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## Nominations & Remuneration Committee

Date of Meeting	Thursday 7 December 2023
Paper Title	Board Self-Evaluation Process 2023-24
Agenda Item	11
Paper Number	NRC2-G
Responsible Officer	Board Secretary
Status	Disclosable
Action	For Decision

### 1. Executive Summary

- 1.1.** The report proposed an approach to the Board's performance evaluation process for approval.

### 2. Recommendations

- 2.1** The Committee is invited to consider and approve the proposed process for the Board's 2023-24 performance evaluation.

### **3. Background**

**3.1.** All sector boards are required by the Code of Good Governance to undertake evaluation annually. An externally-facilitated evaluation is required every three to five years. GCRB last underwent such a process in 2021, so must do so again by 2026.

**3.2.** The Board agreed a schedule of activity at its meeting in October, including the issue of a full-board questionnaire at the end of January.

### **4. Proposed Approach 2023-24**

**4.1.** Following the last review (conducted by Prof Ron Hill), there was an outstanding recommendation to consider the impact on governance of compliance with the expectations of the Code. The intention in proposing an approach for 2023-24 has been to meet the need for the Board to reflect more meaningfully on its performance and the impact of its work while meeting its compliance requirements.

**4.2.** In the past, GCRB used a scaled questionnaire based on the principles of the Code of Good Governance. This approach was introduced by the internal auditor who conducted the first external review in 2018. The questionnaire was subsequently shortened to focus on key areas of compliance and development for GCRB.

**4.3.** The Board Secretary has conducted an informal review of colleges and some other sector organisations. All of those approached continue to use a lengthy questionnaire as the basis for their boards' evaluations. The reason for this is that boards are required to evaluate themselves against the Code annually and to include a statement of compliance in their annual accounts. GCRB has taken a dual approach to meeting this compliance requirement, with a shorter questionnaire completed by all Board Members and a report on compliance prepared annually by the Board Secretary and presented to the Audit & Assurance Committee. An example of the full questionnaire, versions of which are widely in use is appended. This was the questionnaire used by GCRB in 2019.

**4.4.** It is proposed that a two-stage approach is taken this year: a return to the detailed scaled questionnaire (updated to reflect changes in the 2022 Code), with a facilitated follow-up session addressing areas of concern or areas for development that may emerge from responses. This would not be as thorough-going as an externally facilitated review, which includes a review of documents, interviews with Board Members, and so on, but would still allow for a focused development session while ensuring the Board meets its compliance requirements by checking itself against the Code.

**4.5.** The option of using Board Effect to create an electronic version of the questionnaire is being explored, rather than asking Members to complete and return a word document with check-boxes.

**4.6.** Areas for development emerging from responses to the questionnaire could be reported to the Committee meeting in March and a facilitator identified for a Board discussion/development session to take place before the April Board meeting.

**4.7.** The Committee is asked to consider and, if appropriate, approve this approach for implementation in line with the timetable agreed by the Board.

## **5. Risk and Compliance Analysis**

- 5.1.** The report primarily seeks to mitigate risk 012: the capacity and capability of the Board is inadequate and standards of governance fall below the level required and risk 013: there is a breach of legislation/ guidance/code of practice and this results in a failure of governance.
- 5.2.** The Board is required by the Code of Good Governance for Scotland's Colleges to undertake annual self-evaluation, and to submit its evaluation report to the Scottish Funding Council.
- 5.3.** The Board is required to include in its annual report a statement of compliance with the Code of Good Governance.

## **6. Financial and Resource Analysis**

- 6.1.** There would be modest cost implications of using an external facilitator in March/April. Otherwise, there are no resource implications associated with this report.

## **7. Equalities Implications**

- 7.1** There are no equalities implications associated with the report, notwithstanding recommendations that may arise from the evaluation process.

## **8. Learner Implications**

- 8.1** This report does not have direct implications for the learner, however, robust governance arrangements are essential to the effective determination and delivery of GCRB objectives.

Code of Good Governance principle/ reference.	How do you rate the Board's performance over the past 12 months?					Please use this column for any comments you may have.
SECTION A – LEADERSHIP & STRATEGY	very poor	poor	satisfactory	good	very good	
1. Board decisions and behaviour reflect the board's Code of Conduct and Nine Principles of Public Life.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. We determine the vision, direction, educational character, values and ethos of the college region.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Our performance management system is adequate, identifying KPIs, and we monitor progress.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Relevant stakeholders are engaged in compiling the outcome agreement.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. We provide leadership on ethics, equalities, diversity and staff welfare.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. We have regard to the social and economic needs of our region.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Code of Good Governance principle/ reference.	How do you rate the Board's performance over the past 12 months?					Please use this column for any comments you may have.
SECTION B – QUALITY OF THE STUDENT EXPERIENCE	very poor	poor	satisfactory	good	very good	
7. The voice of students and the quality of their experience is central to our decisions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8. We have open, ongoing engagement with students, working in partnership and encouraging strong, independent, student associations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9. We are aware of and foster good relationships with partner organisations that help us provide coherent learning, including employability.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
10. Mechanisms ensure effective oversight of quality and inclusiveness of learning.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Code of Good Governance principle/ reference.	How do you rate the Board's performance over the past 12 months?					Please use this column for any comments you may have.
SECTION C - ACCOUNTABILITY	very poor	poor	satisfactory	good	very good	
11. We fulfil our primary accountability to our funding body by delivering our outcome agreement.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
12. We fulfil our statutory duty and terms of our grant.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
13. We fulfil our accountability to students, the public, employers and our community for provision of education that enhances social and economic well-being.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
14. We manage conflicts of interest and disclose our register of interests.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
15. Our decision-making is transparent, informed, rigorous and timely and associated documentation is adequate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
16. Our scheme of delegation to staff and committees is clear and fit for purpose, with appropriate two-way communication with the board. We ensure: a. we have audit, remuneration, finance and nominations committees; b. the staff charged with advising each committee are clear; c. committee minutes go to the next meeting of the board.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Code of Good Governance principle/ reference.	How do you rate the Board's performance over the past 12 months?					Please use this column for any comments you may have.
SECTION C – ACCOUNTABILITY cont.	very poor	poor	satisfactory	good	very good	
17. We set the risk appetite, balancing risk and opportunity and this is known to senior staff.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
18. We ensure sound risk management and supporting review systems.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
19. The Audit Committee: <ul style="list-style-type: none"> <li data-bbox="203 687 723 895">a. reviews the comprehensiveness, reliability and integrity of all our assurances on the governance, risk and control frameworks, engaging with internal and external auditors and monitoring any actions recommended;</li> <li data-bbox="203 900 723 1038">b. comprises members who are all non-executive, objective and independent, with at least one having recent, relevant financial or audit experience;</li> <li data-bbox="203 1043 723 1145">c. can hold all or some of its meetings in private, meeting internal and external auditors privately at least once a year.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
20. The Remuneration Committee: <ul style="list-style-type: none"> <li data-bbox="203 1230 723 1326">a. comprises members who understand their role and have received appropriate training;</li> <li data-bbox="203 1331 723 1362">b. is not chaired by the board chair;</li> <li data-bbox="203 1367 723 1466">c. implements a procedure agreed by the board for setting the executive director's salary.</li> </ul>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Code of Good Governance principle/ reference.	How do you rate the Board's performance over the past 12 months?					Please use this column for any comments you may have.
SECTION C – ACCOUNTABILITY cont.	very poor	poor	satisfactory	good	very good	
21. We ensure our body's sustainability, including compliance with the Financial Memorandum and the Scottish Public Finance Manual, ensuring adequate reporting and monitoring and economic, efficient and effective use of our funds.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
22. We have a sound understanding of the funding and regulatory environment in which our body operates and adequate expertise to discharge our responsibilities as a funding body.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
23. As an employer, we:  a. promote positive employee relations; b. comply with the Staff Governance Standard; c. ensure fair and effective staff management.	<input type="checkbox"/>  <input type="checkbox"/>  <input type="checkbox"/>	<input type="checkbox"/>  <input type="checkbox"/>  <input type="checkbox"/>	<input type="checkbox"/>  <input type="checkbox"/>  <input type="checkbox"/>	<input type="checkbox"/>  <input type="checkbox"/>  <input type="checkbox"/>	<input type="checkbox"/>  <input type="checkbox"/>  <input type="checkbox"/>	



Code of Good Governance principle/ reference.	How do you rate the Board's performance over the past 12 months?					Please use this column for any comments you may have.
SECTION D - EFFECTIVENESS	very poor	poor	satisfactory	good	very good	
24. The board chair provides leadership and ensures board effectiveness, working well with the executive director and board secretary.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
25. Our board and committees have the right balance of skills, experience, independence and knowledge of the college region to fulfil their role effectively.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
26. We abide by collective responsibility, taking decisions in the interests of the body and managing conflicts of interest appropriately.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
27. Staff and student members are treated as full board members.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
28. We have an open and transparent process for recruiting and setting performance measures for our executive director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
29. There is a clear understanding of the responsibilities delegated to the executive director and the respective roles of chair, board members and executive staff.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Code of Good Governance principle/ reference.	How do you rate the Board's performance over the past 12 months?					Please use this column for any comments you may have.
SECTION D – EFFECTIVENESS cont.	very poor	poor	satisfactory	good	very good	
30. The board secretary is:  a. appointed by the board with the appropriate skills and experience and is not a member of the senior management team in any other capacity; b. available to advise all board members and committees and has adequate time to fulfil the role.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
31. We have a formal and open board member recruitment process that reflects Ministerial guidance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
32. We have appropriate arrangements for student and staff member recruitment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
33. All members undertake training tailored to their needs (including committee training); new members receive formal induction and there is a good level of engagement in board development activity.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
34. We review the board's effectiveness annually using a robust self-evaluation process, which is externally facilitated at least every three years and our evaluation informs our development plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Code of Good Governance principle/ reference.	How do you rate the Board's performance over the past 12 months?					Please use this column for any comments you may have.
<b>SECTION E – RELATIONSHIPS AND COLLABORATION</b>	very poor	poor	satisfactory	good	very good	
35. We work in partnership at a local, regional and national level to:						
a. secure coherent education provision in our locality;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
b. achieve commonly agreed outcomes;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
c. develop agreed priorities;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
d. address local needs as well as national priorities and specialisms.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	