13. The system of governance and effectiveness reviews

Introduction and aim

Higher education has its own distinctive system of governance. For the overall system to be effective, not only must all of the individual elements be effective, but they must work in harmony. Periodically, the governing body should undertake a review of the effectiveness of the system of governance. This may be assisted by use of an independent facilitator.

Topics covered

1. The system of governance
2. The components of the system of governance
3. Senate or academic board
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1. The system of governance

While a governing body is central to the provider's overall system of leadership and governance, other groups (e.g. senate or academic board) and individuals (e.g. Head of the provider) also have important roles and responsibilities. Collectively, these elements describe the provider's system of governance. The overall effectiveness of the system depends not only on the workings of each component, but on the overall coherence and functioning of the system as a whole.

2. The components of the system of governance

The governing body sits at the apex of a provider's system of governance. In discharging its responsibilities, it delegates some responsibilities to other elements within the system of governance, but retains for its sole determination a number of key decisions. These decisions cannot be delegated, although in arriving at a decision the governing body may seek the advice and guidance of another element of the system of governance, including the senate or academic board; the head of the provider; or a committee of the governing body.

3. Senate or academic board

While the governing body has ultimate responsibility for all fundamental decisions affecting the provider, matters of academic governance are usually delegated to the senate or the academic board. The governing body is expected to seek assurance in regard to the operation of senate or the academic board that the provider's academic governance is sound.

4. Head of the provider

The Head of the provider is responsible to the governing body for the organisation's executive management and day-to-day operation. The Head of provider will normally be supported and advised by a senior management team comprising of the provider's executive managers. These will typically include academic managers (e.g. Heads of Faculty/School) and those managing professional services (e.g. Registrar, Director of Finance).

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5. Understanding the system

The system of governance which characterise higher education providers can be difficult to understand for those unfamiliar with the sector. This emphasises the importance of briefing Governors who have not previously worked in higher education on the system of higher education governance when they join a governing body

6. Delegation of authority

To avoid any doubt as to which body or individual is responsible for what, governing bodies are encouraged to develop a scheme of delegation. Typically, a scheme will detail the responsibilities of the governing body, its committees, Chair of the governing body, and Head of provider and the senate or academic board. The Scottish Code of Good Higher Education Governance contains the requirement that 'the Institution is expected to have appropriate measures in place to clarify the different responsibilities of the governing body and the academic board and to encourage a high level of mutual understanding between them.'[1]

7. Developing a scheme of delegation

The provider's principal constitutional instruments will form the starting point for developing a scheme of delegation. However, a fully detailed scheme of delegation is likely to require further details of roles and responsibilities to be added to the provider's standing orders or similar instrument of governance.

8. Committees of the governing body

Committees enable specific areas of governing body's responsibilities to be examined and considered in detail. Committees provide the opportunity to give greater scrutiny to matters, which – given the governing body's normally limited number of meetings and associated time – it is unable to do. Each committee will report to governing body on their work and where appropriate offer recommendations for the governing body's approval. A review of a governing body's committee structure should form part of a review of the governing body's effectiveness.

9. Reporting to the governing body

A concern that may arise with a committee structure is that governing body members who are not members of a committee can, if they perceive a committee has a significant influence in making decisions, feel excluded from the decision-making process. The chair of the governing body needs to be mindful of the risk, and ensure all members have the opportunity to comment on key areas of interest or decisions when the governing body meets and receives reports from its committees.

10. Committee structure

The relevant higher education codes of governance require governing bodies to establish a number of committees:

- Audit committee (discussed in briefing note 14)
- Nominations committee (discussed in briefing note 15)
- Remuneration committee (discussed in briefing note 16)

In addition, a requirement to establish a committee may be specified by the provider's governing instruments. For example, providers established under the 1992 Further and Higher Education Act are required to establish a committee or committees in respect of:

- Employment policy (see briefing note 17)
- Finance (see briefing note 18)

Providers may also elect to establish further committees to assist the work of the governing body, including, for example:

- Estates (see briefing note 19)

11. Temporary or 'ad hoc' committees

Occasionally, governing bodies may decide to establish temporary or 'ad hoc' committees, responsible for overseeing a specific task, e.g. advising the governing body on the appointment of a new head of the provider or a major campus development. Such committees are normally disbanded once they have completed their assigned task.

12. Effectiveness reviews

Governing bodies are expected and required to periodically review their effectiveness. The scope of a review should include the work of the governing body, its committees and the senate or academic board.[2]

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13. Period between reviews

The Committee of University Chairs (CUC), The Higher Education Code of Governance, states that effective 'reviews must be conducted at least every four years.' And, 'many governing bodies find an external perspective in this process useful, whether provided by specialist consultants or peer support from other governing bodies.'[3] Similarly, The Scottish Code of Good Higher Education Governance states, 'the governing body is expected to review its own effectiveness each year and to undertake an externally facilitated evaluation of its own effectiveness and that of its committees, including size and composition of membership, at least every five years.'[4]

14. Methodology of reviews

Effectiveness reviews will normally be informed by data collected by:

- The review of secondary data sources, e.g. governing instruments, papers and minutes of meetings
- Questionnaires completed by a range of stakeholders, for example, Governors, members of senate, staff and students
- Individual interviews with Governors and other stakeholders
- Discussion groups
- Observation of meetings.

The use of multiple methods allows data to be triangulated (compared and tested from different perspectives), which increases the confidence in the robustness of the resulting evaluation.

15. Assessing effectiveness

The CUC suggests the assessment of effectiveness should be made 'against this (The Higher Education) Code and the statutory responsibilities alongside those which it is assumed and articulated independently (e.g. through a statement of primary responsibilities).'

16. Resource available to governing bodies

To support the work of governing bodies in assessing effectiveness, Advance HE has developed A Framework for supporting governing body effectiveness reviews in higher education. The framework has three inter-related elements:

1. The enablers of effective governance (the processes and structures) – these are the foundations of effective governance, e.g. governance structures and processes, membership of the governing body, information flows and communication

2. Working relationships and boardroom behaviour – the dynamics of the governing body

3. The outcomes or added value of effective governance – the results of the process of governance

Effective governance is based on the interaction of all three elements, which collectively contribute to development of high performing governing bodies.

17. Survey tools

To enable the framework developed by Advance HE to be applied, two versions of a survey tool linked to the framework are available for providers to use. These are the full version of the survey which covers the entire Framework, and a shorter version of the survey focused on a core set of issues with fewer questions about the enablers (or processes and structures) of governance.

18. Independent facilitator

When undertaking a review of effectiveness, governing bodies are encouraged to make use of an external and independent evaluator to assist the process. The employment of an external evaluator increases the likelihood that any review will be impartial and objective. Careful choice of evaluator will, however, be necessary in order to find an individual who brings a good depth of knowledge of governance in higher education, has personal credibility, and is quickly able to gain the trust of the governing body, and, in particular, the Chair and the Head of the provider.

19. Feeding back the findings

Once they have completed their assessment, the external facilitator will normally submit a report of their findings to the governing body, but will commonly privately feedback their findings and any suggested actions to the Chair of the governing body and Head of the provider in advance. This allows the facilitator the opportunity to share more sensitive information than they may feel unable to include in a report that may be widely circulated.

20. Reporting on the review

Normally, the final report on effectiveness submitted to the governing body will set out the terms of the review, detail the methods employed and the findings from the review and recommended actions. The author of the report will usually be invited to present their report to a meeting of the governing body and respond to questions raised by members.

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21. Recommendations to improve effectiveness

If, following discussion of the report, the governing body accepts the recommendations of the external facilitator, implementation is normally delegated to the Clerk or Secretary, working with the Chair and Head of the provider to action the agreed changes and report back to the governing body.

22. Conclusions

The system of governance commonly found in higher education is complex. It is multi-faceted, and requires all elements to work together to enable the system as a whole to be effective. The system should be subject to periodic review in order to test and assure it effectiveness.

23. Questions to review

Q What matters are reserved for the governing body's determination?

Q Is there a detailed scheme of delegation?

Q When was the last review of the governing body's effectiveness undertaken?

Q Does the governing body use an independent and external evaluator to support the review of its effectiveness?

Q Have the recommendations from the last effectiveness review been implemented?

End notes and further reading

[1] July 2017 edition, p.25, para.83.

[2] See Briefing Note 25 for a discussion of The factors the influence whether governance is effective?

[3] June 2018 edition, p.27, para.7.12 and p.26, para.7.11

[4] July 2017 edition, p.18, para.49.