Summary of Business for

Council Effectiveness and Statutes Review Project Board

Title	**Council Effectiveness Review (phase one of project)**
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Date	26 November 2012
Status	Approved
Document type	Project report
Summary	This paper lays out the decisions that need to be made to begin the Council effectiveness reviews, covering - Scope - Measures - Selection of HEIs for benchmarking - Questions to address in benchmarking - Council members survey (approach only; detailed form of survey to be developed in coming weeks and approved by circulation)
Previous consultation	None
Resource implications	The proposed benchmarking exercise will incur expenditure on travel. This is within the budget requested for the project from Planning and Resources Committee
Risk analysis	See attached risk register
Effective date of introduction	Immediate
Recommendation	**The Board is asked to** - **APPROVE the scope of the review** - **APPROVE a benchmarking exercise in the sector and a survey of Council and SMT members** - **APPROVE the list of selected HEIs for benchmarking** - **APPROVE a set of questions for benchmarking** - **APPROVE an approach for the members survey**

Council Effective and Statutes Review Project Board
Council Effectiveness Review (phase one of project)

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1. Scope and focus of effectiveness review

It has been stressed by the Leadership Foundation for Higher Education (LFHE) and the Committee of University Chairs (CUC) that few effectiveness reviews are comprehensive enough to cover all aspects of governance, and thus HEIs need to ask themselves before the process begins what the key elements that are of concern are for any given review. It is of course possible to examine various aspects of governance over a number of years through successive reviews, and indeed some HEIs do conduct quite quick reviews on an annual basis. This may be something we would like to adopt going forward to replace or supplement the requirement for 3-yearly reviews.

The elements of governance that have raised the greatest concerns amongst members of the SMT and Council of late are:
- what strategic function Council does (and should) have,
- the practical implementation of the this ambition, in terms of its sub-committees, roles and responsibilities, interfaces with other bodies, and ongoing support for individual members to allow them to carry out these responsibilities
- the ways in which Council communicates with Academic Board, staff, students, and other stakeholders.

The function of Council here is considered to include the work conducted through its sub-committees, and its role within the governance process for larger or more critical College projects at gateway review points.

The Project Board is **invited** to consider where the focus should lie for the current review.

It is **recommended** that the three areas identified above are included.

It is **recommended** that the Project Board propose to Council a quick annual survey going forward which can be folded into the annual cycle of business to embed an awareness of the need to evaluate effectiveness. Annual surveys should be conducted in conjunction with Audit and Compliance Committee to ensure that we meet our statutory requirements in this area.

2. Measuring effectiveness

The Project Board is also **invited** to consider which measures should be used to assess the effectiveness of those elements selected. Measures can be:
- Assess performance of governing body against externally set requirements
- Assess performance of governing body against internally set targets
- Survey opinions and satisfaction of governors and members of SMT
- Compare governance performance against sector through benchmarking exercise, potentially involving input from external experts
- Compare governance performance against best examples in the UK and/or more generally

It is **recommended** that the Board approve a benchmarking exercise to help inform our sense of what is the norm in the sector and to look for examples of best practice that may be of use when considering our Statutes and for future Council effectiveness reviews.

It is also **recommended** that the Board approve the use of some form of survey to gather and compare the opinions of Council members and members of the SMT.

3. Benchmarking

It is **recommended** that we benchmark our governance structures against the following 16 universities:
- University of Bath
- De Montfort University
- University of Durham
- University of East Anglia
- University of East London
- University of Exeter
- Goldsmith's College
- King's College, University of London
- Kingston University
- University of Lancaster
- Queen Mary and Westfield College
- University of Sheffield
- University of Southampton
- University of Surrey
- University of Sussex
- University of York

13 of these have been selected as representing those English universities within the Russell Group and 1994 Group with which we share attributes such as size, ratio of non-academic to academic staff, or pool of applicants for undergraduate courses; the list contains three fellow members of the federal University of London. In addition we will look at the governance structures of three post-1992 universities in order to see if there are valuable suggestions we can take from them.

The project board is **recommended** to approve a two-tier exercise where these institutions are examined in limited detail to identify a sub-set of no more than six for deeper investigation involving interviews with lay governors from these institutions where possible.

The project board is asked to **note** that additional research will be conducted in the first tier of benchmarking investigation to seek to identify any valuable or strong models of governance that may be of value in the exercise from more recently created universities, and from other sectors with different governance arrangements in force.

4. Questions to raise in benchmarking exercise

Royal Holloway was one of the 27 HEIs that took part in the survey of effective evaluations of Council commissioned by the LFHE and undertaken by the Office of Public Management (OPM), results published in 2009. From the list above, only Exeter also took part in this survey. The OPM survey asked a number of questions to explore the effectiveness of the governing body's focus, and a second cluster to probe the governing body's decision making and its use of / attitude to information, risk, accountability, and transparency.[1]

While the OPM survey gives us a starting point for considering effectiveness within existing structures, it did not ask fundamental questions about what structures were in place, how long they had been used, why they had been adopted or replaced, and whether or not individuals had manageable levels of responsibility. We are interested to investigate the size of governing body at each institution and the reasons behind the choices made re size and number of committees, and the mechanism/s by which staff members are selected or appointed onto the governing body.

The OPM survey also did not enquire about the practicalities of the interfaces between the governing body and the SMT, the academic board/senate, and staff in general. We are interested to explore the visiting and meeting arrangements between governors and key members of staff, and the administrative structures within each HEI that are in place to support the governing body and to facilitate or service these interfaces. As phase two of the Council Effectiveness and Statutes Review anticipates that we will wish to modify the College statutes, it would be sensible to also enquire about institutions' experiences of working with or modifying their own statutes and ordinances.

It is **recommended** that the Board approve the construction of a questionnaire to guide discussions (by telephone and/or visits in person) with the governance teams in other HEIs to include:
- How effective is the governing body in maintaining a focus on key priorities?
- What is the role of information, risk, accountability, and transparency in the decision making of the governing body?
- What is the size of the governing body and have the reasons behind the selection of that size been made explicit and/or been re-examined recently?
- How is responsibility divided and managed across the members of the governing body?
- How are staff members selected or appointed (both academic and non-academic)?
- What are the arrangements for visiting and monitoring between the governing body and the SMT?
- How are meetings of the governing body arranged (daytime, evening, away day, etc.)?
- What administrative provision is made to support the work of the governing body and the interface between it and the SMT?
- How recently have the HEI's Statutes and Ordinances been revisited to ensure they serve their purpose, and how was this process managed?

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[1] The same LFHE/OPM piece of work considered and reviewed developments in other sectors, looking at the HE sector in the USA, Australia, and the Netherlands, partnership organisations within the UK private sector, the NHS, UK local government, and UK voluntary organisations. A copy of the full report, *What is an effective and high performing governing body in UK higher education?* by Allan Schofield, is available online at
http://www.lfhe.ac.uk/filemanager/root/site_assets/research_resources/governance/schofield%20-%20effgb.pdf

- How is succession planning managed to ensure an adequate spread of representation from different sectors, and inclusion of the requisite range of skills?
- How are members inducted to equip them to understand the commitment required, and to manage any conflicts of interest?

The Board is **invited** to suggest additions or exclusions to the above list of headline topics.

5. Survey for Council and SMT members

The LFHE created a template survey that can be used for Council effectiveness reviews which is appended here. This survey assumes that what quantifiable data is what is sought, over a wide range of topics. This survey has many strengths and could be used to draw in useful information about what Council members see as the enablers of good governance, the nature of our current working relationships, and the value of the outcomes achieved. The survey template includes spaces for the addition of extra questions of particular interest to the HEI making use of it.

Other HEIs have also found value in asking more open-ended questions that seek to draw out any difference between how the governing body would like to operate and how it does operate in practice. One technique is to invite each member of Council to represent where they currently feel they are asked to operate inside a triangle which reflects three prongs of Council's function, and to also indicate where they feel they should be if the governing body was working optimally. Individual responses can then be collated and a collective mapping of attitudes shared around Council. A draft of such a survey is appended. A second technique is to ask for anonymous comments about any incident/s when members feel they have not been consulted or informed in the best way or at the right time, and for these comments to be collected and presented back to a meeting of Council in order that instances of poor use of Council can be addressed and rectified. This review process could easily be accommodated into the annual cycle of Council meetings. Other such measures can be expected to be uncovered during the benchmarking exercise.

It is **recommended** that the Board approve using a simplified and tailored form of the LFHE survey template, in conjunction with the outlined qualitative requests for feedback. The template has been adapted to reflect our terminology.

If this approach is acceptable, a draft survey will be circulated around the Board for approval within two weeks of the Board meeting on 21 November 2012.

Appendix A – LFHE survey template

We are undertaking a review of the effectiveness of our Council, and to help do this we are seeking views from those involved on how the Council undertakes its role and the value it provides. On the following pages there are a number of questions about the Council that we would like you to answer. Separately you will be provided with the deadline for the return of the survey, the name of the person to whom it should be sent, and information about how the data will be analysed and who will see the results. The survey can be completed either in paper hard copy or electronically.

The survey is in five parts, and there is a different coloured box for each section for your answers. Please complete all parts, and if you don't have an opinion on an item please mark the 'don't know' box rather than omitting the question.

At the bottom of this page you are asked for your name because we need to analyse the data by the type of person responding (e.g. lay member; elected staff member; member of the management team; etc.). However, all responses will be treated **confidentially** and no information about individual returns will be available to anyone other than the person who will summarise the data. In particular, neither the chair of the governing body or the head of institution will see individual survey returns.

Finally, here are some brief notes about how to complete the survey. Please be as constructively critical as you think is necessary. We are not seeking bland reassurances in undertaking our review, and we need to know the honest views of those involved. You will see that we are asking you to answer the questions in three ways:

- First, by providing one answer to each question on a four point scale. (If you are completing the survey electronically just put an 'x' or similar mark in the appropriate box.)
- Second, there is an opportunity for you to explain aspects of your ratings and it would be helpful if you could do so, particularly if you are critical of aspects of current arrangements. (If completing the survey electronically you will find that the boxes that ask for your written views expand as you type in your answers.)
- Third, you will see that we are also asking you to provide examples from your own experience that have informed your answers, i.e. what sources of information you are drawing on. The answers to these questions may help us identify where there needs to be more information about the effectiveness of the Council or where processes need to be more transparent.

Thank you in advance for taking the trouble to complete the survey. If you have any questions, please contact the person who has sent it to you.

Please insert your name here:

Part A: The Enablers of an Effective Council

The questions on the following pages in salmon coloured boxes are about the foundations on which the Council works, and without these so-called 'enablers' being in place it is highly unlikely that it can be effective in practice. You will see that there are seven categories of enablers (with sub-questions in each), and we need to know the extent to which you think these enablers exist.

1 The commitment to effective governance	Agree	Partly Agree	Partly Disagree	Disagree	Don't Know
1.1 There is a genuine and shared commitment by both the Council and the SMT to ensure effective governance.					
1.2 The quality of interaction between the Chair of Council, the Principal, and the College Secretary enables effective governance to occur.					
1.3 The existing roles, responsibilities and accountabilities of the Council and its committees are clearly defined and are known both by members and by the SMT.					
1.4 The Council secretariat provides timely, informed and suitably independent professional advice and support to the Council.					
1.5 The Council regularly reviews its own performance and demonstrates a commitment to continuous improvement in its own affairs.					
1.6 *Space to add any extra question we may want to include*.					
Please give examples from your own experience as explanation for your answers					

2 Effective governance structures and processes	Agree	Partly Agree	Partly Disagree	Disagree	Don't Know
2.1 The Council decision making structure (including any sub-committees) is fit for purpose.					
2.2 There is a clear system of delegation from the Council with appropriate reporting mechanisms.					
2.3 The arrangements for Council and sub-committee meetings (number, timing, location, length of meetings, administration etc.) are fit for purpose.					
2.4 Effective arrangements are in place for involving staff and students in the governing body and sub-committees.					
2.5 The Council has effective processes for meeting its responsibilities for determining educational character, including an effective relationship with the Academic Board.					
2.6 *Space to add any extra question we may want to include*.					

Please give examples from your own experience as explanation for your answers

3 Effective Council membership	Agree	Partly Agree	Partly Disagree	Disagree	Don't Know
3.1 The size, nature, experience, skills and diversity of Council membership are appropriate to meet its roles and responsibilities.					
3.2 The recruitment, succession planning (and, where appropriate, reward) of Council members is effectively undertaken.					
3.3 Effective support, induction and ongoing professional development exists for members, and is valued by them.					
3.4 Council members are motivated, attend regularly, participate actively, and their skills and experience are used effectively.					
3.5 The contribution of all members (including the chair) is regularly reviewed using processes agreed by the governing body.					
3.6 *Space to add any extra question we may want to include*.					

Please give examples from your own experience as explanation for your answers

4 Council commitment to organisational vision, culture and values	Agree	Partly Agree	Partly Disagree	Disagree	Don't Know
4.1 The Council demonstrates an understanding of, and commitment to, organisational vision, mission and culture.					
4.2 The Council is active in supporting, and where necessary defending, core institutional values.					
4.3 The Council demonstrates an active implementation of the principles of good conduct in public life.					
4.4 The Council is effective in encouraging corporate social responsibility and the achievement of public benefit.					
4.5 There is trust and confidence in the Council amongst those staff and students who come into contact with it.					
4.6 *Space to add any extra question we may want to include.*					

Please give examples from your own experience as explanation for your answers

5 Effective strategic development and performance measurement	Agree	Partly Agree	Partly Disagree	Disagree	Don't Know
5.1 The Council fully understands institutional strategy and is actively involved in its formulation, approval and review.					
5.2 The Council actively measures and monitors institutional performance, including through the use of agreed KPIs which are both realistic and challenging.					
5.3 The Council regularly reviews comparative institutional performance with relevant peer institutions through processes such as benchmarking					
5.4 The Council receives assurance that regular performance reviews of all main departments and services are undertaken, and where necessary reviews issues arising.					
5.5 The Council ensures that regular performance reviews of the Principal are undertaken by the Remuneration Committee, and where necessary receives information.					
5.6 *Space to add any extra question we may want to include.*					

Please give examples from your own experience as explanation for your answers

6 Effective Council information and communication	Agree	Partly Agree	Partly Disagree	Disagree	Don't Know
6.1 The Council receives timely and accurate information for all areas for which it is responsible, and has confidence in the robustness of this data.					
6.2 Information is presented to the Council in as effective a way as possible, taking account of the information needs expressed by the board.					
6.3 Reliable and up-to-date information is provided to the Council to ensure that it is fully informed about its legal and regulatory responsibilities.					
6.4 The Council ensures that an effective College-wide risk management process is in place, and receives appropriate risk information and reports.					
6.5 There is effective communication to and from the Council both within the College and also with key stakeholder bodies and the public at large.					
6.6 *Space to add any extra question we may want to include.*					

Please give examples from your own experience as explanation for your answers

7 Future Governance	Agree	Partly Agree	Partly Disagree	Disagree	Don't Know
7.1 The Council conducts its affairs in a way that is responsive to changing circumstances and the need for responsive decision making and governance.					
7.2 The Council is well informed about likely changes in the external environment and any major implications for governance that may result.					
7.3 The Council actively monitors effective governance in other sectors and adopts relevant practice.					
7.4 The Council is actively reviewing the extent to which its existing corporate governance arrangements will be appropriate to meet long term strategic plans.					
7.5 The Council is actively reviewing the extent to which existing arrangements for academic governance will be appropriate to meet long term strategic plans.					
7.6 *Space to add any extra question we may want to include*.					

Please give examples from your own experience as explanation for your answers

Part B: Working Relationships and Boardroom Behaviour

The following questions in this section are about the crucial interactions between the people involved in governance, and what actually happens inside the boardroom. Getting these relationships right is crucial to effective governance. Please answer the questions in the same way as for the previous section:

	Agree	Partly Agree	Partly Disagree	Disagree	Don't Know
1 Council meetings and business are effectively conducted and chaired in a way which encourages an appropriate degree of transparency, openness and engagement, and which has the general confidence of members.					
2 The approach, style, and contribution of the Principal supports effective Council meetings.					
3 The approach, style, and contribution of the Council secretariat supports effective governing body meetings.					
4 All Council members are actively involved in discussion and demonstrate a shared purpose and commitment, whilst maintaining the distinction between governance and management.					
5 In practice, working relationships between Council members and the SMT are good, and a positive atmosphere exists to support effective governance.					
6 The need for constructive challenge by the Council is understood and accepted by both members and the SMT, and is undertaken both appropriately and effectively.					
7 *Space to add any extra question we may want to include*.					

Please give examples from your own experience in explanation where possible

Part C: The Outcomes Achieved by the Council

The following questions are about the achievements or outcomes of our Council. Ultimately these are those factors that really determine how effective our Council is, including the extent to which it adds value. We need to know the extent to which you think the Council achieves the outcomes set out.

Possible outcomes	Agree	Partly Agree	Partly Disagree	Disagree	Don't Know
1 That the agreed institutional strategic plan is being achieved.					
2 That agreed standards of institutional financial health and sustainability are being achieved.					
3 That the required standards of accountability and legal/regulatory compliance are being achieved.					
4 That defined quality levels in academic and service provision and the student experience are being achieved.					
5 That both the effective management of risk and optimal support for innovation are being achieved.					
6 That enhanced institutional reputation and competitiveness is being achieved.					
7 That enhanced institutional leadership through effective governance is being achieved.					
8 That confidence in governance is being achieved both within the institution and by key external stakeholders.					
9 *Space to add any extra question we may want to include*.					

Please give examples from your own experience as explanation for your answers

Part D: Other Views

If you have other views on the effectiveness of the Council or our governance more generally, please summarise your views in the box below.
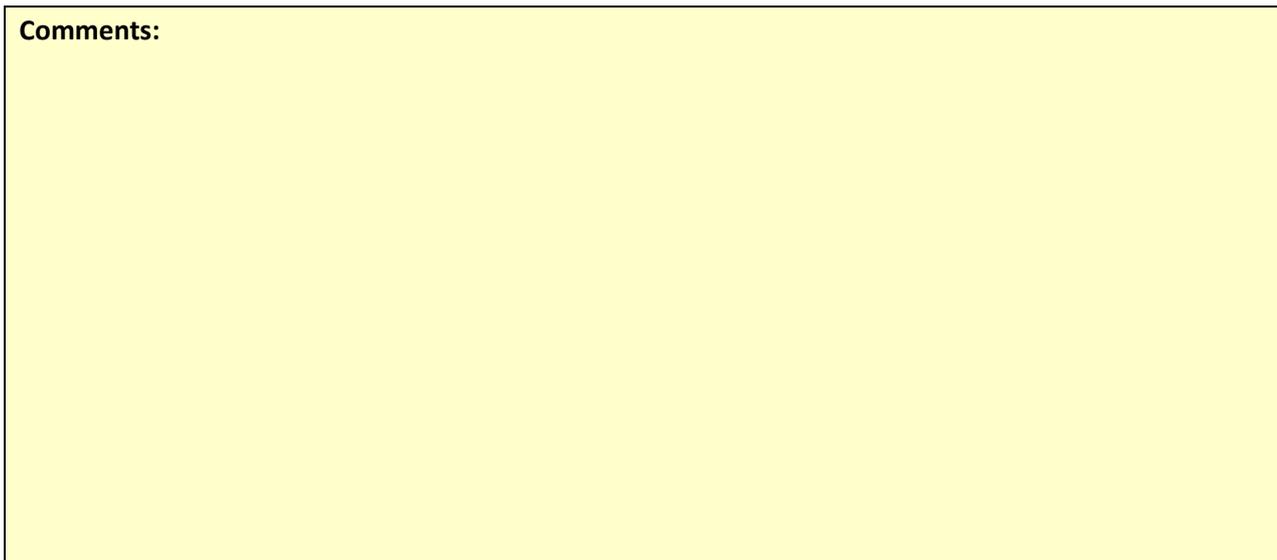
Comments:
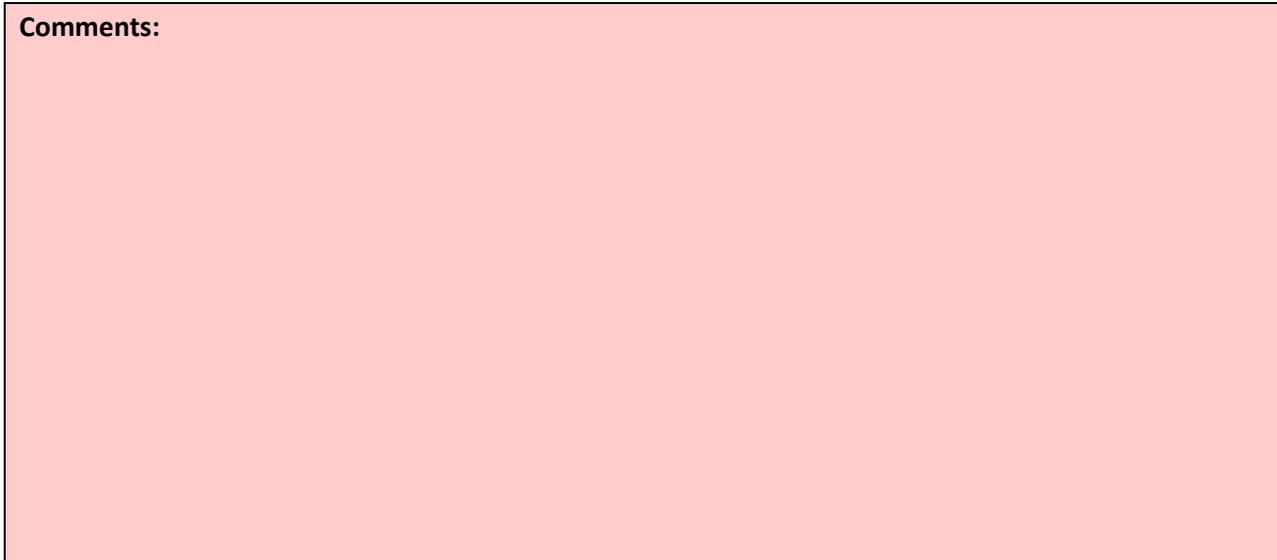
Part E: Looking Forward

Finally, thinking about your answers to all of the questions above, what do you think are the implications for the future operation of the Council? Please summarise your views in the box below. If you conclude that significant change is required, then please say so and take the opportunity to be constructively radical.

Comments:

Thank you for providing this information and taking the trouble to complete this survey

Appendix B – qualitative measure of effectiveness in practice

Endorse SMT
decisions

Place a cross where you feel
you are being asked to work

Place a single dot where you
think your role should be

Represent
external stakeholders
in the College

Make strategic
decisions