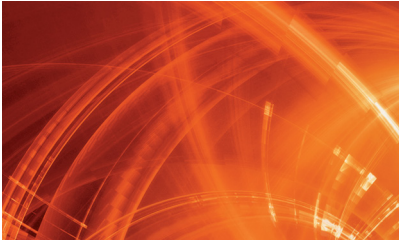


Self study unit: Governance





Contents

- 02 Introduction
- 05 Section 1:
The Board
- 11 Section 2:
Working with
the Board
- 17 Section 3:
The Board's strategic
and monitoring roles
- 22 Section 4:
Risk assessment,
contingency planning,
self-assessment
- 31 Sources of more
information
- 33 Glossary
- 34 Feedback on tasks
- 37 Technical annex

The Executive Leadership Development programme has been developed by the Learning and Skills Improvement Service (LSIS). This self study unit is one of a series produced for the flexible Executive Leadership Development Programme. It is designed to support first and second tier managers and leaders in leading their institutions in a time of rapid and complex change for the sector and to strengthen the leadership capacity of the further education sector.

The qualifying programme has been developed using the LLUK benchmark role specifications for managers and leaders at these tiers. It will recognise formally the specific expertise required in FE leadership

This module was first published in January 2008. It was reviewed in October 2010.

© Learning and Skills Improvement Service 2011

Published by the Learning and Skills Improvement Service 2011

Extracts from this publication may be reproduced for non-commercial education or training purposes on condition that the source is acknowledged and the findings are not misrepresented. Otherwise no part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any mean, electronic, electrical, chemical, optical, photocopying, recording or otherwise, without prior written permission of the copyright owner.

This publication is available for download from the Leadership Learning Environment (LLE) at www.leadershiplearning.org.uk

Introduction

This unit covers the statutory framework within which the Board operates as well as the important issue of the relationship between the Board and the executive and how to make the best of it. If you already have senior college management experience, you may have worked closely with the college board. Even so, the Board's relationship with the Board is significantly different from that of other senior managers.

The diagnostic questions will help you to identify sections on which you need to focus. There are also a number of tasks aimed at helping you to reflect on the governance of your college. There is a separate section at the end of this unit providing feedback on the tasks.

If you want to look into a topic in more depth, you will find additional operational detail in the annex.

Overview

Why you need to know about governance

As Principal you need to feel confident that the Board provides the right balance between support and strategy, performance and scrutiny, and that its activities reflect your college's mission, vision and values. You have a particular responsibility for helping the Board understand its strategic and monitoring roles and equipping it with the skills, knowledge and experience to fulfill them. A good board, and a good relationship with it, can make your job rewarding and challenging. A poor relationship with the Board, on the other hand, is a potential source of stress and frustration.

The key challenges in governance are:

- recruiting a board which fulfils the legal requirements for membership, the right balance of skills and reflects the diversity of your students, staff and the community served by the college (Section 1);
- establishing and maintaining a challenging but supportive relationship between you and the governors, and the governors with each other (Section 2);
- building a successful relationship between the principal, chair and clerk (Section 2);
- striking the right balance between governance and management (Section 2);

- ensuring that governors have enough of the relevant information to perform their roles (Section 3);
- ensuring robust risk management (Section 4) and
- establishing and maintaining a robust self assessment process for the Board to monitor and develop performance (Section 4).

Key documents

The following college documents will be helpful to you.

1. Articles of government
2. Instruments of government
3. Standing orders
4. Code of conduct
5. The latest self assessment report (SAR)
6. Register of Board members' interests
7. The college strategic plan.

Two websites are particularly useful:

1. The **Excellence Gateway** has a section containing good governance guides.

You can register online for free. Paste the link below into your web browser:

(www.excellencegateway.org.uk/page.aspx?o=287816)

or

(www.ggpg.org.uk)

This looks at key themes of governance, with links to further information and debate about governance and good practice within FE and elsewhere.

2. The FE governance site (<http://www.fegovernance.org>) is the leading source of information for governors and clerks and contains up-to-date information about the statutory requirements, recent research, the current programme of Leadership Skills

for Governance training and other Board development opportunities. An essential reference in the current period of rapid change.

Throughout this unit you will find references to relevant pages on these sites.

Understanding key governance terms

There are a number of key terms used in governance which may require explanation if you are new to this area. They include:

- **Articles of government** – these set out the internal powers, duties and responsibilities of the Board.
- **Board or corporation** – the governing body of the college.
- **Code of conduct** – a statement of behaviours that governors or staff are expected to comply with at all times whilst on college business.
- **Fiduciary duty** – the duty placed on individual governors to show the Board the highest loyalty and to act collectively in the best interest of the college.
- **Instrument of government** – this sets out the constitution and procedures of the Board.
- **Standing orders** – these set out policies relating to the way in which the Board conducts its business. They expand or interpret the instrument and articles of government.

Other common terms are highlighted in bold in the text and explained in the glossary at the end of this unit.

Which sections do you need?

Use the questions below to assess your existing understanding of governance. If you need help in answering the question, then you need to look at the relevant section.

- What are the legal requirements and responsibilities of the Board and what role should individual members (including the Board) play? (Section 1)
- Does your Board membership have the full range of skills and experience that you need and does it reflect the profile of your local community? (Section 1)
- What is the boundary between governance and management? (Section 2)
- To what extent does your Board operate collectively and demonstrate effective working relationships? (Section 2)
- What is required of the Board in relation to its strategic, accountability and monitoring role? (Section 3)
- Are your college's risk assessment, contingency planning and self-assessment processes effective? (Section 4)

Section 1: The Board

Introduction

This section covers the statutory and legal framework within which the Board of an FE college operates – its powers, duties and limitations – and the formal roles of chair, principal, clerk, the various committees and individual governors. The rather more complex question of how those roles play out in practice is considered in Section 2, Working with the Board.

This section will help you to:

- outline the statutory and legal framework within which the college's Board must operate;
- explain the different but complementary roles of the Board and the Principal (or chief executive) of the college;
- describe the composition and responsibilities of the Board and the role of the search committee in advising on board membership;
- explain the specific roles of the Board's individual governors, chair, clerk and standing committees in the governance of the college;
- identify the Board's responsibilities as the employer of college staff and
- describe how the Board should handle issues requiring particular sensitivity.

The statutory and legal framework for governance

An FE corporation exists only for the purpose for which parliament intended it; it has **exempt charitable status** and is governed by the provisions of:

- a) the Further and Higher Education Act 1992 (FHEA), which gives the Board its main powers
- b) the Learning and Skills Act 2000
- c) the Further Education Corporations [former FE colleges or former sixth form colleges] (Replacement of Instrument and Articles) Order 2007.
- d) the Education and Skills Act 2008.

It also has to operate within the terms of:

- a) the funding agencies financial memorandum with the college;
- b) corporation standing orders and
- c) the college's financial regulations (separately approved by the Board).

The FHEA has been amended by various pieces of subsequent secondary legislation which are listed in the annex.

- The **instrument of government** sets out the constitution and procedures of the Board itself and covers areas such as the membership of the Board, the appointment of the chair, vice-chair and clerk, the proceedings of meetings, etc.
- The **articles of government** set out the internal powers, duties and responsibilities of the Board, eg. the role of committees, the employment of senior postholders and staff, as well as the duties and powers of the Principal, and where authority can be delegated.

The FE Bill (at April 2007) made more changes to the instrument and articles and a Replacement of Instrument and Articles

Order was issued in October 2007. The Board is accountable to the funding agencies for the use of public funds and has ultimate responsibility for the college's management and administration.

- The financial memorandum with the college sets out the terms and conditions on which the grant is made. The Board is responsible for ensuring that these are met. This aspect of governance is covered in more detail in the 'Finance' self study unit.
- Corporation standing orders set out the policies relating to the way in which the Board conducts its business. In so far as they expand or interpret the instrument and articles of government, they have the status of by-laws of the corporation and apply to the college itself and the activities of any subsidiary.

The primary roles of further education governing boards are to:

- determine the direction of the college;
- set the policy framework for the college;
- monitor the performance of the college and its Principal;
- maintain financial health and protect the college's assets and
- provide accountability.

In general terms, the governing board is responsible for strategy, direction and policy, while the Board makes proposals, and implements governing board strategies and policies. The distinction between management and governance should, therefore, be clear.

However, a governing board will decide how much detailed information on operational matters it needs in order to make decisions, by assessing how the college is performing.

In addition, governing boards must meet additional sector legislation and regulation – eg. child protection.

See the latest regulatory framework for governance on the Excellence Gateway.

The Board's responsibilities

Responsibilities under the statutory regulations

The governing board oversees:

- determination of educational character and ethos;
- articulation of vision, values and strategic direction;
- the quality strategy for the institution;
- effective and efficient use of resources;
- safeguarding of assets;
- approval of annual estimates of income and expenditure;
- appointment, grading, suspension, dismissal, appraisal and determination of pay and conditions of the Board, designated senior post holders and the clerk;
- setting the framework for pay and conditions of service of all other staff;
- setting the framework for tuition and other fees and
- financial probity.

Governing boards organise themselves in a number of different ways in carrying out their duties and responsibilities. They establish their own internal rules and procedures, known as Standing Orders. These determine how business is conducted and vary from college to college.

The FE Bill introduces additional responsibilities for Boards in the areas of learner representation/participation and quality and responsiveness. For example, the Board is expected to agree strategies for learner involvement and quality improvement.

Composition of the Board

The Board's composition is intended to reflect the broad interests of the key stakeholder groups. Details of the required membership are given in the annex. It must also reflect the community it serves, for example in terms of gender, ethnicity, age, disability and sexual orientation, in line with the Foster review objectives.

The Board is the sole appointing authority for all Board members but it must establish a search committee to advise on the appointment or co-option of new members and act within the parameters set out in the instrument of government (clause 2). The Board is expected to give guidance to the search committee on the qualities, skills and experience the Board requires when recruiting new governors.

The FE Bill aims to raise the profile of student representation on Boards. Specifically, there is expected to be a requirement that:

- all colleges set up student committee(s) or council(s) in order to engage collectively with learners and
- colleges appoint a minimum of two learner governors, with national support for student representatives.

Roles and responsibilities of Board members

Role of individual governors

In legal terms the Board has a corporate identity separate from its members. This means that responsibility for actions and decisions rests with the Board as a whole and not with individual governors. Governors have no power to act individually unless specifically authorised to do so on behalf of the Board.

Once in office, all members, whatever their category, owe a fiduciary duty to the Board – this means that they are expected to show it the highest loyalty and act collectively in the best interest of the college. Each college

is required to have a code of conduct which regulates governor behaviour.

Chair and vice-chair

Under the provisions of the instrument of government, the Board must appoint a chair and vice-chair. There is no definition of the role of chair or vice-chair; this is decided by the Board. The Board also decides the chair's period of office which will be determined in part by their remaining period of office as a governor. Good practice suggests an annual appointment process. The Board, staff members and student members are not eligible for appointment as chair, although they can take part in the nomination and election. The relationship between the chair and the Board, the complementary nature of their roles and how well they work together are key to effective governance. This is covered in more detail in Section 2.

The clerk

The clerk to the corporation is appointed by and is accountable to the Board – not to the Board. The clerk is responsible for providing administrative support for the Board's work, organising its business, advising on proper procedure and ensuring that the Board operates within its powers. The effectiveness of a Board is helped or hindered by the quality and timeliness of the information reaching it and the efficiency with which its business is organised. Clerks also play a key role in governor development and governance self-assessment.

Clerks can be college staff with no other duties, or they can combine the role with other responsibilities (in which case the clerk would be responsible to you for the conduct of those duties). Some clerks specialise in that professional role and work for more than one college (law practices often offer this service). The clerk's role, though rooted in the formal business of the Board, extends beyond the procedural. The effectiveness of the Board can be aided by a good working relationship with the clerk and seriously impeded by a bad one.

The clerk is responsible for:

- advising on the operation of the powers of the governing board;
- advising on procedural matters;
- advising on the conduct of business at meetings and
- advising on good governance practice.

Task 1

- How well do you understand the role of clerk? List what you think your clerk's main responsibilities are, then check your ideas against the list in the annex or on the Governance good practice guide website.
- Ask your clerk whether they have any other responsibilities that are not covered in the list.
- Does your clerk's role description contain any reference to working relationships with the chair and the Board? Is the clerk truly independent?

Feedback

For feedback see end of unit.

The Principal

The Board's role in relation to the Board is set out in the articles of government. The Board is responsible for:

- making proposals to the governing board about the educational character and mission;
- implementing policies and decisions;
- day-to-day organisation and management of the college;
- leadership of staff;
- appointment and management of staff within the framework set by the governing board;

- determining all college academic and other activities and
- being the principal accounting officer, accountable to the governing board and, ultimately, to Parliament.

Committees

The Board must meet formally at least once each college term but many college boards hold more meetings than this. They also establish a number of committees to consider particular topics or areas (eg finance) more fully. The Board may delegate responsibility for decisions to:

- committees;
- the chair (or the vice-chair in the chair's absence) and
- the Board.

The Board must establish an audit committee, a search committee and a special committee (if and when required) to consider a dismissal case against a senior post-holder. Otherwise, the Board is free to establish any committee it wishes. Most have one or several committees looking at, for example, finance, senior staff remuneration, property and personnel/human resources. Many have a 'curriculum and standards' or 'performance' committee.

The existence of a governors' committee covering a particular area (eg finance) is often taken as a sign that the topic commands strategic attention. It has historically been easier to get governors to attend to college resources than to curriculum, teaching and learning, student support or other manifestations of the core business of the organisation. Whilst a good balance between the college's business and the college as a business is desirable, a proliferation of committees is not in itself a good thing as they can represent a temptation for governors to get drawn into the operational detail of college life.

Committees may include people who are not members of the Board as observers or participants/advisors on particular items of

business – for example, property consultants, health and safety experts, etc.

Not everything can be delegated. For instance, the Board cannot delegate its core functions – determining the college's mission, ensuring the solvency of the college, approving the annual budget or appointing the Principal. Some responsibilities can be delegated to a committee but not to the Principal or other members of staff. See the annex for more detail.

In recent years there has been more innovation in college governance, partly driven by increasing internal interest in the topic and partly by a much greater awareness of the need for good governance in both the private and public sectors, and for FE colleges to respond accordingly. For example, the membership of corporations has generally declined in size, some colleges have substantially reduced their committee system and others have sought to introduce particular approaches or styles of governance. The result is increasing diversity not just in types of colleges, but in approaches to governance. Such innovation has been aided by increased flexibility in the instrument and articles of government when reviewed in 2008.

Shared responsibilities

The March 2006 White Paper 'Further education: raising skills, improving life chances' emphasises meeting the needs of learners, a responsibility which governors share with management. The Board and college managers are both responsible for improving the quality of teaching and learning. The White Paper emphasises 'raising the bar' on inadequate provision, more robust intervention, a one-year turnaround for weak providers and self-improvement. Specifically, there is a requirement for governors to monitor, review and evaluate learner involvement processes and to ensure that the curriculum meets students' needs. The White Paper's focus on raising the quality of teaching and learning creates the need for Boards to monitor, review and evaluate

the college's development planning for improvement.

The Board's role as an employer

The Board (that is, the corporation) employs all college staff and sets the framework for their pay and conditions of service. They have direct responsibility – which cannot be delegated – for the appointment, grading, suspension and dismissal of senior post-holders and the clerk. The responsibility for appointing other staff and the management of all staff is delegated to the Board. In between lie issues of leadership, structure, ethos and style which are, necessarily, a responsibility shared by the governors and the Board.

Confidentiality and declared interests

The general principle is that any interested party should have free access to information about the proceedings of the Board; this covers the agenda, draft minutes (if cleared by the chair), signed minutes and copies of the papers considered at meetings. The exceptions to this rule are material relating to named individuals, matters of financial negotiation or matters that the Board decides to treat as confidential; it is important that this final exception is not used too often. It is good practice for the chair regularly to review any previously confidential items and, if appropriate, release them into the public domain.(see Freedom of Information Act)

Any governor with an interest – financial or otherwise – in a matter under discussion by the Board must:

- declare that interest prior to any discussion of the item;
- not take part in the discussion and
- not form part of the quorum and not vote.

The governor is not required to leave the meeting (unless required to do so by a majority of the members of the board or committee present at the

meeting) although it may be advisable to do so. The clerk should provide advice to individual governors if they are unsure whether a personal interest is involved.

Key points - Summary

- The statutory and legal framework for governance grants powers and imposes duties and limitations on the college's Board. The Board is responsible for determining the overall educational character and direction of the college, overseeing the budget and ensuring financial probity, monitoring the delivery of the college's educational objectives and ensuring public accountability. It also has responsibilities in its capacity as the employer of college staff.
- The Board's role, as chief executive, is to ensure the implementation of Board decisions and supervise the day-to-day management of the college within the budget and strategic framework fixed by the Board.
- The March 2006 FE White Paper puts an emphasis on raising the quality of teaching and learning. This is a responsibility that governors share with senior management.
- The composition of the Board is intended to reflect the broad interests of key stakeholder groups (eg business, the local authority, students) and the community served by the college. The Board determines the exact composition of its membership within parameters set out under the instrument of government. It is mandatory for the Board to elect a search committee to advise on Board membership.
- The Board has a corporate identity separate from its individual members and responsibility for its actions and decisions rests with the Board as a whole and not with individual governors. Governors are not obliged to speak or vote in line with the interests of the body or group they represent (eg. the business community) but must act collectively in the college's best interests.

- The Board must appoint a chair and vice-chair and define their respective roles and durations of appointment (usually one year). The role of chair is to lead the Board and ensure that all business is properly conducted in line with legal requirements.
- There must be a full board meeting at least once a term. The Board can choose to delegate the detailed business of governance to separate committees (eg. equality and diversity, finance) whose composition and terms of reference are determined by the Board. There must be a search committee and an audit committee. With certain exceptions, responsibilities can also be delegated to the Board or other staff.
- The clerk to the corporation is appointed by and is accountable to the Board. The clerk is independent of college management. The clerk works closely with the chair (and the Board), providing administrative support, advising on procedure and ensuring that the Board operates within its powers.
- The Board employs all college staff, and directly appoints senior post-holders, but delegates management of staff to the Board.
- The proceedings of the Board should be freely accessible to any interested party except where material relates to named individuals or to matters of financial negotiation, or where the Board has decided to keep an item confidential. Confidential items should be kept to a minimum. Any governor with an interest in any matter under discussion by the Board must declare that interest before the item is discussed.

Section 2: Working with the Board as a Principal

Introduction

This section looks at the ways in which you, as Board, can work with your chair and your Board. You will examine the important but imprecise distinction between governance and management and consider some of the common pitfalls and ways of avoiding them.

This section will help you to:

- explain the importance of mutually supportive professional relationships between Board members;
- describe some problems and issues that can arise;
- evaluate the efficiency and effectiveness of your college's Board;
- explore the distinction between governance and management of the college and
- outline and evaluate your college's arrangements for the recruitment, induction, training and development of governors.

Key relationships within the college

It is useful to give some thought to what motivates governors. As unpaid (with the exception of the staff governors and Board) volunteers, they are giving their time and commitment for free. Colleges are fortunate in being able to attract individuals who are or have been successful in their own professional lives. Their 'reward' for their efforts will generally be social and psychological. Though usually supportive of the college, they rarely see their roles as mere cheerleaders. As John Harvey-Jones said (of non-executive company directors, but equally relevant here):

'High-powered people do not like wasting their time and need to feel and know that their advice is both wanted and on occasion acted upon. They are not so foolish as to believe that their views on everything are of equal importance, or indeed that they can express opinions without understanding a great deal of the background. They are usually patient and tolerant of briefings, presentations, or the seeking of preliminary advice, providing they have the satisfaction of knowing that ultimately they will have affected things.'

(Harvey-Jones, 2003)

A compliant and malleable Board may make life easier but will rarely contribute to challenging and developing the organisation. Governors are more likely to make a valuable and relevant contribution if:

- they feel their experience is being brought to bear relevantly on college issues (for example, a company marketing director can make constructive contributions to the college's marketing strategy);
- they understand the college's 'business' (the company marketing director above, for example, needs also to understand

the market environment for FE and your college);

- they recognise the ways in which it is different from their own business (this might be a bit of a stretch if the company marketing director is in the telecommunications business, for example);
- they are offered the opportunity to take real strategic decisions (ie not just to rubber stamp the decisions you have already taken with your senior colleagues);
- they feel (and are) well informed with the analysis, options and recommendations and
- they see that their time is being used efficiently.

Recruitment, induction, training and development of governors

The Board is responsible for appointing governors on the advice of its search committee. The appointment process must be open and transparent, following the Nolan principles. In an ideal world, there would be a shortlist of candidates, based on role descriptions and person specifications which are themselves based on a skills audit of existing governors. In practice, many colleges struggle to meet the stringent requirements for Board composition. This is primarily the responsibility of the clerk but it is in the college's (and the Board's) interests to have an active and engaged governing body so problems with governor recruitment cannot be left solely to someone else.

Recruitment can, and increasingly does, take the form of public advertising and/or having a standing invitation on the college website (see the LSIS Brief Guide - Governor Recruitment Strategies available to download from www.fegovernance.org).

In addition, the Board and college senior managers operate within many networks and these provide valuable opportunities to spot potential new governors, to encourage them

to consider the role and to pass the details to the search committee for consideration in the established way.

The Network for Black Managers recently carried out a project as part of LSIS practitioner research programme to establish credible baseline data on the numbers and roles of all black and minority ethnic college board members in the FE sector. More information on LSIS's research programme is available at:

www.lums.lancs.ac.uk/leadership/cel/

Having recruited your governors, a well constructed induction programme can set them and you off on the right foot. It is likely to include:

- a brief and easily digestible package of background materials describing the main features of the college and the way the Board operates;
- some Board papers to give a feel for the type of business they do and how they do it (do not just provide minutes and agendas as these are usually impenetrable to outsiders);
- the most recent inspection report (and/or SAR) with the action plan and recent update on progress;
- some mentoring support from an established governor;
- an opportunity to look around the college (or some of it, if you operate on several sites);
- one or more meetings with key personnel – including the Principal;
- opportunities to become familiar with particular aspects of the college – preferably those which draw most effectively on the new governor's experience and
- attendance at an LSIS new board member induction.

Much of this can be delivered through a

well drafted, focused set of documents. It doesn't all have to happen at once or before the first meeting. Flexible and adaptable arrangements will respect the other pressures on governors' time and increase the likelihood of them using the resources. On-line and other computer-based resources can be used very effectively here, especially if you have a college intranet, extranet and/or portal. Giving governors access to this can be a very effective way of keeping them informed and involved – but only if they are getting more than just the public offering on your website.

A 'healthcheck' of college governing bodies 2001/02 (see the annex for more details) found that many governors thought their training needs were not being met. The same report noted how difficult it was to get governors to participate in training events – not a surprise given the voluntary nature of the governors' role and the competing demands on their time. More imaginative and efficient ways of 'training' can be used. For instance colleges have had success with:

- short briefing sessions looking at a single topic or issue immediately before or after a regular Board meeting;
- scheduling a presentation and discussion by a faculty head on the faculty's curriculum area as part of a regular meeting;
- governors' seminars on one or more strategic issues where the objective is to share and understand the issue rather than make any decisions and
- overnight (eg. Friday night – Saturday morning) residentials in a good local hotel.

Task 2

Although your Board already has a student governor, her attendance at meetings is patchy and she rarely contributes unless directly asked to. You would like to increase the involvement of students in governance of the college. What strategies might you adopt to do so?

Feedback

For feedback see end of unit.

Working with the chair

The Board and the Board (with the chair as their leader) have a shared responsibility to lead the college and ensure that the college is responsive to local needs. A key element in successful colleges is the relationship between the chair, principal and clerk. You don't get to choose the chair – probably he or she chose you. That should mean that your relationship starts as one of mutual confidence because you and the chair presumably agree that you were the right person for the job.

All the points made earlier about the factors which motivate governors apply even more to the chair of governors who, generally, gives more time than other governors not just to activities within the college but often in representing the college to others (meetings with the local authority or other funders, awards ceremonies, carol services, etc). Broadly speaking, there are three aspects of the role of chair, all of which will influence your relationship:

- critical friend – of you personally (as the chair reviews your performance as Principal) and of the college as a whole;
- leader of the governors – helping them guide the college efficiently and effectively and
- college figurehead – representing the college's interests to its external stakeholders.

You are the senior paid professional in this relationship and the responsibility, therefore, falls disproportionately on you to manage it and to use the college resources to help your chair fulfil the role to the best of their abilities. This might involve any or all of the following.

- Regular meetings, phone calls, emails, texts (whichever is most convenient for your chair) updating your chair on key events, milestones or early warnings of any problems. It is particularly important to ensure that nothing of significance is raised at Board meetings which the chair doesn't

already know about.

- Providing performance information about the college in an accessible form. There is a potential trap here. Many business governors feel comfortable with the 'balanced scorecard' or 'key performance indicators' approach to monitoring the delivery of objectives. These work well in, say, a manufacturing context and may work for you in your college. If not, you will need to explore other reporting formats which offer a suitable compromise between the one your chair is comfortable with and the one which you think more accurately represents the college's position.
- Informal discussions on the Board's operating style and working practices. This could be an important, but difficult, issue if your chair is not very skilled or confident at managing the governors or the meetings themselves.
- Modelling an openness to constructive criticism by inviting the chair to help you reflect on your performance in Board meetings. This is good practice in any case, and may contribute usefully to the performance review that the chair (and/or other governors) will probably be carrying out on you. Inviting criticism of the way you handled the discussion about a particular agenda item might provide an opportunity for a similar discussion about the chair's own approach to managing the meetings.
- Providing the chair with briefings and talking points for key meetings with external stakeholders (Skills Funding Agency, YPLA, say, or Ofsted) and drafts of speeches (including jokes!) when he or she is presenting awards, opening public meetings or otherwise carrying out the various ceremonial functions often associated with the post.

Cliques, blocs and the inner circle

The instrument of government requires that governors act collectively in the best interests of the college and not of the particular constituency they represent. It would be natural for a 'business' governor, say, to find the company of other business governors congenial. Likewise, staff governors may find themselves holding common opinions on particular issues. It wouldn't be strange for the views of the business governors and the staff governors to be very different on some issues. This only gets to be a problem when the different views cannot be considered and debated in a spirit of mutual respect and a regard for the shared objective of the best interests of the college. It is not natural or healthy for groups of governors to co-ordinate their positions and lobby other governors before meetings and behave in an adversarial manner during meetings. In these circumstances, the meetings themselves become characterised by 'grandstand' speeches, procedural games (eg points of order), lots of unnecessary voting and not very much genuine communication. This can happen around particularly influential individuals (cliques) or around a vested interest (blocs). Those governors on the outside of the clique(s) soon tire of the experience and stop attending, making the situation worse.

The chair and the Board have to be alert to this risk and intervene sooner rather than later. The nature of the intervention will depend on the specific nature of the situation but it is likely to include some measures to restore communications between the factions. Unfortunately, the Board, the chair, or both of them, can sometimes be the cause of the problem. This is most likely when either of both of them demand the loyalty of other governors and treat dissent as a personal or professional threat.

It is common for a small number of governors to be much more active than others. They

might, for instance, be or become the chairs of the various committees or be the members of the most influential committee (typically finance and/or resources). You and your chair might fall into the habit of consulting them informally because you can rely on getting a response from them quickly: this can unintentionally cause an 'inner circle' to emerge. You might even formalise this as a kind of governors' 'executive' committee who themselves have separate meetings. These are all dangerous paths to tread although they can be attractive at times of crisis. As chief executive, you have the responsibility to monitor the impact of your own and your chair's behaviour, to be clear and honest about your motives, and to take steps to ensure that your governors function effectively with each other.

Management and governance

The instrument and articles are very clear that the governors' role is strategic and that the task of managing the college is delegated to you. This distinction is repeated in several sets of guidance and can be found, for instance, in the Governance good practice guide:

(http://www.ggpg.org.uk/governance_and_management_distinctions.html)

But such distinctions are easier to write about than they are to apply and it is the experience of many principals and governors that no hard and fast set of rules can be laid down for all circumstances.

It is fairly easy to establish those things which are clearly strategic and those which are clearly operational. For instance, the responsibilities which the governors cannot delegate are clearly strategic; these include setting the budget, approving the accounts and hiring and firing the Board and other senior post-holders. Conversely, admissions decisions about individual students, the mix of modern languages qualifications on offer,

which word processing software to buy, or the salary point to offer a new lecturer are generally operational issues. In between these is the big grey area. Buying a couple of copies of a word processing application is operational, but outsourcing the whole of the college's software acquisition and maintenance function is probably strategic (but still not necessarily a governance issue).

These distinctions can be, and often are, codified in some areas of college life. Internal financial regulations and standing orders usually identify the extent of and limits to delegation. The financial regulations will contain a detailed schedule of delegation which includes those decisions (usually by value) reserved to senior post-holders or governors. The relevant distinctions might also be found in other policy documents – for instance, equality and diversity strategy or customer care/student services policies – and it would be a useful task for a newly appointed Principal to track down how many of these strategy/operations distinctions have been embedded in existing policy statements.

The reality is that the boundary between the strategic role of governors and the management role of the Board and college staff is a matter, like the English legal system, of a little bit of 'statute' and an awful lot of case law. It is part of the job of the Principal, the chair and the clerk to patrol these boundaries and watch out for the points where the markers have been shifted too far one way or the other. You will probably have to accept that there is no area of college life and no matter too detailed for governors to ask for information about (except for data protection and respect for individual confidentiality). But you can use the flow of information you provide to your governors to keep them following the strategic line.

Because governors want to know that they are making a difference, they need to know that they are being offered real choices between serious options leading to genuine decisions. If you don't engage them in this process over

strategic issues, they will find ways of doing it with less strategic ones – and you will find yourself with governors wanting to tell you which books to buy. So a strategic board will have:

- a pattern of business across the year which anticipates key stages in the college calendar (perhaps derived from the funding business cycle) so that governors get to consider issues before it is too late to impact upon them;
- a preponderance of documents addressing the college's core business – the curriculum, teaching and learning, student achievement, satisfaction and outcomes;
- preliminary reports on key strategic issues which help define the problem or issue but don't yet attempt to fix solutions – so that governors can contribute to identifying those solutions;
- succinct, well drafted proposals with clearly described options and a recommendation derived from the evidence (these are hard to draft well and many college staff – even senior ones – lack the experience or training to do a good job in the presentation) and
- decisions to take which actually matter – there should be very few circumstances in which the only recommendation on a Board paper is to 'note the contents', though one such might be regular performance monitoring reports.

Task 3

Ask yourself the following questions about your Board:

- How strategic is your Board?
- How cohesive is it? Are there cliques and factions?
- Do governors really understand the core business? Do most governors contribute to the discussions?
- Is the Board offered genuine strategic decisions to take?
- Does the Board challenge you and your team sufficiently?
- Do they really help to develop strategy?
- Do your Board members encourage innovative thinking and suggest possible new initiatives?

In considering your answers, have you identified any shortcomings?

What can you do to address any issues you have identified?

Feedback

For feedback see end of unit.

Key points - Summary

- The statutory and legal framework for governance grants powers and imposes duties and limitations on the college's Board. The Board is responsible for determining the overall educational character and direction of the college, overseeing the budget and ensuring financial probity, monitoring the delivery of the college's educational objectives and ensuring public accountability. It also has responsibilities in its capacity as the employer of college staff.
- The Board's role, as chief executive, is to ensure the implementation of Board decisions and supervise the day-to-day management of the college within the budget and strategic framework fixed by the Board.
- The March 2006 FE White Paper puts an emphasis on raising the quality of teaching and learning. This is a responsibility that governors share with senior management.
- The composition of the Board is intended to reflect the broad interests of key stakeholder groups (eg business, the local authority, students) and the community served by the college. The Board determines the exact composition of its membership within parameters set out under the instrument of government. It is mandatory for the Board to elect a search committee to advise on Board membership.
- The Board has a corporate identity separate from its individual members and responsibility for its actions and decisions rests with the Board as a whole and not with individual governors. Governors are not obliged to speak or vote in line with the interests of the body or group they represent (eg. the business community) but must act collectively in the college's best interests.

- The Board must appoint a chair and vice-chair and define their respective roles and durations of appointment (usually one year). The role of chair is to lead the Board and ensure that all business is properly conducted in line with legal requirements.
- There must be a full board meeting at least once a term. The Board can choose to delegate the detailed business of governance to separate committees (eg. equality and diversity, finance) whose composition and terms of reference are determined by the Board. There must be a search committee and an audit committee. With certain exceptions, responsibilities can also be delegated to the Board or other staff.
- The clerk to the corporation is appointed by and is accountable to the Board. The clerk is independent of college management. The clerk works closely with the chair (and the Board), providing administrative support, advising on procedure and ensuring that the Board operates within its powers.
- The Board employs all college staff, and directly appoints senior post-holders, but delegates management of staff to the Board.
- The proceedings of the Board should be freely accessible to any interested party except where material relates to named individuals or to matters of financial negotiation, or where the Board has decided to keep an item confidential. Confidential items should be kept to a minimum. Any governor with an interest in any matter under discussion by the Board must declare that interest before the item is discussed.

Section 3: The Board's strategic and monitoring roles

Introduction

The Board is responsible for the determination of the educational character and mission of the institution and for oversight of its activities. This requires the Board to carry out both strategic and monitoring roles.

This section starts by looking at the Board's role in reviewing and developing strategy in the context of the Foster review (DfES, 2005) and then moves on to consider the Board's monitoring role.

This section will help you to:

- explain the Board's role in reviewing and developing strategy;
- describe the Board's role in monitoring and evaluating progress in the achievement of operational objectives and financial and curriculum performance targets;
- identify the information that the Board will need to access on a regular basis, and the policy documents that it will need to review and approve, in the exercise of its monitoring role and
- outline the administrative implications of the Board's role as college employer.

The Board's role in reviewing and developing strategy

The Board is responsible for the educational character, mission and solvency of the college and for the development and pursuit of medium-and long-term objectives. The Board must approve the strategic plan and budget and should be involved in setting the overall objectives and reviewing their implementation. It is essential that governors are involved in drawing up the strategic plan to ensure that they fully understand its contents and any risks involved and, most importantly, take ownership of it.

Sir Andrew Foster's review (DfES, 2005) described a vision for the future of FE.

The Foster review – a vision of the future of FE

'We need an FE college system – not sector – for the future which:

- is crystal clear about and fulfils its core purpose;
- delivers the skills the economy, businesses and individuals need;
- consistently meets high standards of quality;
- is held in high esteem locally, nationally and internationally;
- looks ahead and responds to changing technological and societal imperatives;
- is easy to navigate for learners and enables seamless progression to higher levels;
- works alongside, and in partnership with, other providers and business
- has a purposeful, skilled, professional and inspiring work force and
- develops and attracts dynamic leaders.'

(DfES, 2005)

The National objectives and targets should supply the framework for the college's strategy and the means of achieving them should be clearly defined and pursued. The strategic plan must include methodologies for measuring and reporting progress (milestones, key performance indicators, timescales, responsibility, etc.) against the objectives.

A summary of developments in the FE system is available on the Governance good practice guide website:

www.ggpg.fegovernance.org/fe_system_and_developments.html

The recent report 'A review of governance and strategic leadership in English further education' Schofield Report 2009 can be found at:

www.fegovernance.org/home.aspx

The Board's monitoring role

To be effective in their monitoring role, governors need to:

- identify those key indicators that they need and intend to monitor and
- evaluate progress in the college's achievement of operational objectives and financial and curriculum performance targets.

Government have emphasised the need for Boards to engage with the core business of teaching and learning more fully, which has been given further impetus in the FE White Paper (DfES, 2006). Specifically, this refers to the setting and monitoring of challenging targets for student recruitment, retention and achievement, and equality and diversity.

In addition to greater involvement with curriculum issues, Boards need to maintain a focus on financial and estates strategy and policy, and on the budget issues and HR strategy that underpin the core business of teaching and learning. This includes reviewing the efficiency of college operations

in the context of a strategic analysis and future positioning in a competitive post-16 marketplace.

There has to be clear agreement between the Principal and the Board about how and when this data is gathered, by whom, and at what point in the annual cycle of governance business it is considered by the members. Much of the detailed monitoring can be delegated to standing committees.

The Board's monitoring role sits on the sensitive boundary between governance and management. Governors have a right to expect prompt and accurate information from the Board and managers to help them use their collective expertise to improve the performance of the college. At the same time the Board needs to be clear that day-to-day management issues are the province of the Board and SMT.

In 'Why Colleges Fail' (2004) Ofsted notes two main factors: first, that failing corporations invariably neglect to ensure that managers turn strategic plans into effective action, and that "there is no clearly established link between the college's operational plan and the strategic plan". Second, there is a lack of focus on delivering high quality provision to learners.

In 'Why Colleges Succeed' (2004) Ofsted are clear that "another feature of all the [successful] colleges is their strong and effective governance", and it is worth quoting at length the associated characteristics:

"In each of the 29 colleges [all awarded grade 1 (outstanding) for leadership and management] governors play significant role in providing strategic direction and monitoring the academic and financial performance of the college. They share the vision for the college with senior managers and staff, and are active in pursuing their vision, being both supportive and acting as a critical 'friend'. The extent to which

governors are involved in the curriculum varies; but in all cases governors are knowledgeable about the curriculum, have a detailed understanding of the strengths and weaknesses of the college and are well informed about students' achievements. In many cases, governors play a significant role in the college's quality assurance procedures, particularly through reviewing and evaluating self-assessment reports. Positive reports about the role played by governing bodies are perhaps the most consistent message emerging from this survey".

These early views of Ofsted are confirmed in a later publication, 'How Colleges Improve' (2008) which reviews the characteristics of a sample of 15 colleges which improved their Ofsted rating between their first and second inspections. Those factors related to governance that they found were key drivers for change included: clarity of vision and mission; leadership which promotes very high standards in a positive and supportive culture that aspires to excellence; effective performance monitoring; well informed governors who "challenge managers vigorously on the college's performance"; and high priority given to building management capacity.

Conversely, factors inhibiting change involving governance were cited as: growth without long term strategy; no clear mission rationale for the curriculum offer; poor data and data management; a lack of accountability; governors not challenging management sufficiently; insufficient updating and training of governors to ensure that they fulfil their role effectively; and the absence of "a self-critical approach and lack of recognition of the need for change by governors and senior managers". They conclude that one of several priorities is to,

"build informed governance. Tackle underperforming governance. Train governors to be challenging, not just

supportive, and to play their part in an informed way in shaping the mission”.

Seeking information

In their monitoring role, governors need to be able to answer the range of questions in the box below and over the page. To do this they need to be supplied with accurate information in the form of regular reports.

Task 4

Which of the questions in the chart would your Board be able to answer? Where would they get the information that they need?

(If you are not familiar with financial health groups, you can find information about this in the ‘Finance’ self study unit.)

Feedback

For feedback see end of unit.

Monitoring question	Source of information for governors (report/document/database)
<p>How well is the college performing? Is it on target academically in developing the 'rounded student' in meeting employer needs in local partnership working?</p>	
<p>Is the college in a sound financial position? What financial health group?</p>	
<p>Are some parts of the college more effective than others?</p>	
<p>What are the college's areas of particular strength?</p>	
<p>What are the current curriculum or cross- college areas of concern?</p>	
<p>Are some groups of students doing better than others? If so, why?</p>	
<p>To what extent does the profile of staff and students reflect that of the local community?</p>	
<p>Are students doing as well or better than expected given their previous attainment?</p>	
<p>Is the college adding value?</p>	
<p>How does the college's performance compare with others in the sector?</p>	
<p>How does the college's current achievement compare with previous years?</p>	
<p>How inclusive is the college? What barriers to participation exist for specific groups?</p>	
<p>What more should we aim to achieve this year? What must we do in order to make it happen?</p>	

Monitoring question	Source of information for governors (report/document/database)
Is the college responding effectively to new initiatives and changes in the sector?	
What do we want to achieve next year and in future years?	

Reviewing college policy statements

As part of its monitoring role, the Board is required regularly to review and approve a whole range of college policy statements.

A representative sample of these is presented in the annex.

Governor visits

Governors need to be confident that college systems are working effectively. They will usually want to visit the college, engage with the staff and students and generally become involved in the life of the college. Visits should:

- increase governors' understanding of the operation of college structures and systems, especially those activities central to teaching and learning
- assist in reviewing the effectiveness of current policies and decisions, such as equality and diversity and investment in resources
- help to give both students and staff confidence in the authority of the governance process.

There are many styles of visit but generally a protocol should be agreed with the governors to ensure that visits are structured and productive. The purpose of the visit should be agreed in advance with the Principal or a designated staff member.

Employment and HR issues

As the main employer, the Board is responsible for meeting all the legal requirements relating to the employment of staff, namely:

- meeting PAYE and national insurance regulations
- complying with current employment legislation
- meeting the requirements of all other legislation concerning employment – including health and safety, equal opportunities and race relations (Race Equality in Employment Standard), data protection, etc.

As these are legal requirements the Board must ensure that they are complied with in full.

Most of the Board's HR responsibilities will be delegated but the Board cannot delegate its responsibility for the appointment, grading, suspension, dismissal, appraisal and determination of pay and conditions of the Principal, designated senior post-holders and the clerk, or for setting a framework for the pay and conditions of service for all other staff.

The Board should be provided with regular reports on the college's human resources and, where appropriate, comparison with benchmarks.

Many Boards establish an HR/employment committee answerable to the full Board. HR issues can often prove controversial. Whilst the majority of Boards understand their legal requirements as an employer – often due

to regular prompting from the Clerk – many struggle to understand the significance of data on staff profile, turnover, absence and staff development to their strategic and monitoring roles. All too often Boards confuse being given detailed information with becoming ‘managerial’ and only realise that this is not the case when poor staff morale and/or an inappropriate management style impacts on the success or failure of strategic plans.

Key points - Summary

- The Board has a key role in reviewing and developing strategy.
 - The Board as a whole should be involved in drawing up the strategic plan to ensure a sense of ownership and so that everyone understands its contents and any possible risks.
 - Boards should use the Foster and Leitch reviews’ vision and objectives as a framework for their college’s strategy. The strategic plan should also contain methods for measuring and reporting progress against the objectives.
 - An important part of the governors’ role is to monitor and evaluate progress against the strategic plan – especially the achievement of operational objectives, financial, curriculum and equality and diversity targets.
 - The setting and monitoring of challenging targets for student recruitment, retention and achievement is a key role for the Board, particularly those for under-represented or under-achieving groups.
 - The Board needs to receive regular, up-to-date, accurate reports and information from the Principal and SMT in order to fulfil its monitoring role effectively.
- The Board’s functions of developing strategy and monitoring progress against the strategic plan lie at the sensitive boundary between governance and management. Governors, Principal and SMT need to be clear about where the boundaries lie.
 - The Board will need regularly to approve and review all college policy statements and all documentation relating to their role as employer, although much of the latter function may be delegated to a standing committee. A regular review of data relating to staff is essential to governors’ strategic and monitoring role.
 - Governors should be prepared to undertake regular and clearly focused visits of the college. The purpose and protocols of visits should be agreed with the Principal and relevant staff members.

Section 4: Risk assessment, contingency planning and self-assessment

Introduction

This final section considers why the Board needs to undertake risk assessment and contingency planning in support of its strategic role. Colleges can reduce the degree of risk arising out of the strategic plan without compromising progress by adopting a realistic rather than fearful attitude. Self-assessment can help the Board to improve its performance as well as meeting inspection criteria.

This section will help you to:

- describe how the Board can assess the risks attached to the pursuit of its strategic goals and objectives, and why it is necessary to do so;
- explain why the Board needs contingency plans to deal with unforeseen aspects of implementation of the strategic plan and
- describe how the leadership and management of the college are self-assessed as part of the Common Inspection Framework.

Risk

Boards must identify and manage risks as part of their accountabilities and risk management is normally a formal part of the audit committee's remit. Risk assessment is about taking a realistic attitude rather than a fearful one which can impede progress. The key to minimising risk is to have a clearly defined strategy, objectives and plans against which to assess possible problems.

Virtually every decision made by a Board or individual carries a degree of risk. Sometimes what seems to be a relatively minor decision ends up producing major complications – changing the catering contract, raising refectory charges, altering the car parking! Yet major changes such as rebuilding or changing the curriculum mix often go relatively smoothly because there is a greater awareness of the consequences of failure and therefore a higher degree of pre-planning and consultation.

New governors might think of risk assessment primarily in terms of health and safety but all Board decisions need to be scrutinised more widely than this. For example, Boards need to consider:

- the implications of decisions in terms of equality and diversity and human rights (including the right to practise one's religion): will a particular decision have a disproportionate impact on a particular group of students or staff?
- child protection: in a sector that is looking to expand its 14–16 provision, Boards need to be satisfied that there are effective management arrangements to keep children safe – in every sense of the word – at college and during work placements and
- the existence of policies to manage possible tensions: for example, between health and safety requirements during college activities and students' wishes to follow a particular religious or cultural dress code.

Don't forget that the risks of not taking action or making a decision should also be assessed.

The financial assumptions underpinning the budget that the Board approves need to be risk assessed. How dependent is the income target within the budget on growth in full-time numbers? What impact will a 5 per cent shortfall in these numbers have on the budget? Can you mitigate the risk by setting a level of contingency to meet a potential shortfall in these numbers? Is the level of contingency proportionate to the level of likelihood and the degree of impact?

An impending inspection of the college will need to be risk assessed for its impact on the college. For example:

- What will happen to enrolment, employer engagement and stakeholder relations if we have a bad inspection?
- How will that affect our ability to recruit students? How will that affect our ability to recruit staff?
- What about future growth funding or core funding of some curriculum areas?

Risk assessment methods

There is a wide range of systems for risk assessment. The simple and widely used system below divides risk into two elements:

- Likelihood of occurrence – highly likely, likely, balanced (50:50), unlikely, highly unlikely, non-existent
- Degree of impact – catastrophic, major, limited, negligible, nil.

Once each of the objectives is evaluated against these criteria it is relatively easy to identify:

- those that have an unacceptable level of risk and therefore require modification;
- those that require some degree of contingency planning and

- those that have an acceptable degree of risk.

For example a college with financial problems might decide to reduce the number of full-time lecturing staff, initially through voluntary redundancy. Risks associated with this strategy would undoubtedly include (amongst others):

- adverse publicity: this might be assessed as likely but of limited duration and with a well-planned communications campaign the consequences could be, at worst, limited and possibly negligible
- industrial action: highly likely to be threatened and likely to be implemented, with a major impact – such a situation undoubtedly requires careful managing and constant review – but the risk needs to be set against the potentially catastrophic consequences of a failure to improve the financial position of the college.

You may well have come across the ‘Traffic Lights’ system, or the acronyms CRAG or RAG. Items are assessed for risk and then categorised as Critical, Red, Amber or Green (CRAG). (RAG excludes the Critical element.)

Another popular system for strategic thinking in the pre-planning stage uses the two acronyms:

- SWOT: Strengths, weaknesses, opportunities, threats
- PEST: Political, economic, social and technical factors

Whichever system is used, it is essential that Boards agree on their attitude to risk when considering any new venture.

Task 5

- Your college Board has agreed to increase tuition fees by twice the rate of inflation for the next two years in order to improve a worsening but not terminal financial position.
- What would be your assessment of the risks involved?
- If you prefer, analyse a current situation in your college using one of the risk assessment models and consider the actions you would need to take as a result.

Feedback

For feedback see end of unit.

Contingency planning

The Board needs to make contingency plans to deal with serious deviation from the strategic plan. Contingency plans do not need to be highly detailed because it is difficult to predict all the circumstances that will give rise to this type of deviation from the plan. It is essential to establish a robust monitoring process against key performance indicators that will quickly highlight any variations or deviations from the agreed objectives. Once a variation is detected, the contingency plan can be activated to limit the potential damage.

Some of the critical contingency plans that colleges have in place include a disaster recovery plan and critical business process plans. These allow for the college to continue its operations in the event of a major disruption to its business processes (eg. MIS/IT failure) or loss of access to significant elements of the estate (eg. through a fire or major incident where a college site is part of the cordoned off area).

Such plans might also cover an event such as a delay in the refurbishment of a number of classrooms, so they are not ready for the start of term (a not uncommon problem). Contingency plans for increasing the room usage in the remaining classrooms, renting additional space, hire of temporary buildings, etc, should be ready to implement in order to reduce disruption to staff and learners.

Sometimes it may be in the best interests of the college to accept the variation and work with it. Don't forget that a decision to do nothing is still a decision. For example – given recent publicity, a Board might be concerned about establishing a dress code for the college, taking in veils, hoodies, etc

The pragmatic approach would be to draft a policy so that it is there if the need arises but, if there have not been any complaints/comments, to hold back from actually introducing it. This is not the same as simply ignoring a situation and hoping that it will go away.

Risk is nearly always reduced and the consequences contained by early detection and prompt action. For example, a shortfall in recruitment or retention can have disastrous financial consequences but, if the problem is detected early, courses can be combined, re-timetabled (eg. less taught hours) or replaced. In this case, the trigger for implementing the contingency plan might well be setting a minimum acceptable class size.

Self-assessment

Excellence begins in the boardroom

The performance of a Board has a direct impact on the performance of the organisation. The governing board leads the organisation in terms of values, ethos and strategic approach. If it does not believe in excellence, it is unlikely that the organisation will achieve it.

There are a variety of frameworks and approaches that are used for self-assessment. The college self-assessment and improvement process must be led and managed effectively – and should be an integral part of leadership, management and governance. Systematic and robust self-assessment and improvement of performance by the governing board, governors and managers is indicative of leadership by example and such senior post holders have a key role to play in the process throughout the college.

A self-assessing governing board seeks and listens to feedback from customers and staff on its performance, to reflect, assess strengths and weaknesses and develop actions for improvement. In this way, the Board models the quality improvement ethos for the organisation and leads by example.

Further education college boards are accountable to various external agencies for the use of public funds. Complying with the requirements of these regulatory bodies tells us how governance in the college looks from the outside – whether or not it is meeting external priorities and requirements.

Self-assessment gives an opportunity to reflect on how it feels from the inside: are members satisfied with how they operate; are there changes they would like to make?

The Board's self-assessment and improvement process should be:

- appropriate to the individual Board and its position in terms of performance;
- led and managed effectively and
- an integral part of the college's leadership, management and governance.

The role of governors in self-assessment

While college governors and managers have a shared role in leading college self-assessment and improvement, governors have two distinct roles.

1. Reviewing the college's self-assessment and monitoring the resulting Quality Improvement Plan (QIP)
2. Being involved in self-assessment of the Board.

The governing board, therefore, needs to take ownership of its own self-assessment and of the quality of the Board's performance, as well as monitoring the performance of the college. There are many ways in which governors may do this. For example, by:

- ensuring there is a framework for systematically collecting and analysing issues and views from all areas of the college (learners, employers, staff) and brought together with college data in the Self-Assessment Report (SAR) and QIP;
- reviewing the self-assessment process and draft self-assessment report as a Board through a committee;
- using a small group of governors in a task group;
- one or more governors sitting on a college SAR validation panel;

- reviewing the results of surveys of staff, students, employers; observations of teaching and learning; inspection grades and
- monitoring progress against the QIP (as a Board or through a committee) and ensuring that real improvement is taking place.

The governing board must approve the SAR before it is submitted to the funding agency and the Office for Standards in Education (Ofsted).

Different frameworks for Board self-assessment and improvement

There is no one right way to self-assess.

Boards should select the framework, against which they measure and improve their performance, that best suits their needs. This will vary according to the current stage of Board performance. For example, it is a core requirement that governing boards should comply with regulations regarding their role and responsibilities. If this is not the case, they should make it a priority to ensure that they are compliant. Once they are, they can build on this and travel beyond compliance.

Such a Board might use as the most appropriate frameworks against which to self-assess and improve:

- the Self-Assessment Report Questionnaire (SARQ);
- Regularity Audit Questionnaires;
- Governance Health Check and
- issues arising from Annual Internal Audit of Corporate Governance.

The more mature a Board is in terms of maintaining compliance, the more it will look for more creative, developmental approaches to broaden its review of its own performance – moving from satisfactory to good, from good to excellent, but never losing sight of compliance as its firm foundation.

Many Boards use the Common Inspection

Framework (CIF) key question 5 to judge and improve their performance: ‘How effective are leadership and management in raising achievement and supporting all learners?’

Using CIF key question 5 gives the Board members the opportunity to assess themselves in terms of Ofsted’s criteria for inspection, which provide national benchmark references of quality and effectiveness.

In addition to question 5, Boards can benefit from looking at all five key questions of the CIF. It helps them understand the bigger college picture and can highlight gaps in their knowledge about the college’s overall performance.

- How well do learners achieve?
- How effective are teaching, training and learning?
- How well do programmes and activities meet the needs and interests of learners?
- How well are learners guided and supported?
- How effective are leadership and management in raising achievement and supporting all learners?

More information can be found by clicking the following link to the Common Inspection Framework:

Common Inspection Framework

Involving the entire Board in self-assessment provides a rare opportunity for reflection. It provides a focus on the Board itself rather than on the college, and can result in a useful team-building session – with an honest and productive discussion on how members feel the Board is performing and how it could improve.

The clerk may record the outcomes and actions from such a Board working session, draft the governance section of the SAR and QIP, and/or lead some or all of the session. But it is Board members themselves who provide the input and the ideas. It is essential that

Board members are proactive (rather than reactive) in this respect, if they are to take ownership of their own performance and its improvement.

In reality, most colleges will use a number of frameworks and approaches for developmental and compliance purposes and these may change as the Board matures. But it is important to review the appropriateness of the frameworks periodically to see how they are helping the Board to move towards excellence.

Key questions for a Board to consider:

1. How well they fulfill their statutory duties and give clear direction to the college and whether this leads to higher quality training and education.
2. Their contribution to setting the college’s strategic direction and setting aims and objectives.
3. How effectively performance is monitored, evaluated and improved.
4. How effectively and efficiently resources are used to ensure value for money.
5. How well equality of opportunity is promoted and what steps are taken to challenge racism and discrimination so that all learners achieve their potential.
6. Whether they understand the college’s strengths and weaknesses and set the right priorities for improvement.
7. Their level of commitment and how well they monitor and influence performance.

Self-regulation - Shared regulation

Self-regulation (2007) In a speech to the 2006 AoC annual conference, the Secretary of State for Education and Skills issued a challenge to the FE sector to take collective responsibility for its own destiny and reputation, and forge a new relationship with governance based on self-regulation.

Under the chairmanship of Sir George Sweeney, a self-regulation group worked to develop a framework around the following key areas:

- enhancing the sector's capacity for self-improvement;
- improving the FE sector's responsiveness to the needs of learners and employers;
- simplifying the regulatory landscape and
- providing governors and leaders of colleges with greater autonomy in the running and governance of their organisations.

The self-regulation implementation group has a comprehensive website containing information about its proposals and developments.

Since the concern about regulation in the financial sector in recent years, the term 'self regulation' is now referred to as 'shared regulation'.

Key points - Summary

- There will inevitably be risks attached to the implementation of the Board's strategic goals and objectives, but these can be managed by taking a realistic attitude to risk and adopting a rigorous process of risk assessment. This will establish which objectives carry an unacceptable level of risk and require modification, which require some contingency planning and which carry an acceptable level of risk.
- Contingency planning enables the college to deal with unforeseen deviation or variations from the agreed objectives. It may result in a clear decision to intervene promptly, or to do nothing and to work with the variation. Simply ignoring problems is unacceptable.
- The Board is required to assess the effectiveness of the leadership and management of the college against the Common Inspection Framework. Self-assessment is necessary not only to achieve good inspection grades but also in the pursuit of excellence and continuous improvement. An increased focus on self-assessment means that colleges, including all members of the Board, must adopt a whole organisation culture of routine and continuous self-assessment and preparedness to learn from others.
- A sector-wide commitment to self/shared-regulation means that all learning and skills providers should agree and commit to shared values, codes of conduct and operational frameworks and design and implement effective self-regulation procedures.

Sources of more information

References

Barclay, N. (2003) Governance healthcheck for FE college Boards 2001/02. Available at: <http://www.lsneducation.org.uk>

DfES (2005) The Foster Review. Realising the Potential: a review of the future role of FE colleges. Available at: <http://www.dfes.gov.uk/furthereducation/index.cfm?fuseaction=content.view&CategoryID=20>

DfES (2006) Further education: raising skills, improving life chances, White Paper. Available at: <http://www.dfes.gov.uk/publications/furthereducation/docs/6514-FE%20White%20Paper.pdf>

Harvey-Jones, J. (2003) Making it happen: reflections on leadership, London: Profile Books.

HM Treasury (2006) The Leitch Review of Skills. Prosperity for all in the global economy – world class skills. Available at:

http://www.hm-treasury.gov.uk/independent_reviews/leitch_review/review_leitch_index.cfm

Nolan report (1995) Standards in public life: first report of the committee on standards in public life. Available at: <http://www.public-standards.gov.uk>

Websites

<http://www.ggpg.org.uk> The Governance good practice guide (GGPG) offers practical support and advice to everybody concerned with the governance of FE and training. This guide, sponsored by the DfES, is delivered through LSIS's Leadership Skills for Governance (LSG) programme.

www.lums.lancs.ac.uk/leadership/cel/ The site of the practitioner research commissioned through LSIS including governance research

<http://www.dfes.gov.uk> www.bis.gov.uk The DfES and BIS websites – allows you to access key material such as the instrument and articles of government, FHEA 1992 and LSA 2000.

<http://www.fegovernance.org> Leadership skills for governance – a leading source of information for college governors and clerks. Now part of the LSIS Excellence Gateway

<http://www.carvergovernance.com/model.htm> The authoritative website for the Carver 'Policy Governance' model (a registered trade mark).

Suggestions for further reading

Carver, J. (2006) Boards that make a difference: A new design for leadership in nonprofit and public organizations (3rd edition), New York: Jossey Bass. The 'flagship' text (first published in 1990) on the Carver 'Policy Governance' model as it relates to non-profit and governmental boards.

Independent Commission for Good Governance in Public Services (2005)

The good governance standard for public services. Available at: http://www.opm.co.uk/ICGGPS/download_upload/Standard.pdf

LSIS brief guides for Governors and Clerks

The Brief Guides are short publications that provide advice and guidance on a range of topics that have been identified through our boardroom briefings, events and conferences, and completed evaluation forms.

The following guides are available in hard copy, or electronically from <http://www.fegovernance.org>

- Higher education in further education colleges
- The role of the staff governor as a member of the college governing body
- Learning to balance support and challenge
- Equality Diversity and Governance

- The role of a student governor as a member of the college governing body
- Governor recruitment strategies
- Governance and the common inspection framework
- HE centres in FE
- Succession planning

The current Leadership Skills for Governance Programme of development and support opportunities can be found at

<http://www.fegovernance.org>

Glossary	
Rating	Definition
Articles of government	Set out the internal powers, duties and responsibilities of the Board (cf. instrument of government).
Board	The governing body of the college (also sometimes called the corporation).
Code of conduct	A statement of behaviours that governors or staff are expected to comply with at all times while on college business.
Corporation	The governing body of the college (also sometimes called the Board).
Exempt charitable status	Refers to the fact that although colleges are treated as charities, they are exempted from compliance with the requirements of the Charity Commissioners. However, they are required to comply with the funding agencies instead.
Fiduciary duty	The duty placed on individual governors to show the Board the highest loyalty and to act collectively in the best interests of the college.
Financial memorandum	Key contractual document between college and funding agencies. Sets out the terms under which grant will be paid to the college and will be signed by the Principal as accounting officer.
Governance	A focus on the overall strategic direction of the organisation and on outputs and outcomes – the ‘ends’.
Instrument of government	Sets out the constitution and procedures of the Board itself (cf. articles of government).
Management	Concerned with the ‘means’ of achieving strategic goals and objectives – the day-to-day running of the college.
Register of members’ Interests	A file held by the clerk holding signed declarations of interest submitted by individual Board members. Updated annually.
Search committee	A statutory committee which advises the Board on the appointment or co-option of new members.
Senior postholders	The Principal and other individuals who occupy such senior posts as determined by the Board members.

Glossary	
Rating	Definition
SMT	Senior Management Team. The most senior grouping of managers within the college. Not all SMT members are necessarily senior postholders.
Standing orders	Set out the policies relating to the way in which the Board conducts its business; they expand or interpret the instrument and articles of government.

Feedback on tasks

Feedback 1

You should have been aware of most of the duties in the list. The clerk is appointed by and is accountable to the Board and must be able to offer impartial advice and guidance. If the role of Clerk is combined with another post in the college it is essential that appropriate arrangements are made to ensure full independence. For example, it would be inappropriate for the role to be combined with that of finance director or PA to the Principal or another senior post-holder. The job descriptions for Chair, Principal and Clerk should all include references to the working relationships between them and be regularly reviewed and updated where necessary. Some colleges believe that independence can be best assured by appointing someone with the necessary skills from outside the college. Some colleges outsource their clerking service for this reason.

Feedback 2

The requirement on colleges is to have two student governors. Sometimes colleges arrange for their student governors to be accompanied by a 'friend' for support. Some chairs ensure that there is a consistent agenda item for student feedback to encourage routine and active participation by student governors during board meetings. Some colleges include their student governors on committees, to involve them more in the Board's business.

Student governors need to be seen as part of a wider system of representation as part of the Learner Voice strategy. If the college has an effective student council or student union, with a system established to allow student representatives on course boards, programme quality panels, etc, it will help student governors to feel that their voice will be heard.

Student governors, like any other governors, benefit from good quality induction and training. LSIS runs a training programme for

student governors with NUS. More information is available on: <http://www.fegovernance.org>

Feedback 3

If you have served as a Principal for some time, have you been proactive in seeking change or have you left it up to the Board to decide how it operates?

Here are some practical steps to persuade the Board towards change:

- gain acceptance from the chair that change is necessary and, if possible, arrange for the chair to visit a college board that is operating in the manner you would like your Board to adopt
- identify the 'champions of change' and 'resistors' on the Board
- arrange a presentation exploring one or more new styles of governance
- assuming agreement from the Board, establish a programme of change, identifying key milestones, timescales and progress monitoring – but avoid being too prescriptive
- be prepared to adapt and modify plans in the light of experience – Boards will want to establish their own unique style.

Feedback 4

In an ideal world your Board would be able to answer all the questions and you would be able to quickly identify all the reports and other sources of information that provide them with the answers they need. This task should give you some insight into how far the Board is currently able to fulfil its monitoring role, and where some of the gaps lie.

Remember that monitoring is not just about looking for problems. In their capacity as critical friend of the college, governors should be able to recognise and celebrate success as well as ask questions.

Feedback 5

Key risks include:

- a potential negative impact on recruitment and resultant loss of grant income and
- a reduction in overall class size with a consequent negative impact on cost efficiency.

Both of these would be classified as threats as they would threaten the achievement of the original objective of improving the financial health of the college.

The college could also be exposed to negative publicity in the local media. This could have 'political' and 'economic' risks attached to it. On the political front, local councillors and MPs might be lobbied and may view such a strategy as working against the interests of local communities that the college is meant to serve. Adverse publicity along these lines could cause local stakeholders and partners to withdraw from areas of collaboration with the college. Headlines like 'College in financial difficulty raises fees' may lead parents to advise their children to go to other colleges or stay on in school in case the college closes during their period of study – even though fee levels have no direct effect on under-19 full-time learner

Technical annex

Additional relevant legislation

- Reviews of governance (2002-2006)
- LSC agenda for change (2004)
- Foster review (2005)
- Leitch report (2006)
- Skills White Paper (2006)
- Framework for Excellence (2006)
- Self-regulation (2007)
- FE and Training Act (2007) (see below)
- Instrument and Articles of Government (2008) (see below)
- Machinery of Government Changes (2008) (see below)

FE and Training Act (2007)

The Further Education and Training Act received royal assent in autumn 2007. It implements the proposals set out in the Government White Paper (Further Education: Raising Skills, Improving Life Chances), and places new duties and responsibilities on both the Learning and Skills Council (LSC) and colleges.

The Further Education and Training Act received royal assent in autumn 2007. It implements the proposals set out in the Government White Paper (Further Education: Raising Skills, Improving Life Chances), and places new duties and responsibilities on both the Learning and Skills Council (LSC) and colleges.

In relation to colleges, the Act:

- grants powers to colleges to award foundation degrees;
- enables the Secretary of State to make regulations requiring all college;
- principals to achieve a stipulated leadership qualification before taking up a

new post (this has since been removed);

- places a duty on colleges to have regard to guidance about consulting employers and learners and
- clarifies the power of corporations to form or invest in companies, and enables them to form or become members of charitable incorporated organisations (they may also use either power for the purpose of conducting an educational institution with the consent of the (former) LSC; this was not previously possible under either the Further and Higher Education Act 1992 or the Learning and Skills Act 2000).

Instrument and Articles of Government (2008)

The main aims of the amended Instrument and Articles effective from 1 January 2008 have been to:

- simplify for colleges the membership categories for governing boards;
- increase learner representation and participation;
- improve the transparency of college governing body operations;
- place new duties on the corporation to periodically review colleges' missions;
- approve the institution's quality strategy, and
- remove the previously prescriptive rules for the handling of disciplinary cases and grievance complaints involving senior post holders.

A copy of the Instrument and Articles of Government for FE college-corporations is available in the Excellence Gateway.

Machinery of Government Changes (2008)

'Raising Expectations: enabling the system to deliver'

The Government Green Paper, 'Raising Expectations: enabling the system to deliver', sets out proposals for the funding and organisation of 6th form colleges and FE colleges in 2010.

The proposals replaced the Learning and Skills Council (LSC) in 2010 with two new agencies for funding:

1. Young People's Learning Agency for 14 – 19 funding
2. Skills Funding Agency for 19+ funding

(Both these agencies are under review as part of the current governments comprehensive spending review).

Board membership

The current membership framework, in the 2008 Instrument of Government for general FE colleges, allows for the following limits for each membership category. There are differences for 6th form colleges and other types of specialist institution.

Governing board membership framework (general FE colleges)

Category of member Number of members in each category

	Minimum	Maximum
Members	12	up to 20
Staff	1	3
Students	2	3
Parents	0	2
Principal	1*	1*

* The Principal (or chief executive is normally a member of the governing board, but may choose not to be.

The minimum total number of members is 12; the maximum is 20.

All members are required to declare on appointment any convictions and bankruptcy proceedings, in order to confirm their eligibility.

All members are required to declare financial and non-financial interests. A governing Board chair and vice chair are appointed from among the members.

The balanced membership of governing boards ensures that they have the benefit of views from, and are truly representative of, the community served by the college, its students and staff, its local authority and local business community.

However, all governors are appointed as individuals; including those governors who are elected (by the staff or the student body).

Governors are not representatives of the organisations from which they come. Once appointed, governors are required to put the interests of the governing board and the college first. They may not accept a mandate from any other person or organisation.

Other co-options

Governing boards may also draw on the skills of external co-opted members who are not full governing board members. External co-opted members are particularly valuable in adding specific skills to, for example, Audit and Search committees. These co-opted members may have full voting rights within their committees and should meet the same requirements for eligibility and declaration of interests. They do not attend governing board meetings unless invited, do not have full governing board voting rights and would not normally chair a committee (as they are unable to report committee business in person to the full Board).

Chair and vice chair

The chair and vice chair are appointed by the governing board from among their number for a period determined by the governing board.

The chair's main role is to:

- provide leadership for the governing board;

- meet routinely with the Board and clerk between board meetings to follow up decisions, maintain a dialogue about events in the college and plan;
- act as an ambassador for the college;
- attend official functions;
- appraise and review the performance of the Board, clerk and the Board;
- work with the clerk on determining governing board business and priorities and
- take any action between meetings previously agreed by the governing board.

There is no executive power attached to the post.

The vice chair may act in place of the chair and supports him or her (together with the committee chairs) in ensuring effective governance.

The clerk The role

The clerk's role is critical to the effectiveness of the governing board.

Clerks are, as specified in the Instrument and Articles of Government, the officers to the governing board, advising it on governance issues and on the parameters of its power. They play a key role in governor development and governance self-assessment.

The clerk is appointed by the governing board (not by the Board or the college) either directly or indirectly on a service contract, and it is important that he or she is seen to be independent of college management.

Clerks work in different ways. Some may be:

- members of college staff who undertake the role of clerk in addition to other roles;
- full-time with no other college duties;
- part-time and
- servicing more than one college.

Colleges vary in size and complexity, and their governing boards have differing needs. So, the clerk's role and responsibilities may be interpreted in many different ways. Generally, however, the role of the clerk is to ensure that the:

- governing board operates within its powers;
- governing board follows agreed and proper procedures and
- business of the governing board is conducted smoothly and efficiently.

The clerk's statutory responsibilities

These are set out in the Instrument and Articles of Government, requiring the clerk to:

- summon meetings of the governing board by sending members written notice of the meeting and the proposed agenda at least seven calendar days before the meeting;
- maintain a register of the financial interests of members and to make this available during normal office hours at the college to any person wishing to inspect it;
- receive written notice that a member has been disqualified from continuing to hold the office of a member of the governing board and
- receive written notice that the chair or vice chair wishes to resign his or her position on the governing board.

In reality, the clerk has many more responsibilities. In order to be effective, he or she needs to be proactive and assertive, be included in a regular three-way dialogue with the chair and Board, and be able to gain access to external professional and legal advice.

The clerk's operational responsibilities

The following list of responsibilities complements the above statutory requirements and may vary according to the needs of the individual governing board as well as draw on current and developing practice.

The clerk's responsibilities and activities are:

- the operation of the governing board's powers;
- procedural matters;
- the conduct of its business, and
- matters of best governance practice.

Users of the Governance Good Practice Guide may find it helpful to refer to the following list of the clerk's role and responsibilities when:

- appraising the clerk
- the clerk undertakes self-assessment and
- constructing a job description.

1. Legal Requirements and Statutory Powers

- Making sure that the governing board fulfils its legal, statutory and public responsibilities as set down in the Instrument and Articles of Government (2008), Financial Memorandum, Audit Code of Practice, Employment, Health and Safety, and other general law.
- Making sure that public access to governors' papers is in line with the Freedom of Information Act.
- Taking appropriate action if and when the governing board, chair or a committee is at risk of acting outside its powers or proposing unlawful actions.
- Monitoring the public interest disclosure procedures, suggesting amendments and, where required by the governing board, acting as lead assessor.

2. Governing board's procedures and practices

- Advising the governing board on issues relating to membership, including both qualitative and quantitative aspects.
- Issuing letters of appointment for new governors.
- Keeping a register of members' interests (other than financial).
- Checking that meetings of the governing board and its committees are quorate, and

keeping records of attendance.

- Establishing a proper scheme for delegation of matters to a committee or the Principal, and keeping under review standing orders, membership and terms of reference of governing board committees.
- Acting as administrative support for the appointment, suspension or dismissal of senior post holders, and setting up a selection panel or special committee as appropriate.
- Operating a scheme for reimbursing governors' expenses
- Making sure that the governing board receives appropriate information on the college's financial and academic performance.
- Briefing governors (and college managers) on new developments in governance including the Financial Memorandum and the Audit Code of Practice.
- Helping governors develop performance indicators to assess their own effectiveness.
- Leading on the development of the governors' self-assessment report and quality improvement plan, and facilitating governors' involvement in self-assessment.
- Supporting the governing board during inspection and the audit of governance.
- Holding and ensuring the application of the college seal, and maintaining records.

3. Smooth and efficient running of the governing board

- Determining the annual calendar of meetings and cycle of business of the governing board and its committees, calling meetings and ensuring the preparation of agendas, reports and minutes of meetings.
- Attending all meetings of the governing board and its committees, subject to: the need for formal deputising arrangements to be identified (eg. in the

case of ill health); the need to demonstrate independence where a management role is held in conjunction with that of the clerk.

- Facilitating discussion of governance issues between the chair, Board and senior managers (eg by holding regular meetings and developing good working relationships).
- Providing advice and briefings to the governing board and its committees, particularly Search and Audit, and acting as a reference point for enquiries.
- Providing administrative support to the governing board chair, committee chairs and individual governors.
- Acting as a correspondent for the governing board (eg. by replying to invitations, questions and requests for information).
- Making sure that the official records of the governing board's business are kept safe, orderly and accessible, and keeping a record of any business the governing board still has to deal with.
- Facilitating the identification of governors' development needs, arranging governor training, including inducting new members of the governing board.

A sample job description can be found on the Excellence Gateway.

Committees

Further education governing board committees are advisory, with all decisions approved or taken by the governing board. Exceptions may be made through a governing board's scheme of delegation. This sets out the areas that the governing board has decided to delegate to committees or to the Board.

Any committee (other than the special committee – see below) may have members who are co-opted external members, drawn from outside the governing board because of

their special skills and experience.

Statutory committees

Governing boards must have the following:

- an audit committee;
- a search committee.

Governing boards must appoint the members of these committees.

Audit committee

The audit committee advises the governing board on matters relating to the college's audit arrangements, the system of internal controls and appointment of auditors.

The committee's annual report is part of the system of assurance for the college's end-of-year evaluation, and is presented to the governing board and the Board.

The committee must consist of at least three members. These must include at least one person with relevant financial and audit expertise and experience (eg. a qualified accountant), and may include members of the college staff (other than those in senior posts), as well as external, co-opted members who are not members of the full governing board.

Members of the audit committee should not include members of a finance or equivalent committee, the chair or the principal/chief executive.

Search committee

The search committee advises the governing board on the appointment of governors – and on any other matters relating to membership and appointment that the governing board delegates to it.

The committee consists of relevant members of the governing board and may include external personnel – people from the local community who can supplement the governors' knowledge and bring an objective view to the membership.

Governors cannot be appointed by the governing board until the advice of the search committee has been sought – except in the case of the Principal or chief executive and elected governors (staff, students and parents).

Each governing board is expected to produce terms of reference, and to make rules for the conduct of its search committee and publish these on the college's website, and to publish the search committee's advice to the governing board.

Other optional committee structures

Governing boards are entitled to set up any other committee and appoint its members. It is advisable, however, to set up only those committees that add value to the process of governance, and to review the effectiveness of the committee structure regularly.

Governing boards are able to delegate a wide range of matters to committees, working groups or the Board – except those responsibilities that are listed in the Instrument and Articles of Government as non-delegable.

Examples of committees that some governing boards may operate with include a:

- finance committee.
- remuneration committee, specifically to deal with the salary and conditions of service of designated senior post holders.
- committee with responsibility for academic standards and quality of provision and
- a committee for human resources (HR) and employment matters.

These bodies form part of a traditional standing committee structure, where committees carry out the detailed work in order to take recommendations to the Board.

It is important to have clear, formal terms of reference for committees, which emphasise

their advisory nature – otherwise there may be a risk that small groups of governors could have a disproportionate influence on the work of the Board. There may also be a tendency for committees to work in 'silos', with the governing board needing to take a holistic view.

Some governing boards prefer to have as few committees as possible – eg. the two statutory committees only – to ensure that the governing board has good awareness of issues across the whole college structure, to enable it to make decisions and determine strategy in a holistic way.

With a minimal committee structure, it is important to ensure that the governing board does not get diverted from strategy by immersing itself in operational detail, or lose sight of the monitoring role of the college's performance in its attempts to remain strategic.

Some governing boards prefer to set up time-defined working or task groups that can carry out more detailed work on behalf of the Board. This enables individual governors to contribute their expertise on specific topics. Such task groups may be wound up once their task is completed and their recommendations have been brought back to the Board.

Such an approach may be combined with, and add value to, either a standing committee structure or a minimalist committee structure.

Key issues arising from the governance health check for FE college Boards See Sections 2 and 3.

The Governance healthcheck for FE college boards 2001/02 (Barclay, 2003) was carried out on behalf of the Learning and Skills Development Agency (LSDA). Some of its key findings are listed below.

- Many boards felt that they dealt almost exclusively with financial and legal matters and did not engage with curriculum issues.
- Governors did not always feel that their

induction and ongoing training and development needs were met (although principals and clerks reported difficulties in achieving high attendance at training events).

- Many governors felt that they were not being kept informed. Often, information had been provided but governors had not understood its relevance, context or significance.
- Colleges did not always appreciate the significance of measuring their performance in relation to others. However, colleges that received the strongest inspection grades showed a sector-wide awareness across a range of indicators.
- Confusion about the significance of HR data (see Section 3).
- Governors wanted more communication with staff and students but management was concerned about breaching established channels of communication.

Note that most of these problems relate in some way to relationships and communication between the Board and senior management. Many of these issues are addressed throughout Sections 2 and 3.

The Foster Review objectives applying to governance

See Section 3.

To achieve the Foster Review (DfES, 2005) objectives relating to governance, college boards must:

- be absolutely clear about the college's primary purpose – to improve employability and skills in its local area, contributing to economic growth and social inclusion (the mission);
- have a clear, well-understood set of underpinning values linked to achieving excellence (educational character);
- constantly strive for excellence through regular self-assessment and learning from others (monitoring);

- regularly collect and act on learner and employer feedback – a priority focus for the Board;
- have a profile of gender, ethnicity, age, levels of disability and sexual orientation amongst staff, managers, leaders and governors which reflects the local community (equality and diversity) and
- be financially sound and well-managed (solvency).

Review of college policies

Governors need a schedule of reviewing policies. see example below. This can then be scheduled onto committee and full board meeting agendas.

See Section 3.(not exhaustive)

Policy	Frequency of review
College mission statement	Annually
Strategic plan	Annually
Financial forecasts	Annually
Accommodation (estates) strategy	Annually
Risk management	Annually
Learner involvement	Annually
Health and safety	Annually
Equality and diversity	Annually
Safeguarding	Annually
Framework for staff pay & conditions	Every 4th year or sooner
Professional development	Every 4th year or sooner
Disciplinary procedures	Every 4th year or sooner
Grievance procedures	Every 4th year or sooner
Harassment and bullying	Every 4th year or sooner
Policy	Frequency of review
Whistle-blowing	Every 4th year or sooner
Capability	Every 4th year or sooner
Stress	Every 4th year or sooner
Child protection	Every 4th year or sooner
Franchise/collaborative provision	Every 4th year or sooner
Off-campus contracts	Every 4th year or sooner
Time off for dependants	Every 4th year or sooner
Management of sickness absence	Every 4th year or sooner
Local government pension scheme	Every 5th year
Policy for discretionary payments	Annually
Use of the college email system	As required
Governor expenses	As required

HR policies and procedures

Each committee will have allocated policies for review. For example the HR committee may have the following:

See Section 3.

(not exhaustive)

- a pay and terms and conditions framework for all staff
- any staff code of conduct or other rules that form part of the staff contract
- recruitment
- suspension, discipline and dismissal of staff
- hearing of appeals
- grievance
- redundancy
- health and safety
- handling of racial and sexual harassment complaints
- equality and diversity
- consultation with associations and trades unions
- communication between the Board and staff
- staff development and appraisal
- whistle blowing.

The Learning and Skills Improvement Service (LSIS) is the sector-owned body supporting the development of excellent and sustainable FE provision across the learning and skills sector. Its aim is to accelerate the drive for excellence and, working in partnership with all parts of the sector, builds on the sector's own capacity to design, commission and deliver improvement and strategic change.

Friars House, Manor House Drive
Coventry CV1 2TE
t 024 7662 7900
e enquiries@lsis.org.uk
www.lsis.org.uk

LSIS 00000