"</i> while, at the same time, a determination and confidence to look to the future and focus on the Board's core role of supporting the social and economic wellbeing of the college's students and community.
Accountability	Evidence of strong partnership working between board members, the independent board secretary and senior staff to build strong governance processes, including an appetite for reviewing existing processes and taking on board good practice ideas from a range of sources
Effectiveness	Considerable evidence of a very committed Board with a good range of skills, experience and networks, including strong staff and student members, who contribute actively to the work of the Board and its committees. Board members devote considerable time to their role, irrespective of whether they are in fulltime work, and the Board Chair and independent secretary have both clearly made a valuable impact during their short time in post.

Future Board development

4. A facilitated board workshop was held in February 2017 at which board members received feedback on the main findings of the independent desktop review of documents, the confidential discussions held with a sample of board members and the board meeting observation. (See detailed findings below.)
5. It was noted that this review concluded that the college meets its obligations under the Code of Good Governance and, in a number of areas, demonstrates high standards of governance. Board members expressed their wish to maintain that momentum and to focus over the next 12 months on actions which will continue to build the effectiveness of this new governance team, and ensure the college is doing its very best for its student and communities. Areas identified for further development were:

Areas of governance development 2017-18

Leadership and strategy

- ❖ Board to work with senior staff to ensure a clear alignment through from the existing strategy, the decisions made by the Board to the goals and indicators monitored by the Board and/or its committees, moving towards more goal driven agendas; consider the adoption of themes for particular Board meetings
- ❖ Build a greater understanding amongst board members of the needs of communities, how the college currently meets them and the resulting gaps
- ❖ Use board development activity, including meeting local stakeholders, to build understanding of the external environment in which the college operates

Quality of the student experience

- ❖ Review the mechanisms that are used to ensure the Board hears the student voice, achieving an appropriate range of information that includes student member feedback, surveys, visits to all 3 campuses and board member engagement with students
- ❖ Continue to ensure student and staff members of the Board have adequate support to allow them to fulfil their role
- ❖ Board to review the mechanisms it uses to ensure the learning provided by the college is of adequate quality and relevant to current and future needs. (Reference the new Education Scotland Quality Framework)

Accountability

- ❖ As the Board matures, shift the balance of agendas, discussions and the content of papers to focus more on matters for decision and board member debate and less on staff increasing member understanding; board members and staff to keep papers under review to ensure that those no longer required are identified and the purpose of papers is clear (e.g. for decision, monitoring, early discussion, noting);
- ❖ Review the balance of business being considered at Board and committee level, and the communication between them, to ensure that there is an optimum split of responsibilities between strategic leadership, monitoring and assurance
- ❖ New board members to build an understanding of the individual strategies underpinning the corporate strategy, e.g. the commercial strategy, including the options and uncertainties for the future
- ❖ Ensure all members of the Remuneration Committee complete the obligatory national on-line training.

Effectiveness

- ❖ Retain the existing focus on board member development, recognising the importance of using this to build the team and, in light of the wealth of expertise around the table, ensure that members are supported so that they all contribute their views clearly and succinctly

- ❖ The Board to meet at least once a year without staff to reflect on its effectiveness and to promote team building
- ❖ Ensure all board members attend the national induction training workshop

Relationships and collaboration

- ❖ The Board to keep the partnership with Glasgow Colleges Regional Board under review to ensure the relationship works as effectively as possible

Detailed findings

6. This review examined a range of documents helpfully made available by the board secretary. Structured confidential discussions were held with four board members, including staff and student board members, and with a senior member of staff who works closely with the Board. A board meeting in December 2016 was also observed. A list of the evidence sources used for this review is shown at the end of this report.
7. The governance performance was reviewed against each section of the Code of Good Governance.

Leadership and strategy

8. Each board member receives a copy of a Handbook which includes a copy of the Code of Conduct and the register of interests. The need to abide by the Code and Principles of Public Life were set out clearly in documentation for a recent board member recruitment process. Board members are invited to say if they have a conflict of interest at the beginning of each board and committee meeting.
9. There is clear evidence that the Board provides ethical leadership to the college. At a recent board meeting members wished to be assured that equality and ethical principles were being adhered to in the college's delivery of a commercial contract for an overseas client. Every Board and committee agenda includes a standing item for members to consider the impact of the meeting's business on equalities and the template for board and committee papers includes a section relating to an equalities impact assessment. During 2016, the Learning and Teaching Committee discussed issues relating to 'care experienced' students, as well as the impact on female students, of the current focus on full-time students in the sector. The Audit Committee noted the possible gender impact of potential changes to student funding and the Organisational Development Committee has discussed various issues relating to students who are carers, and the collection of data on Protected Characteristics.
10. The Board currently has an equal balance of male and female members and the recent recruitment pack for new board members stated that *'it is a priority of the Board to work towards gender balance and broad representation of the population of the Glasgow region'*. While the latter goal has not yet been achieved, the recruitment pack also asked

that new members have the ability *'to understand how diverse, excluded, and/or under-represented groups of people are affected by what a college does'*.

11. During the one to one discussions with board members, it was suggested that the Board should pay particular attention to the requirements of the local community, including the needs of ethnic minorities. At its facilitated board workshop in February, the Board agreed that gaining an understanding of the local community should be one of its development priorities this year.
12. The college has a Development Plan 2016-2020 which is clearly aligned to the Regional Outcome Agreement (ROA) which, in turn, is based around a regional needs assessment. Most of the current Board were recruited after this Plan was put in place and so they have spent the first few months coming up to speed on it. It was clear however from the one-to-one discussions with board members and staff that there is now an appetite to move on to assessing and making decisions for the future. A number of supporting strategies have also been developed by staff, and board members agreed at their facilitated board workshop that they would like to understand them in more detail, including pressure testing them against potential future scenarios.
13. The Board and its committees already monitor the Key Performance Indicators (KPIs) relating to the college's commitments in the ROA, but the Board agreed at its facilitated board workshop that it wishes to take stock of the full range of performance information relating to the strategic goals. This will allow members to monitor progress against all of those college's strategic goals, while ensuring that the Board and its committees focus on the key strategic priorities.

Quality of the student experience

14. The college appears to have strong student representation on the Board and all board members are sent a copy of the student newsletter. Students have an opportunity to make a report to each meeting of the Board and Learning and Teaching Committee. In the one-to-one discussions, there was evidence that student board members feel encouraged to contribute to meetings and receive support and guidance on issues to raise – *'we are given the chance to explain the reality behind figures that the Board sees'*.
15. The Student Association set out its proposed KPIs to the May 2016 meeting of the Learning and Teaching Committee and these were endorsed. The Student President's reports to the Board refer to increased activity in, for example, building a network of class representatives and the Association is particularly pleased to have control over its own budgets this year. The Association officers have also indicated that they would be happy to facilitate more board member engagement with students if that was desired. Other board members were complimentary about the contribution of the student

members, but all acknowledge that it can be difficult if students are on the Board for only one year. It was agreed at the facilitated board workshop that the Board should keep the support and training required by student members under review.

16. Board members commented favourably on the extent to which staff put effort into levels of student retention, and the Learning and Teaching Committee has held discussions on accessibility of learning, partnerships and student complaints. Education Scotland reports in 2014 and 2016 highlighted college partnership working as a strength *‘the consensus from stakeholders was that the College places a high priority on employer engagement which is critical in providing students with pathways into employment’*. In addition, some board members bring particularly useful knowledge and external networks that can add value to board discussions on the relevance and quality of education.
17. It was clear from this review that there is an appetite amongst both senior staff and board members to do more to ensure that the Board really engages in issues around the learner experience. Board members have indicated that they plan to review the sources of information used to ensure they understand the student experience across the college. They also wish to review Board and committee agendas to ensure that they are providing appropriate strategic leadership and oversight of the quality and relevance of the education offered.

Accountability

18. The external auditor’s Annual Report to the Board in December 2016 set out an unqualified audit opinion and confirmed adherence to corporate governance requirements since October 2015 (subject to the Chair appraisal of board members taking place during 2017 and an internal audit of the new Code requirements due to take place this year). The Board has also overseen completion of a Governance Action Plan agreed with SFC and Scottish Government. There is a Governance item on all Board meeting agendas ensuring board members are kept up to date on the sector’s governance requirements. The Financial Memorandum with GCRB was agreed at the college’s board meeting in August 2016.
19. The college is committed to publishing board and committee agendas, papers and minutes. A statement on the website reads

“We are in the process of publishing historical agendas and papers. If you require any historical papers not already online, please contact us. Going forward, we aim to publish our Board and Committee agendas and papers in advance of meetings. Minutes of meetings will be published online once approved.”

20. A significant number of papers – current and historical - are already available online.
21. The college has six committees – Audit, Remuneration, Learning and Teaching, Organisational Development, Finance and Resources, and Nominations. The remits, membership and staff advisors to most committees are clear, and these are currently being reviewed as part of a process to reflect the recently appointed board members. A Scheme of Delegation exists which sets out topics reserved to the Board and those delegated to the Chair, committees, Principal, depute principal and board secretary. The minutes of committee meetings are seen by the Board timeously.
22. The Board has considered a range of papers this year relating to the evaluation of past Outcome Agreements, performance of the current Agreement and work with regional partners on the development of the next Agreement. As indicated above, as the Board settles in, both members and senior staff are keen to focus more on debating and making decisions across the range of strategic performance measures developed by the college. To this end, the facilitated board workshop agreed to review agendas and papers in order to ensure they prioritise decisions and debates related to the college's strategic objectives.
23. The remit of the Audit Committee includes its role in advising the Board, as well as its responsibilities with regard to internal auditors, external auditors and oversight of controls. There is clear evidence from Audit Committee minutes from July and September 2016 of oversight of both internal audit reports and a rolling list of outstanding audit recommendations. A committee annual report went to the Board in December 2016 and its members plan to undertake an annual self-assessment in 2017 (most members have only recently joined the Committee). The committee members have met both the internal and external auditors without staff, and there were no reported causes for concern. The Committee consists solely of non-executives, and the Chair is a qualified accountant with considerable public sector finance experience.
24. The Audit Committee agreed at its meeting in September 2016 to review the existing risk register. The aim is to ensure it's alignment with the college's strategic objectives and the inclusion of external, as well as, internal risks. The Board has been informed of this, and the review will take place in March 2017. The Board agreed its risk appetite in October 2016.
25. The Remuneration Committee is chaired by the Board Vice-Chair. Its remit is set out clearly in the Governance Handbook. The Committee agreed a performance review process for the Principal, including staff and student participation, in April 2016. Remuneration of the Principal was considered by the Board in March 2016, in conjunction with a review of the remuneration of the Executive Management Team. The

board secretary informed committee members in late 2016 of their obligation to undertake the on-line national training. All but one committee members has now completed it.

26. As indicated above, the External Audit Annual Report which went to the Board in December 2016 stated an unqualified audit opinion and adherence to corporate governance requirements since October 2015. The Board has considered a range of papers relating to its financial responsibilities including

- the Draft Financial Statement,
- the College Financial Regulations,
- Glasgow Clyde Education Foundation and
- the Statement of Accounting Policies.

27. The Finance and Resources Committee reports to the Board after each of its meetings. The Committee receives regular reports setting out spend against forecast budgets. The Committee held a session in November 2016 on long term financial planning and scenarios, as requested by Audit Scotland

28. The Organisational Development Committee, which includes a staff and student member, considers a range of staff and HR topics, including a report in September 2016 from a Task Group, including union members, set up to consider a range of staff concerns that came to light in 2015. The Committee also considered at that time a parallel paper from the EIS on the work of the Task Group. The Committee is working with staff to take this initiative forward.

29. Staff board members consider that the Board is really interested in staff views and they are often asked what staff think. The Board is aware that while considerable progress has been made, there are still some post-merger cultural issues to be addressed and the existence of 3 campuses remains an ongoing challenge. A number of board members in the one-to-one discussions suggested that more effort could be made to engage directly with staff across the 3 campuses, and that it would be helpful to take stock of the various sources of evidence used by them to track staff views. At its facilitated workshop, board members also noted that they should keep under review the level of support offered to staff board members so that they can continue to provide an effective contribution.

Effectiveness

30. The Board Chair was viewed as a real strength for the organisation. Comments included

- *David will be excellent – very experienced and has a lovely approach to board members*

- *Very good, devotes a lot of time and provides real leadership to the Board and SMT*
- *Excellent, knows how to conduct meetings, allows conversation and deals with issues systematically*

31. It is clear from the review that the Board has an open and constructive culture and both members and senior staff are keen to ensure the Board continues to mature. As one board member said *'we have a good mix on the Board but we are still experienced strangers'*. Accordingly the facilitated workshop agreed that staff and board members should work together on a range of actions to build the Board as a collective team.
32. Evidence indicates that the Board and its committees have a very good skills mix, and board development is given a high priority. Despite so many members being new, the Board has undertaken its own paper based self-assessment in recent months, and it is clear from both the one-to-one discussions and the facilitated workshop that board members are keen to continue their efforts to build their experience and effectiveness.
33. Student and staff board members sit on the Learning and Teaching, Audit, Finance and Resources and Organisational Development committees. A number of board members commented on the value and quality of their contributions. Student and staff members spoken to during the one-to-one discussions affirmed that they felt they were treated as full members by the rest of the Board, and supported by the board secretary and chairs as required.
34. Student and staff members of the Board are recruited in accordance with the rules set down in the Articles of Association.
35. The Principal has been absent from this college for some time, but all concerned were clear that the Depute Principal has done an excellent job, supported by the rest of the senior management team (SMT). The relationship between the Board and the senior management team is good, with clear evidence of a transparent and mutually respectful partnership.
36. The board secretary was newly appointed in 2016. She is well respected and appreciated by both board members and SMT, and has clearly undertaken a great deal of work in recent months to support the new Board. She is employed 3 days per week and her independence is respected by all. Looking ahead, the aim is to build the relationship with SMT while maintaining the independence required of a board secretary
37. Ongoing training and development are given a high priority in this college. The board secretary maintains a training log for each person, a one day induction event took place earlier this year and board members are encouraged to take part in equalities and safeguarding training. Most board members have completed the national induction

training, and a board paper in December 2016 noted that all members had now attended their committee meetings. They were asked to say if they required additional training. As board members are so new, the first annual appraisal of members will take place in summer 2017.

Relationships and collaboration

38. Partnership working with local and regional stakeholders was highlighted as a strength in recent Education Scotland reviews. In May 2016 the Learning and Teaching Committee heard a presentation on partnerships across the college, and supported staff efforts to build further on their successes.

39. The Board's agendas often contain items related to the coordination of the Glasgow regional structure, including funding and attainment issues, but board members have acknowledged that building the regional partnership will be an ongoing task that should be kept under review.

Conclusion

40. Staff and board members have taken part in this review in an open and engaged manner, with all concerned showing a commitment to and enthusiasm for the continuous improvement of the governance of the college.

41. Polley Solutions would like to thank everyone at Glasgow Clyde College for their help and support in the compilation of this report.

Sources of evidence used in this review

- ❖ One-to-one interviews with a sample of board members
- ❖ Views expressed during a facilitated workshop held with board members in January 2017
- ❖ Observation of the December 2016 board meeting

Written Evidence

- ❖ Board of Management Handbook,
- ❖ Roles, remits, membership of committees
- ❖ Articles of Governance and Scheme of Delegation
- ❖ Minutes and papers relating to board meetings since summer 2016,
- ❖ Minutes and papers relating to committee meetings since summer 2016,
- ❖ Regional Outcome Agreement and associated self-evaluation
- ❖ Development Plan 2016-2020
- ❖ People, Commercial, Financial Sustainability and Estates strategies
- ❖ College performance indicators
- ❖ Education Scotland Independent Review Report 2015
- ❖ Risk Register
- ❖ External Auditor's Annual Report 2016
- ❖ Various internal audit reports
- ❖ Governance Action Plan
- ❖ Student surveys annual report
- ❖ Staff Task Group Report
- ❖ Board member biographies
- ❖ Annual Internal Audit Report
- ❖ Internal Audit Strategy 2015
- ❖ Internal Audit Report into Partnerships 2014
- ❖ External Audit Report
- ❖ Learner Engagement Survey January 2016 and SFC Student Satisfaction and Engagement Survey 2014-15
- ❖ Published HR Strategy
- ❖ Board member skills matrix
- ❖ Board induction day programme
- ❖ Board member recruitment papers
- ❖ Board self-evaluation papers