

Edinburgh College: Governance Effectiveness Review

Report to: Board of Management, Edinburgh
College

10 December 2019

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1. Introduction

1.1 Background to the review and remit

Advance HE was commissioned by Edinburgh College to review the effectiveness of its governance and to prepare this report. It is intended solely for use by the Board of Governors of Edinburgh College and is not to be relied upon by any third party, notwithstanding that it may be made available in the public domain, or disclosed to other third parties.

Although every effort has been made to ensure this report is as comprehensive as possible, its accuracy is limited to the instructions, information and documentation received from Edinburgh College and we make no representations, warranties or guarantees, whether express or implied, that the content in the report is accurate outside of this scope.

The review started in August 2019 and completed in November 2019. The aim of the review is to stimulate an informed deliberation and consideration by the Board of Management of existing practice, structures, processes, behaviours and opportunities for improvement. In addition, the review:

- Addresses the specific terms of reference ensuring the four specified domains of governance are considered.
 1. Strategy and planning
 2. Capability and culture
 3. Process and structures
 4. Measurement
- Is fully contextualised and takes into account the dynamic and challenging external environment.
- Is forward looking, developmental and supports the College in the realisation of the institution's strategic ambitions.

The following is a report for consideration for the Board of Management on 10th December 2019.

1.2 Methodology

The review was undertaken using a mixed modes approach, with the following components:

- A review meeting to agree the focus, timings and logistics of the review.
- A selective review of key governance documentation.
- 12 semi structured interviews, including:
 - Chair, Vice-Chair, Committee Chairs, student and staff representatives, Principal, Executive team, Secretary and Governance Adviser.
- An anonymous online survey, which received 14 responses, benchmarked against Advance HE's (university) governance database.
- Observations of the Board of Management and selected sub-committees, including:
 - Board of Management, Policy and Resources Committee, Audit and Risk Assurance Committee.

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- Review of emerging findings, to sense check the analysis and recommendations, presented by PowerPoint and discussed with the Chair and wider Working Group on 20th November 2019.

1.3 Recent context

The review took place during a period of change for Edinburgh College's Board of Management. The Chair who instigated the review was appointed to a UK-wide office, stepping down as Chair mid-review. The Vice Chair was confirmed as Interim Chair, and a new Chair will be duly recruited via public appointment. A new Interim Vice Chair and senior lay member was elected by the Board.

2. Key findings and opportunities for enhancement

2.1 Overview and Summary

Our overall conclusion is that the standard of governance at Edinburgh College is good. Board members are committed and passionate about doing a thorough job.

Edinburgh College has governance processes, practices and policies which are fit for purpose. The College is compliant with the current Code of Good Governance for Scotland's Colleges and assurance across each of the principles of the Code has been achieved.

We commend recent developments to improve governance and practice, including: prioritisation of student engagement, forward planning and agenda setting, and risk register development.

The structure of the report follows the terms of reference, addressing the four specified domains of governance in turn:

1. Strategy and planning
2. Capability and culture
3. Process and structures and measurement (these last two domains have been addressed in conjunction due to overlapping analysis and recommendations).

Recommendations follow each section and are designed to build on good practice and support the current progressive approach. Implementing these recommendations would move the College beyond compliance with the code, drawing on broader governance practice to enable the Board to better meet identified future challenges and strategic risks.

The recommendations cover five priority areas that emerged from the analysis:

- Improved strategic focus
- External engagement
- Enhancing induction and development
- Board skills, diversity and succession planning
- Confidence in committee effectiveness

Recommendations overlap and complement each other, and should be seen as a cohesive whole, each an integral part of enabling a more effective governing body. For instance, the strategic, outward and ambitious focus of Board meetings will be supported by increased external engagement across a greater range of Board members. The Board will have increased scope for strategic discussion if there is broader skill and diversity in the room, and greater confidence in committee activity, via improved reporting and interaction between committees and the Board of Management. That confidence in committee effectiveness is in turn partly contingent on emphasising Board member induction and development, which will improve use of the information management system and develop a more shared understanding of the committee structure, relation to College functions, and expectations in delegating responsibility.

2.2 Strategy and Planning

Edinburgh College has been through considerable change over the past few years, as the board has focussed on delivery of a transformation plan to move the college onto sustainable operational and financial footing. Following the successful delivery of this plan and in conjunction with a new Principal and Chair joining in 2018, the Board of Management has aimed to shift its focus from detailed scrutiny of management and delivery to more strategic, outward focussed and longer term analysis.

Improved strategic focus

Observation of a Board meeting, interviews and survey responses evidence confidence and a good degree of effectiveness in strategy and planning. The Board meeting was efficiently chaired, prioritising time for a specific, relevant strategic discussion (on environmental sustainability), within a full agenda. The Chair encouraged broad participation, resulting in generally good engagement by lay members. Survey questions related to strategic ownership and leadership were scored very highly (often 100% either 'strongly agree' or 'agree', see appendix 2) and each was notably higher than benchmark. Advance HE's benchmark data are drawn from the survey responses from previous governance reviews. Whilst these reviews and surveys have been with UK universities, there is still general relevance to a tertiary sector institution like Edinburgh College, particularly for questions on strategy, which are more generic and transferable.

Interviews highlighted strategic engagement that has been fit for purpose and delivered improved institutional performance. However, there was also a recognised need to build a stronger focus on strategy, with a recognition of significant emergent risks to the college, ranging from new financial pressures and limited opportunities for financial flexibility or commercial growth, to an uncertain political context and ongoing sector policy changes. With this forward looking perspective in mind, there is a consensus need to create more space for strategic discussion and reflection amongst Board members, supporting the Board to further develop its strategic leadership capacity.

Enabling the Board of Management to meet this challenge and complete this ongoing shift from shorter term operational oversight to longer term, outward facing and ambitious strategic leadership, requires an enhanced strategic focus and specific mechanisms to enable this. Interview responses raised that there isn't always a clear and understood link between the College's strategic plan, identified risks, Board papers and the content of what the Board actually discusses. As a relatively new Principal and Chair introduced and layered their perspective onto the existing strategic plan, this has unsurprisingly resulted in additional strategic ambiguity. Board members have found it challenging to make clear links between strategic priorities and specific Board of Management papers and discussions. Introducing a clear set of strategic KPIs, that provide specific and measureable objectives for short and longer term priorities, would bring welcome clarity to these processes and greater focus to papers, discussion and decisions. Setting KPIs allows the board to discuss and understand the relevant detail, such as how key risks specifically relate to strategy, and explicate potential differences or tensions between Board members, such as in risk appetite. The college will also go through further change itself, as Scottish Government will appoint a new Chair of the Board in due course. Strategic KPIs will provide consistency through this change and a clear framework for the ongoing evolution of the College's strategy.

This broader finding from the interviews is supported by two narrower points that emerged from both interview and observation. The first is that the process of strategy development at Edinburgh College can look and feel ad-hoc at times. There isn't a common understanding amongst the Board about how strategy should develop, what role committees or Board development days play, or exactly how and when, beyond final approval, the Board should be involved. The second narrower point is that the environment and space for strategic discussion could be improved. As noted above, the Board meeting observed was well managed and effective, but space for strategic discussion can be compressed by full agendas and strained by large numbers in the room, as well as physical space and a table layout that doesn't facilitate eye contact and therefore easy dialogue.

There is a trend in some sectors towards smaller boards, and in research, smaller board size has generally been correlated with improved strategic effectiveness¹. The Board of Management membership itself isn't unduly large, at 18 people, however there were more than 30 people in the room at the observed Board meeting. Due to legislative and policy requirements, with student and staff representatives, and now union representatives (bringing membership of the Board to 20), it will be difficult to reduce the size of the Board itself whilst maintaining a lay majority at each meeting. However, there may be scope to limit the number of people around the table, by reducing staff and external participation. Currently a large number of staff, including the executive team (COO and three Vice Principals), Secretary and Governance Adviser attend the entire meeting. Reducing the participation of some staff to only required agenda items, or items for discussion directly related to their portfolio/area of responsibility, is the clearest route to a smaller group. Given the COO, Secretary and Governance Adviser are integrally involved in much of the meeting, the Vice Principals, who were less involved in the majority of observed discussion, are the obvious choices for a reduced role. Some universities have taken similar choices regarding the involvement of pro vice chancellors, and found it improved the quality of discussion and strategic engagement at Board meetings.

There is a natural progression that should mirror the evolution of the College, for the Board to start to look longer term, in a more outward focussed and ambitious way. Creating a shared understanding of the strategy development process, with clearly defined roles and expectations, would support this shift in approach and mitigate the risk that future leadership changes will create around strategic direction. Similarly, establishing a small set of specific KPIs for the organisational strategy would help establish a clear link between the strategy, Board and committee discussion and activity, and action.

Priority recommendations: improved strategic focus

1: Establish a short 'dashboard' of institutional KPIs derived from the strategic plan. KPIs should align with longer and shorter term strategic aims and provide a clear link between Board and committee activity and the strategic plan. An update should be a regular item at Board meetings.

¹ See for example: Ch 5, the Impact of Boards on Organisational Performance, in: Towards a framework for enhancing the performance of NHS boards. Health Services and Delivery Research, No. 1.6. Chambers N, Harvey G, Mannion R, et al. Southampton (UK): [NIHR Journals Library](https://www.ncbi.nlm.nih.gov/books/NBK259419/); 2013 Oct <https://www.ncbi.nlm.nih.gov/books/NBK259419/>

Priority recommendations: improved strategic focus

2: To facilitate engagement with KPIs and ensure relevance of papers and conversation, all Board paper cover sheets, under 'strategic implications' should include reference to specific strategic strands and specific KPIs. If a paper cannot demonstrate relevance to a strategic KPI, its inclusion should be reviewed.

3: To build a shared understanding of strategy development, the board should agree a model strategy development process where Board of Management has final ownership of decisions. This should include consideration of:

- Early Board engagement with core strategic issues, brought back to the Board for a second view after further development.
- Inviting opinion on a range of strategic options (and how these might be implemented) rather than feedback on a well-developed plan.
- The function and role of committees, particularly Policy and Resources.
- Strategy monitoring and review. Many boards are now focussing on 'deep dives' on a single pillar of a strategy or strategic KPI in each meeting, therefore ensuring each dimension of a strategy is considered in turn. There may be value in ensuring there is a committee, such as Policy and Resources, which can undertake more of the detailed development/deep dive work, and takes into account the more demanding agendas of Board meetings.

Secondary recommendations: improved strategic engagement

- Consider reducing numbers attending Board of Management meetings by reducing staff participation in the full meeting beyond the Secretary, Governance Adviser and COO.
- Consider alternative meeting venues, with alternative room and table arrangements that would facilitate more engagement, eye contact and higher quality conversation. At the Milton campus, the Board could trial holding the pre-meeting student presentation in the Board room, and the Board meeting itself in the square room used for previous presentations and lunch. The table could be laid out in a square, presenting better line of sight and potentially better engagement, allowing the Board to evaluate any impact on dialogue and effectiveness.
- Board members reported in interviews that the two development days per year, whilst nominally often focused on strategy development, often felt more educational. Board ownership and contribution to strategy development was therefore limited. A clearer distinction between development day content designed to facilitate member input to strategy development versus content designed for Board member development or education would improve the strategic contribution of the Board, and the quality of the

Secondary recommendations: improved strategic engagement

strategic outputs of these days (also see recommendations on Board capability and culture).

External Engagement

In times of change and challenge, it is particularly important that governing bodies are outward-facing and engaged. Enabling a Board to be more fully and effectively engaged strategically increasingly means supporting Board members to be fully and effectively engaged outside the board room, both with external stakeholders and across an institution. Done well, this should also complement and enhance the Board's strategic discussion.

Edinburgh College Board members should ideally be present at significant college events and activities with external stakeholders, but feedback from interviews indicates they often are not. Many Board Members are not currently undertaking effective external engagement, opening doors, making strategic links and representing Edinburgh College. This should be a shared responsibility of the Board, rather than just the Chair or Principal, and there is a risk this activity will lose impact with ongoing changes in Chair.

Priority recommendations: external engagement

4: Develop an external engagement strategy for the Board, clearly aligned with Edinburgh College's strategic framework and KPIs.

- Canvas Board members to ensure the external engagement strategy is in line with the expectations, availability and preferences of Board members.
- Ensure the College is issuing timely invitations to Board members to significant college events and external engagements, to allow for scheduling and planning.
- Monitor board member engagement (e.g. at each Board of Management meeting), ensuring external engagement does not become a disproportionate commitment.

2.3 Capability and Culture

Relationships, behaviours and interactions inside the boardroom are key to effective governance. The consensus among interviewees, and our observations of meetings, is that there is active involvement of all members in discussions and decision-making.

This view is supported by the survey results, which show a high degree of confidence and satisfaction with the Board's capability and culture. A set of questions that explore capability, related to a shared understanding and commitment to effective governance, continuous improvement in effectiveness,

performance review processes and engagement with staff and students received high scores, many significantly higher than Advance HE's benchmark.

Another set of questions on culture and facilitating behaviours, such as quality of chairing, working relationships, atmosphere in meetings and use of constructive challenge received perfect scores of 100% 'strongly agree' or 'agree', again, each higher than Advance HE's benchmark.

The Board has been particularly effective in facilitating and prioritising student participation and engagement. Student led presentations at pre-Board meetings have been a proportionate way to embed engagement and interaction with students, resulting in genuine insight and inspiration for Board members. Similarly, prioritising student officer input and agenda items, paired with inclusive chairing, ensures positive student input to Board meetings.

Despite this overall positive environment, there are areas where a number of Board members felt there was scope for improvement, and in our experience where the college could draw on wider practice to enhance performance and effectiveness.

Enhancing induction and development

In interviews, many board members, even those who felt well prepared, find joining the Board a steep learning curve. Some committee members identified a particular gap in perceived specialist knowledge, and 'don't feel equipped' for their roles in committee. Induction and preparedness is a challenge at the best of times, however, recent changes have resulted in a feeling that induction, development and education of Board members has not been sufficiently prioritised and could be usefully enhanced.

The current induction programme comprises:

- Provision of a security pass, college e-mail and intranet access, general information and key governance documentation.
- A series of meetings with the Chair, Vice Chair/senior independent member, Principal, committee chair/s, student president, secretary.
- Information on the training and development programme, including induction and development provision by College Development Network (CDN).
- Attending Board/committee meetings as an observer.

The current development programme comprises:

- Two themed Board development days.
- A college-run workshop or session on a particular topic of relevance.
- Awareness and information on CDN's development and training offer.
- Pre-Board provision of student led sessions or external speakers (Scottish Government, Scottish Funding Council, etc.)
- An annual one to one meeting with the Chair focussed on development or induction.

A mentoring process and structure for new board members has also recently been introduced. This is welcome and should be continued and emphasised for new and existing members.

In discussion with interviewees, it seems Board work and development are often conflated in practice at the two annual development days. The executive led development days are often very educational for board members, who report they learn a considerable amount, but are not always effective at engaging or facilitating board input to strategic matters.

More explicit planning and structure could bring clearer distinction between development day content designed to facilitate member input versus those parts of the day designed for member development or education. This more targeted approach would improve the strategic contribution and output of these days alongside improving board member development.

The College recently offered a finance workshop for board members, which was very well received. Whilst this was offered on an ad-hoc basis, there is a strong feeling amongst Board members that there is considerable scope for the ongoing provision of workshops on a similar basis (covering topics such as the college sector context, HE/FE distinctions, school/LA context, committee functions, understanding effective governance). There is opportunity to be more creative with developmental content, providing e.g. expert external input from key stakeholders: SFC, Skills Development Scotland, Edinburgh City Council, Audit Scotland, etc., which would enhance members' knowledge of the external environment whilst also usefully stimulating further strategic dialogue.

Board member awareness of, access to, and practical use of information is limited, and could be more formally supported. This includes key information and documentation such as current and past Board and committee papers, etc. Developing a greater shared understanding of key processes across all board members would be beneficial and would enhance strategic engagement and confidence in committee activity and structures. It should therefore be an explicit aim of induction and development, covering e.g. the strategy development process, committee structure and an understanding of practical delegation to committees, knowledge and use of information and paper management systems, etc.

This review offers an opportunity for reflection on induction and development. There is scope for improvement through proportionate and incremental change. The College would benefit from a more systematic approach that fosters a positive learning environment for new and existing Board members.

Priority recommendations: enhancing induction and development

5: For AY 2020/21, plan a structured development programme for all members (including induction for new members), that is:

- Aligned with the forward plan for key strategic BoM agenda items and the organisational strategy and KPIs.
- Triangulated with a survey of member development priorities.
- Aligned with and complementary to CDN's offer.

This development programme should include:

Priority recommendations: enhancing induction and development

- Two development days, structured to differentiate between board development/learning (executive or externally led) and work (Board led).
- Two thematic workshops, patterned on the successful finance workshop.
- More staged pre-reading throughout the year on specific topics aligned to both the organisational strategy and Board forward plan, to enable board members feel prepared in areas they are less experienced in.
- An enhanced induction process that builds on the current meeting focused approach to include:
 - a. Creating an 'Understanding Edinburgh College' document that covers key functions, structures and roles within the College, with explicit links to the current governance structure, committees and responsibilities.
 - b. A précis of current and recent strategic issues which the Board has been focussed on (more narrow than past Board papers), to help orientate new members.
 - c. Training on use of information and papers to support use and engagement.
 - d. A formal refresher with the Vice Chair during the first year (after 6-9 months).

Board skills, experience and succession planning

Over the past decade in the college sector in Scotland, staff relations, human resources and change management have been areas that has been both particularly complex and crucial to organisational effectiveness and sustainability. This is a challenge the Board is aware will likely continue, and a number of interviewees raised the importance of ensuring Board expertise in these areas, particularly with respect to strategic HR experience and change management in large, complex public sector organisations. In observation, this was an area where members offered less challenge and critical engagement; additional expertise might have led to a more productive and valuable conversation.

One of only four survey questions that came in below benchmark, and with a relatively low overall score, was on Board member confidence in succession planning. Reviewing qualitative survey responses, this score reflects scope for improved engagement and communication with the Board on succession planning. There are parallels here with comments and recommendations on Board member induction and development, as well as confidence in committee effectiveness.

Beyond the above discussion, one area the Board may wish to consider planning for is accountancy expertise, particularly for the Audit and Risk Assurance Committee. Whilst the Board currently has a number of qualified accountants, term limits/retirements and changes in roles may create a notable skills gap in the next 18 months. Whilst the college has had past success using co-option, it currently seems under-utilised and may be limiting pipeline development for certain key skills and perspectives.

Finally, the College has made considerable progress in considering diversity and in particular improving the gender profile of the Board. However, the Board would still benefit from greater cognitive diversity and voices from different perspectives across a number of dimensions, including socioeconomic status, lived experience of the college sector, and ethnicity.

Priority recommendation: board skills, diversity and succession planning

6: The Board should update its skills matrix, including:

- Enhancing HR/change management from desirable to essential, and prioritising this area for the next recruitment round.
- Adding college sector knowledge and experience to the ‘education – universities/schools’ criteria, or as its own separate item.
- Consider how to embed aspects of cognitive diversity, specifically socioeconomic status, college experience and race/ethnicity to the skills matrix. This should also include:
 - Formalising the college’s gender aims in the matrix and consolidate and build on success in this area.
 - Considering Advance HE’s Board Recruitment Framework², focussed on good practice in diversity in governance. This framework was constructed by combining resources from Advance HE with the Core Skills framework co-produced by the Scottish Government Public Appointments Team and Commissioner for Ethical Standards in Public Life in Scotland’s office.

7: Consider co-opting an additional accountant to the Audit and Risk Assurance Committee, factoring in opportunities to broaden diversity along other measures (socioeconomic status, college experience, ethnicity), and possible future progression to the Board of Management.

2.4 Process, Structures and Measurement

The Board of Management has a strong track record and established, effective processes in relation to its roles and regulations, committees, structures, information management and reporting arrangements. Many of these areas, such as a sophisticated risk register, have been developed and evaluated iteratively over time to produce a system fit for purpose and suited to Edinburgh College’s requirements. The Board of Management, and each committee also now benefit from a strong process and yearly cycle of strategic forward planning, agenda setting and review, including review of Terms of Reference for committees.

² <https://www.advance-he.ac.uk/guidance/governance/board-diversification/board-recruitment-framework>

Committee structure

The Board of Management currently has six sub-committees: Academic Council, Audit and Risk Assurance, Policy and Resources, Commercial Development, Nominations and Remuneration. A few interviewees commented on the current committee structure, and the potential for reviewing existing committee arrangements. In keeping with a forward looking and enhancement focussed review, the emphasis should be on the key questions of effectiveness and value. The committee structure was reviewed, but there isn't a clear rationale for significant change. Some areas are worth monitoring. The Corporate Development Committee (previously External Engagement) has very recently been reviewed and has a new chair and clear remit regarding key institutional challenges of income generation, stakeholder engagement and marketing. The Policy and Resources Committee, with a brief focussed on finances, human resources, and estates, and membership that includes the other committee chairs, has often played a central role in strategy development. Over the past year, as the Board of Management has increasingly prioritised strategic discussion, Policy and Resources has shifted to a slightly more operational focus. The work developing a model strategy process and alignment to new strategic KPIs may lead to considering changes to the committee structure, as might new leadership introducing a new focus and perspective. However, at the moment we are not convinced a changed structure would be more effective or add more value, and are mindful that with other recent and ongoing changes, stability in key areas is itself useful. This is perhaps the most significant recommendation we are not making.

Confidence in committee effectiveness

In interviews and survey responses, committee effectiveness was raised more clearly and narrowly in respect to the operation of committees. The focus from the interviews is particularly on the interface with Board, the structure of minutes and papers, and the quality of Board of Management discussion and Board member support to critically engage in these discussions.

One set of survey questions, containing three of the four questions where Edinburgh College had low scores and was below benchmark, are about assurance of performance management. Based on the interviews and conversations with College staff, the activities in question are happening, but a significant minority of Board members are unaware or unsatisfied with the reports and feedback they have received regarding them. These findings arguably relate most to confidence in committee effectiveness and the communication of committee activity to Board in a clear and efficient manner.

A lack of confidence in committee discussion and decisions, and confidence in the process of delegation more generally, is in our view due in part to weak information sharing, as well as Board member understanding of these functions. In other words, the key challenges identified in this review in relation to the sub-committees are not structural, but are about process, as well as board member induction and development.

The process itself could be improved. In reviewing papers, there is a lack of consistency in the strategic focus and composition of committee minutes. More fundamentally, the process and structure of the paper itself could be more conducive to focussing understanding and discussion on key points and decisions of strategic relevance.

In wider work undertaken by Advance HE across the English and Welsh HE sectors³, governing body members have stated that rather than relying on minutes from Senate meetings, a cover note which draws out the pertinent issues, high level data and a short executive report are the most helpful ways to provide assurance to governing bodies.

Adopting a similar process in committee reporting to the Board of Management, with explicit links to the College's strategic framework and KPIs, would bring a range of benefits. It would simplify Board members engagement with the process, focussing attention on a narrower range of strategic priorities whilst limiting the need to parse minutes from an unfamiliar committee. It would similarly aid consistency and coherence across the reporting of different committees.

This new process should ideally be paired with an induction and development process that provides Board members with an understanding of delegation and committee responsibilities, clear expectations of the level of reporting required for assurance and how to find additional information if required, as well as more specific information on the College's performance management and quality assurance procedures.

Together, an improved reporting process and enhanced knowledge from Board members should enable greater critical engagement with sub-committees and raise the quality of strategic discussion at the Board.

Additional considerations

It is worth considering a couple points in relation to committee membership. It was a commitment of the previous Chair to have student involvement in all committees apart from Audit and Risk Assurance (where good practice is conformed to with all independent members). This is increasingly considered good practice, given the primacy of student outcomes to most strategic considerations. We would therefore recommend this practice continues, though with holistic consideration of the demands placed on student representatives.

Some institutions prioritise and protect the independence of the Chair of the Audit and Risk Committee, to increase confidence and effectiveness in a particularly vital role. It is viewed as good practice for the Chair of the Audit and Risk Committee not to hold other functions or sit on other committees. Currently, at Edinburgh College, the Chair of Audit and Risk Assurance Committee also sits on Policy and Resources (alongside the other committee chairs) and has recently been elected Interim Vice Chair and Senior Independent Member. The Board should be aware of the view held by other boards in this regard and may wish to consider appointing to this committee a chair who doesn't hold other functions or roles.

Improved confidence in committee effectiveness will be crucial in allowing Board members to focus time and energy on more strategic considerations. These recommendations should be viewed as a necessary condition for the Board as a whole to successfully 'lift their heads up', and engage strategically.

³ Academic Governance Insights Guide (2017) <https://www.advance-he.ac.uk/guidance/governance/academic-governance>

Priority recommendation: confidence in committee effectiveness

8: Committee chairs should include a short (1 page) narrative summary that highlights main topics and their relevance to the College's strategic framework/KPIs, key discussion points and data, and agreed actions.

9: Induction and development should explicitly cover delegation and the committee structure; the 'Understanding Edinburgh College' document should include detail on performance and quality assurance and how these processes are scrutinised under current governance and committee arrangements.

Discussion of information management and papers in induction should include a discussion of the usual level of detail provided to board and how to access further information, alongside developing a complementary understanding of delegation to committees and the assurance and performance management functions of the governance structures of the College as a whole.

Secondary recommendations: confidence in committee effectiveness

- The Board should consider whether the Chair of the Audit and Risk Assurance Committee should hold other functions or sit on other committees.
- Students should participate in all committees apart from Audit and Risk Assurance, with holistic consideration given to the demands placed on student representatives.

Appendix One Schedule of recommendations

Priority recommendations
<p>1: Establish a short ‘dashboard’ of institutional KPIs derived from the strategic plan. KPIs should align with longer and shorter term strategic aims and provide a clear link between Board and committee activity and the strategic plan. An update should be a regular item at Board meetings.</p>
<p>2: To facilitate engagement with KPIs and ensure relevance of papers and conversation, all Board paper cover sheets, under ‘strategic implications’ should include reference to specific strategic strands and specific KPIs. If a paper cannot demonstrate relevance to a strategic KPI, its inclusion should be reviewed.</p>
<p>3: To build a shared understanding of strategy development, the board should agree a model strategy development process where Board of Management has final ownership of decisions. This should include consideration of:</p> <ul style="list-style-type: none"> • Early Board engagement with core strategic issues, brought back to the Board for a second view after further development. • Inviting opinion on a range of strategic options (and how these might be implemented) rather than feedback on a well-developed plan. • The function and role of committees, particularly Policy and Resources. • Strategy monitoring and review. Many boards are now focussing on ‘deep dives’ on a single pillar of a strategy or strategic KPI in each meeting, therefore ensuring each dimension of a strategy is considered in turn. There may be value in ensuring there is a committee, such as Policy and Resources, which can undertake more of the detailed development/deep dive work, and takes into account the more demanding agendas of Board meetings.
<p>4: Develop an external engagement strategy for the Board, clearly aligned with Edinburgh College’s strategic framework and KPIs.</p> <ul style="list-style-type: none"> • Canvas Board members to ensure the external engagement strategy is in line with the expectations, availability and preferences of Board members. • Ensure the College is issuing timely invitations to Board members to significant college events and external engagements, to allow for scheduling and planning. • Monitor board member engagement (e.g. at each Board of Management meeting), ensuring external engagement does not become a disproportionate commitment.

Priority recommendations

5: For AY 2020/21, plan a structured development programme for all members (including induction for new members), that is:

- Aligned with the forward plan for key strategic BoM agenda items and the organisational strategy and KPIs.
- Triangulated with a survey of member development priorities.
- Aligned with and complementary to CDN's offer.

This development programme should include:

- Two development days, structured to differentiate between board development/learning (executive or externally led) and work (Board led).
- Two thematic workshops, patterned on the successful finance workshop.
- More staged pre-reading throughout the year on specific topics aligned to both the organisational strategy and Board forward plan, to enable board members feel prepared in areas they are less experienced in.
- An enhanced induction process that builds on the current meeting focused approach to include:
 - e. Creating an 'Understanding Edinburgh College' document that covers key functions, structures and roles within the College, with explicit links to the current governance structure, committees and responsibilities.
 - f. A précis of current and recent strategic issues which the Board has been focussed on (more narrow than past Board papers), to help orientate new members.
 - g. Training on use of information and papers to support use and engagement.
 - h. A formal refresher with the Vice Chair during the first year (after 6-9 months).

6: The Board should update its skills matrix, including:

- Enhancing HR/change management from desirable to essential, and prioritising this area for the next recruitment round.
- Adding college sector knowledge and experience to the 'education – universities/schools' criteria, or as its own separate item.
- Consider how to embed aspects of cognitive diversity, specifically socioeconomic status, college experience and race/ethnicity to the skills matrix. This should also include:
 - Formalising the college's gender aims in the matrix and consolidate and build on success in this area.

Priority recommendations

Considering Advance HE's Board Recruitment Framework, focussed on good practice in diversity in governance. This framework was constructed by combining resources from Advance HE with the Core Skills framework co-produced by the Scottish Government Public Appointments Team and Commissioner for Ethical Standards in Public Life in Scotland's office.

7: Consider co-opting an additional accountant to the Audit and Risk Assurance Committee, factoring in opportunities to broaden diversity along other measures (socioeconomic status, college experience, ethnicity), and possible future progression to the Board of Management.

8: Committee chairs should include a short (1 page) narrative summary that highlights main topics and their relevance to the College's strategic framework/KPIs, key discussion points and data, and agreed actions.

9: Induction and development should explicitly cover delegation and the committee structure; the 'Understanding Edinburgh College' document should include detail on performance and quality assurance and how these processes are scrutinised under current governance and committee arrangements.

Discussion of information management and papers in induction should include a discussion of the usual level of detail provided to board and how to access further information, alongside developing a complementary understanding of delegation to committees and the assurance and performance management functions of the governance structures of the College as a whole.

Secondary recommendations

- Consider reducing numbers attending Board of Management meetings by reducing staff participation in the full meeting beyond the Secretary, Governance Adviser and COO.
- Consider alternative meeting venues, with alternative room and table arrangements that would facilitate more engagement, eye contact and higher quality conversation. At the Milton campus, the Board could trial holding the pre-meeting student presentation in the Board room, and the Board meeting itself in the square room used for previous presentations and lunch. The table could be laid out in a square, presenting better line of sight and potentially better engagement, allowing the Board to evaluate any impact on dialogue and effectiveness.
- Board members reported in interviews that the two development days per year, whilst nominally often focused on strategy development, often felt more educational. Board ownership and contribution to strategy development was therefore limited. A clearer distinction between development day content designed to facilitate member input to strategy development versus content designed for Board member development or education would improve the strategic contribution of the Board, and the quality of the

Secondary recommendations

strategic outputs of these days (also see recommendations on Board capability and culture).

- The Board should consider whether the Chair of the Audit and Risk Assurance Committee should hold other functions or sit on other committees.
- Students should participate in all committees apart from Audit and Risk Assurance, with holistic consideration given to the demands placed on student representatives.

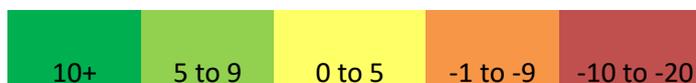
Appendix Two Survey results

Q6. To what extent do you agree or disagree the governing body takes effective overall strategic leadership of the institution?	100
Q7b. To enable the governing body to be assured as to financial stability and value-for-money?	100
Q12. To what extent do you agree or disagree that the governing body demonstrates an understanding of and commitment to the institution's vision, ethos and culture?	100
Q20a. That governing body meetings and business are conducted and chaired in a way which encourages the active involvement of all members in discussions and decision-making?	100
Q20b. Working relationships between governing body members and the institution's executive are good?	100
Q20c. A positive atmosphere exists to support effective governance?	100
Q20d. The need for constructive challenge by the governing body is understood and accepted by both members and the executive?	100
Q22a. Constructive challenge is undertaken appropriately?	100
Q19. How confident are you in the governing body's ability to identify and handle 'reportable or non-routine events'? (Events with a significant negative impact on the wellbeing of the college's finances, reputation or staff and student body and which will need to be reported to an external body, such as SFC, OSCR, ICO, or Police Scotland.)	100
Q1. To what extent do you agree or disagree that there is a genuine and shared understanding about and commitment by both the governing body and the executive to ensure effective governance?	92
Q3a. Regularly reviews its own performance?	92
Q3b. Demonstrates a commitment to continuously improving its effectiveness?	92
Q5. To what extent do you agree or disagree that there are effective arrangements in place for involving staff and students in the governing body (and its committees where relevant)?	92
Q7a. For the governing body to be confident in the institutional processes for maintaining the quality and standards of teaching and learning?	92
Q7c. To allow the governing body to be assured that the institution has effective processes in place to enable ethical policies and behaviours in the management of risk?	92
Q9. To what extent do you agree or disagree that there are processes in place to ensure recruitment of governing body members addresses the requirements of equality and diversity (in all senses of the term)?	92
Q15a. Reliable and up-to-date information is provided to the governing body to ensure that it is fully informed about its legal and regulatory responsibilities?	92

Q15b. That there is effective communication to and from the governing body with key stakeholders?	92
Q18b. Student experience?	92
Q22b. Planned outcomes agreed as part of the strategic plan are being regularly monitored and assessed to ensure that satisfactory progress is being achieved?	92
Q22c. Agreed standards of organisational financial health and sustainability are being achieved?	92
Q22d. Required standards of accountability are being achieved, as is compliance with legal, regulatory and charitable requirements?	92
Q22e. Defined quality levels for the student experience, including related academic and service provision, are being achieved?	92
Q22f. Risks are well-managed (including risks from collaborative activity and partnerships) and organisational reputation is protected?	92
Q22g. The governing body ensures there is effective organisational leadership?	92
Q4. To what extent do you agree or disagree that there is a genuine commitment to staff and student wellbeing from the governing body?	85
Q11. To what extent do you agree or disagree that the contribution of all members (including the chair) is regularly reviewed using processes agreed by the governing body?	85
Q17. To what extent do you agree or disagree that the governing body reviews the extent to which its existing governance arrangements are appropriate to support the institution's long term strategic plans?	85
Q18a. Academic awards?	85
Q22h. External and internal stakeholders have a high degree of confidence in the organisation and its governance?	85
Q10a. The recruitment of governing body membership is effectively managed?	77
Q13a. Receives assurance that regular performance reviews of all academic departments and professional services are undertaken?	69
Q10b. The succession planning for governing body membership is effectively managed?	62
Q13b. Where necessary receives assurance that recommendations arising from performance reviews of academic departments or professional services are implemented?	62
Q13c. Ensures that regular performance reviews of the head of institution are undertaken and reported by the Remuneration Committee?	62

Appendix Three Benchmarking results

Difference from university benchmark:



Q6. To what extent do you agree or disagree the governing body takes effective overall strategic leadership of the institution?	10+
Q7b. To enable the governing body to be assured as to financial stability and value-for-money?	5 to 9
Q12. To what extent do you agree or disagree that the governing body demonstrates an understanding of and commitment to the institution's vision, ethos and culture?	5 to 9
Q20a. That governing body meetings and business are conducted and chaired in a way which encourages the active involvement of all members in discussions and decision-making?	10+
Q20b. Working relationships between governing body members and the institution's executive are good?	5 to 9
Q20c. A positive atmosphere exists to support effective governance?	5 to 9
Q20d. The need for constructive challenge by the governing body is understood and accepted by both members and the executive?	10+
Q22a. Constructive challenge is undertaken appropriately?	10+
Q19. How confident are you in the governing body's ability to identify and handle 'reportable or non-routine events'? (Events with a significant negative impact on the wellbeing of the college's finances, reputation or staff and student body and which will need to be reported to an external body, such as SFC, OSCR, ICO, or Police Scotland.)	NA
Q1. To what extent do you agree or disagree that there is a genuine and shared understanding about and commitment by both the governing body and the executive to ensure effective governance?	0 to 5
Q3a. Regularly reviews its own performance?	10+
Q3b. Demonstrates a commitment to continuously improving its effectiveness?	10+
Q5. To what extent do you agree or disagree that there are effective arrangements in place for involving staff and students in the governing body (and its committees where relevant)?	5 to 9
Q7a. For the governing body to be confident in the institutional processes for maintaining the quality and standards of teaching and learning?	NA
Q7c. To allow the governing body to be assured that the institution has effective processes in place to enable ethical policies and behaviours in the management of risk?	5 to 9
Q9. To what extent do you agree or disagree that there are processes in place to ensure recruitment of governing body members addresses the requirements of equality and diversity (in all senses of the term)?	10+
Q15a. Reliable and up-to-date information is provided to the governing body to ensure that it is fully informed about its legal and regulatory responsibilities?	-1 to -9
Q15b. That there is effective communication to and from the governing body with key stakeholders?	10+
Q18b. Student experience?	5 to 9

Q22b. Planned outcomes agreed as part of the strategic plan are being regularly monitored and assessed to ensure that satisfactory progress is being achieved?	
Q22c. Agreed standards of organisational financial health and sustainability are being achieved?	
Q22d. Required standards of accountability are being achieved, as is compliance with legal, regulatory and charitable requirements?	
Q22e. Defined quality levels for the student experience, including related academic and service provision, are being achieved?	
Q22f. Risks are well-managed (including risks from collaborative activity and partnerships) and organisational reputation is protected?	
Q22g. The governing body ensures there is effective organisational leadership?	
Q4. To what extent do you agree or disagree that there is a genuine commitment to staff and student wellbeing from the governing body?	NA
Q11. To what extent do you agree or disagree that the contribution of all members (including the chair) is regularly reviewed using processes agreed by the governing body?	
Q17. To what extent do you agree or disagree that the governing body reviews the extent to which its existing governance arrangements are appropriate to support the institution's long term strategic plans?	
Q18a. Academic awards?	
Q22h. External and internal stakeholders have a high degree of confidence in the organisation and its governance?	
Q10a. The recruitment of governing body membership is effectively managed?	
Q13a. Receives assurance that regular performance reviews of all academic departments and professional services are undertaken?	
Q10b. The succession planning for governing body membership is effectively managed?	
Q13b. Where necessary receives assurance that recommendations arising from performance reviews of academic departments or professional services are implemented?	
Q13c. Ensures that regular performance reviews of the head of institution are undertaken and reported by the Remuneration Committee?	

Contact us

David Bass
Assistant Director
Advance HE
david.bass@advance-he.ac.uk

General enquiries

+44 (0) 3300 416201
enquiries@advance-he.ac.uk
www.advance-he.ac.uk

   @AdvanceHE

(Registered Office)
Innovation Way, York Science Park,
Heslington, York YO10 5BR

–
First floor, Napier House,
24 High Holborn,
London, WC1V 6AZ.

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