

Board of Management

Performance, Remuneration and Nominations Committee

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| Date of Meeting | Monday 15 January 2017 |
| Paper No. | PRNC2-D |
| Agenda Item | 6 |
| Subject of Paper | Self Evaluation Report: Board Committees and Conveners |
| FOISA Status | Disclosable |
| Primary Contact | Paul Clark, College Secretary/Planning |
| Date of production | 18 December 2017 |
| Action | For Discussion and Decision |

1. Recommendations

1. To note the summary report of the evaluation of Board Committee practice and Convener performance
2. To consider the findings of the report

2. Purpose of report

2.1 To provide the Board of Management with an overall self-evaluative assessment of the Committees' performance and that of the Committee Conveners.

2.2. To highlight any training and development needs emerging from the process.

2.3 To facilitate discussion on the effectiveness of the Board Committees.

3. Context

3.1 In May 2014 the Board of Management Audit Committee agreed to a recommendation from the Internal Auditor to conduct "self-assessments of sub-committees...on an annual basis" (Ref. paper AC4-F, May 2014:" Internal Audit Report- Risk Management and Governance"). Given the requirement under the Code of Good Governance (2016) for full Board of Management self-evaluations on an annual basis, and an external evaluation of Board effectiveness every three years, a biennial review of Board Committees is deemed sufficient.

3.2 Other measures to plan and monitor the work of Board Committees, progressed since 2014, have been the development of a Board Committee Programme of Work for each Committee, and a record of progress for inclusion in individual Committee Annual Reports at the end of the session.

3.3 In March 2017, the Board published its first external evaluation of Board effectiveness.

3.4 The College Secretary prepared a proposal and format for Board Committees' self-evaluation for Board consideration in April 2017. Self-evaluation forms were distributed to all Board Committee members for completion in May 2017.

3.5 There are many benefits to a robust peer-led self-evaluation as part of the process of governance, such as:

- It meets the requirements of the Code of Good Governance 2016.
- It has been considered good practice in the sector for some years.
- It is a recommendation of the UK Corporate Governance Code for FTSE 350 companies
- It reflects the College's Strategic Priority 5: "To deliver excellence in performance" (College Strategic Plan 2017-18)
- It follows the EFQM excellence model in respect of ongoing assessment and refinement.

4. Impact and implications

4.1 The self-evaluation process comprises a thorough review of Board performance and effectiveness, informing improvement actions and facilitating development and improvement.

4.2 It will provide reassurance to the Board and its stakeholders, including the Regional Board, that the City of Glasgow College systems of governance are robust, and delivered to a high standard.

4.3 The process mitigates against reputational risk to the College.

4.4 Key Findings:

- Attendance levels in some Committees are low. There was one inquorate meeting (FPRC), and several with the minimum quorum in attendance. Attendance across all committees is down in comparison to session 2015-16, although up from 2014.
- The Audit Committee requires at least one additional member – either a Board member or a co-optee.
- Committee members are generally satisfied that the committees are compliant with regulatory and legal matters, and are addressing matters delegated to them. There is generally sufficient training for Board members in this area.
- Good practice is noted in all committees in respect of internal control.
- Committee members are satisfied with administrative support. (Though it is noted that there have been some technical issues with the move towards a “paperless” solution for the management of Board papers).
- The conveners received high scores in terms of performance, with scores indicating a slight improvement on the previous Committee evaluation report. Conveners should be careful not to over-contribute to discussions. Management of meetings is good, and has improved from the last evaluation.

Board of Management: Self-evaluation of Committees and Conveners 2017

Summary Report

Response Rate: 72%.

1. Introduction

The Code of Good Governance for Scotland's Colleges (2016) states that:

- “The board must keep its effectiveness under annual review and have in place a robust self-evaluation process”
- “There should also be an externally facilitated evaluation of its effectiveness at least every three years” and,
- “The board must agree a process for evaluating the effectiveness of the board chair and the committee chairs”

(Ref. Code of Good Governance; 2016, D23)

The Board will recall that an external review of Board effectiveness was undertaken in 2016-17, with a final report published in March 2016. Furthermore a full evaluation of the Board Chair was also undertaken in 2016-17 by the Glasgow Colleges Regional Board. The External Auditor undertook a “wider scope” review of governance in October/November 2017, as part of the College Annual Report 2016-17. In order to maintain a full review of effectiveness from all perspectives, the Board has undertaken a review of its Committees, and Committee Chairs in 2017, of which this is the report.

It is universally considered to be a requirement of good governance practice for Boards of Management to undertake some form of self-evaluation on a regular basis, to identify areas for improvement and related development, and thereby enhance performance. This is embedded within the Good Governance Standard for Public Services¹ as “Developing the

¹ <http://www.cipfa.org/policy-and-guidance/reports/good-governance-standard-for-public-services>

capacity and capability of the governing body to be effective”, and is a recommendation of the UK Corporate Governance Code for FTSE 350 companies.

In committing to this evaluative process, the Board is confirming a clear message to the College that ongoing performance improvement is a key focus for the whole College - at all levels, and across all functions. It reflects the College’s Strategic Priority 5: “To deliver excellence in performance” and Priority 6: “To be efficient, effective, innovating, and vigilant”.” (CoGC Strategic Plan 2017-27). This process also follows the EFQM excellence model in respect of ongoing assessment and refinement.

2. Structure

The self-evaluation questionnaire comprised 22 statements of good practice, grouped into the following topics:

- Composition, Establishment and Duties of the Committee
- Terms of reference
- Compliance with the Law and Regulations
- Internal Control
- Administrative arrangements

Committee members were invited to respond to these statements, expressing agreement or disagreement. The individual Committee self-evaluation reports express these responses as percentages of total responses agreeing or disagreeing with the good practice statement. A summary of these responses, by Committee, is provided below.

3. Attendance Levels

| Committee | 2014-15 | 2015-16 | 2016-17 | Current Member Numbers (Dec 2017) |
|-----------------------------------|----------------|----------------|----------------|--|
| Audit | 55% | 50% | 61% | 5 |
| Finance & Physical Resources | 82% | 90% | 76% | 8 |
| Students, Staff & Equalities | 50% | 86% | 65% | 7 |
| Learning & Teaching | 61% | 90% | 62% | 7 |
| Development | 75% | 93% | 71% | 6 |
| Performance, Noms. & Remuneration | 68% | 88% | 94% | 7 |

4. Evaluation: Key Findings Summary

| Committee | Summary of Findings |
|---------------------------------------|--|
| Audit | <ul style="list-style-type: none"> • Average attendance in 2016-17 was 61% compared to the previous Committee evaluation figure of 55% in 2014-15. This requires close monitoring, and perhaps adjustment of meeting dates/times to suit members with the lowest attendances. • Members recognised that attendance was becoming an issue and suggested increasing the Committee membership (see below). • Matters relating to Terms of Reference, Compliance, Internal Control, and Administration all scored highly. • The responses indicate that training would be welcomed, and members are requested to advise of internal training that would be welcomed. • Excellent evaluation of convener, with comments confirming that meetings are chaired effectively and inclusively. |
| Development | <ul style="list-style-type: none"> • Average attendance in 2016-17 was 71%. • Committee members are satisfied that the committee is compliant with regulatory and legal matters, is addressing matters delegated to it, and scores questions relating to internal control highly. • Committee members are satisfied with administrative support. • There has been an increase in the level and breadth of international/commercial reporting which has been extended to the full Board. • The convener received high scores in terms of performance, with indications that meetings are managed effectively. |
| Finance and Physical Resources | <ul style="list-style-type: none"> • Average attendance in 2016-17 was 76% • It was noted that one meeting in 2016-17 failed to reach a quorum (although this was in part due to illness). • One member suggested that the Committee have more members, although this has since been increased to 8 in total (the highest membership of any Board Committee). • It was noted that matters of legal and regulatory compliance were covered in training/induction. • High satisfaction with make up, duties, and Terms of Reference of the Committee • Matters of compliance, internal control and administration also scored highly • Excellent evaluation of Convener (highest Committee Convener appraisal score) with members' comments indicating a high level of respect among members, and that a number of challenging matters had been dealt with "very professionally". |
| Learning and Teaching | <ul style="list-style-type: none"> • Average attendance in 2016-17 was 62% and requires to be monitored. However student member attendance was 100%. • Members expressed high approval of the current composition of the Committee. |

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| | <ul style="list-style-type: none"> • Matters relating to Terms of Reference and Compliance scored highly. • Good practice with regard to Internal Control scored highly, as did Administrative matters. • There was a highly positive evaluation of convener, with positive expressions of the added value, knowledge and experience brought to the Committee and Board. • The previous Committee evaluation had requested a greater focus upon teaching strategies which has been addressed. |
| <p>Performance, Remuneration, and Nominations</p> | <ul style="list-style-type: none"> • Average attendance in 2016-17 was 94% - an exceptionally high level of attendance. • Members expressed no desire to change the membership, noting that the spread of expertise on the Committee was “now very useful”. • Matters relating to Terms of Reference, Compliance, and Administration scored highly. • It was noted that all members had completed the Board remuneration training provided by the College Development Network. • The role of the College Secretary in providing input on specific matters (e.g. remuneration) was noted. • Very positive evaluation of convener, noting the particular challenge of chairing meetings attended by the Board Chair. |
| <p>Students Staff and Equalities</p> | <ul style="list-style-type: none"> • Average attendance in 2016-17 was 65% however this has since improved (2017). • The Student Executive is well represented. • Matters relating to Terms of Reference and Compliance scored highly among members. • Good practice with regard to Internal Control scored highly, as did Administrative matters – although members noted that they did not, in the main, have an input to the timing of committee meetings. • Very positive evaluation of convener, although a tendency to over-contribute to discussions was noted. |

5. Convener Evaluation

5.1 The Committee Conveners are key to the success of Board of Management activity and operations, as the committees bear much of the workload on behalf of the Board. It is therefore the level and effectiveness of scrutiny and control undertaken by the committees, as directed by the Conveners, that largely determines the effectiveness of the Board as a whole.

5.2 All Conveners were scored highly across eight performance measures, although in some cases it was recognized that, while their guidance and input to discussions is valued, Conveners must be careful not to dominate discussions. In all cases the added value brought by the conveners to the Committees, and to Board as a whole, was acknowledged by members.

5.3 Average convener scores across performance measures:

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| Positive | Tendency (Average scores) | Negative |
| 1. Keeps members on topic and to the agenda | 1 1.5 2 3 4 5 6 | Tends to criticise the ideas and values of members |
| 2. Summarises discussions and decisions impartially and confirms action points | 1 1.4 2 3 4 5 6 | Tends to force ideas on to the group |
| 3. Spots likely problems early and states them in a constructive way | 1 1.5 2 3 4 5 6 | Makes decisions without consulting the group or despite the group's views |
| 4. Suggests solutions | 1 1.7 2 3 4 5 6 | Leaves decisions 'hanging' |
| 5. Ensures adequate time is given to the different areas of the agenda | 1 1.4 2 3 4 5 6 | Talks too much and gets too involved |
| 6. Facilitates the expression of all views and opinions | 1 1.5 2 3 4 5 6 | Allows individuals to dominate discussion |
| 7. Communicates information to Board members appropriately | 1 1.5 2 3 4 5 6 | Does not communicate with Board members |
| 8. Appropriately supports Board members | 1 1.5 2 3 4 5 6 | Is too distant or dominating |

5.4 Committee members clearly expressed satisfaction, across all measures, with the performance of Conveners. Therefore any meaningful inferences must by necessity be based upon relative deviations in scoring among the responses. Most responses were within the band 1.4 – 1.7 with a few deviations from these averages within Committee member responses.

6. Committee Reports

All Board Committees were provided with a high-level review of their activities throughout 2016-17 within the framework of the respective Committees' Terms of Reference, in the form of a mini-annual report. The review process comprised a thorough review of the Committees activities in the previous academic session, informing strategic direction, and facilitating development, performance monitoring, and improvement. This review process included the Art Foundation Report, however due to the timing of the self-evaluation process, the Foundation was not on this occasion included in the evaluation report above.

The Committee Reports form the basis of the College Annual Review 2016-17.

7. Conclusions

- Attendance levels in some Committees is low. There was one inquorate meeting, and several with minimum quorum in attendance. Attendance across all committees is down in comparison to session 2015-16, although up from 2014.
- The Audit Committee requires at least one additional member – either a Board member or a co-optee.
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Paul Clark: College Secretary/Planning; December 2017