

Board of Management

Date of Meeting	Wednesday 22 March 2017
Paper Title	Board Development Plan
Agenda Item	9
Paper Number	BM5-E
Responsible Officer	Penny Davis, Board Secretary
Status	Exemption under FOI(S)A S.22 - for future publication further to Board approval and submission to SFC.
Action	For Approval

1. Report Purpose

- 1.1. The following report sets out the Board's Development Plan for 2017-18 in accordance with the requirements of the Code of Good Governance for Scotland's Colleges.

2. Recommendations

- 2.1. The Board is invited to
- **Consider** and **agree**, on the recommendation of the Chair of the Board, the objectives and approaches set out in the following plan, for submission to the Scottish Funding Council by 31 March 2017 and publication on the GCRB website.

3. Background

- 3.1. The Code of Good Governance for Scotland's Colleges (the Code) stipulates that:

(D.20)

The board must ensure all board members undertake appropriate training and development in respect of their governance role. The board secretary should support the chair in the provision of relevant training and development opportunities for board members, which should be tailored to meet board members' skills and needs. The board secretary must keep records of the development activity of board members, including the chair.

(D.23)

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. The board must send its self-evaluation (including an externally facilitated evaluation) and board development plan (including progress on previous year's plan) to its funding body and publish them online.

- 3.2.** Sector boards were required to undergo an externally validated evaluation process in 2016-17 and to submit the report from this process to the Funding Council by 31 March together with a development plan informed by the report.

The Funding Council decided that GCRB should be exempt from the external validation requirement while it is transitioning to full fundable body status in 2017, and in the light of the appointment of 2016 of both a new Regional Chair and Executive Director.

GCRB will instead undergo externally validated self-evaluation in 2017-18.

The Board is still required, however, to produce a Development Plan for submission to the SFC.

4. Detail

4.1 GCRB Evaluation Activities in 2016-17

In line with its normal practice, GCRB undertook annual self-evaluation activities during 2016-17, including committee effectiveness review, a survey of individual members on board effectiveness and individual self-evaluations with the Chair of the Board. A report containing feedback from the effectiveness reviews was brought to the 27 February 2017 meeting of the Board. The Nominations & Remuneration Committee also reviewed membership and skills balance in the context of preparing for the recruitment of new members during 2016-17 and committee membership and skills which it considers on an annual basis.

The following development plan takes account of the findings of those exercises along with statutory requirements in relation to training and development.

An evaluation of the Chair's performance, led by the Senior Independent Member, is currently taking place and does not form part of this report.

4.2 Implementation and Monitoring

The period for implementation of the plan is from April 2017 to March 2018.

An action plan will be produced identifying specific actions and, where appropriate, dates for completion, to assist in monitoring of progress against the plan.

The Nominations and Remuneration Committee has responsibility for oversight of this area of activity and will review progress against the plan and report to the Board in the autumn of 2017.

4.3 Statutory Induction, Training and Development Requirements

A fundamental requirement that applies to all sector boards is completion of the one-day (previously 1.5 days) induction training provided by College Development Network (CDN). All new Members must complete this training within six months of joining the Board, schedules permitting, and any existing Board Members who have not yet completed the training should do so at the earliest opportunity and within six months.

GCRB's in-house induction programme for new members and new committee members will be kept under review to ensure that it meets members' needs and addresses, in conjunction with the CDN induction programme, the basic knowledge and skills needs set out in the sector's *Induction and Development Framework*.

Nominations & Remuneration Committee members are required by the Code to complete dedicated online training provided by CDN. This must be completed within one month of being appointed to the Committee and any existing members who have not completed the training should do so at the earliest opportunity and within one month.

Note: Access to the training for remuneration committees has been extended to all board members. The training would be of particular interest to any members who may be interested in joining the Nominations & Remuneration Committee in future.

CDN is currently developing training and networking opportunities for Audit Committee Chairs. The Chair of Audit and, where appropriate, other Audit Committee Members, should participate in this training, with reference to the Code principle D.20 (above).

CDN is also developing training and networking opportunities to develop and promote good practice in relation to Senior Independent Members, in which the GCRB Senior Independent Member should participate.

The Nominations and Remuneration Committee will address new requirements in relation to diversity succession planning in the course of fulfilling its remit with regard to appointments.

4.4 Collective Development Objectives

The following development priorities emerged from the committee reviews and survey of individual Members' views on Board effectiveness.

An action plan, which will be produced further to Board approval of the Development Plan, will provide details and dates, where appropriate, for suggested activities (in italics).

4.4.1 Determining the strategic vision for the region:

- Provide opportunities for Board members to develop their knowledge of regional stakeholder needs and other relevant environmental scanning information.

Identify priorities for programme of presentations at meetings of Board (and committees) by external speakers to develop regional perspective.

Identify relevant college and external events and provide Board with programme sufficiently in advance.

Continue circulation of Colleges Scotland policy briefings and provide summary or supporting information as appropriate.

Seek to identify other sources of regional business intelligence which may be helpful to Board or specific committees.

- Provide opportunities for Board members to participate in the development and monitoring of regional strategies.

Progress through Strategy Development Working Group and joint Board(s) information sharing and strategy session(s).

Develop Strategic Memorandum with Assigned Colleges to agree communications channels and interaction.

Develop effective performance monitoring system to provide clear line of sight to performance against key indicators.

4.4.2 Communicating the purpose of GCRB with internal and external stakeholders:

- Identify and promote to Board members opportunities to engage with internal and external stakeholders.

Identify priorities for programme of presentations at meetings of Board (and committees) by external speakers to develop regional perspective.

Identify relevant college and external events and provide Board with programme sufficiently in advance.

Use Board strategy sessions to focus on priority areas and invite external presenters/facilitators as appropriate.

- Provide opportunities for Board members to participate in the development and monitoring of a regional communication strategy.

Progress through Strategy Development Working Group and joint Boards information sharing and strategy session(s).

4.4.3 Ensuring that decisions on funding are based on a robust evidence base and that funds are used economically, efficiently and effectively.

- Provide opportunities for Board members to develop their knowledge of college funding and related finance information.

Provide training session(s) focused on the funding model and regulatory requirements, and college finances.

- Provide opportunities for Board members to participate in the development and monitoring of regional funding and efficiency related strategies.

Progress through Strategy Development Working Group and joint Boards information sharing and strategy session(s).

The Board will also give consideration in the coming year to developing its effectiveness as a team, including understanding the respective roles, skills and perspectives of its members and how it functions as a collective decision-making body. An external facilitator may be engaged to assist in this activity.

4.5 Individual Development Objectives

GCRB notes that the majority of its Members are unremunerated and devote a significant amount of their own time to the work of the Board, and recognises that all members will have personal interests and aspirations in relation to their role on the Board. It is in the interests of effective governance to support engagement and commitment by seeking to meet wherever possible individual development needs and aspirations that emerge in the course of one-to-one evaluation meetings with the Chair.

This may, for example, mean:

- 4.5.1** providing an opportunity to attend all or part of a GCRB committee meeting to learn about the business of that committee;
- 4.5.2** identifying opportunities to meet with staff or students or attend relevant college events to learn about aspects of college business or the student experience;
- 4.5.3** seeking opportunities for members to attend external events that may be of interest to them, where there are minimal or no cost implications given budget limitations, and ensuring members are given as much notice as possible of any such events.

4.6 Developing Inter-Board Relationships

The Board recognises the need to enhance its communications with Assigned College Boards, to develop further a shared vision and strategy. The Strategy Development Working Group has begun to make progress in that regard, and other means will be sought to develop communications, understanding and common purpose among the Regional and Assigned Boards. For example:

- 4.6.1** Opportunities for shared induction and development events will be sought where there is a common objective (eg, Glasgow-based CDN training where there are sufficient new appointees within the region; joint training sessions on regional funding and college finance);
- 4.6.2** Seeking opportunities for joint working of committees, for example, the current co-operation of audit committees on internal audit planning;
- 4.6.3** An annual information sharing and networking event involving all boards;
- 4.6.4** Improved routine communications, to be progressed via the Strategic Memorandum.

5. Risk Analysis

- 5.1.** The development plan will help to mitigate risks associated with weak governance and non-compliance with the Code of Good Governance.

6. Legal Implications

6.1. There are no specific legal implications arising from this paper.

7. Financial Implications

7.1. There are no new financial implications arising from this paper.

8. Regional Outcome Agreement Implications

8.1. There are no specific implications for the Regional Outcome Agreement associated with this paper. However, provision has been made in the plan to promote effective partnership working with assigned college boards which will support the achievement of regional outcomes.

Annex 1 - Draft Colleges Scotland Guidance on Conducting External Effectiveness Reviews

Scope

1. It is suggested that, as a minimum, the effectiveness review should cover the areas in the Code of Good Governance. This may change slightly following the current review of the Code but the existing areas are -
 - **Leadership and Strategy**
 - **Student Experience**
 - **Accountability**
 - **Board Effectiveness**
 - **Individual Effectiveness**
 - **Relationships and Collaboration**
2. A board may choose to add to those areas if it so wishes.
3. The process of the review itself should include a number of steps -

Process
1. Board to agree the areas to be covered in the review (all areas of the Code as a minimum), the format and timescales required
2. Recruit the independent reviewer who is to provide external validation
3. Board members, and senior staff who work closely with the board, provide their views to the reviewer on (a) board performance to date (b) areas for future development using a proforma/questionnaire. This process can be done in different ways <ol style="list-style-type: none"> i. A Board workshop is held that results in an agreed summary of views ; or ii. Members and senior staff complete the proforma/questionnaire individually (see Annex A for an example of a simple proforma); or iii. The reviewer undertakes 1 to 1 interviews with some or all board members and staff based on the proforma/questionnaire.
4. The reviewer pressure tests the views expressed at step 3 by, as a minimum, <ul style="list-style-type: none"> ○ Observing at least one Board meeting ○ Undertaking a desktop review of <ul style="list-style-type: none"> ○ a sample of board and committee remits, minutes, agendas and papers ○ sample of corporate documents to examine alignment between corporate objectives, the objectives of supporting strategies such as HR, estates and finance and the performance information coming to the board and its committees ○ the risk register and a sample of recent audit reports ○ the current board and board member development plans, appraisal and induction processes and the skills matrix used ○ recent staff, student or stakeholder surveys and any board responses ○ If step 3iii above is not chosen, conducting 1 to 1 interviews with a sample of board members and senior staff including a staff and student board member.
5. The board is given an opportunity to discuss and comment on the reviewer's findings and to

draw up an action plan for areas of development over the next 12 months.

6. A final report is provided by the reviewer to the board and the board chair writes to the Good Governance Steering Group and either the Regional Strategic Body (for assigned colleges) or the Scottish Funding Council (all other boards)
 - i. Confirming completion of the externally validated effectiveness review
 - ii. Explaining any areas of non-compliance with the Code of Good Governance and what action is in hand
 - iii. Noting any key areas where the Board already complies with the Code but is choosing to develop its governance further over the next 12 months

External Validation

4. It is common across the public and private sectors for annual governance self-evaluations to be alternated every few years by an external review that is independent of the organisation and is used as a means of validating/calibrating the board's view of itself. A number of companies and individuals undertake this work. It is for each Board to decide who it wishes to contract with but the successful person should meet the following minimum criteria -
 - A clear understanding of how to undertake an external governance review of the type required;
 - Independent of the board and the college/ strategic body being reviewed;
 - Expertise in board governance with knowledge of college sector governance issues and the requirements placed on its boards;
 - An ability to provide rigorous challenge to the board while developing a constructive relationship with it.
5. Each Board will agree the terms of the contract with their reviewer but, as a rough guide, if the reviewer were asked to undertake steps 4, 5 and 6 above, this might require 5-8 days of their time.
6. This Guidance Note complements the Board Member Development Framework issued to the sector in November 2015.

Annex 2 - Draft Survey Questions for 2016/17 GCRB Board and Committee Evaluation

Survey respondents will be asked to agree or disagree with the following comments. Survey respondents will also be provided with an opportunity to comment within each section and identify any development needs.

LEADERSHIP & STRATEGY

- We determine the strategic vision of the region.
- Our performance management system is adequate, identifying KPIs, and we monitor progress.
- Relevant stakeholders are engaged in compiling the Outcome Agreement.
- We have regard to the social and economic needs of our area.

STUDENT EXPERIENCE

- The quality of the student experience is central to our decisions.

ACCOUNTABILITY

- We are accountable to the public for provision of education that enhances social and economic wellbeing
- We ensure funds are used economically, efficiently and effectively
- Our decision making is transparent, informed, rigorous and timely.

BOARD EFFECTIVENESS

- Our Board agendas focus on the right things and we have sufficient time for proper discussion
- We have a culture of open debate, constructive discussion between board members and everyone contributes well
- We have the right balance of skills, experience, independence and knowledge to fulfil our role effectively
- We abide by collective responsibility, taking decisions in the interests of the region
- Staff and student members are treated as full board members
- Our new members receive formal induction tailored to their needs
- We review the board's effectiveness annually using a robust self-evaluation process

COMMITTEE EFFECTIVENESS

- Our Committee is effective, has an impact and makes recommendations which are adopted by the board
- Our Committee agendas focus on the right things and we have sufficient time for proper discussion
- Our Committee has a culture of open debate, constructive discussion between Committee members and everyone contributes well
- Our Committee has the right balance of skills, experience, independence and knowledge to fulfil its role effectively

INDIVIDUAL EFFECTIVENESS

- Board members understand their roles and responsibilities and provide constructive challenge
- The Chair provides effective leadership of GCRB
- GCRB management is effective in serving the Board
- The board secretary provides appropriate governance support

RELATIONSHIPS AND COLLABORATION

- We promote effective partnership working to address local needs and national priorities, promoting mutual trust and respect with local, national public and private partners
- We communicate our activities to internal and external stakeholders to ensure transparent and effective governance
- We encourage strong and independent student associations
- We promote positive employee relations including ensuring effective dialogue and consultation with staff and recognised trade unions

Glasgow Colleges' Regional Board: Individual Board Member Evaluation

Name of GCRB Member: _____

Introduction

Scottish Government guidance on board member appointments requires evidence of annual performance assessment. It is also the case that performance evaluation forms part of members terms and conditions of appointment and is also part of the Code of Good Governance for the sector.

As a basis for an appraisal discussion with the GCRB Chair, members should consider their performance over the past year and identify in the table below areas of strength and areas for further development.

In undertaking this self-evaluation task, members should consider aspects such as their:

- level and effectiveness of participation in meetings, understanding of key issues;
- focus upon the organisation's purpose and outcomes;
- contribution to governance issues;
- understanding of the role of the Board and Board membership;
- demonstration of Good Governance through values and behaviour;
- communication and leadership skills; and
- external networking.

Areas of strength	Areas for further development
<ul style="list-style-type: none"> • • • 	<ul style="list-style-type: none"> • • •

Attendance Record: (completion by GCRB Executive):

Attendance at GCRB Meetings: of possible =

Key Discussion Points and Agreed Actions (if any):

I confirm that I have met the member to discuss his/her performance, and that the member's performance as a member of the Glasgow Colleges' Regional Board has been satisfactory.

Signed: _____ (Chair of the GCRB)

Date: _____