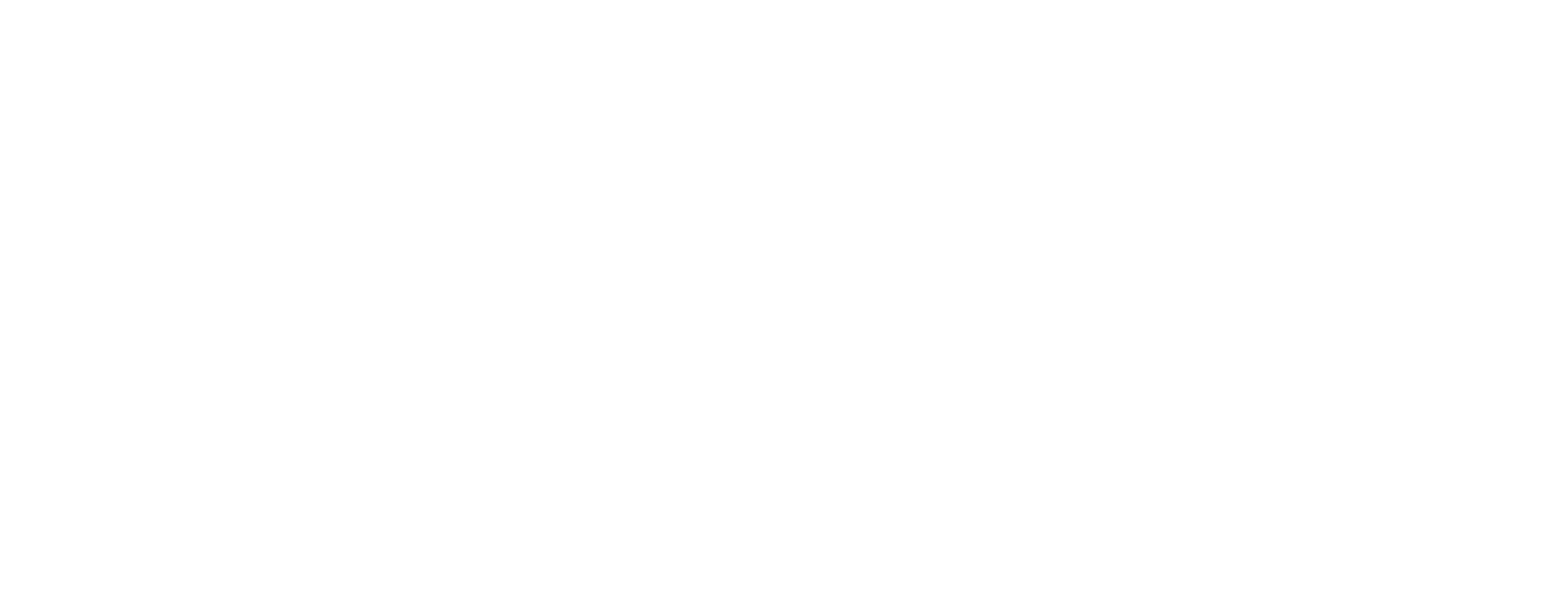
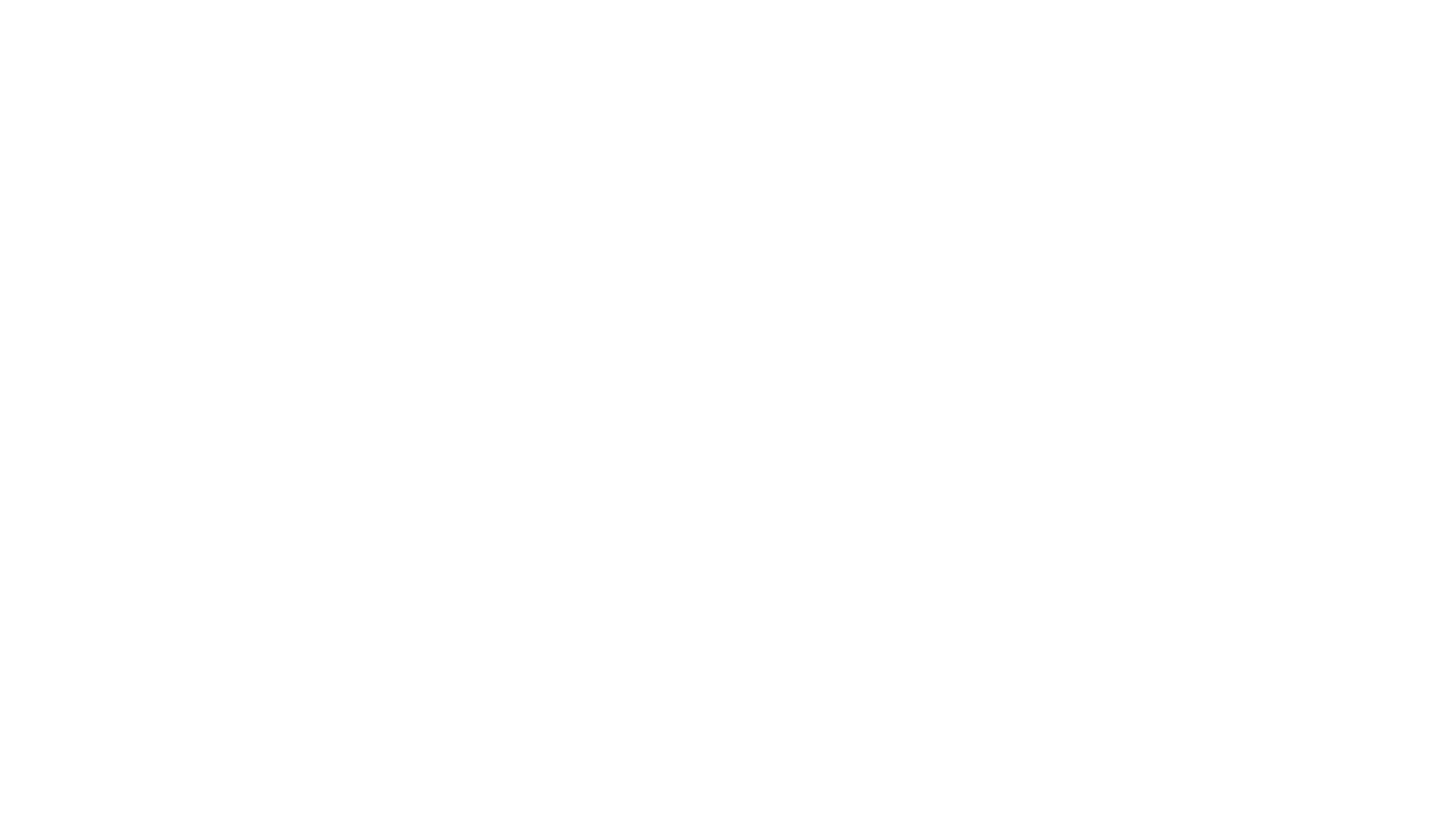
**Governance Review Final Report**

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**DRAFT**

**December 2020**



**GOVERNANCE EFFECTIVENESS REVIEW**

**January 2021**

**FINAL**

**REPORT**



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# Executive Summary

## Introduction

1. One of the key factors when considering the governance of a University is how successful the University is it in its outcomes. Cardiff Metropolitan University (CMU) has been named Welsh University of the Year in 2020 for overall improvement. This has been demonstrated in the National Student Survey where CMU is 2% above the average in 2020, compared to 3% below in 2016. It is also 27th for Student Experience. The University has demonstrated improvement in all major league tables in 2020:

* + The Complete University Guide: 87th (96th in 2019)
  + The Guardian Good University Guide: 72nd (113th in 2019)
  + The Times Good University Guide: 79th (112nd in 2019)

In addition, although Covid-19 has probably a long way to run, the University Governors and the Executive believe it has managed the initial stages of the crisis very well, maintaining student numbers, finances and support for staff & students. The University is also relatively strong financially.

1. Thus, there is clear evidence of a University that successfully promotes improvement and is doing well. Therefore, the focus of the Governance Effectiveness Review has been not on what the University does well, but on what it can do to improve its governance to ensure continued success. This report focuses on the important areas for improvement and makes recommendations and suggestions for the Board’s consideration.

## Review Process

3. The review process has been extensive and has included:

* Agreeing the key lines of enquiry;
* Desk review of Board and Committee minutes for the last year and selected papers from those agendas;
* Survey completed by all current Governors;
* Benchmarking study of Board structures at comparator institutions;
* Interviews with all Governors, senior executives and a selection of past Board members (29 interviews in total); and
* Attendance at 3 Board meetings and at least one meeting of each of the Board’s five committees.

## Covid-19 and other key factors

1. The main work of the review was carried out between August and December 2020. In March 2020, the Board moved to monthly Microsoft Teams meetings and suspended its

Committee meetings with the exception of the Audit Committee. The nature of the Covid-

19 pandemic meant that the Board became very focused on the management of the Covid-19 risk. The review is thus taking place in a year that has been very far from the old norm.

1. Circa March/April 2020, 6 new independent members were appointed to the Board, which has a total of 13 independent members. This is a substantial change in Board membership at a time when it was inevitably difficult to embed new members in the Board. It is also worth noting that there had been some long-outstanding executive vacancies including the University Secretary, Director of People Services, Head of Strategy, Risk & Compliance Analyst and Deputy Vice-Chancellor. We believe these vacancies have impacted the effectiveness of the Board and its Committees. Most of these vacancies have now been filled. The Committees started operating normally again in the Autumn Term 2020 but with a reduction in their number, most notably the Strategy, Planning & Performance (put on hold) and the combining of Management Board and the Academic Board to become the Combined Academic Board for 2020/21. The Board is continuing to meet monthly for 2020/21.

1. During this period, the new University Secretary has continued to implement changes that she believes to be necessary, including a more focused agenda, a review of Board business, more focused Board & Committee papers and new terms of reference for Committees.

1. Across the HE sector, the pace of change is increasing with decisions having to be made quickly, often with vague and conflicting information and more often being played out publicly in social media, the press or politically. Consequently, there is felt to be a need for more involvement from Board members and a desire to find more mechanisms to link Board members into their University. This has been accelerated by the Covid-19 crisis where universities have generally responded well with creativity and speed. One key question for Boards is how these qualities can be maintained.

## CUC Higher Education Code of Governance

1. While the review was being undertaken the CUC issued a revised Higher Education Code of Governance. The Halpin Partnership Ltd (Halpin) have used this Code in the review. Given the diversity of the HE Sector, the new sub-principles below the primary elements in the Code are, perhaps inevitably, a mix of the low bar (e.g., cover the absence of a Chair), quite general (consider having Audit, Finance and Nominations Committee) and more demanding requirements (the Governing Body “also receives assurance that the prevalent behaviours in the institution are consistent with its articulated values”).

1. Halpin believes that rather than confirming that a University is complying, it is more appropriate to see where a University sits in developing its governance and where it might improve. Halpin has adopted a University Governance Maturity Framework (see Appendix 2) based on the Code and its experience of reviewing Universities. This has four levels – Failing, Improving, Good, Leading Edge – based on current practices found. **Halpin believes that CMU is at the level of ‘Improving’ currently**. CMU has the ability to progress rapidly through the grades to “Good” and beyond provided it agrees a programme of improvement (with agreed delivery times) based on this review’s recommendations. The programmes will need to consider the resources and leadership needed to achieve what will be a major improvement programme.

1. Key areas where the University currently performs at a good level include:

* + the quality and experience of members;
  + members see the Executive as capable and respect them;
  + regularity matters are under control; and
  + the reinstated Committees function well, though their terms of reference need to be finalised.

1. The ability of the Board to move quickly to the level of ‘Good’ is evidenced by the changes made during the review both by key individuals and the Board including:

* + the Students’ Union initiative of a virtual ‘Meet the SU’ session to meet SU School reps, part-time officers and members of the SU Student Engagement Team;
  + a mental health presentation at the December Board Meeting covering one of the University’s key risks;
  + a planned Risk Management facilitated workshop for the Board in January;
  + the slimmed-down *Measures of Success* for the Board with additional measures for Committees and the Executive; and
  + significant improvements in the operation of the Board over the 3 Board meetings observed.

## Key Recommendations

### Board Focus

12. It is recommended that the Board shifts its balance so that it focuses more on the strategic and cultural issues, and less on compliance and assurance that all is going well. CMU is a successful university but the key considerations for the Board should be how does it continue to be successful, where does it want to be in 3 years’ time, and how does it get there? Professor Bob Garratt has termed the conflict *the Director’s dilemma -* “how to drive our organisation forward while keeping it under prudent control”. To make the shift will require the Board to:

* be well-informed in respect of the key issues;
* establish a clear understanding of and respect for the different roles of the Executive and the Board so that the two work together effectively;
* allow more decisions to be taken by the Executive so the Board does not decide operational issues – this requires trust and confidence in the Executive to run the operations of the University;
* ensure that the Board annual business and meeting planning and preparation is rigorous;
* consider the best forums for taking the business agenda forward whether by briefings, discussions, task & finish groups, committees or Board business meetings; and
* ensure the Board and the Executive can properly discuss issues and possible options together from the inception of major projects or issues to their completion in a rich and value-adding way.

### Board Culture

1. The interviews with Board members and the Executive raised some questions as to the extent to which the Executive valued the Board’s contributions. Some members felt that they were being asked to rubber-stamp decisions, that the Board was being managed with a focus on good news and that the Executive were too sensitive or defensive when challenged. However, the Executive team were clear that they wanted discussion with the Board and the value that the Board could offer. They were frustrated that such opportunities for discussion were extremely limited and that too often the Board focused on operational detail or personal interests. There was also concern that the independent members did not understand sufficiently Higher Education and the University.

1. The Board has experienced members who want to operate at the strategic level and want to use their skills and insight to support the Vice-Chancellor and the University. However, the survey and the interviews make it clear that currently members do not feel that the Board’s skills and experience are being properly used.

1. There is evidence that the Executive are very well-regarded by the independent members. During the review there have been occasions where the Board and the Executive have worked together well and added value e.g., measures of success briefing and discussions on the International Sports Village.

1. One important step which should improve matters is for the Board and Executive to discuss their individual roles. The Board and the Executive should work together to develop a clear Statement, that the Board can agree, covering the role of the Board (scrutinising, challenging and supporting) & its relationship with the Executive

(implementing the agreed Strategy and managing the University’s operations). The Statement should be designed to clarify roles, values, develop trust and understanding but also to set expectations and behaviours. The Statement should be developed as part of a Board Development Programme.

### Board Operations

18. Further key recommendations are focused on more operational matters and cover the following areas:

* The development of a clear delegation framework setting out what is reserved for the Board, its Committees and the Executive. The Executive should be responsible for the operational management of the University and trusted to do so;
* The appointment of a Senior Independent Governor (SIG) – this is becoming more recognised in the HE sector and should help improve governance generally as noted in the new *CUC HE Code of Governance;*
* Building the Board as a team and developing the understanding of members of the University and the HE sector;
* Returning to a maximum of 5 or 6 meetings a year for the Board but with teambuilding events also timetabled. This will allow the Committees to develop and integrate their business with the Board;
* Ensuring the agendas are realistic as to time, and that they enable discussions. They need to clearly show what is going to take up the majority of the time of the meeting because of its importance, what is relatively minor but needs decision or discussion and what is on the agenda for information;
* Developing board papers so they are written to meet the Board members’ needs and gradually move to being much shorter and focused on the key risks/decisions which concern the Executive and the evidence that gives the assurance the Board requires. Our guidance note on board papers is in Appendix 5;
* Investing in an online board portal so the members acting on a pro bono basis can easily access the papers and information they require;
* Improving the Board’s transparency with the public through its website and reporting; and
* Developing better connections between the Board and the students and staff so the Board is more visible.

### Implementation

1. We noted with concern that the recommendations from the previous 2015 effectiveness review did not appear to be implemented. We have made two recommendations on implementation:

* + The Board should ensure that there is an appropriate process for overseeing the implementation of these recommendations and that Governance & Nominations Committee (G&NC) be assigned with that role; and
  + The Board should review the resourcing of the Governance team to ensure that it has the capability to deliver the changes that the Board requires whether by additional staffing or project support. Halpin believes that additional resourcing will be required.

1. Our recommendations have come from an extensive independent review, but it is for the Board to decide what to implement and their priority order. It is recognised that it will be more difficult to implement some recommendations during the Covid-19 pandemic, but we would encourage the University to be creative and see what can be achieved.

1. The key recommendations have been numbered and set out in Appendix 1. There are other recommendations and suggestions made within the text.

1. Halpin wishes to thank the Board Members and Executive for being open, trusting and welcoming during this process and also the Governance team for their support. This has made it much easier to develop findings that we believe will move the University’s governance forward quickly, and it has also made it a very enjoyable experience.

***Susie Hills and Frank Toop, December 2020***

# Constitution

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Governor Survey – Knowledge & Understanding***   |  |  | | --- | --- | | • | *Excellent – I know it in detail and refer to it regularly* | | • | *Good – I know the general themes* | | • | *Average – Aware it exists. Couldn’t say much about it* | | • | *Poor – I’ve never heard of it* | | ***Knowledge/understanding of:*** | | | | *CUC Code of Governance (7)* | | |   *20% Excellent. 55% Good, 20% Average, 5% Poor*   |  | | --- | | *HEFCW in relation to institutional governance (8)* |   *10% Excellent. 65% Good, 20% Average, 5% Poor*   |  | | --- | | *Instruments, Articles, Standing Orders (9)* | | *11% Excellent. 63% Good, 26% Average* | | *How confident do you feel about your knowledge and understanding of the University (10)* | | *25% Very, 60% Reasonably, 10% Not very, 5% Not at all confident* | | *How confident do you feel about your knowledge and understanding of the wider HE sector (11)* | | *25% Very, 40% Reasonably, 30% Not very, 5% Not at all confident* | |

## Instruments & Articles of Government

1. CMU’s instrument and articles of government were first approved in 1993 and were last updated in 2011. The Articles have been changed 9 times in that period. Any changes need the approval of the Privy Council.

1. In Wales, the First Minister is the Privy Counsellor with policy responsibility for Higher

Education. HE policy advisers at the Welsh Government provide comments at the initial stage in respect of any proposed changes and also the recommendation as to whether or not to approve the proposal at the formal stage.

1. The Privy Council Office process mirrors that of England, and the documentation required for submission is the same. However, the Welsh Government has a very hands-on approach to the governance arrangements of each of the HE institutions in Wales, and the process will take longer than the English equivalent.

**Table 1: Survey – Sector Knowledge &**

**Understanding**

1. If the changes proposed include areas in which the Charity Commission has a specific interest, then the Privy Council will refer the proposals to them.

1. In England it has become relatively easy to make such changes. City, University London was the first University to modernise its Charter & Statutes in 2006 and since then many have followed. In Further Education, this modernisation to a “slimmed-down” version was achieved for all institutions in the sector by legislation, whereas Universities have had to apply individually to the Privy Council. These changes recognised that in Chartered Universities the Charter & Statutes were voluminous, not accessible and any change was onerous due to the need often for two special resolutions by the University and then Privy Council approval. Thus, there was a tendency for the documents to become out of date and actual governance practice to deviate from what was required by the University’s constitution.

1. The reasons for change in Chartered Universities include:

* + improving the clarity of documents so they are more accessible to stakeholders;
  + moving many of the less important elements out of Charter & Statutes so decisions can be made much more quickly by the University rather than requiring a lengthy process to get Privy Council approval, e.g., terms of reference and membership of Senate; and
  + moving employment clauses from Charter & Statutes to Ordinances and then Policies – this normally requires engagement from the Trade Unions – so that employment arrangements can keep pace with employment practice and legislation and there is consistency across all categories of staff.

1. Currently CMU’s instrument is 6 pages long and the articles are 14 pages – a total of 20 pages. They are far from accessible with many clauses that are complex and others that should be at the discretion of the University. The pandemic has raised issues over the inflexibility of the current arrangements particularly in respect of the academic board. We suggest the following areas should be considered for change:

* 1. moving employment clauses ideally to University Policies & Procedures so that they can be easily kept up to date with best practice and legislation;
  2. the Board needs to decide whether, and if so how, the Board should be involved in appeals by all staff against dismissal. Our advice is that the Board should only be involved in respect of appeals against the dismissal of the senior staff;
  3. currently, staff and students cannot be members of an employment or finance committee – this should be changed;
  4. the Academic Board provisions should be simplified with most being capable of being changed by a Board decision, e.g., terms of reference, membership and meeting procedures; and
  5. the Procedures for Board meetings should be simplified so most are at the

Board’s discretion, e.g., voting at meetings, election of Chair and Vice-Chair.

1. We briefly reviewed the position of new universities and found some had modernised their instruments and articles so they totalled fewer than 12 pages. De Montfort, for example, has combined the instruments and articles in 3 pages. Our review was a brief analysis in a complex area and is intended to give an idea of what changes are possible. The University will need to explore the options in much more detail if it accepts the recommendation to change. The following are examples of those Universities who have made the change.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **University** | **Date+** | **Pages+** | | **Comment** |
| Bournemouth | 2016 | 5 | 4 | Half page for Senate & 2 staff clauses[[1]](#footnote-1) |
| De Montfort | 2020 | 3 in total  combined | | 4 lines on academic board & 2 staff clauses2 |
| Huddersfield | 2012 | 5 | 5 | Board appoints VC and Secretary and approves framework for pay and conditions of service of all other staff.  Half page on Academic Board. |
| Lincoln | 2009 | 7 | 4 | Instrument dates back to 1993. Articles 2009. Board appoints VC and clerk and approves framework for employing staff and policies & procedures. No reference to senior staff |
| Portsmouth | 2020 | 3 | 6 | 2 clauses for Academic Council. Board must ensure there are staffing procedures. Defines in detail senior postholders & Board responsible contractually – could not find a delegation schedule as to how that is exercised. |

**Table 2: Instrument & Articles benchmarking data**

**+ Date = latest date of change, Pages = for the Instrument and then Articles**

1. We also reviewed Universities in Wales and found two that have modernised their Charter & Statutes and have made changes to the staffing arrangements. Prior to modernisation, most Chartered Universities had the same Model Statute in their Statutes, agreed with the Unions in the late 1980s, which set out for academic staff the key arrangements for grievances, disciplinary matters, dismissals and redundancy. It covered only academic staff, became out of date both legally and in terms of best practice, and as the Privy Council had to approve changes, was hard to change.

* + Aberystwyth University has replaced the Model Statute by the clause “The Council shall determine the policies and procedures which apply to the main terms and conditions of University staff. Before acting, the Council shall ensure that the relevant trades unions are consulted, and their views taken into account”.

* + In 2011, Swansea University moved its staffing policies to Ordinances but with a protection for academic staff who had tenure prior to 1987 and had not been promoted since.

1. Legal advice will be required if the University decides to make changes, especially as some changes will not be possible because current legislation - the Education Reform Act 1988 and Further & Higher Education Act 1992 - requires certain regulations e.g., the board membership limit of 13 independent members. Legal advice should also be sought to confirm that the Board, Academic Board and Committees have the power to delegate to the Vice-Chancellor and that the Vice-Chancellor has the power to delegate onwards. We have recently found one university which did not have this power under their Charter & Statutes but had assumed it did.

1. We **recommend** the University modernises the Instruments and Articles so they are simplified and accessible and changes can be made quickly for minor matters without Privy Council approval (R1).

## Delegation Framework

1. The University currently does not have a delegation framework that is easily understood – so there is no clarity as to what decisions the Board reserves to itself and what is delegated to Committees and the Vice-Chancellor. City, University of London has developed and used a 2-page document successfully now for 10 years which identifies what is reserved to the Board, and if it is not on that list then it falls to the Vice-

Chancellor. There have been very occasional changes made by the Board as a debate has arisen as to whether to add an item to the list or not. It would be possible to have a slightly more complex listing which showed for each area of business two columns – (1) what is reserved for the Board and (2) what has been delegated to a Committee. Again, if it is not on the list it falls to the Vice-Chancellor.

1. This more complex version can be helpful as the second column showing the delegations falling to a Committee can then be copied across to the Committee terms of reference so they both align, and the Committee’s delegations are part of a holistic process covering all delegations.

1. The Governance Review of HEFCW by Professors Moxley and Chambers in 2019 recommended the same system. “The Scheme of Reservation and Delegation should be carefully reviewed to ensure there are no gaps between which powers are reserved to Council and which powers are delegated to the Chair and to the Chief Executive. One way to ensure no gaps and no ambiguity would be to delegate to the Chief Executive everything which is not specifically delegated to the Chair, a committee or reserved to Council”.

1. Many universities have delegation schedules which are inaccessible and unhelpful. Often, they are very lengthy, out of date, in a landscape format and spreadsheet-style, and not read. It is important that accessibility is a prime consideration and something short in format and easily updated is key.

1. The discussion around delegation should review the extent to which the Board wishes to reserve responsibility for the contractual arrangements of the Vice-Chancellor’s Executive Group (VCEG). The Articles currently allow the Board to define who are the senior staff - see Clauses 1 (1) Articles - and therefore for whom they reserve contractual responsibility. This could be all of VCEG as currently or the Board may decide it is just the Deputy Vice-Chancellor or a variant of this. This area is worth a full discussion as it is potentially a point of tension.

1. As the Board is not prevented from delegating its contractual responsibility, it could decide that it will retain the majority of the responsibility for VCEG but delegate certain aspects of the appointing process e.g., perhaps retaining one or two independent Board members on the appointing panel but otherwise leaving the appointment to the ViceChancellor as Chair of the appointing panel. This is not possible in respect of dismissal or suspension currently where the process is defined by the current articles.

1. We would advise that the Board should limit its definition to the following Level 2 officers: Deputy Vice-Chancellor and University Secretary.

1. We **recommend** that the Board establishes a delegation framework that is easily understood – so there is clarity as to what decisions the Board reserves to itself and what is delegated to Committees and the Vice-Chancellor. In particular, it should review and agree the extent to which the Board should be involved in the contractual arrangements for senior staff and appeals for staff employment matters (R2).

## Bye-Laws & Standing Orders

1. We believe it is good practice to include all governance regulation in one document.

This:

* + helps transparency for the stakeholders;
  + makes it easier to keep the document up to date;
  + helps consistency and accuracy as many of the separate documents interrelate, e.g., the Chair is often covered in multiple chapters, also delegations and terms of reference interrelate;
  + helps avoid restating and duplicating;
  + helps keep the volume of documentation down.

1. The areas that should be covered include:
   * Board – Primary Responsibilities, appointing and removing members, appointing to Committees, appointing Chair and Vice-Chair;
   * Delegations Framework;
   * Terms of Reference for Committee and Working Groups including Academic Board;
   * How meetings are run;
   * Role profiles of key officers – Chair, Vice-Chair(s), Vice-Chancellor, University Secretary and Senior Independent Director;
   * Key academic posts, faculties, departments and associated or affiliated bodies;
   * Other – including Students’ Union.

We **recommend** that the Board establishes a comprehensive set of Standing Orders and Bye-Laws covering all governance matters within the Board’s remit (R3).

# Board Membership

## Board Size

1. The current Board has 20 members. The Instruments allow for no fewer than 12 and no more than 24 members, plus the Vice-Chancellor unless they choose not to be a member. The survey results do not indicate that members feel the current size to be a significant problem.

10.5

%

31.6

%

52.6

%

5.3

%

Do you think the current structure and size of the Board presents any

challenges?

Yes, definitely

Yes, to a limited extent

Not particularly

Not at all

**Chart 1: Governor Survey**

1. The recently published Advance HE - Diversity of Governors in Higher Education study based on the HESA returns for 2018/19 gives the average number of active governors sitting on boards at 21.5 with a range between 10 and 34.

1. Generally, universities arrive at around 20 in order to populate the committee structure and ensure they remain quorate. Also, the staff and student representation (excluding the Vice-Chancellor) at 25% of the Board is thought to be a beneficial inclusion of the key stakeholder communities. The downside is the size of the Board which makes it more difficult and requires a creative mix of briefings, discussions, committees, task & finish groups, and Board business sessions to ensure that members’ voices can be adequately heard. The University of West of England (UWE) has a Board of 12 and NHS Boards tend to be smaller than this.

1. We benchmarked key membership statistics against a set of 9 comparator universities and all Welsh universities:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Board Members** | | | **Female**  **%** | **Board Members** | | |
|  | Average | Low | High | Indep. | Staff | Students |
| CMU | 20 |  |  | 45 | 70% | 20% | 10% |
| Welsh | 20 | 17 | 26 | 47 | 63% | 29% | 8% |
| Comparators | 19 | 15 | 25 | 45 | 70% | 22% | 8% |

**Table 3: Comparator institutions**

1. CMU does not look to be an outlier against these universities:

* + the Welsh universities with low numbers on the Board are Aberystwyth with 18 (11 independents) and South Wales with 16 (10) and Wrexham Glyndwr with 17 (11). The universities with higher Board numbers are Cardiff with 26 (15) and Swansea with 23 (13).
  + in the comparator set, the lowest are Staffordshire with 15 (10 independents), East London and Solent with 17 (13) and Canterbury Christ Church with 18 (12). The highest by some way is Edinburgh Napier with 25 (16).
  + Cardiff and Swansea have 9 staff members but the norm in Wales is between 4 and 6 including the Vice-Chancellor.

1. It is perhaps worth noting that the Welsh Universities’ response to the Camm report has agreed to work towards a maximum Board membership of 22. We have not made any recommendation that the current Board size should be changed.

1. We have appended further results from the Governor Survey relating to Board size and structure in Appendix 3.

## Composition and Diversity

1. The composition of the CMU Board is as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Constitution** | **Actual** | **BAME** | **Female** | **Male** |
| Independents | Up to 13 | 13 | 2 | 6 | 7 |
| Vice-Chancellor | VC | 1 |  | 1 |  |
| Students | Up to 2 | 2 | 1 | 1 | 1 |
| Academic Board | Up to 2 | 1 |  | 1 |  |
| Co-opted Elected  Staff | See  Footnote[[2]](#footnote-2) | 2 | 1 |  | 2 |
| Co-opted  Independent | 1 |  |  | 1 |
| Total |  | 20 | 4 | 9 | 11 |

**Table 4: CMU Board composition**

1. The *Advance HE study* gave the equality characteristics for the UK as:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Governors** | | **HE Staff Overall** | |
| Sex | 42% Female | 58% Male | 55% Female | 45% Male |
| Ethnicity | 89% White | 11% BAME | 86% White | 14% BAME |
| Disability | 95% Not Disabled | 5% with  disability | 95% Not Disabled | 5% with  disability |
| Age | 20% under 45 | 80% over 45  (18% over 66) | 43% under 45 | 57% under 45 |

**Table 5: AdvanceHE diversity statistics**

1. It would seem from this analysis that CMU with 45% female and 20% BAME is around the Advance HE percentages. The Welsh Government Statistics website – Stats Wales shows the BAME percentage of the population for Wales for the year ending June 2020 as 5.9% and 21.1% for Cardiff. The 2018/19 Financial Statements show the participation rates of BAME students as 16%. However, it should be noted that the Board percentages can change quite significantly with one or two member changes. The survey resultscovering - whether Board members are a fair representation of the communities that it serves and whether the Board has a formal process for monitoring and reporting on the diversity of its members – indicate that G&NC needs to pay continual attention to these equality, diversity and inclusion issues and needs to keep the Board informed at least annually of processes and progress.

1. It may be worth considering the ages of members as there is a tendency for independent members to be over the age of 45, so there is a considerable age difference between the majority of the governors and the student population. It may be worth considering members at an early stage in their careers who might gain developmentally from the experience which may make it worthwhile for their employers. There may be opportunities to recruit some younger members who have a work profile that involves working with or for younger people and thus have a greater understanding of key issues faced by students e.g., mental health, wellbeing, housing and financial pressures etc.

1. At the 2020 Advance HE Annual Governance Conference, Lord Simon Woolley, the founder of Operation Black Vote, said that there is a tendency to want governors who are the finished article, but it is possible to develop people with the potential for Board roles. He noted that Universities would have been unlikely to choose Marcus Rashford as a member, but we should consider what he has achieved. He argued we should follow our instincts more, and rather than focus on the CV, consider the potential for development. In this context, it is often suggested that development can take place in a co-opted Committee role before a move to the Board.

1. We **recommend** that G&NC continues considering how best to take proactive measures for Equality, Diversity and Inclusion (EDI) in respect of the Board membership so that the Board is representative of the community it serves and has the skills and experience to lead the University and challenge & support the Executive. G&NC should monitor progress and report at least annually to the Board (R4).

1. Please see Appendix 6 for our guidance note on Board diversity.

## Skills & Experience

1. Governance & Nominations Committee (G&NC) uses a skills and experience matrix when recruiting members. However, this seems to be based on the individual’s own assessment of their expertise. This does not always result in an accurate picture of skills and experience. It may be more helpful to include the individual’s professional qualifications e.g., lawyer, qualified accountant, buildings/IT or HR Professional. In addition, the matrix should include members’ key employment roles, the sector that they have most experience in, their equality characteristics and their terms of office. This information then needs to be considered against the ideal composition of the Board in terms of experience, employment sector and diversity.

1. When recruiting to independent governor roles, university boards often focus on individuals who have had significant careers and have achieved a CEO position. We believe there is merit in considering the stakeholder community and recruiting one or two from that community who would not normally be considered and who might challenge accepted thinking e.g., a trade union or community leader etc.

1. Finally, it is important that the University keeps a good balance between those who are retired and focusing on a portfolio of non-executive roles and those who are employed or self-employed. It is worth considering whether any changes are required to ensure that those in executive roles can fulfil their role as Board members e.g., in the postCovid-19 environment – more virtual committee meetings, meeting times at the end and start of the day when possible; video links when a member is overseas.

## Terms of Office

1. At its October 2020 meeting, G&NC decided to recommend to the Board that the informal practice of having a maximum of 2 terms of 3 years should continue. There were a variety of views at the Committee but the argument that prevailed was that this would allow the Board to refresh itself regularly and that with good planning there should not be problems in managing successions. However, there is evidence that recent succession planning has not been satisfactory e.g., in 2020 there have been 6 new independent governors appointed which is almost half of the independent governors on the Board. G&NC recognised that action needs to be taken to stagger the departure dates of members.

1. There are several arguments which were not discussed at the Committee for having either 2 terms of 4 years or 3 terms of 3 years:

* + it is easier to stagger departure dates with the possibility of a longer period of office;
  + refreshing the Board is possible provided re-appointment does not become automatic, but is a considered process linked to contribution and the needs of the Board informed by the annual appraisal process;
  + Higher Education is a complex environment, and it takes time for the members who come new to it to gain understanding, confidence and the ability to add value to the Executive; and
  + it is difficult to appoint a Chair from the internal membership if there is a 6-year maximum. It is likely that the Chair would have a maximum 3-year term which does not always help the stability of the governance arrangements. Internal appointments to the role can be helpful in maintaining stability.

It may be helpful for G&NC to have further consideration of the appropriate terms of office of the members of the Board. The Welsh universities’ response to the Camm report sets a maximum of 9 years which may exceptionally be extended to 10 years.

## Student Governors

1. There is strong encouragement from Welsh Government, HEFCW and sector bodies to have the student voice in governance. It is possible to do this, but it requires a very proactive approach as the students often enter a governing body with limited experience compared to the other members who are much older than them and have often reached significant positions in their careers. Also, their term of office is normally 1 or a maximum of 2 years which does not allow much time to get to grips with the Board and have an impact. HEFCW have produced a leaflet entitled *The Influence of the Student Voice in Governance.*

*“Students felt that their ability to be effective in governance was hugely dependent on the VC,*  *senior executives and Chairs taking time to support them and to listen first-hand to their*  *concerns”*

“*Ideally staff and student members should not be excluded from any aspects of decision* *making including remuneration committees. CUC guidance is that members should not be*

*unreasonably excluded”*

*-* ***Camm Report***

1. The student governors at CMU are very appreciative of the support they receive from the

Chair, who has gone out of her way to support and encourage the student members, the Students’ Union and the representation system. Also, some of the Board members have ensured they made contact and offered support and encouragement to the students. They have received induction training internally and also externally from Advance HE. The Governance team has been very supportive. The student members report excellent relationships with certain University departments such as the Library, Student Services and Quality Enhancement Directorate. The Union now has the former Board Vice-Chair, Nicola Amery as a Trustee. The students believe that the Executive team has handled the Covid-19 emergency very well and they have good relationships with the key Pro Vice-Chancellors.

1. If they are supported, student governors can bring evidence and information to the Board about the culture and experience of being a student. This is not just their personal experience but is informed by the resources of the student representation system.

1. The CMU Students’ Union is a separate legal organisation. The roles of President and

Vice-President are treated as at the same level, with the President responsible for the

running of the Union and the Vice-President responsible for the Student Voice and the representation system.

1. In the HE sector, student governors are increasingly involved in the Board Committees – even attending some Remuneration Committees. Currently at CMU, they currently only attend the Combined Academic Board although the President in 2019/20 was a member of G&NC, Honorary Awards, and Transnational Committees. The Articles restrict them from being members of an employment or finance committee. Membership of Committees helps the student governors develop closer links with the members of the

Board. G&NC should consider whether student governors could observe Resources Committee even if technically they cannot be members, and whether they should be members of other committees.

1. The following should be considered by universities to improve the effectiveness of the student governors (some of these are already in play at CMU):

* + the Chair and the independent governors should set a tone that gives the student governor the confidence to speak and ensures that their status is not as a secondclass governor;
  + the Chairs should invite contributions from the student members at the Board and in Committees;
  + one of the independent governors could act as a mentor for the student governors;
  + the Senior independent Governor (see R7, para 77) can be a helpful resource for the student governors in ensuring difficult issues are addressed appropriately;
  + student governors should be encouraged to ask for help in understanding Board papers and that help should also be regularly and proactively offered;
  + the Executive should involve the student governors in developing Board proposals for new projects or strategies which impact the student experience e.g., new buildings;
  + the Executive should involve the relevant student governors in developing papers on the Student Experience and could include a section written by the student governors;
  + members should, where possible, give notice of questions for the students in advance of the meeting so they can develop answers where the question covers an area outside their personal experience e.g., wellbeing; and
  + it would be helpful for independent members to be briefed annually on the Students’ Union by the President and on the student representation system of school, local and course representatives by the Vice-President.

## Staff Governors

1. The role of an elected Staff Governor role in Higher Education can be difficult:

* + they are elected from the staff but are not representative of the staff. They have no official role in reporting back to their electorate;
  + often, they are elected with support from a Union or hold office in the Union which can sometimes lead to difficulties dependent on the approach taken by the individual staff governor;
  + they bring their considerable experience as a member of staff, but their views do not necessarily reflect those of the staff generally;
  + in difficult governance situations they have the duty to raise issues which will not necessarily please the Executive and yet because they are governors they can be seen by colleagues as part of the problem;
  + their prime motivation must be the good of the whole University; and
  + unless there are strong processes put in place, elected staff governors often feel that they are the least important members on the Board.

If they are supported, staff governors can bring evidence and information to the Board about the culture and experience of being a member of staff and also can bring their knowledge of the University.

1. In the HE sector, staff governors are normally involved in the Board Committees including some Remuneration Committees. Currently at CMU, the Articles restrict them from being members of an employment or finance committee. G&NC should consider whether staff governors could observe Resources Committee even if technically they cannot be members and whether they should be members of other committees. A staff member currently sits on G&NC.

1. Currently the staff members are not appraised by the Chair of the Board. We **recommend** that staff members should be part of the annual governors’ appraisal system (R5).

1. It is in the interests of good governance to ensure the staff governor contribution is developed and valued. The following should be considered to improve the effectiveness of the staff governors:

* + the Senior independent Governor (R7) can be a helpful aid to the staff governors in ensuring that difficult issues are addressed appropriately;
  + the Chair and the independent governors should set a tone that gives the staff governor the confidence to speak and ensures that their status is not as a secondclass governor;
  + the Chairs should invite contributions from the staff members at the Board and in Committees;
  + staff governors should be encouraged to ask for help in understanding Board papers and that help should also be regularly and proactively offered;
  + staff governors should receive external governance training; and
  + opportunities for staff governors to build relationships with other governors are very important.

1. We **recommend** the Board ensures student & staff governors are given every opportunity and encouragement to be as effective as possible in their roles. G&NC should consider whether student & staff governors could observe Resources Committee even if technically they cannot be members and whether they should be members of other committees (R6).

## Co-opted members of Committees

74. The University has two co-opted members on the Audit Committee who from the observation at the November meeting play a full and useful role in the Committee. Using co-opted members in this way can be very helpful and Universities frequently use cooption as a stepping-stone to Board membership. It may be worth considering whether it could be used for other Committees, especially to encourage diversity but also as part of succession planning. An important consideration is whether the co-opted member has enough opportunities to understand the institution generally as they are not a Board member i.e., do they understand the overall issues/challenges that the Board is dealing with and the values and culture of the University. Any steps that can be taken to mitigate this potential risk are helpful such as attending the Away day/Workshop of the Board or the Committee. Other actions that might be considered include:

* receiving the minutes of the Board and having the ability to ask for papers if interested;
* receiving the Vice-Chancellor’s report to the Board;
* Invitations to University events;
* invitations to join Board activities e.g., Dinners, Visits to Faculties & Departments, Away days etc; and
* ways of enabling the co-opted members to get to know each other and the members of the Committee better in an informal setting.

## Appointing a Senior Independent Governor

1. Universities are starting to follow the private sector in appointing a Senior Independent Director/Governor (SID/SIG). It is notable that the revised CUC HE Code of Governance now contains guidance regarding a SID/SIG appointment.[[3]](#footnote-3)

1. The SIG is an independent trustee with all the general duties of a trustee in common with other trustees, but with enhanced duties. These duties are required under business as usual but can become vitally important should the Board experience a period of stress. The SIG needs to be respected by their fellow trustees and have the emotional intelligence and experience to deal with issues appropriately that arise. Northumbria University has appointed a SIG and has a role description on their website.

|  |
| --- |
| **The Role of a Senior Independent Governor should:**   * provide a sounding board for the Chair to assist in ensuring good governance; * assist trustees where this is requested by a trustee to help challenge and contribute effectively to the Board * act as a conduit for trustees, as and when necessary, and take the initiative in discussion with the Chair, or other trustees, if it should seem that the Board is not functioning effectively; * chair the Governance & Nominations Committee; and * lead the appraisal of the Chair. Report to the Board on the appraisal and provide feedback to the Chair. |

**Table 6: The Role of a Senior Independent Governor**

1. We **recommend** that the Board appoints a Senior Independent Governor (SIG) to advise the Chair, be an intermediary for other Board members and help facilitate the annual appraisal of the Chair. The SIG should chair the Governance & Nominations Committee (R7).

1. Currently the Chair is not appraised. We **recommend** that the Chair is appraised annually. The SIG (if appointed) should carry out an appraisal for the Chair as part of a process agreed by G&NC (R8).

1. The Governance Charter for Universities in Wales – Commitment to Action requires the Chair and Vice-Chancellor in each institution to participate in a 360-degree feedback report designed around the institution’s values. The Vice-Chancellor has already developed and undertaken such an appraisal. We **recommend** that G&NC agrees a common approach and process for a 360-degree appraisal for both the Chair and Vice-Chancellor and the 360-degree appraisal is carried out every 2/3 years (R9).

## Induction & Team Building

1. The survey and the interviews indicate that induction could be improved along with opportunities for Board members to develop as a team. This may have been accentuated in our review by the number of new members and the suspension of the Committee meetings in the summer term 2019. Also, the Covid-19 pandemic has eliminated many of the opportunities for Board members to talk informally. It is important to proactively provide opportunities for members and the Executive to meet formally and informally to get to know each other, and for the independent members to learn about the University and Higher Education. Although it is not easy under Covid-19 restrictions, it is possible to creatively enable some initiatives that take this forward. Also, it is important to develop good induction and briefing processes for the Board so that members can get up to speed quickly and can gain the confidence to participate in meetings as early as possible in their first term of office. The University Secretary is developing a programme of training sessions.

1. We **recommend** the Chair should make it a priority to build the governing body into a team. This will require members and the executive to have the space and opportunities

to get to know each other and learn about the University and Higher Education. It will be more challenging during the Covid-19 pandemic, but steps can be taken in this direction virtually. Also, good induction and briefing processes should be developed for the Board (R10).

# Key Relationships

## Roles of the Executive & the Board

1. The interviews with Board members and the Executive raised some questions as to the extent that the Executive valued the Board’s contributions. Some members felt that they were being asked to rubber-stamp decisions, that the Board was being managed with a focus on good news and that the Executive were too sensitive or defensive when challenged.

35.0

%

45.0

%

10.0

%

10.0

%

Do Governors understand the difference between their role and the

Executive Group roles and act accordingly?

Always

Mostly

Sometimes

Never

I don't know

**Chart 2: Do Governors understand the difference between their role and the Executive Group roles and act accordingly?**

1. However, the Executive team were clear that they wanted discussion with the Board and the value that the Board could offer. They were frustrated that such opportunities for discussion were extremely limited and that too often the Board focused on operational detail or personal interests. There was also concern that the independent members did not understand sufficiently Higher Education and the University.

1. These perceptions may have increased as a result of the Covid-19 pandemic due to the:

* + difficulty of holding large meetings in the virtual environment;
  + addition of 6 new independent members mid-way through a very difficult year;
  + suspension of the committees in the summer term; and
  + vacancies for long periods in some very important executive posts.

However, they are not helped by the:

* + length and detail of the Board papers;
  + lack of focus by the Board on its more strategic role;
  + full agendas which make it difficult to spend time on value-adding discussions; • not involving the Board at an early stage in developing projects & strategy; and
  + the lack of a clear accessible delegation framework.

1. The Board has excellent members who want to operate at the strategic level and use their skills and experience to support the Vice-Chancellor and the University. However, the survey and the interviews made it clear that currently the Board’s skills are not being properly used.

30.0

%

40.0

%

25.0

%

5.0

%

To what extent do you agree that the University makes good use of your

skills and experience?

Strongly agree

Somewhat agree

Somewhat disagree

Strongly disagree

**Chart 3: Governor survey - to what extent do you agree that the University makes good use of your skills and experience?**

1. There is evidence that the Executive are very well-regarded by the independent members and that during the review there have been occasions where the two have worked together well and added value e.g., measures of success briefing and discussions on the International Sports Village.

1. The Camm review states that many institutions struggle with the relationship between the Board and the Executive.[[4]](#footnote-4) One important step to improve matters is for the Board and Executive to discuss their individual roles and agree an understanding of how both parties can work most effectively together. We **recommend** that the Board and the Executive work together to develop a clear statement, and that the Board agree on the role of the Board (scrutinising, challenging and supporting) & its relationship with the Executive (implementing the agreed Strategy and managing the University’s operations). The statement should be designed to clarify roles, values, develop trust and understanding but also set expectations and behaviours (R11). The roles of the various officers also need to be clearly set out in the CMU Bye-Laws, especially the role of members, the Chair, Vice-Chairs, Vice-Chancellor, University Secretary and Senior Independent Governor.

1. We **recommend** that the above Statement is developed as part of a Board Development Programme (R12).

1. Challenge is important and necessary, but it is best done in a culture where there is trust and confidence between the Board and the Executive team. The normal expectation should be that the Vice-Chancellor will lead a competent Executive team, who should be trusted to run the University day to day. The Board’s focus should be maintained at a strategic (not operational) level. The Board should receive good assurance from the Executive on the operational running of the University. The interviews indicated that the current levels of trust between Executive and Board can be improved.

1. As recommended previously (R2, paragraph 41) a clear delegation framework needs to be developed, setting out what is reserved for the Board, its Committees and the Executive. Currently too many operational matters are dealt with by the Board and its Committees and should be entrusted to the Vice-Chancellor. It is important that there is clarity as to what is retained by the Board and what falls to the Vice-Chancellor for decision, and this needs to be set so that Board focus is maintained at the right strategic level. A clear delegation framework helps ensure that potential boundary disputes are lessened.

1. These discussions are important as too often University Boards tend to accept what is put in front of them by the Executive and do not take the time to consider what they need to fulfil their responsibilities and then ensure follow-through. An obvious HE example is paper length which is a sectoral issue. It is the most complained about and dispiriting aspect of being a University governor, but not many Boards address it. Board members are usually highly intelligent and ultimately find a way of working through the papers in a reasonable period of time. However, this core problem, which impacts the Board’s effectiveness, often remains unaddressed. Many of these issues require discussion between the Board and the Executive as they often involve cultural issues. Having regular open Board Development discussions can be helpful in improving understanding and ensuring that both parties’ energy is used collaboratively and to good effect.

# Board Focus

1. The writings of the Corporate Governance guru, Professor Bob Garratt, are extensively used by Camm in her report. He talks about the director’s dilemma – “how to drive our organisation forward while keeping it under prudent control”. Both are legal responsibilities. His concern is that “most boards focus only on the prudent control aspects as they tend to be populated by executives who will know a lot more about this. “The future” is seen as too difficult”.

***“****The director’s role is to ensure the success of their business through their strategic thinking*  *and consequent decisions on coping with uncertainty. This relates to their changing and*  *complex external world and the consequent broad deployment of the company’s scarce*  *resources to achieve their legally defined purpose. It is a critical oversight role, a helicopter* *view by the board of the future and their role in creating it. This is quite different from the*

*executive’s’ important but separate daily “managing’ role. – “Stop the Rot” – Bob Garratt*

1. Traditionally University boards focused on resources and compliance, but as Camm notes, “Organisations from whatever sector are coming under pressure to be clear about their purpose, mission, values and culture and to articulate how their strategies will deliver not simply against their financial goals but against broader goals characterised as social purpose”.

*“The governance arrangements of universities are generally oriented toward Chait’s Type 1* *mode of functioning: having a focus on the stewardship of tangible assets; parliamentary and* *orderly in its deliberations; having a more limited communication with stakeholders.*

*For governing bodies to be able to provide more strategic leadership there needs to be more*  *time spent in more flexible and less-structured settings – i.e. Type II and Type III*  *governance”. – Camm Report*

*Chait et all (2011) described 3 different types of board modes of operation:*

*Type 1 -* the fiduciary mode where boards are concerned primarily with the stewardship of tangible assets

*Type II* -the strategic mode where boards create a strategic partnership with management

*Type III* – where boards provide a less recognised but more strategic source of leadership for

the organisation *– Camm Report*

1. There has also been a culture in university Boards where the business agenda is often too greatly influenced by the Executive, and the Board is compliant in this rather than the Board taking responsibility and discussing and determining with the Executive the business agenda that is appropriate to its needs.

1. CMU is a successful University but the key consideration for the Board should be how does it continue to be successful, where does it want to be in 3 years’ time and how does it get there?

1. Improving the Board focus is the main way in which members can feel they are contributing and enjoy their role. It is also where the Executive can really benefit from the professional experience of the members and through constructive challenge can develop better strategies. There were some strong concerns in the interviews that members’ skills were not being used. Interestingly many of the interviews following the recent Strategy briefing to cover *Measures of Success* commented on what a successful session it had been, some felt that it was the first time the University had really used their experience and others said how impressive they had found the Executive team. The Board should be involved at an early stage of discussions about strategy or a new project prior to a recommended course of action being brought to the Board for agreement. This can be done in a number of forums. We **recommend** the Board considers the best way of engaging with major new business projects which are difficult to undertake at the full Board e.g., when developing a new strategy or building project (R13).

10.5

%

26.3

%

52.6

%

5.3

%

10.5

%

Do you feel you are appropriately involved in the development of the

University strategy?

Always

Mostly

Sometimes

Never

I don't know

**Chart 4: Governor Survey – Do you feel you are appropriately involved in the development of the University strategy?**

1. Using Garratt’s learning board model, the key strategic and cultural agenda items to develop in discussion with the Executive team might include:

* + Creating vision and values
  + Developing corporate climate and culture
  + Monitoring the external environment – horizon scanning
  + Positioning in the changing markets
  + Reviewing and deciding key resources
  + Risk assessments
  + Deciding implementation and monitoring of strategy and culture

Alongside this are the accountability to stakeholders and assurance that operationally all is going well.

1. We **recommend** that the Board moves the balance of its business more towards an agenda that prioritises strategic and cultural items (R14).

1. If the Board is to adjust the balance of Board business and be more forward-looking and strategic, then the time and the best forum needs to be found to enable this to happen. This will require the Board to:

* + be well informed in respect of the key issues;
  + establish a clear understanding of and respect for the different roles of the Executive and the Board so that the two work together effectively;
  + allow more decisions to be taken by the Executive so the Board does not decide operational issues – this requires trust and confidence in the Executive to run the operations of the University;
  + ensure that the Board annual business and meeting planning and preparation is rigorous;
  + consider the best forums for taking the business agenda forward whether by briefings, discussions, task & finish groups, committees or Board business meetings; and
  + ensure the Board and the Executive can properly discuss issues and possible options together from the inception of major projects or issues to their completion in a rich and value-adding way. The early discussion at the November 2020 meeting of the International Sport Village Partnership is a good example of where this was done.
  + encourage the Executive to bring forward short papers for discussion on issues which are at an early stage of thinking/development and do not yet have all the answers. The Executive should see this as part of its role. It has a shared responsibility with the Board to consider the future and deal with uncertainty. The Board needs to give the Executive the confidence to expose early thinking by treating these papers differently from the normal business papers.

1. The slimmed-down Measures of Success for the Board with additional measures for Committees and the Executive is a good example of focusing the Board’s attention in an appropriate way.

1. Many of these issues are dealt with elsewhere in the report. In this section, it may be helpful to include some advice about planning Board agendas. Each Committee and the Board should have an annual calendar that enables members to see the key elements of assurance and decision for the year for each category of business and to track them through the year. A format similar to table 7 below could be adopted.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Areas** | **Meeting 1** | **Meeting 2** | **Meeting 3** | **Meeting 4** |
| Culture & Values |  |  |  |  |
| Strategy |  |  |  |  |
| Academic |  | NSS Survey |  | Academic Board Assurance |
| People |  |  | Staff Survey | Senior Pay report |
| Finance & Audit | Budget | Forecast | Forecast | Financial  Statements  Audit Cttee  Assurance |
| Property | Options for  New  Building |  |  | Final Decision on New Building |
| Digital |  |  |  |  |
| Governance |  |  |  |  |

**Table 7: Planning board agendas – example annual calendar**

1. We **recommend** that the Board establishes a business calendar for the year to achieve the business assurances and decisions that it requires. The calendar should be an agenda item on each Board and Committee agenda (R15).

1. Achieving such a calendar will require discussion with the Executive and the Board members to ensure that it covers adequately the decisions and assurances required, that the business required to be conducted at each Board meeting is achievable and the best forums for achieving the calendar plan. The business calendar will then drive the Board and Committee agendas. The calendar will not be static; it will change throughout the year as risks and issues change.

1. One area of business that needs improvement is the management of risk. The internal auditor’s report for the year gave an assurance rating for the year of ‘Limited’. Deloitte’s noted their review had shown that risk registers had not been kept up to date by the risk owners. The Audit Committee report noted the Risk and Compliance Analyst had been appointed in October 2019 and prior to this the role had been vacant. There had not been a complete review of the risks between March 2018 and October 2019. The risk owners have now updated their risks for the Autumn term in the context of Covid-19. The priority before this has been managing the key risks relating to Covid-19. At its November meeting the Audit Committee was still concerned at the management of risk, especially at the need to still develop mitigating actions for key risks. We **recommend** that the Board regularises oversight of its normal risk processes and makes regular horizon-scanning part of its Board calendar (R16).

# Board Meetings

## Meetings

1. Following the Covid-19 lockdown, the Board suspended committee meetings in the summer term (with the exception of Audit Committee) and adopted a pattern of monthly meetings. The aim was to have more regular but shorter Board meetings. This was sensible in the initial stages of the pandemic, but it is probably time, now that the committee structure has restarted, to revert to the more traditional calendar of business meetings. The risks of more frequent meetings include:

* + papers which should be seen firstly by a Committee come to the Board ahead of the Committee;
  + some papers become regular features of each meeting filling the agenda e.g., student recruitment, Covid-19 operations; and
  + it can encourage the Board to become more operational.

1. We **recommend** that the Board returns to between four and six business meetings each year ensuring that the Committee meetings and business feed in appropriately to the Board. However, the Board should meet at other times in the year for briefings, Faculty & Departmental visits and discussions which should be part of the annual calendar of meetings (R17). These are important in helping the Board develop as a team and understand their role, the University and HE generally.

1. The discussions should enable the Board to be involved at an early stage prior to a recommended course of action being brought to the Board for agreement. They should also help in developing a common understanding of complex issues e.g., values, culture, strategies and major projects. Covid-19 makes Faculty & Departmental visits difficult currently, but it should be possible to have virtual presentations from Faculties, Departments and Professional Services. The Chair of Aberystwyth University asked the students to present to his November Council meeting for an hour on what students are experiencing currently and what the Council can do to help.

1. The Board needs to be careful that decisions are not normally taken at discussions or briefings. If they are then that should be minuted and confirmed at the next formal Board meeting.

1. The Committee meetings that we have observed have been engaging, with members able to contribute and discuss issues. This is probably due to the smaller numbers involved. The Board meetings have been much more difficult but there have been significant improvements over the three Board meetings we observed. Chairing the Board meetings is very difficult in this new environment and it would be worth exploring further how the governance team can support the Chair, who in this environment is faced with a considerable multitasking challenge. It has been obvious in our observations that the University is adjusting and adapting gradually to virtual technology.

## Meeting Protocols

1. Many members raised the issue of the chat function and would like to use it more – the current meeting protocol deliberately discourages members from its use. The protocol should encourage its use but should remind members that it is subject to discovery under the Freedom of Information Act. We have appended our guidance note on remote meetings – see Appendix 4.

1. Currently the technology invites members to raise a hand to speak and the Chair then invites them to contribute. The Chair is particularly good at encouraging the student members to speak. It would be worth considering further how to manage the meeting so that Chair encourages members to speak, who should have a useful contribution to make. It is noticeable that many do not speak in the meetings and some are much more willing to contribute. Also, some members have been very good at exercising a discipline of making short but important contributions.

1. The protocol should be that members are expected to have read the papers. The aim should be to give maximum time for discussion on key strategic risks and issues. Therefore, introductions from the Executive should be brief. They should be limited normally to one of the Executive team and avoid detail. They should be focused on any material changes since the paper and the key reasons for the paper i.e., what the Board is required to do and what are the key strategic risks and issues.

1. The meeting protocol could reasonably request questions of detail to be asked and answered by email before or after the meeting and state that they will not be dealt with at the meeting. Also, members should be encouraged to raise strategic-level concerns or issues prior to the meeting which should allow the Chair to prioritise these and enable the Executive to better prepare a response. This requires the papers to go out in a timely fashion to enable this.

1. The Board exercises good practice in having a written report of key points from a Committee, which is then introduced by the relevant Committee Chair.

1. We **recommend** that the independent members of the Board meet together informally occasionally to allow any concerns to be expressed in a timely fashion. They must never make Board decisions while meeting in this way (R18).

1. We **recommend** that the Board continues to experiment with methods of running the meetings to enable more time for discussion on key strategic risks and issues and enabling more members to contribute (R19).

## Virtual Meeting Technology

1. There are some benefits to the new meeting technology. Attendance and quoracy have not been issues in the HE sector, geographical location is much less important

for members, and it is possible to convene Boards online at short notice for quick decisions, and also for briefings and discussions.

1. The technology is developing and the CMU experience could be improved significantly. Many organisations are managing larger meetings with cameras on and using the chat function. It would also be worth experimenting with short on-screen presentations rather than papers e.g., financial out-turns. It was good to see the Mental Health presentation at the December board meeting which used the MS Teams presentation facilities and gave the Board the opportunity to learn more about the issue which had been raised in Audit Committee as one of the key risks. Also, it is possible to use break-out rooms for two people to discuss and then join with another two before returning to the main group, which is an excellent way of meeting new people online during discussion sessions.

1. We **recommend** that the Board gets external advice and considers how to better manage its Board meetings using the virtual meeting technology. Rather than replicating the physical environment, it would be worth exploring what is possible in this new virtual environment and what could be used in the longer term (R20). It is suggested that some training is given to members on the chosen platform.

## Agendas

1. The 2015 Effectiveness Review recommended that “the Board should consider experimenting with an A and B agenda”. This has only recently been implemented (or possibly re-implemented) but the agendas are still very busy and overly ambitious. At the October meeting, the preliminary elements – minutes, matters arising, Chair report, VC report and Student report took over an hour, leaving inadequate time for the key items on the agenda such as the measures of success. It was good to see that a further briefing was arranged, which successfully covered this item. In November, the Chair took action and moved straight to the core business.

1. The agenda needs to be realistic and based on the annual calendar of business so that the Board fulfils its key roles (per R15). We **recommend** that the Board Agendas should clearly show – what is going to take up the majority of the time of the meeting because of its importance, what is relatively minor but needs decision or discussion and what is on the agenda for information (R21).

1. We suggest that the time each agenda item is due to start should be included on the agenda. This should allow a view to be taken as the agenda is developed as to whether the planned volume of business is realistic, and will be a useful aide-memoire during the meeting.

## Meeting Papers

1. The length of papers was criticised by 84% of the Board in the survey. The current papers from the Executive can be long and detailed especially those which are copied straight from the Combined Academic Board. This can:

* + encourage the Board to be operational rather than strategic;
  + waste members’ time and demotivate them as they have to read the detail carefully to detect what is important;
  + create the perception that the Executive is trying to pass its responsibilities to the Board by telling them everything and thus “passing the buck”; and
  + undermine trust by creating a feeling that the Executive may be seeking to hide things in the detail.

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6

8

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12

14

16

18

20

Quality of

content

Timeliness

Accessibility

Length

Clarity on

action

required by

the Board

How would you rate the following aspects of the papers you

receive for Board meetings?

Poor

Average

Good

Excellent

**Chart 5: How would you rate the following aspects of the papers you receive for Board meetings?**

1. One of the most common complaints from members of University Boards, especially members new to the HE sector, is the paper volume. However, it is rarely challenged. The answer is not the front page. Most external members come from an environment where papers are 2/3 pages in length. The Executive should be challenged to produce shorter and more focused papers. This is not easy as it involves a major cultural change – the HE sector likes paper.

1. The Board needs to know enough to fulfil its role, but not everything. The Executive has the responsibility for implementing the Strategic Plan and running operations; the Board’s role is to have strategic oversight and to test and challenge the evidence that all is operating well. We **recommend** that the Board papers are written to meet the Board members’ needs. They should gradually move to being focused on the key risks/decisions which concern the Executive and the evidence that gives the assurance the Board requires (R22).

1. Copying papers from one Committee to the Board should be avoided. Financial papers will be more detailed for Resources Committee but do not need to be for the Board. Academic Assurance needs to be detailed for the Combined Academic Board but does not need to be for the Board.

1. For this approach to be successful, the Board needs to be well-informed about the University and Higher Education. The HE sector is very complex, and the Board needs to know enough about the key drivers, risks and issues so that it can see the wood for the trees. Discussion and questioning need to be at the right level - not straying into operational detail, and members need to restrain their requests for more detail unless it is essential. This Board culture needs to be disciplined and enforced by the Chair and members.

1. Writing short, focused papers with an eye on the needs of the Board members reading them is not easy. However, it will enable the members to focus on the key issues rather than having to detect them from voluminous papers, and it can result in much more engaging meetings, which add value. Transparent, focused reporting from the Executive builds trust and should allow members to understand and contribute to issues in an informed and constructive way using their time and skills to best advantage.

1. Some methods to assist the move to a shorter paper culture might include:

* + getting advice from current independent members as to how they might approach writing some of the normal papers;
  + having the needs of the audience i.e., Board members always at the front of one’s mind when writing papers;
  + a front page that very simply introduces the paper and clearly sets out what the Board is being asked to do. It should be very simply designed to help and not become an additional hurdle to write or read or simply a bureaucratic notice;
  + setting a limit on the number of pages excluding appendices in a paper from a Committee or the Executive (perhaps 8-10 pages initially – but within a year it should be possible to reduce this limit further to 3-4 pages);
  + only including appendices with the papers if they are absolutely necessary.
  + focusing on key issues, risks and the evidence the Executive has that all is operating well - or if not, what needs to happen;
  + using briefing presentations at the meeting to bring members up to date rather than adding to the paper trail;
  + having a standard template to assist the writing of short papers together with possible training/coaching; and
  + some Universities have been experimenting with short presentations at the meeting replacing papers because of the speed of change during the pandemic. Some papers could be usefully delivered in this presentation format.

## Board Portal

1. CMU currently uses email to send out Board papers. Some universities now use a Board Portal to manage the Board papers and it is very common practice in the other Boards that the independent members sit on. The Board Portal has many advantages including:

* + adding a level of security and a more efficient way of transmitting papers;
  + allowing members to easily view and navigate around the current Board pack and locate previous papers;
  + members can make and retain their personal annotations;
  + allowing members access to all committee papers even those of which they are not members, so if a member wants to see the full minutes of the Audit Committee or a particular paper they can do so easily;
  + enabling a culture of shorter papers with the ability to access additional information that is not included in the agenda pack e.g., non-essential appendices to papers; and
  + allowing members to access governance materials.

1. Our interview with Mike Fishwick explored this in some detail. His day job is Chief Technology Officer of the Intellectual Property Office. He has experience of a number of Board Portals – Convene, Board Intelligence and Diligent. He strongly believes that a Board Portal is essential to engage members appropriately, recognising that their role is pro-bono and they should have the tools to perform their role as easily as possible. He argues strongly that SharePoint is not the answer and will not improve the Board members’ experience. We **recommend** that the Board invests in a Board Portal and should consider using a small task and finish group to achieve this (R23). We would suggest that Mike’s expertise is used as part of the task and finish group.

## Minutes

1. The Board minutes have been around 15 pages. The latest for October 2020 are 10 pages. There are often many agenda items which adds to the length of the minutes. Also, the minutes are currently the only documents relating to Board business that are published and so it is important that they are accessible to the public. It is also important that they adequately reflect the topic, discussion, challenge and decision. They should not normally repeat what is contained in the papers. We suggest that the Governance team should continue to keep the length of the minutes under review. They should not exceed 10 pages and it should be possible to reduce this further while covering their key objectives.

1. We suggest that the restricted and main meetings are merged. This would reduce the need for two sets of minutes. All governors should attend the restricted elements though there may be topics where they have a potential conflict of interest and have to absent themselves.

1. The principle should be that the University operates as transparently as possible but recognises that on some occasions it is necessary to treat some items as confidential. This is normally because the matters under debate relate to commercially sensitive or personal information. Confidential items can often occur as part of the main business e.g., as part of the financial papers. Also categorising an entire item as restricted is counter to transparency when only part of that item needs to be kept confidential.

1. The presumption should be that minutes are open by default unless there is very good reason for restricting the minute. We suggest that the confidential elements appear in a closed section at the end of the open minutes, and that the open minutes note that there is a restricted element. Alternatively, some organisations redact sections of the minutes. In any case the element of the minute that is not open should be kept to a minimum.

# Committees

1. In our survey, 53% of members felt that the Committee structure was fit for purpose and 68% felt they were clear on the decisions made in each Committee and how they were communicated to the Board. It is also worth noting that the assurance scores for Covid-19 show that Governors are very happy with its assurance level.

1. However, in the interviews some raised a number of concerns mostly in respect of the new committee arrangements for 2020/21.

* + despite the score of 68% above, the delegations to Committees are not clear and the University Secretary is currently developing new terms of reference with delegations to the Committee. Ideally this should be done following the development of a delegation framework and so the terms of reference will need to be reviewed again following the agreement of that framework; and
  + the Executive team found the Strategy, Planning and Performance Committee a very useful forum for good discussion with the Board and were missing the opportunity to interface with the Board members in a similar way.

1. The survey showing members’ view of their ability to personally contribute to specific areas highlighted issues around confidence in academic assurance, finance and senior remuneration. The Board should consider whether changes to the skill mix are necessary, whether briefings would help and whether the reports from the Executive and Committees need to take this finding into account.

1. Seven members are new to the Board and the Committee structure was suspended during the summer term, so some members would not have experienced the committee structure or all of the assurances at the time the survey was completed. Therefore, those scoring ‘Don’t know’ – have been ignored from the analysis of assurance derived from the survey.

1. The survey showed the following areas of concern in respect of assurance and oversight:

* + 47% were concerned at the quality of assurance for risk – this issue is covered in the Board Focus section of the report (page 27) and under the Audit Committee (page 39);
  + a general concern about academic assurance which is covered under the Combined Academic Board (page 40); and
  + issues in respect of Strategy and Major Projects which probably relate to ensuring good discussion happens in these areas in an appropriate forum.

1. Halpin observed one meeting of each of the Committees and two in the case of Remuneration Committee. The virtual meetings were well-conducted and generally well-chaired. Members were able to contribute though it was clear in the case of some Committees – Governance & Nominations and Remuneration - that some issues e.g., senior pay policy, would require further meetings and discussion before being finalised. Due to the smaller numbers involved, the meetings were more successful at engaging members in discussion than the Board meetings. There can be a reluctance in the virtual environment to follow up on answers to questions and the Chair needs to be more formal and ensure that members do not want to follow up. The chat function can be useful in allowing a follow-up provided members are aware of the freedom of information implications (see earlier guidance on meetings, page 32). In the virtual environment the Chairs need to be even more careful about confirming at the end of a debate what has been decided and what are the next steps.

1. We **recommend** that the virtual meeting model is used for some Committee meetings post-Covid-19 pandemic (R24).

1. The following paragraphs cover the individual committees.

### Audit Committee

1. Risk is also dealt with in the report under Board Focus (page 27).

1. The current risk details given to the Committee for the high scoring risks are difficult to read and contain detail such as the review history which is not too helpful. The key elements should be the controls and mitigating factors sections. The mitigating factors are currently non-existent or light and it is not clear how the controls mitigate the risk. It would help the Committee if these aspects were much clearer. On mitigations we suggest that you show the following:

* + on the risk details sheets - for each mitigation: the person responsible, the date of implementation and a RAG rating reflecting progress;
  + on the main corporate risk register – for each risk: an overall RAG rating for progress in implementing the mitigations; and
  + on the corporate risk register - a score for each risk assuming that the planned mitigations are implemented. If the mitigations planned are not going to reduce the risk or will do so only marginally, there is a question as to their adequacy and whether they should be implemented.

1. In addition, we suggest that the Committee could develop its review of risk over the course of the year in the following ways:

* + using internal audit to review a few risks each year especially as to whether the controls listed are working well and how that risk is being managed;
  + inviting on a cyclical basis the risk owners to the committee to discuss their risks and their approach. In particular, whether their approach is box-ticking or involves regular reviews with their teams and the extent to which the mitigations will reduce the risk and what are the issues about implementation;
  + considering a departmental risk register with the risk owner to see whether risk management is operating effectively below the corporate risk register;
  + having a session to check the corporate risk register adequately captures the key risks of the University; and
  + reviewing the risk process policies and the University’s risk appetite annually.

1. Some Universities are now considering risk scenarios – where multiple combinations of risk might potentially impact at the same time. Some are concerned that a spreadsheet approach can become a box-ticking exercise and that the Board should be primarily concerned with the risks that will stop or endanger the Strategy. The Audit Committee, though, has a role in assuring the overall risk process. We suggest that some consideration be given as to how the Board, Audit Committee, other Committees and the Executive separately review the Corporate risks. This could be captured in the Risk Policy. The Board has already done something similar for the Strategy - Measures of Success.

1. The proposed Risk Management Facilitated Workshop for the Board planned for January 2021 looks to be a sensible initiative.

1. We **recommend** that the Audit Committee should review how it could support the Board more in respect of risk and becomes the Audit and Risk Committee (R25).

1. We **recommend** that the roles of the Resources Committee, the Audit Committee and the Board should be reconsidered in respect of the Financial Statements, so clarity and duplication is avoided (R26). Currently, the process is repetitive and does not clearly differentiate the roles. This is not only important so there is clarity on roles but also for ensuring the Committees spend their limited time well. The terms of reference should reflect the following roles:

* + Resources Committee’s prime concern should be the actual results as against those forecast. If there is a major change of accounting policy, a major accounting issue or issues with the going concern assurance then it should be consulted. There should not be a need for the External Auditor to attend the meeting normally;
  + Audit Committee reviews the External Auditor’s report and recommends the Financial Statements to the Board. It should not need to consider the detail around the financial performance as against forecast; and
  + Both Chairs should report to the Board on their scrutiny and the key issues but there should not be a need for the Board to get detailed reports covering the Financial Statements unless there are major issues.

1. PwC has been in post as External Auditor since 1999. We have been assured that there have been regular tenders and changes of partner. The Committee is satisfied with their performance and has recommended their appointment be extended to December 2022. We **recommend** that the External Auditor should be changed in 2022 (R27). This should help ensure the independence and perception of independence of the external auditor.

### Combined Academic Board

1. The key features of the quality assessment framework for Wales now include:

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| ***HEFCW Academic Assurance Requirements***  *The governing bodies of regulated institutions are required to provide annual assurance to HEFCW in relation to quality. They will be asked to confirm the following statements annually:*   1. *The governing body has received a report taking account of the external quality assurance review and an action plan has been put in place and has been implemented as appropriate in partnership with the student body* 2. *the methodologies used as a basis to improve the student academic experience and student outcomes are, to the best of our knowledge, robust and appropriate* 3. *for providers with degree awarding powers - the standards of awards for which we are responsible have been appropriately set and maintained* 4. *the governing body has considered a report on the annual dialogue between the*   *institution and the student union or equivalent, scrutinised student survey outcomes and confirmed that action plans have been put in place and implemented, in partnership with the student body*   1. *the governing body has received a copy of the relationship agreement between the institution and the student union or equivalent and a copy of the student charter, both of which are being reviewed within the past year.* 2. *The governing body has effective oversight of degree outcomes and academic integrity. [This last statement is required for returns made from 2021/22 in respect of the previous academic year]* |

* + the reshaping of a provider’s own review process to ensure these are focused on improving student outcomes and the student academic experience;
  + placing greater emphasis on the role of governing bodies for providing assurances about quality and standards matters; and
  + the more systematic use of student and other data by funding and regulatory bodies to monitor the performance of providers.

1. The Combined Academic Board has responsibility for academic quality assurance in the University and providing assurance for this to the Board.

1. Whereas University Boards have traditionally been primarily concerned with resources and relied on a regular external review by the QAA. This is no longer appropriate. Academic quality and standards are fundamental to the mission and reputation of the University and its delivery of a quality student academic experience. The greatest power that a University has is to award degrees. The Board should therefore receive assurance and be competent to challenge the assurance that the governance and management of academic quality and standards is effective.

1. The Board has relied on the experience of two of its members (one has now left) to review the assurance report of the

Academic Board or Combined Academic Board. They have performed their role well, however, this is a very informal arrangement. Otherwise, the Board involvement has been minimal. Also, half the Board feels a lack of personal confidence in contributing on academic assurance.

1. Having a formal Committee to consider the assurance on behalf of the Board should help. The Board has members

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| ***HEFCW Key Data***  *The data which HEFCW considers in*  *relation to its regulator responsibilities includes:*   * *over or under recruitment patterns* * *non progression rates* * *non completion rates* * *national student survey outcomes* * *degree outcomes including differential outcomes for students with different characteristics* * *employment outcomes* * *TEF outcomes for institutions which have chosen to participate* |

with relevant experience, and it would be possible to co-opt to the Committee which would provide some further external challenge. The Committee could also have a governance oversight role of the academic quality of transnational education which involves risks and opportunities for the University.

1. Some universities have started to establish such Board Committees e.g., Kingston has an Academic Governance Committee reporting to the Board. Many have chosen to use Audit & Risk Committees to carry out the

review of the academic assurance. CMU

does have Board members with relevant

expertise. Also, the membership of the Academic Board or the Combined Academic Board is overwhelmingly managerial with very few elected academics so having a Committee at a governance level would be appropriate. It would also enable good quality discussion to be held between the relevant governors and executives on what is a very important topic.

1. We **recommend** that the Board establishes an Academic Governance Committee to assist the Board in improving its scrutiny of academic quality replacing current informal arrangements (R28).

1. The CMU Annual Assurance Report is one of the better documents we have seen. It is focused very much on processes and is very competently put together to provide the evidence for giving assurance to HEFCW in what has been a difficult year. The Board and the Combined Academic Board approved the assurances being given to HEFCW, without comment or challenge, relying on the comprehensive document, the work of Academic Quality Standards Committee and the Quality Enhancement Directorate, and the review by Dr Chris Turner, a member of the Board. This was probably satisfactory from a compliance perspective, but it falls short of any ownership by the Board. The issue for the Board is whether it has an appetite to exercise greater oversight than that required by the current HEFCW assurances – an oversight that respects the role of the Academic Board and the complexity of the subject.

1. The Committee could seek to understand and challenge, on behalf of the Board, issues such as the following:

* + how often should an external review be conducted – the last was in 2014. (We note that there should have been a QAA review in 2019-20 but it was delayed due to Covid-19.) Should they also sometimes be institution led and more frequent?
  + what are the key changes in quality and standards nationally and globally and how does CMU wish to take forward its agenda for change?
  + how can the student experience be further improved – league tables are important but how can we make a real difference for our students?
  + what are the key risks and opportunities for quality and standards and how are we seeking to mitigate the risks and engage with the opportunities?
  + what student and other data are HEFCW using to monitor the performance of providers in respect of quality and standards and what do they mean for CMU?
  + What audits will be carried out during the year and what do the results tell us?

1. The Committee’s brief could also be used to consider how the Board’s understanding of these issues could be appropriately increased. We suggest the following are considered:

* + inviting the Board members to attend an Academic Board or the relevant section of the Combined Academic Board;
  + inviting the Board members to attend meetings covering course approvals;
  + briefings on academic quality issues;
  + induction materials on the academic quality processes;
  + relevant external courses for Governors; and
  + involving one or two governors without HE experience on the proposed Board Academic Assurance Committee.

### Governance & Nominations Committee

162. The comments relevant to this committee are reported in the Board Membership section (page 14).

### Remuneration Committee

1. The Committee has not been serviced adequately in the past due to the University Secretary vacancy and the fact that the Director of People Services previously had no involvement in the Committee. The Committee has as a result lacked well-founded policies and processes to help it in its decision-making. It was good to see both officers now playing a full and appropriate role in the Committee and starting to bring policies and processes for discussion. The Director of People Services has an important role in providing the necessary information to enable the Committee to make decisions with rigour. The University Secretary ensures good governance practices operate and decisions are made in accordance with the delegations approved by the Board.

1. The membership of the Committee currently does not include a member with a professional HR background though the Chair heads an Executive Recruitment firm. Many Universities have either co-opted such a member and/or added a relevant professional expert adviser. We **recommend** that the Remuneration Committee appoints a co-opted HR professional or adviser to the Committee (R29). This should bring greater awareness of best practice within and/or outside the HE sector and improve the ability to challenge and the quality of decisions.

1. The discussion in October regarding the upcoming senior staff pay review was very useful and revealed the need for the Committee to have further discussions about the remuneration framework for the senior team. There have been quite a few changes in

the Committee membership and the Committee needs to discuss and agree its approach. There are issues to resolve as to whether remuneration is the best motivator, whether performance pay is appropriate, to what extent should the senior team be treated any differently than all staff, who are the key University comparators, how important is the comparison with Welsh institutions and whether job evaluation would help, etc. At the December meeting, the Director of People Services brought a draft HE Senior Staff Remuneration Policy Framework and a Performance & Development Review Framework for Senior Postholders, which will be discussed at a future meeting.

1. Currently, the senior staff pay review normally takes place in November (deferred to December this year) when the appraisal information including past performance and this year’s objectives are considered for each of the senior team along with their reward. There is some benefit in the timing as there is then more knowledge on the financial statements and student recruitment. This year the Vice-Chancellor’s appraisal took place in early November, and her pay review has been deferred until January 2021 as the Board Chair could not attend the December meeting of the Remuneration Committee. There would be benefit in considering whether the timing of the pay review process is appropriate but, in any case, the Committee should agree and keep to a set timetable. This is important in giving senior staff clarity of process and signalling their value to the University. There is also an argument that it would be better to be concluded by July rather than December/January so the Committee can comment on targets and agree next year’s remuneration before the start of the year. The extent to which Remuneration Committee is involved in commenting or approving targets should be discussed.

1. The University Secretary was considered as part of the Vice-Chancellor’s submission but reports jointly to the Chair and the Vice-Chancellor. The Chair and the ViceChancellor should jointly report on the University Secretary’s performance and remuneration.

1. The Remuneration Committee presents an annual report in accordance with the CUC Code which goes to the Board and should be published on the website. The reports for 2018/19 and 2019/20 (draft) were reviewed. The latest report on the website currently is for 2017/18. The CUC published with its Code - A Possible Outline Structure for a Remuneration Annual Report to the Governing Body. We have reviewed the CMU reports against this document and suggest that the CMU reports could be improved by showing:

* 1. the names of members Remuneration Committee, their terms of office and attendance record;
  2. a clear explanation of the rationale and justification for choosing the UCEA median point for total pay for universities of £100M to £160M as the benchmark for Level 1

& 2 salaries;

* 1. evidence that the Committee has reviewed the general remuneration environment for all staff as part of their considerations e.g., pay awards, increments, bonuses, pensions and pension opt-outs;
  2. at least the previous year comparative for VC remuneration or a run of years;
  3. setting the pay multiples shown in context by showing the average for the sector or comparator institutions and those for CMU for the previous year together with an explanation for any significant movement;
  4. weblinks to the policies on pay, expenses and the retention of income generated from external bodies, together with the amount retained by the VC; and
  5. the banding for Level 2/3 posts earning more than £100,000 for the current year plus the prior year.

1. The reporting to the Board of up to date decisions should be considered. The annual report covers the previous year, but this is historic information. The draft terms of reference show the Board deciding on the Vice-Chancellor’s remuneration and if that is approved then the Board will have up to date information. However, it is more normal in our experience for this to be delegated to the Committee. The Committee also needs to consider how it should report decisions on the Level 2 posts to the Board. Decisions were made at the Remuneration Committee in December 2020 but were not reported at the Board meeting the next day.

1. Finally, the Committee should have some oversight and understanding of other staff remuneration so that they have a context within which to consider Level 1 and 2 remuneration. They should understand the processes and outcomes for Level 3 posts in particular.

1. We **recommend** that the Remuneration Committee should review and agree a new pay policy for senior staff, improve its reporting and implement an agreed timetable for Committee business (R30).

### Resources Committee

1. The Committee deals with the following resources: Financial, Physical, Human and Physical and the Committee debated its new terms of reference at the November meeting. It has traditionally considered many items that might be more normally dealt with by the Executive such as hall & tuition fees, staffing policies, debtors, financial regulations, minutes from various committees, etc. The Committee will benefit from the development of a Board delegation framework which clearly identifies what decisions are made by the Board, Resources Committee and the Executive including the financial limits on the delegation for each. Resources Committee is normally the Committee with the most delegations and it is important that these are set in the context of the overall framework. The Committee had a good debate on the proposed revised terms and they clearly need further consideration e.g., loans should be a Board decision. The Chair and University Secretary are also considering what business the Committee should receive over the course of a year.

1. We **recommend** that the Resources Committee should review its business in the light of the proposed delegation framework to ensure its focus is at the right level. Currently, there are items relating to People and Finance that would be better dealt with by the Executive (R31).

# Stakeholders – Staff and Students

1. In Higher Education, the governance focus has tended, in the past, to be on compliance rather than culture. In the private sector and the NHS, Board and organisational culture is increasingly important, since compliance has not proved enough to prevent damaging crises. In 2016, the Financial Reporting Council published a report on Corporate Culture and the Role of Boards. It sees culture, values and ethics as key roles for the Board needing a continuous focus. Part of this is engagement with staff and students so that they feel able to voice their ideas and concerns.

1. Camm noted that the ability of staff and students “to engage with the governance of the university is hampered by this lack of transparency. Information regarding governance is often presented in a very dry and unimaginative format. Governing bodies need to be explicit about their purpose, their relationship with stakeholders, especially students, and the culture they are looking to create. It is important to hear first-hand from staff whether the strategic direction is supported and whether the reality of the organisation’s culture is actually aligned”.

1. University Boards need to ensure members understand their institution and HE adequately including having satisfactory opportunities to interact with staff and students and have the means to monitor the culture and values the Board sets for the institution.

1. Transparency is important in enabling students and staff to engage effectively. Comprehensive information on strategy, culture, risk management and the workings of the governing body should be available. This gives stakeholders the tools to start to engage more fully. The Board minutes for CMU are posted regularly to the website following their approval and this is done in a much timelier fashion than many Universities.

1. Although there is work to do connecting with other stakeholders it is recommended that staff and students are prioritised. The survey indicated that the Board has minimal connection with staff and students currently.

1. That said, the Board is well served by the Students’ Union whose regular reporting to the Board is of a high standard. The Students’ Union is also proactive, e.g., at the Board’s December meeting it encouraged governors to join a virtual “Meet the SU” session to meet SU School reps, part-time officers and members of the SU Student Engagement Team.

1. The following section sets out a comprehensive list of suggestions, some of which are already in place, but all could be usefully reviewed to improve the connection with staff and students. The Board will want to consider which of these should be taken forward and prioritised:

### General

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| --- | --- |
| **S1** | The Board should receive the staff and student surveys, and the Executive’s action plans in response to these. The staff and students should receive feedback from the surveys e.g., “you said, we did”. Where possible, the surveys should be built around institutional culture, values and behaviours.  Imaginative ways need to be found to avoid survey fatigue. |
| **S2** | The governance web pages should be improved so that staff and students can understand more clearly the governance processes and key institutional information. The constitutional arrangements should become more accessible. |
| **S3** | The way in which the Board reports publicly should be considered. There could be an easily accessible section on the web covering such public reports as senior pay, financial statements, modern slavery, gender pay gap, value for money etc. |
| **S4** | Regular meetings could be held throughout the year between some of the  Board members and selected separate groups of staff, students and the Unions. The aim would be primarily to listen. The Board members need to be careful not to undermine the role of the Executive. |
| **S5** | Camm suggests Boards may want to consider vehicles such as ‘town hall meetings’ and ‘strategy cafes’ to test strategy with staff and students. |
| **S6** | “Boards should look at various sources of feedback on culture: social media, employment sites such as Glassdoor, the Student Room employees’ grievances, student complaints etc. (One Audit Committee does indeed look at some of this data on behalf of its governing body.)” – Camm Report |
| **S7** | Board members should be expected to meet senior academic and professional staff, visit key buildings, Faculties & Professional Services and meet staff and students generally so that they have a better understanding of the University and its culture. The University should facilitate these  opportunities rather than relying on members to be proactive. During Covid19 it would be possible to have a virtual briefing session from a Faculty involving key Faculty staff. |
| **S8** | Consideration should be given as to whether a scheme linking independent Board members with Faculties and Professional Services would be beneficial. Interviewees had found this very useful previously and were disappointed that it had been suspended. It is important that there is clarity around the role of the scheme and that the roles of the participants are clearly documented to mitigate potential risks, e.g., the link governor must not become or seen to be an advocate for a Faculty or Professional Service. The University of  Gloucestershire has a companion scheme linking members to staff who are not in senior executive positions. |
| **S9** | Board members should be expected to attend University functions and at least one graduation a year – being visible and talking to staff and students is an important part of being a governor. |
| **S10** | Board members should be encouraged to follow HE debates. They should participate in events such as those run by AdvanceHE and could receive publications such as the Times Higher Education, Higher Education Policy Institute reports and details on how to receive other sources of background information, e.g., WonkHE. There are increasing numbers of webinars that should be of interest to members if publicised by the Governance team. |

### Students

|  |  |
| --- | --- |
| **S11** | Presentations to the Board from the student body with participation by some staff with responsibility for the student experience might help inform about the student experience and the role of student course representatives. |
| **S12** | Reverse mentoring from a student might be made available for Board members. |
| **S13** | Following a student for a day/half day might be offered to interested Board members. |
| **S14** | Board members should receive useful research on the student experience and the Board should feel able to commission their own research or pulse surveys whether through the SU, the Executive or in other ways. |
| **S15** | Sussex has a student experience committee reporting to the Board. This might be worth considering at CMU. |
| **S16** | The University could involve the SU when preparing communications to students as they are in a better position to advise on how such communications would be received |
| **S17** | UWE has a Student Governor Forum chaired by a student governor to discuss with governors and the executive key strategic themes relevant to the student body, at an early stage, to inform the University’s policy and approach. This might be worth considering at CMU. |

### Staff

|  |  |
| --- | --- |
| **S18** | A short email (no more than 2 pages) could be sent to all staff at the end of each Board and Academic Board meeting setting out what was discussed and decided in an informative and transparent way. |
| **S19** | Access to Board papers and Academic Board papers (i.e., for the Combined Academic Board those papers which address academic quality and |
|  | standards) could be given to staff. This would require confidential elements to be separable and not disclosed but these should be kept to a minimum. |
| **S20** | It may be worth considering connection of Board members to some of the staff networks, e.g., BAME, Disabled, LGBT+ and Women. |

1. We **recommend** that the Board explores ways in which the connection between the Board and the staff & students can be improved along with the Board’s visibility in the University. For the time being, the Board should prioritise its staff and students in stakeholder engagement (R32).

1. We **recommend** that the Board seeks to increase its transparency through its website and public reporting including its progress in implementing the Welsh Universities commitment to action in response to the Camm Report (R33).

1. It is acknowledged that it is much more difficult to engage with staff & students during the Covid-19 crisis. However, as the survey indicates, there has been little connection between Board members and staff/students and the Board is relatively invisible and remote. While the pandemic poses difficulties, we would recommend that an imaginative approach is adopted to enable progress now. Although it is not too wellrecognised publicly, Universities have surprised themselves with their ability to transform speedily during the Covid-19 pandemic and many of the changes made are likely to continue post-Covid-19. In this context, it is noteworthy that there is an appetite for change - Resources Committee members welcomed the Coffee Roulette Scheme that the Executive had started. This gave staff the opportunity to meet other staff that they would not normally meet for a virtual coffee. There was a desire on the part of the members and the Vice-Chancellor to involve governors in this initiative.

# Implementation

1. We noted that the 2015 Effectiveness Review did not appear to have been implemented. Our report aims to give options and suggestions as well as recommendations. It is important that the Board has a mechanism for deciding which recommendations will be taken forward, which will be prioritised and is able to monitor implementation.

25.0

%

30.0

%

45.0

%

Are you aware of previous governance effectiveness reviews

at the University?

Yes, and I am familiar with

the recommendations and

their implementation

Yes, but I am not familiar

with any particular outcomes

No

**Chart 6: Governor Survey – Are you aware of previous governance effectiveness reviews at the University?**

1. We **recommend** that the Board should ensure that there is an appropriate process for overseeing the implementation of these recommendations and that G&NC is assigned with that role, perhaps using a smaller task and finish group to do the majority of the implementation work (R34).

1. The Board should consider the resource the Governance team will require to manage the implementation. There are two staff – Christine Fraser and Greg Lane. However, given the volume of work involved in implementing the recommendations and the fact that Christine leads the Covid-19 response and many other areas, the Board will have to take a view as to the top priorities and consider what additional resource is required, whether additional staffing or project support. In our opinion, the current staffing level is slim even if it was just maintaining the status quo. If the Board is going to implement key recommendations it will need additional resource. Halpin has the capability to offer project support, if that is helpful.

1. We **recommend** that the Board should review the resourcing of the Governance team to ensure that it has the capability to deliver the changes that the Board requires whether by additional staffing or project support. Halpin believes that additional resourcing will be required (R35).

# Conclusion

1. Halpin believes that there is clear evidence that CMU is a university that successfully promotes improvement and is doing well. Therefore, the focus of the Governance Effectiveness Review has been not on what the University does well, but on what it can do to improve its governance to ensure continued success. This report focuses on the important areas for improvement and makes recommendations and suggestions for the Board’s consideration.

1. The report makes the following key recommendations along with a number of recommendations which are primarily operational:

* + the Board should move the balance of its business more towards an agenda that prioritises strategic and cultural items (R14).
  + the Board agrees a clear statement on the role of the Board (scrutinising, challenging and supporting) & its relationship with the Executive. This should be designed to clarify roles, develop trust and understanding but also set expectations and behaviours (R11).

1. Rather than confirming that a university is complying with the revised CUC Higher Education Code of Governance, we believe that it is more appropriate to see where a university sits in developing its governance and where it might improve. Halpin has adopted a University Governance Maturity Framework based on the Code and its experience of reviewing Universities. This has four levels – Failing, Improving, Good, Leading edge – based on current practices found. Halpin believes that CMU is at the level of Improving currently but has the ability to progress rapidly through the grades provided it agrees a programme of improvement based on this review’s recommendations.

1. Key areas where the University currently performs at a good level include:

* + the quality and experience of members;
  + members see the Executive as capable and respect them;
  + regularity matters are under control; and
  + the reinstated Committees functions well although their terms of reference need to be finalised.

1. These recommendations follow from an extensive independent review, but it is for the Board to decide what to implement and their priority order. It is recognised that it will be more difficult to implement some recommendations during the Covid-19 pandemic, but we would encourage the University to be creative and see what can be achieved.

1. Halpin wishes to thank the Board Members and Executive for being open, trusting and welcoming during this process. Also, the Governance team for their support. This has made it much easier to develop findings which we believe will move the University’s governance forward quickly and it has also made it a very enjoyable experience.

# Appendix 1: Key Recommendations

|  |  |
| --- | --- |
| **R1** | The Board modernises the Instruments & Articles so they are simplified and accessible and changes can be made more quickly for minor matters without Privy Council approval. |
| **R2** | The Board establishes a delegation framework which is easily understood – so there is clarity as to what decisions the Board reserves to itself and what is delegated to Committees and the Vice-Chancellor. In particular, it should review and agree the extent that the Board should be involved in the contractual arrangements for senior staff and appeals for staff employment matters. |
| **R3** | The Board establishes a comprehensive set of Standing Orders and ByeLaws covering all governance matters within the Board’s remit. |
| **R4** | G&NC continues considering how best to take proactive measures for  Equality, Diversity and Inclusion (EDI) in respect of the Board membership so that the Board is representative of the community it serves and has the skills and experience to lead the University and challenge and support the  Executive. G&NC should monitor progress and report at least annually to the Board. |
| **R5** | Staff members should be part of the annual governors’ appraisal system. |
| **R6** | The Board ensures student & staff governors are given every opportunity and encouragement to be as effective as possible in their roles. G&NC should consider whether student and staff governors could observe Resources Committee even if technically they cannot be members and whether they should be members of other Committees. |
| **R7** | The Board appoints a Senior Independent Governor (SIG) to advise the Chair, be an intermediary for other Board members and help facilitate the annual appraisal of the Chair. The SIG should chair the G&NC. |
| **R8** | The Chair is appraised annually. The SIG (if appointed) should carry out an appraisal for the Chair as part of a process agreed by G&NC. |
| **R9** | G&NC agrees common approach and process for a 360-degree appraisal for both the Chair and the Vice-Chancellor and the 360-degree appraisal is carried out every 2/3 years. |
| **R10** | The Chair should make it a priority to build the governing body into a team. This will require members and the executive to have the space and opportunities to get to know each other and learn about the University and Higher Education. It will be more challenging during the Covid-19 pandemic, but steps can be taken in this direction virtually. Also, good induction and briefing processes should be developed for the Board. |

|  |  |
| --- | --- |
| **R11** | The Board and the Executive work together to develop a clear statement, that the Board can agree on the role of the Board (scrutinising, challenging and supporting) and its relationship with the Executive (implementing the agreed Strategy and managing the University’s operations). The Statement should be designed to clarify roles, values, develop trust and understanding but also set expectations and behaviours. |
| **R12** | Recommendation 11 is developed as part of a Board Development Programme. |
| **R13** | The Board considers the best way of engaging with major new business projects which are difficult to undertake at the full Board, e.g., when developing a new strategy or building project. |
| **R14** | The Board moves the balance of its business more towards an agenda that prioritises strategic and cultural aims. |
| **R15** | The Board establishes a business calendar for the year to achieve the business assurances and decisions that it requires. The calendar should be an agenda item on each Board and Committee agenda. |
| **R16** | The Board regularises oversight of its normal risk processes and makes regular horizon-scanning part of its Board calendar. |
| **R17** | The Board returns to between 4 and 6 business meetings each year ensuring that the Committee meetings and business feed in appropriately to the Board.  However, the Board should meet at other times in the year for briefings, Faculty & Departmental visits and discussions which should be part of the annual calendar of meetings. |
| **R18** | The independent members of the Board meet together informally occasionally to allow any concerns to be expressed in a timely fashion. They must never make Board decisions while meeting in this way. |
| **R19** | The Board continues to experiment with methods of running the meetings to enable more time for discussion on key strategic risks and issues and enabling more members to contribute. |
| **R20** | The Board gets external advice and considers how to better manage its Board meetings using the virtual meeting technology. Rather than replicating the physical environment it would be worth exploring what is possible in this new virtual environment and what could be used in the longer term. |
| **R21** | The Board Agendas should clearly show what is going to take up the majority of the time of the meeting because of its importance, what is relatively minor but needs decision or discussion and what is on the agenda for information. |
| **R22** | Board papers are written to meet the Board members’ needs. They should gradually move to being focused on the key risks/decisions which concern the  Executive and the evidence that gives the assurance the Board requires. |
| **R23** | The Board invests in a Board Portal and should consider using a small task and finish group to achieve this. |
| **R24** | The virtual meeting model should be used for some Committee meetings post-Covid-19 pandemic. |
| **R25** | The Audit Committee should review how it could support the Board more in respect of risk and becomes the Audit and Risk Committee. |
| **R26** | The roles of the Resources Committee, the Audit Committee and the Board should be reconsidered in respect of the Financial Statements so there is clarity and duplication is avoided. |
| **R27** | The External Auditor should be changed in 2022. |
| **R28** | The Board establishes an Academic Governance Committee to assist the Board in improving its scrutiny of academic quality replacing current informal arrangements. |
| **R29** | The Remuneration Committee appoints a co-opted HR professional or adviser to the Committee. |
| **R30** | The Remuneration Committee should review and agree a new pay policy for senior staff, improve its reporting and implement an agreed timetable for Committee business. |
| **R31** | The Resources Committee should review its business in the light of the proposed delegation framework to ensure its focus is at the right level. Currently, there are items relating to People and Finance that would be better dealt with by the Executive. |
| **R32** | The Board explores ways in which the connection between the Board and the staff & students can be improved along with the Board’s visibility in the University. For the time being, the Board should prioritise its staff and students in stakeholder engagement. |
| **R33** | The Board seeks to increase its transparency through its website and public reporting including its progress in implementing the Welsh Universities commitment to action in response to the Camm report. |
| **R34** | The Board should ensure that there is an appropriate process for overseeing the implementation of these recommendations and that G&NC is assigned with that role, perhaps using a smaller task and finish group to do the majority of the implementation work. |
| **R35** | The Board should review the resourcing of the Governance team to ensure that it has the capability to deliver the changes that the Board requires whether by additional staffing or project support. Halpin believes that additional resourcing will be required. |

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# Appendix 2: University Governance Maturity Framework

Note: The characteristics shown under each column category are not intended to be comprehensive but only indicative. Universities normally will display characteristics in several of these column categories at any one time. The term “Board” includes “Council”, and the term “Senate” includes “Academic Board”.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **FAILING**  **(characteristics found in some governance failures)** | I**MPROVING** | **GOOD** | **LEADING EDGE**  **(current best practice found)** |
| **University Constitution** | Poor documentation & processes which are not accessible to staff and students. Privy Council permission required for relatively minor changes  which delays changes being made | Documentation & processes are in order but would benefit from simplification and are not easily accessible. Privy Council permission required for relatively minor changes | Documentation & processes easily understood and accessible internally. Privy Council permission required for relatively minor changes | Documentation & processes easily understood and accessible externally. Privy Council permission required only for major changes. |
| No delegation framework | Delegated powers not clearly established and so confusion sometimes as to who exercises authority - the Board or the VC | Delegated powers are clearly set out showing what is reserved for the  Board but are still not clear for  Academic and Executive delegations | Delegated powers are clearly set out showing what is reserved for the Board with further schedules setting out Academic and Executive delegations |
| **Board/Council Membership** | Equality, diversity and inclusion (EDI) awareness does not exist. Inadequate member selection & induction processes. | Some EDI awareness. Otherwise, satisfactory recruitment & induction processes. | Good EDI processes. Good quality  recruitment & induction processes | Good EDI processes. Capable, diverse and inclusive members appointed. There are good member succession planning processes. |
| No Board training or appraisal. | Some training and appraisal processes. The Chair is not appraised. | Training and Appraisal processes exist for all members including the Chair. | Good appraisal processes which are used as a learning opportunity for the Board. Senior Independent trustee appointed. |

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|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Members are unclear about their responsibilities and do not connect with the University staff, students  or units outside of meetings | Members understand their responsibilities but sometimes act as if they are managers. They have minimal connection with University staff, students or units | Members understand their role and responsibilities and act accordingly. They regularly connect with University staff, students & units | Members understand the University’s culture & business and their role and responsibilities. They act accordingly. They regularly connect with University staff, students & units. |
| Members do not enjoy their role which involves firefighting and much frustration. Their reputation may be very much at risk. | Members believe that the  University’s position is improving, and they will enjoy their role | Members enjoy their role and believe they are making a difference | Members and the Executive believe the Board adds value. They enjoy, learn & “give back” by being governors. |
| **Board**  **Relationships** | Dysfunctional relations between VC, Chair and Secretary | Satisfactory relations between VC, Chair and Secretary | Good relations between VC, Chair & Secretary | VC, Chair & Secretary work as an open trusting team. |
| Members level of experience & relevant skills are not satisfactory.  Members do not act as a team. | Some Members have good  experience & relevant skills, but they do not yet act as a team | Most members have good experience & relevant skills. The Board is taking action to improve their ability to work as a team | Members are very experienced and have relevant skills. They act as a team to challenge & support the Executive |
| Some Members question the general capability of the Executive | Members support some of the Executives’ efforts but are not convinced they have the right officers for a good Executive team | Members see the Executive as capable and respect them but see areas for improvement | Members & the Executive engaged in a respectful, open, trusting relationship. Executive capacity, capability & succession planning regularly reviewed |
| **Board/Council Focus** | There are immediate & major regulatory, quality and/or financial risks. The University reputation may be under attack | The regulatory, quality and/or financial risks are improving but are still significant | The regulatory, quality and/or financial risks are under control. They are regularly monitored & mitigated | Risk & Strategic decision-making is aligned and prioritised in meetings. Planned success criteria relating to decisions are monitored. |
| The Board is firefighting & very operationally focused | The Board tends to be too operational. However, it is involved in setting the University Strategy &  monitoring its implementation | The Board sets the University Strategy & monitors its  implementation. It monitors progress against any regulator or studentdriven priorities | Significant Board time is spent on horizon scanning & understanding the market, risks & opportunities. The Board is very outcome-driven. |
| **Board/Council Meetings** | Poor conduct at Board meetings. Some members dominate  discussions. Poor chairing & secretarial support | Improved discussions and conduct. Some decisions taken outside of meetings by senior members. Staff and student members can feel that they are “second class” members, Secretarial support needs improving | All Members feel involved in decisions and able to say what they want at meetings. Constructive challenge is evidenced in the minutes Good  Secretarial support | Good quality, well-chaired discussions fully involve all members. Board  Secretary with senior status & experience reports directly to the Chair  Challenge & the value added by the Board is clear in the minutes. |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Lengthy, inadequate and/or late Board papers. Decisions taken with inadequate information & scrutiny by members | Lengthy Board papers cover the issues adequately, but the Executive tend to pass their responsibilities to the Board by telling it everything | Board Portal in use, Some Executives demonstrate they accept their ownership of outcomes in short riskfocused Board papers which give good assurance. | Short risk-focused Board papers (using graphs & other visual methods) are the norm along with short presentations supplemented by regular briefings. Good assurance given to the Board. |
| **Committees** | Poorly operating Committee structure. There is disconnection  between the Board & its  Committees | Committees function satisfactorily basic improvements to membership  & processes having been implemented | Committees functioning well. They seek continual improvements. The Board gets reasonable assurance from its Committees. | Committees operate to a high standard & are good at collaborating with each other. The Board gets good risk-focused  assurance from its Committees |
| Senate is dysfunctional | Senate not on the Board’s agenda and performing poorly. | Senate reports on academic quality but the Board does not adequately understand the risks or feel comfortable challenging. | Senate’s governance is regularly reviewed. Board gets good risk-focused academic assurance from Senate & feels comfortable challenging it. |
| **Stakeholder Engagement** | Board felt to be remote from the staff and students. Board not focused on students or staff. | The Executive conducts staff and student surveys and reports on these to the Board | Clear evidence that staff and student views are reflected in decision-making processes | Regular and effective two-way communication between the Board and the staff & students |
| Incoherent corporate culture. A values statement exists but is not used by the Board or the Executive | Board discusses & agrees the values of University but does not monitor the culture of the University | Board sets and takes responsibility for the corporate values & culture | Board lives & monitors the corporate culture checking that behaviours are consistent with the University’s values |
| Stakeholder information not published. | Required regulatory information published for stakeholders e.g.,  value for money, gender pay | Stakeholder strategy developed and starting to be implemented. Some good stakeholder reporting. | University accessible and relevant to the University’s local communities.  Board takes responsibility for the socioeconomic impact of the University. Good stakeholder information. |
| **Board/Council Reviews** | The only reviews are those commissioned by the Regulator | Occasional Board effectiveness reviews focused on compliance | Board has occasional external reviews of its effectiveness against  the HE sector | Board regularly has external reviews of its effectiveness against the best in HE and other sectors |
|  | **FAILING** | I**MPROVING** | **GOOD** | **LEADING EDGE** |

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# Appendix 3: Survey Charts

15.8

%

%

52.6

26.3

%

5.3

%

Do you believe the Board members are a fair representation of

the communities that it serves?

Yes, completely

Yes, to a limited extent

No

I don't know

26.3

%

%

21.1

0.0

%

%

52.6

Does the Board of Governors have a formal process for

monitoring and reporting on the diversity of its members?

Yes - for at least gender,

ethnicity and age metrics

Yes - but for only one or two

metrics

No

I don't know

%

15.8

63.2

%

5.3

%

%

15.8

Is the Board of Governors transparent in communicating its work

to internal and external stakeholders?

Yes, fully transparent

Yes, but only to a limited

extent

Not at all

I don't know

47.4

%

26.3

%

15.8

%

10.5

%

Do you feel encouraged to participate in meetings?

Always

Mostly

Sometimes

Never

26.3

%

%

31.6

%

42.1

0.0

%

How confident do you feel about your insight into the culture of

the University and your understanding of what it is really like to

work or study there?

Very confident

Reasonably confident

Not very confident

Not at all confident

20.0

%

30.0

%

%

30.0

10.0

%

%

10.0

How would you rate the induction that you received when you

were first appointed?

Excellent - it gave me everything

I needed

Good - it covered most things,

though it could have been more

extensive

Average - it covered only the

basics and most of it I have

learnt since

Poor - it wasn't relevant or

appropriate

# Appendix 4: Guidance note on remote board meetings

* Plan the meeting in more detail than would typically be the case for same-place meetings.
* Ensure all participants have dial-in/login info in the diary invites.
* Put the agenda in the diary invite.
* Encourage everyone to ‘arrive’ 5 mins before the start – this can be informal ‘chat’ time. It also means you will not lose 5 minutes at the start while people get logged in, sort out camera, unmute etc.
* Start on time and note any absences and note if those people join later by welcoming them and letting others know they have joined the call.
* Prioritise items requiring discussion early in the agenda.
* Make sure all users are familiar with the system in use.
* Make sure all users know what to do in the case of a problem e.g., a phone number for the governance professional to open up the meeting 15 mins earlier to test sound/webcam/functions etc.
* Chairs should confirm the purpose of the meeting – an overview, with an emphasis on key items on the agenda and why.
* Encourage use of cameras to make the meeting more interactive but accept that some members may need to switch cameras off due to Wi-Fi connection.
* Everyone on mute unless speaking to avoid feedback.
* Decide on whether you will use the chat function and let members know. We would encourage the use of the chat facility and to integrate the points raised into the meeting.
* The Secretary or Clerk should actively monitor chat and look for hands up to assist the Chair.
* Timing agenda items will assist with the meeting process.
* Allow for 5-minute breaks every hour.
* The Chair needs to directly seek feedback from attendees on aspects of the agenda.
* The Chair should indicate how consent/agreement will be sought – use of virtual hands up, voiced consent or whether silence for a period indicates consent.
* Process checks can help keep the group together e.g., “Mary, do you agree with the general viewpoint or do you see it differently?”
* Encourage the practice of using names of attendees when chairing.
* Remind participants who is at the meeting – perhaps after a comfort break.
* Where possible include, indeed encourage a period of the time together to be for informal chat; this could be achieved by using sub-divided arrangements for smaller group discussion which technology can facilitate via breakout rooms.
* The Chair should emphasise the convergence process – by which decisions are made. This can be done by summing up views for and against to enable decisions or preferences to be clearly achieved.
* The Chair should connect discussion to the report recommendation if available. Report writers should assist meeting participants by providing clear, sharply focused reports.
* The Chair could use functions within the technology such as polls to engage, test opinions, check thinking etc.
* The Chair should actively ask members who have not contributed if they have comments they wish to make.

# Appendix 5: Guidance note on board papers

* The adoption of a proprietary electronic documentation system e.g., Convene, Diligent Board Pad, Board Effect. These enable Board members to receive papers securely and electronically to their own devices e.g., iPads or surface tablets, but also to annotate them in advance of and during meetings. Papers for information can be provided without involving huge bundles of physical paper. While there is a support and set up cost, the user interface is generally intuitive, and many board members will have experience of such systems in other contexts. The savings in printing and distribution are significant and there is an environmental benefit. Strictly enforced rules about timeliness of distribution with each paper clearly stating in a standard format what is being sought from the Board, name(s) and contact details of author(s) and an executive summary for longer papers.
* Agenda management with timed items, major issues at the top of the agenda and an agenda of manageable size to help the Chair get through the business without rushing members.
* Authors encouraged to avoid jargon, spell out acronyms initially e.g., Office for Students (OfS) and to put themselves in the position of Board members i.e., what does the Board need to know to come to a view on this matter? They should only include enough information at the right level for Board members to be able to engage.
* Authors should provide an account of options considered prior to recommending a preferred option; the paper should consider the risks of options presented (linked clearly to the risk register) and the rationale (including academic) for the proposal, including opportunity costs.
* Papers should clearly identify the particular areas where Board guidance, steerage and discussion is requested and should explicitly state what the board action is being requested. The paper should note the route by which the proposal has come to the Board. Has it been discussed by the Executive team and by any committees? What staff or student consultation has taken place?
* Papers should include any relevant benchmarking data, links to university key performance indicators and the university strategy.
* Executive summaries should be prepared for long papers.
* The use of a “two bites of the cherry” approach, whereby where possible, Board is forewarned of forthcoming issues without the pressure of decision making. This will help to avoid ‘surprises’. Papers should note when the issue has previously been discussed by the Board or a sub-committee of the Board.

# Appendix 6: Guidance Note on Board Diversity

# 

* Equality/diversity data should be collected and update annually.
* Reflect on Council membership and its composition over, say, the past 5-10 years.
* Identify the trends and set targets.
* Build relationships within your community and widen your networks. Participate in and support networks which aim to increase diversity and equality.
* Advertisements should carry equality statements which are tailored to the specific characteristics that you wish to encourage rather than simply carrying a generic equality statement.
* If using executive search firms, be specific in the brief about the need for diversity and make sure you are clear as the client about its importance. Take account of an executive search company’s prior success in gathering diverse fields in their selection process.
* Target advertising in publications/websites/social media aimed at particular sectors of the population which are under-represented on your board.
* Shortlists are not taken forward if they are single-gender or all white. In such instances, vacancies should be re-advertised.
* Board members commit to training which enables them to learn about the lived experience of others with different characteristics.
* Those carrying out selection should be trained in fair selection processes, be aware of their own unconscious biases, and be knowledgeable in equality and diversity.
* Those bodies electing members are also asked to self-reflect on their own selection processes and to make, where necessary, amendments to such processes to ensure that members are chosen in a fair, equal and inclusive way. It may be useful for these groups to reflect back on the characteristics of those who have been nominated in the last 5 years (e.g., are these primarily white males?).
* Provide development opportunities for Board giving them exposure about the lived experience of those with different characteristics.
* Invite bodies electing members to reflect on their own processes to the extent that they encourage or otherwise a diverse outcome.
* Use co-opted members of committees to increase the diversity of experience and identify future board members.
* Consider whether your governance practices such as meeting location and timing of meetings precludes some groups from participating. Make reasonable adjustments to meetings to enable participation. Allow participants to join via video.
* Consider remuneration for those who could not afford to serve on your Board without it.
* Appoint members from overseas and allow them to participate via video.
* Involve alumni networks and honorary graduates in identifying potential members and advertising roles.
* Review membership of advisory boards and other committees within the University to identify potential candidates for the Board.
* Publicise roles through all internal communications and social media and encourage sharing.

# Appendix 7: List of interviewees

**Independent Governors (13)**

Baroness Ilora Finlay of Llandaff (Board Chair)

Sian Goodson - Co Vice-Chair (Chair, Remuneration Committee)

Nick Capaldi - Co Vice-Chair (Chair, Governance & Nominations Committee)

Umar Hussain MBE (Chair, Audit Committee)

David Warrender (Chair, Resources Committee)

Mike Fishwick

Sheila Hendrickson-Brown

Ruth Marks MBE

Paul Matthews

Professor Myra Nimmo

Menai Owen-Jones

Dr Chris Turner

Scott Waddington

**President & Vice-Chancellor -** Professor Cara Aitchison

**Academic Board Governor -** Dr Kate Thirlaway

**Student Governors**

Midhun Pavuluri (SU President)

Keira Davies (SU Vice-President)

**Co-opted Governors**

Gareth Davies

Dr Malcolm James Denn Yearwood

**Governance Team**

Christine Fraser (University Secretary & Clerk to the Governors)

Greg Lane (Head of Governance)

**Executive Team**

Dr Jacqui Boddington (Pro Vice-Chancellor – Student Engagement)

Professor Sheldon Hanton (Pro Vice-Chancellor – Research & Enterprise)

Professor Leigh Robinson (Pro Vice-Chancellor – Partnerships and External Engagement) David Llewellyn (Chief Officer - Resources)

**Past Governors**

Nicola Amery (previous Vice-Chair of the Board)

Amy-Louise Fox (previous SU President)

Stephen Jackson

# Appendix 8: Halpin team biographies

**Susie Hills, Joint CEO (Project Director)**

Susie has worked in the charity, corporate and HE sectors, and brings her cross-sector perspective to Halpin’s clients. She has worked with a number of institutions on highly customised governance reviews including Universities UK (UUK), The Quality Assurance Agency for Higher Education (QAA), University of Westminster and the Royal College of Art.

Previously as CSR Manager for Tesco plc., Susie was responsible for the governance of CSR policy and practice, setting and reporting on KPIs for environmental and social impact across the international business and working with the plc Board.

Susie is a trustee of the Halpin Trust and until recently a member of the Board of Governors at Plymouth College of Art.

**Frank Toop, Consulting Fellow (Lead Consultant)**

Frank is the former University Secretary of City, University of London where he has also been Director of Finance and Chief Operating Officer. Since leaving City in 2015, Frank has advised and undertaken governance effectiveness reviews at the Universities of Bath, Bristol, Sussex, Cardiff Metropolitan University and the London School of Hygiene & Tropical Medicine. As well as governance effectiveness reviews, he has advised on academic governance structures, University constitutional matters and delegation frameworks.

An experienced Governor himself, he was a member of HEFCE Audit Committee for 6 years and Goldsmiths University of London Audit Committee. He was Vice-Chair of Orpington College and London South East Colleges where he recently chaired Audit & Risk Committee and then Finance Committee. He is currently a Board member and Chair of the Audit & Risk Committee at Greater Brighton Metropolitan College.

Frank was awarded an MBE in the Queen’s Birthday Honours 2014.

1. The two staff clauses are (1) ”approving policies and procedures relating to the appointment, grading, assignment of duties to, appraisal of, suspension, dismissal and determination of the pay and conditions of the holders of senior posts”; and (2) “approving the framework for employing all other staff and regulating their employment;” Subsidiary documentation states “UET members are holders of senior posts and therefore oversight of appointment processes and succession for UET is within the remit of Nominations Committee as set out in its terms of reference approved by the Board”. VC & Clerk are appointed by Board.

   2 The two staff clauses are (1) The Board is responsible for “the appointment, grading, appraisal, suspension, dismissal and determination of the pay and conditions of service of senior post-holders and the Clerk”; and (2) “establishing a framework for the pay and conditions of staff; ensuring that there are in place policies and procedures for dealing with staff performance, discipline, dismissal and grievance;” Subsidiary documentation has the Board only appointing VC and Clerk. [↑](#footnote-ref-1)
2. At least one and not more than nine shall be co-opted members nominated by the members of the Board who are not co-opted members. The co-opted member should be a person who has experience in the provision of education. An employee, a full-time student or an elected member of any local authority can be a co-opted member. [↑](#footnote-ref-2)
3. “The governing body also needs to consider the benefits of appointing a Senior Independent Governor (SIG) or equivalent role and explain the rationale for decisions made in this regard. Their role is seen in other sectors as an important aid to good governance; to help advise the Chair, to be an intermediary for other Board members and to help facilitate an annual appraisal of the Chair. The role of the SIG is different to the Deputy Chair, who should be part of the leadership of the Board and deputise for the Chair as well as take on specific duties which are assigned to them. The SIG should be a voice and a sounding board for other governors to sense-check the effectiveness of the governance arrangements, and to formally lead the appraisal of the Chair (and the Deputy Chair)”

   [↑](#footnote-ref-3)
4. “There were instances where governors were presented with strategies late in the day and then placed under pressure to sign them off, or alternatively strategies were progressed between meetings and governors felt bypassed as the strategies were implemented” but also “Governors talked with enthusiasm about occasions where they felt they had time to consider issues in appropriate depth either in a subcommittee or a short-life working group. Executive members were appreciative of governors who brought rigour to decision making, introduced new contacts or brought a high level of expertise in relevant areas”. – The Camm Review [↑](#footnote-ref-4)