



MARCH - JULY 2023

**EXTERNAL REVIEW OF
GOVERNANCE
UNITED COLLEGES
GROUP**

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1. INTRODUCTION

1.1 Background to the External Review of Governance

United Colleges Group (UCG) is a large general Further Education (FE) College, serving the communities of West and Northwest London from five main campuses. UCG was formed from the merger between City of Westminster College in Paddington and Maida Vale, and the College of Northwest London with campuses in Willesden and Wembley in 2017. Courses are also offered at a specialist Construction Centre in King's Cross. UCG is the third largest FE College in London, teaching approximately 20,000 students a year.

The College received its last full Ofsted inspection in November 2022, achieving a 'Requires Improvement' outcome for overall effectiveness. Several areas of the College were graded 'Good'.

In the November 2022 inspection visit report, Ofsted commended governance, stating:

"Governors correctly identify the strengths and main areas for improvement for the college. They have relevant backgrounds and expertise in education, finance and safeguarding. They use their knowledge and expertise effectively to challenge and support leaders to improve their performance and ask questions about declining achievement and low attendance. As a result, leaders have taken positive actions towards making improvements where they are needed. However, it is too early to see the impact of these actions on the overall quality of education".

The financial health of UCG has been graded as 'Outstanding' or 'Good', using Education and Skills Funding Agency (ESFA) benchmarks, in the three most recent years of reporting, with the College returning a significant operating surplus in most of these years, and positive operating cashflow every year.

The Corporation self-assesses its performance annually, and most recently in autumn 2022, grading itself as 'Good'.

The last internal audit of key governance structures and management information was undertaken in June 2020. The audit returned an opinion of moderate assurance, due to two recommendations relating to management information. There were no significant recommendations relating to governance.

The Corporation agreed to commission an External Review of Governance (EGR) as part of its 2022-23 business calendar. The Review was undertaken between March and July 2023, with the final report delivered in September 2023, and included a review of key documentation; an online survey; ongoing conversations with the Director of Governance; observation of key committee and corporation meetings; and individual meetings with the Chair, committee chairs, and other key governors, the Principal and CEO, and other senior managers. The review took into account the previous year's self-assessment; a review of compliance against the Charity Code of Governance; and the resulting Governance Improvement Plan as part of its work. Full details of the scope of the review and the activities undertaken are contained in Appendix 1. The scope meets the requirements of the Department for Education Guide on External Governance Reviews in Further Education and the Post-16 Education and Skills Act.

1.2 United Colleges Group governance structure

The Corporation operates a ‘traditional’ committee model and meets at least four times a year. The Corporation is supported by the following committees:

- Audit Committee, which meets four times a year.
- Teaching, Learning and Skills Committee, which meets four times a year.
- Finance and Resources Committee, which meets four times a year.
- Governance, Search and Remuneration Committee, which meets termly.
- Property and Infrastructure Committee, which meets at least four times a year, reflecting the needs of the redevelopment project.

Of note is the decision to combine the previously separate Remuneration and Search, and Governance Committees into one joint committee. This is considered a more effective mechanism for utilising governors’ skills and experience to provide oversight and advice to the Corporation in these two key areas of responsibility.

The Property and Infrastructure Committee reflects the current need for oversight of the major capital development. The Committee provides robust assurance to the Corporation which also helps to ensure that property matters do not distract from the core work of the Corporation.

There are two strategy/development events a year, in January and May, which provide space for strategic discussion and governor training.

The Corporation’s committees are predominantly advisory but with some delegated authority to make recommendations to the Corporation and approve certain policies.

All committees report into the Corporation through recommendations for non-delegable items and via their minutes. Much of the core, detailed work of the Corporation is carried out by the committees.

1.3 Composition of the Corporation

The Corporation currently has a maximum of 18 governors serving, including 13 ‘external’ governors, the Chief Executive, two staff governors, and two student governors.

There are five co-opted governors, three of whom are co-opted to the Audit Committee and one to the Property and Infrastructure Committee, plus a co-opted staff member.

During the course of the review, there were no external governor vacancies. This is an achievement in itself, given that many corporations are currently carrying a number of vacancies. There was one governor resignation in July and swift action was taken to fill this vacancy.

Governors serve a four-year term of office, with recommendations for reappointment being considered and made by the GSR Committee up to a maximum tenure of two terms of four years. Three external governors, and the student governors have served for less than a year.

2. THE ROLE AND DUTIES OF CHARITY TRUSTEES AND FE GOVERNORS

2.1 Overall compliance

Summary of highlights

Governors have a strong understanding of their role and responsibilities, having the benefit of an experienced Director of Governance, Chair, Vice-Chair, and committee chairs. The Director of Governance has significant experience in FE governance and has obtained the CIPFA Diploma in Corporate Governance.

In response to the survey, all governors agreed or strongly agreed with the statement ‘governors understand their roles and responsibilities’. This view was supported by both governors and senior staff in discussion.

In October 2022, the Corporation self-assessed governance as compliant against the Charity Code of Governance and published its opinion in its Annual Report. This review fully supports this judgement.

Governors are kept up to date with changes in and updates to the regulatory framework for colleges and Further Education governance, and comply with DfE/ESFA guidance, including Conditions of Funding, the Audit Code of Practice and, since November 2022, Managing Public Money.

The Director of Governance produces a monthly newsletter for governors, and a termly governance newsletter for all staff, which informs both governors and staff of the role of the Corporation and provides a recap on key governance decisions and developments during the previous period.

The Corporation has engaged with the new duties on governing bodies to ensure that college provision meets local skills needs and submitted its Accountability Statement by 31 July 2023.

Commentary

Governors’ roles and responsibilities are clearly set out in the Instrument and Articles of Government, and an integrated set of governance policies which include the Standing Orders, a set of underpinning procedures, a schedule of delegated powers, and Committee Terms of Reference. These documents were last updated in 2022 and are reviewed annually by the Director of Governance before being submitted to the GSR Committee for consideration prior to Corporation approval.

The role, responsibilities and expectations of governors are set out in a role description. All new governors are provided with an induction into their role, statutory duties, and the Nolan Principles of Public life, by the Director of Governance. New governors are also required to sign the Governor Code of Conduct and to abide by it for the duration of their appointment.

Governors undertake an annual review of their entries on the Register of Interests; annually confirm their eligibility to serve as governors under the criteria of the ‘fit and proper persons test’; and are asked to declare any new interests at each meeting. The

governors' skills audit is also refreshed annually.

2.2 Key Statutory Duties and Responsibilities

a) Determination of the Educational Character, Mission and Vision of the Institution

Summary of highlights

The Corporation plays a key role in driving college strategy and monitoring its achievement. Governors, with the Chief Executive and senior management, review the College's strategic direction frequently in the light of changes to the internal and external environment, challenges, and opportunities.

In the survey, 95% of governors agreed or strongly agreed with the statement 'Governors maintain a strong focus on strategy'.

A balanced scorecard approach has been introduced in the last twelve months, which enables governors and management to assess college progress towards achieving KPI targets within four areas of strategic focus:

- Enhancing the Student Experience and Outcomes
- Our People, Culture and Growth
- Fit for Future Assets
- Robust Financial Health and Governance

Together, these create a cohesive narrative around ensuring the right people, culture, and resources are in place to support the student experience.

"The balanced scorecard helps with shared understanding of interdependencies." Governor.

Commentary

Governors recognise that the college is on a journey of improvement and there is honest dialogue around the challenges that the College faces in achieving its strategic aims. Nonetheless, the direction and ambition of the College Executive is welcomed and supported.

There has been significant work, in the last year, to align the balanced scorecard KPIs with a college operational plan, collective Executive Team objectives, individual senior manager objectives, performance development review mechanisms, and the risk register. Although it is early days, governors commented favourably on the clarity and focus engendered by this integrated approach.

The Chief Executive Report to each corporation meeting provides a summary of progress against the four areas of strategic focus. In turn, each committee receives a report on the areas of the balanced scorecard relating to its remit.

The Corporation is aware of its new statutory responsibilities under the Post-16 Education and Skills Act 2022, and governors have engaged in work to develop the first Accountability Statement, which was approved by the Corporation in July to meet the extended publication deadline.

Individual governors bring strong links with employers and both governors and managers would like these to be fully utilised to develop the College's relationships with the business community for the benefit of its students.

Governors have oversight of curriculum planning linked to local skills needs in accordance with the Skills Act 2022. A detailed Curriculum Portfolio Review report was considered by the Teaching, Learning and Skills Committee in March 2023, and reported to the Corporation later the same month.

b) Quality of teaching, learning and the student experience

Summary of highlights

- Governance is driven by a shared passion for learners. Following the Ofsted inspection, effort has been made to prioritise 'getting quality right' at governance level.
- The Teaching, Learning and Skills Committee provides rigorous oversight, with a good mix of governors with relevant skills and expertise, honest presentations from management, and very robust support and challenge from governors.
- At other committees and corporation meetings, and especially the Finance and Resources Committee, governors are mindful to keep learners at the heart of decision making.

Commentary

The 2022 Governance Self-Assessment Report identified "the scrutiny of teaching standards against achievement, and clearer strategies for improvement" as an area for development. Governance oversight of quality is considered by governors and management to have strengthened in the past year, particularly since the Ofsted inspection in November 2022. In the survey undertaken as part of the review, 80% of governors agreed with the statement that 'Governors understand the strengths and weaknesses in Teaching, Learning and the Student Experience'.

Much work has been done to engender a culture of accountability, openness, and honesty around the quality of Teaching, Learning and the Student Experience, with 'no elephants in the room'.

The Teaching, Learning and Skills Committee (TLS) plays a significant role in holding management to account for the achievement of its student-related targets across its curriculum. External governors on the committee have strong, current education backgrounds including pupil referral units, schools, Further Education, Higher Education, and skills. This variety of skills and perspectives on the committee is harnessed by the experienced Committee Chair to provide robust scrutiny and challenge, whilst celebrating areas of success. At the meeting observed, the Committee Chair was careful to encourage questions from all committee members and strived to maintain the focus of discussion at a strategic, rather than operational level. Reports from management were honest and factual. During the meeting observed, governors often requested examples to support management claims, and these requests were met well.

Teaching and Learning Committee agendas are ordered to ensure that most time is spent on the key priorities. Governors gain particular value from receiving presentations from

Career Cluster leads. This enables them to gain a greater understanding of teaching and learning and a different perspective on issues raised in management reports.

There has been an emphasis on streamlining and standardising written reports, driven by the Director of Governance. Governors appreciate the work that has been done to improve papers and consider them to be of a high standard. The Chair of Committee is keen to ensure that all reports are written with a layperson reader in mind and contain examples to back up judgements. Both governors and managers acknowledge that striking the right level of detail in reports is a continual challenge and governors, at times, need to resist the urge to delve into operational detail. Managers appreciate that the improved, clearer cycle of business assists with planning, and are keen to ensure that all reports for governors have equal value for the Executive.

Since the Ofsted Inspection in November 2022, there has been a concerted effort to prioritise the focus on quality across the governance structure. Through the balanced scorecard approach, all governors are made aware of priority areas for improvement. The ordering of corporation agendas now places quality of teaching and learning above finance and resources. Link governor report backs are a standing item. An area of focus for governors in Autumn 2023, will be to assess the impact of the positive actions taken in the previous year on the quality of education.

There remains, however, a perception among some governors that the balance of discussion at full corporation meetings is overly weighted towards finance and resource matters. In the survey, 25% of governors disagreed with the statement that ‘the balance between focus on the quality of teaching and learning and finance and resources at meetings is appropriate’. Governors place significant reliance on the work of the Teaching and Learning Committee and the rigour of discussion at committee level does not yet seem to be reflected at corporation level. Whilst the Teaching, Learning and Skills Committee reports into the Corporation on key and also specific non-delegable agenda items and through its minutes, suggestions are made in section 4, to increase awareness of the Committee’s work at corporation level and engender greater discussion.

Governors are encouraged to visit the College to experience different sides of college life, engage with staff and students, and triangulate information in committee and corporation reports, although take-up of these opportunities is variable but improving. The Link Governor Scheme, which matches governors to careers clusters, has been developed and is a key tool in developing governors’ understanding of teaching and learning.

Areas for development and further enhancement

- *Although Ofsted recommendations are addressed implicitly in the balanced scorecard, college plan and other quality reports, it would be helpful for governors to receive a periodic report highlighting explicit progress against each recommendation.*
- *All governors to continue to be encouraged to take up engagement activities to enhance their knowledge of the College, teaching and learning, and the student experience.*

c) Ensuring the efficient and effective use of resources, the solvency of the Institution and safeguarding assets

Summary of highlights

Governance oversight of college finance and resources is strong, with the Finance and Resources (F&R) Committee playing a key role. The F&R Committee is chaired by an experienced governor from the banking sector. The mix of expertise on the F&R Committee membership reflects the breadth of its terms of reference and includes accountants and HR professionals. 95% of governors agreed or strongly agreed that “Governors have strong oversight of finance and resources”.

Trust and confidence between governors and the Executive Team have grown, and there is now a strong relationship of healthy challenge resulting in robust decision making.

The Corporation has a well-functioning and effective Audit Committee, chaired by an experienced governor. Additional audit and finance experience has been added to the committee through the appointment of co-opted members. The Audit Committee is updated on any developments and changes which might impact on its work, including the annual update to the Audit Code of Practice.

Commentary

- **Finance and Resources**

The Corporation has overseen the College’s maintenance of robust financial health, with both 2020-21 and 2021-22 returning an operating surplus. Governors are aware, however, that there is no room for complacency in a volatile economic environment.

The F&R Committee provided extremely rigorous challenge to management at its June meeting as part of the budget setting and financial planning process for 2023-24, to give the Corporation full assurance about the robustness of the figures that it was asked to approve. Both governors and management appreciate the ‘healthy pushback’ from the committee, agreeing that it results in better outcomes.

The Committee Chair has a positive relationship with the Executive and meets with the Group Chief Finance Officer to prepare for meetings and sense check the information being provided. It is suggested that this relationship might be developed into a more ongoing dialogue.

Governors are confident in the financial information provided to them and there is a high level of trust in the Executive, resulting in ‘no unpleasant surprises.’ Monthly management accounts are produced in a timely manner and are emailed to governors if they fall in a month when there is no meeting.

Although finance, resources and capital projects are high priority items for business, care is taken to ensure that these do not dominate at corporation meetings, and that financial and resource-based decisions have the students’ interests at their heart and align with the College’s strategic objectives. Non-financial governors are encouraged at corporation meetings to be vocal in seeking clarification on things that they do not understand.

The Property and Infrastructure Committee plays an important role in ensuring that matters relating to the high-profile Estates Strategy are given adequate oversight, but do not distract from core business at corporation meetings.

- **Audit**

The Corporation Board has a well-functioning and effective Audit Committee, chaired by an experienced governor with considerable education experience. Additional audit and finance experience have been added to the Committee through the appointment of co-opted members. 95% of Governors agreed or strongly agreed with the statement, “The Audit Committee provides effective oversight and assurance on internal controls, risk management and corporate governance”.

As with other aspects of governance, both governors and managers appreciate their open and honest relationship based on trust, support, and appropriate challenge. The quality of paperwork is good, with considerable effort having been made to streamline committee business. There is a positive relationship with the College’s auditors and the Committee inputs into the development of the internal audit programme.

The Committee charges management with ensuring that audit recommendations are followed up swiftly and are monitored closely.

At the meeting observed, committee members demonstrated robust support and challenge. There was a strong recognition of the reclassification of the Further Education sector by the Office for National Statistics, and a concern for its implications.

Oversight of risk management is a key responsibility of the Audit Committee and appears as a standing item. 95% of governors agreed or strongly agreed with the statement, “The Governing Body has strong and regular oversight of risk”.

The strategic risk register format has recently been reviewed, to encapsulate only those risks from nine operational risk registers that score at or above their risk tolerance level, after mitigations have been implemented. Whilst welcoming the more streamlined format, there remain some pockets of concern among governors around the omission of certain risks.

The Audit Committee calendar of business sets out the key audit reporting dates, along with other assurance items such as the Health and Safety termly report. An annual report on whistleblowing and fraud is included in the Audit Committee Annual Report in autumn of each year. The Chair of the Audit Committee is informed of any incidents and investigations immediately, should they arise.

The Committee has the opportunity for private discussion with the auditors at its November committee meeting. In order to comply with the Audit Code of Practice, the external auditors present their management letter to a joint meeting of the Audit Committee and Finance and Risk Committee before approval of the financial statements in December. This fulfils the requirement within the Audit Code of Practice for the report to be presented to ‘the Corporation’.

Areas for development and further enhancement

- *Further input, such as an all-governor briefing to ensure consistent understanding of the format of the new strategic risk register, and the underlying risk management processes that feed into it to provide governors with assurance that key risks are not being ‘lost’.*

d) Senior postholders

Summary of highlights

The Corporation has recently reviewed and strengthened this area. A new Senior Postholder Performance Review Framework has been developed, which is integrated with the balanced scorecard and college plan targets.

Commentary

The designated Senior Postholders (SPHs) at United College Group are the Chief Executive Officer, the Group Chief Finance Officer, and the Director of Governance. Oversight for matters relating to their performance, development and remuneration fall within the remit of the GSR Committee which meets termly. The Terms of Reference for the GSR Committee are compliant with the sector and charity best practice in terms of chairing and reporting.

A priority from the 2022 Governance Self-Assessment was to ensure that SPH performance development review (PDR) processes are effective and embedded. There has been considerable work in the past year to strengthen processes for the review of SPH performance and pay, and to align collective and individual management objectives to strategic targets and KPIs within the balanced scorecard and College Plan. Governor and management agree that the introduction of a robust performance management framework will be vital to achieving the cross college cultural change necessary to achieve 'Good' or better at the next Ofsted inspection.

Advisory points

As 2023-24 will include the completion of the first cycle of the new process, embedding and integrating the Performance Development and Review process, and its governance oversight, should remain a priority for the year ahead.

e) Other areas

This review confirms that:

- Safeguarding is a priority for the Corporation. The College community includes learners with a wide variety of safeguarding and pastoral needs. The Corporation has appointed an active and experienced Lead Governor for Safeguarding, who attends all college safeguarding meetings and reports back to the Teaching, Learning and Skills Committee and full Corporation. Management reports to both the Teaching, Learning and Skills Committee and the Corporation. All new governors are required to undertake training in safeguarding and Prevent and an annual refresher is provided in the autumn to update on the latest Keeping Children Safe in Education (KCSIE) guidance.
- The Audit Committee receives termly reports on **health and safety**.
- The Corporation has prioritised its responsibility for **Equality, Diversity and Inclusion**. This is covered in Section 10 of this report.

3. MEMBERSHIP, RECRUITMENT AND SUCCESSION PLANNING

Summary of highlights

The diversity of skills and backgrounds of Corporation membership is a key strength, bringing a variety of expertise and perspectives to discussions and decision-making, that in turn enhance oversight, support, and challenge. Governors, in the survey, cite the diversity of experience and expertise of the Board as a key strength:

“We have a good mix of people from different backgrounds who all come with their own set of unique skills and qualities.”

Vacancies on the Corporation have been filled in a timely fashion, with targeted recruitment to attract a number of governors with high level finance and education skills, to support the College with the achievement of its strategic objectives and ambitions.

The Corporation benefits highly from an experienced and committed Chair, who commits considerable time to the role. He meets the CEO and Director of Governance weekly, and other senior postholders frequently.

Commentary

The Corporation comprises a good mix of long-standing and newer governors, with three external governors being appointed in the twelve months leading up to the review. Of particular note is the ethnic diversity of the Board membership, which reflects the profile of the community served by the college well.

Male governors currently outnumber female governors slightly. This is monitored as a governance KPI and is considered by the GSR Committee as part of its Governor Recruitment Strategy. Appointments to the Corporation are made on merit, taking into account all protected characteristics. It is noted that all the Chair and Committee Chair positions, with the exception of the GSR committee, are currently held by men. Striking a balance of genders should be a consideration when considering future roles.

The Director of Governance refreshes the skills audit regularly, and this is considered by the GSR Committee to inform recruitment decisions and the deployment of governors to committees and link governor roles. The skills audit is aligned to the College’s strategic objectives to identify any skills gaps. At the most recent meeting, no obvious gaps were identified, but it was agreed that future recruitment should target governors with local employer and business links. Strengthening these links at governor level is supported, in the light of governor feedback, around external engagement, and the duties on corporations under the Local Skills Act 2022.

The Chair of the Corporation is appointed for a two-year term, with his current term ending in 2024. He will also be reaching the end of his second term of office as a governor in 2026. Whilst there is no imminent need for succession planning, the Corporation is advised to consider this at an early stage to allow time for both recruitment, handover, and a smooth transition. The Chair’s influence and contribution in developing a positive governance culture, leading effective meetings, and working with the CEO and senior team to drive improvement, is recognised, and commended by all, and these should be priorities in the recruitment of any successor.

Student governor engagement has been challenging during the year. This reflects the experience of many colleges, as students adapt back to post-pandemic patterns of life and study. Governors and the Director of Governance are committed to supporting and working with the new student governors to encourage full engagement. The GSR Committee has recognised this as an issue and supports proposals by the Director of Governance to recruit and support student governors to play an active role.

Areas for development and further enhancement

- *Continue to prioritise the following in future governor recruitment and appointments to committee chair positions:*
 - *Ensuring a diversity balance*
 - *Attracting governors with strong links to local business and employers*
- *Implement the Student Engagement Plan, prioritising support to student governors to enable them to engage fully in college governance.*

4. GOVERNANCE PROCESSES AND PRACTICES

Summary of highlights

Governance processes are robust, consistent and are managed effectively by the Director of Governance. Governors and senior managers recognise the key role that the Director of Governance has played in streamlining, improving, and embedding effective processes.

There are effective working relationships and communication between the Chair, CEO, other senior staff, and the Director of Governance which ensure efficient planning and preparation for meetings, but allow flexibility to accommodate any unforeseen developments, changes in circumstances or new information needs.

Corporation and committee papers are well received by governors, and continuing efforts to improve length and content are appreciated.

Commentary

There were no significant procedural or compliance issues identified in the review.

Agendas are set and papers are distributed in a timely fashion electronically via SharePoint. Agenda items reflect an annual workplan and care is taken to ensure that actions from previous meetings are tracked through. The Director of Governance works closely with the Executive Team to ensure a shared understanding of key agenda items and papers. Agendas are organised to ensure appropriate time is allocated to priority items. A 'grey box' system is used for matters that do not require discussion (sometimes known as 'consent agenda').

Minutes are detailed and reflect discussion and challenge from governors. For external readers, it would be helpful to include roles/job titles against names of meeting attendees.

An update on actions from previous meetings is included in a table at the end of each committee agenda or of the Corporation minutes. This includes a status update column. It is usual that actions are cleared after each meeting.

Governors consider paperwork to be of a high standard and appreciate efforts made to simplify and standardise reports. In the survey, all governors agreed or strongly agreed

that papers are of a high standard and generally provide the right content and level of information for their needs. It is recognised, however, that there is still work to go to hit the right balance. Whilst it should be open to governors to request additional information or data, the strategic value of such requests should always be borne in mind so as not to create additional work for managers.

A standard cover sheet is used which clearly sets out the purpose of the report, background information, context, and the action required from governors. The template sets out clear guidance for authors on length and content. Whilst this is usually adhered to, some managers appeared to be using an earlier version which did not cross-reference to the Strategic Plan and other regulatory requirements.

Chairs play an active role in sense-checking written reports, checking for jargon and accessibility.

The Director of Governance has introduced training for managers on writing and presenting reports, to further improve understanding and consistency of approach. This support is appreciated by managers with only recent experience of governance reporting.

Effort has been made to reduce duplication of reporting between committees and the Corporation. However, the current structure of corporation agendas has meant that it is sometimes inevitable that some items that have previously been through committees are presented again by management. To emphasise and promote the important advisory and assurance role of committees, and minimise duplication, it is suggested that consideration is given to committee chairs having the responsibility for presenting the Committee's report and recommendations to the Corporation. The report might include:

- Cover sheet summarising and clearly highlighting headlines, decisions and proposals.
- Committee minutes attached.
- Items for approval/particular note as appendices.
- Any new reports or updates presented by management.

The reviewer would be happy to share examples of agendas and reports using this approach with the Director of Governance, Chair, and Principal.

Governors should also be mindful of the history of some items, to avoid repeating previous discussions and questions. The brief 'context' section on the cover sheet should help to remind governors of the background to each item.

Governors are generally satisfied that there is a good balance between presentation and discussion. At the Corporation meeting observed, most governors contributed to discussion and presented a diversity of viewpoints which added value. It was observed at some meetings, however, that managers can spend too much time presenting reports that have already been circulated. It is recommended, therefore, that chairs and managers observe the protocol of taking written reports as read, to maximise time for questions and discussion.

The Director of Governance provides the Chair with indicative timings for each item in a briefing note, and the Corporation observes a strict protocol of 2.5-hour meetings unless the Corporation agrees to continue. Whilst most meetings ended on time, some Corporation items had to be curtailed or postponed because of shortage of time.

During 2022-23, committee meetings were held online with full corporation meetings predominantly face-to-face but with some governors attending online. It is recognised that it can be difficult for governors attending 'hybrid' meetings remotely to engage fully.

The review of the governance web pages confirms that the Corporation Board is fulfilling its responsibility to provide public access to minutes and other Corporation Board records.

Good practice suggestions for enhancing and streamlining meeting processes further:

- *Identify attendees by role and job title in the minutes.*
- *Encourage 'taken as read' protocol for all written papers provided in advance.*
- *Committee chairs to lead on presenting their committee report and recommendations to the Corporation, to promote the committee's assurance and advisory role, and reduce duplication of business.*
- *Continue to work together to further refine the content of meeting papers.*

5. GOVERNANCE CULTURE, WORKING RELATIONSHIPS AND DYNAMICS

Summary of highlights

Governors recognise the amount of work undertaken by the Director of Governance, Chief Executive and Chair to create a positive and open governance culture where support and challenge are welcomed in pursuit of an ambitious shared vision for UCG.

Commentary

In recent years, governance at UCG has been on a journey where improved processes and structures introduced by the Director of Governance, have provided the foundation for positive cultural change.

Since the change in college leadership in 2022, there has been a conscious focus on creating a relationship between governors and the Executive based on transparency, coherence, and shared expectations. This is led and modelled by the positive relationship between the Chair and CEO, supported by the Director of Governance and Executive team.

This is creating a positive shift to a relationship between governors and managers where there is an appropriate balance between constructive support and challenge and scrutiny. Debate can be robust but is respectful and productive.

There is greater trust among governors in the information that management is providing, although governors are occasionally tempted to dip too far into the detail with their questioning and requests for further information. Committee chairs have an important role to play in maintaining discussion at a strategic level and ensuring that all governors are sensitive to the potential impact on management of any additional requests for information. At present, committee chairs do not meet their 'opposite number' on the Executive Team outside of the formal meeting structure. Increasing this frequency of contact would be an additional means to discuss key priorities, identify mutual expectations, and ensure consistency of approach throughout the governance structure.

The diversity of thought and perspectives that governors bring is recognised, and the value that some of the quieter members bring is appreciated.

Governors recognised and commend the ambition of the CEO but, at a relatively early point in the integration of new ways of working, it may take more time until all governors and the Executive are on the same page and full turnaround in governance culture is achieved.

6. THE IMPACT OF GOVERNANCE

Summary of highlights

The Chair, CEO and Director of Governance are conscious of the need to demonstrate the impact of governance and there are clear examples of the impact of recent discussions and decisions.

Commentary

The impact of governance is evaluated informally through ongoing discussion and recorded through actions and decisions recorded in the minutes. As part of the review, the impact of governance was explored through conversations with individual governors, and several examples were provided:

- The impact of governors on supporting a turnaround in leadership culture.
- Support for the development and integration of the balanced scorecard.
- The contribution of Finance and Resources Committee into the development of the 2023-24 Budget.

More structured methods to evaluate the impact of meetings might be considered, including:

- The inclusion of a question relating to the perceived impact of governance in future annual self-assessment activities, which would be reported to the GSR Committee as part of the Governance Improvement and Impact Plan, linked to the four areas of strategic focus.
- A session on assessing impact at a future away day.

Areas for development and enhancement

- *Inclusion of 'impact' question in self-assessment activities.*
- *Development of a Governance Improvement and Impact Plan, mapped to the Strategic Plan.*

7. THE ROLE AND INFLUENCE OF THE DIRECTOR OF GOVERNANCE

Summary of highlights

The Director of Governance is highly regarded and fully qualified. She has gained a national profile as the author of the new AoC Code of College Governance.

The Director of Governance is treated as a member of SLT and attends meetings monthly. Colleagues place a large reliance on her expertise and are aware of her influence in reforming and improving governance processes and structures in recent years.

Commentary

The Director of Governance has several years of experience in FE governance, gained at London FE colleges. She has recently gained the CIPFA Level 7 Diploma in Corporate Governance.

She has a strong understanding of good governance and has been instrumental in bringing about significant improvements to streamline and rationalise governance processes.

She is a vital part of the ‘triumvirate’ of CEO, Chair, and Governance Professional, and meets with each weekly, although rarely at the same time. To enhance communication and planning even further, periodic ‘three-way’ meetings are suggested at key points in the governance calendar.

The CEO and Director of Governance have worked together in recent months to establish clear lines of communication and boundaries.

College leaders value and respect the independent status of the Director of Governance and she is confident that she would be able to exercise this independence if required. The Standing Orders have been updated with specific policies to support and clarify the independence of the Governance Professional.

The Director of Governance is employed for four days a week, which is above the sector norm of approximately 0.6 FTE. As with any other senior postholder, workload, support needs and remuneration should be kept under review by the Chair and GSR Committee.

8. GOVERNOR INDUCTION, TRAINING AND DEVELOPMENT

Summary of highlights

Governors receive a full induction when they join the Corporation Board and are provided with regular ongoing training, briefings, and access to external development opportunities.

Commentary

All new governors receive a full induction which includes:

- Individual introductory meetings with the Chair, Committee Chair.
- A session with the Director of Governance on governor roles and responsibilities.
- Sessions with members of SLT.
- A governor ‘mentor’.
- Safeguarding, Prevent and EDI training.
- Regional or national AoC governor induction.

The Corporation has approved a Training and Development Policy with a set of KPIs that set out the expectations on governors to attend internal and external governor training

and development events, including link governor and learning walk activities, college social events and exhibitions. The Director of Governance reports on the achievement of these KPIs to the GSR Committee. In 2021-22, 89% of governors achieved the KPI of attending two training events, but only 53% attended at least one student-facing event.

Governors comment that they are updated in a timely manner on any new internal or external developments.

9. GOVERNOR ENGAGEMENT

Summary of highlights

Link governors are attached to curriculum level career clusters and report back to the Corporation as a standing item.

In recognition of the need to develop the student/governance interface, and reflect the student voice in decision making, the Corporation has approved a Student Engagement Strategy, proposed by the Director of Governance.

Commentary

The Link Governor scheme is gathering momentum. Each governor sets their own agenda with their linked Assistant Principal to meet staff, undertake learning walks, and meet students. A Link Governor protocol is in place that ensures that governor/management boundaries are well observed. Not all governors have a link role, and the Director of Governance has ambitions to expand the scheme to accommodate new governors.

Link governors report back verbally at corporation meetings, under a standing item. Due to the pressures of time, this item has been curtailed at recent meetings. The Director of Governance has, therefore, suggested developing a template for link governor reports that can be circulated and read in advance.

Governor take-up of other internal engagement opportunities is patchy, despite having governance KPIs and targets in place, with only 53% attending at least one student-facing event. Although most governors are in employment, sufficient notice of learning walks, events, exhibitions, and other activities should enable most to attend at least one event a year.

The Governance Self-Assessment 2022 identified external stakeholder engagement and community involvement by governors as an area for improvement, to enhance knowledge of and responsiveness to markets in corporation decision-making. The survey undertaken as part of the external review showed this to be the area requiring most development, with 45% of governors and SLT members disagreeing with the statement, "Governors engage regularly with stakeholders and understand their needs".

In the context of the requirements of the Skills Act 2022, which places a duty on governing bodies to ensure that colleges meet skills needs, addressing this area should remain a key priority for the Corporation. Ofsted is now looking for evidence of governor engagement with the Skills Agenda. The existing links that governors have with local employers and the community should be identified, developed, and utilised and the College should use any opportunity to enhance governor involvement in business and

skills forums and networks, to raise the profile of the College as a leading player in meeting local skills needs.

Areas for development and further enhancement

- Further embedding and expansion of the Link Governor Scheme to involve all governors where possible, given working commitments.
- Develop a template for link governor reports to the Corporation.
- To systematically maximise opportunities for governor involvement in external engagement activities.

10. EQUALITY, DIVERSITY, AND INCLUSION

Summary of highlights

UCG has a strong, visible commitment to EDI and has engaged with external bodies such as the Black Leadership Group (BLG) and National Leaders in Diversity to promote and develop this agenda.

Commentary

There is evidence of strong commitment to equality, diversity, and inclusion (EDI) at corporation level. An update on the EDI action plan is provided to each corporation meeting. A BLG session took place for all governors and members of SLT at the May Strategy Day. The Link Governor for EDI chairs regular meetings of the EDI Staff Forum. The CEO has recently been appointed as EDI Champion.

The EDI Action Plan includes a specific objective relating to EDI in governance, particularly in terms of the diversity of the Corporation membership. Corporation Board diversity is monitored regularly and published on the intranet.

In the governor survey undertaken as part of the review, 85% of respondents agreed or strongly agreed that the Corporation promotes a positive EDI culture. This may reflect the stage at which the College is at with embedding an EDI culture, rather than the actions taken or planned:

“In response to EDI, I still feel that we have a way to go in ensuring that this just becomes part of what we naturally uphold and believe in as a critical part of what we do, especially when you consider the demographic of the student body at UCG.”

11. SUMMARY OF KEY STRENGTHS OF UCG GOVERNANCE

- There has been a significant focus in recent years, and in particular the past year, in developing a governance culture of appropriate support and constructive challenge, based on positive relationships, transparency, trust, mutual understanding and respect. This has been led by the CEO and Chair, supported by the Director of Governance, Executive Team, and key governors.

- The broad and diverse set of skills and backgrounds on the Corporation enable a range of perspectives to be applied to oversight, support, challenge, and decision making. Governors come from a diverse range of ethnic backgrounds which reflect the college community. Increasing and maintaining Board diversity is a key objective as part of the EDI Action Plan.
- Governors are aware of their statutory roles and responsibilities and comply with all regulatory requirements. The Corporation is fully compliant with the Charity Governance Code.
- Governors engage regularly in strategic discussions and have strong oversight of the balanced scorecard, which sets out KPIs to achieve the College's strategic objectives.
- Governors are committed to the College's students and place learners at the centre of its decision making.
- Under the Corporation's stewardship, robust financial health has been sustained in recent years. The Corporation membership includes several financially qualified governors.
- The Corporation has strong oversight of risk.
- The Chair is experienced, highly regarded, and respected. His commitment to UCG is widely acknowledged, as is his role in ensuring smooth running and productive meetings and upholding high standards of governance.
- There are rigorous and effective governance processes, which are managed by the Director of Governance, and supported by the Chair and CEO. Meeting papers have improved significantly in content and length. Opportunities to improve and streamline processes further are continuously identified and implemented.
- The Director of Governance is effective and influential and is valued in her role by governors and staff. She is committed to her own professional development and to developing governance at UCG.
- The Link Governor programme is effective and is given a high profile at corporation meetings.

12. SUGGESTIONS FOR DEVELOPMENT AND ENHANCEMENT

- Encourage all governors to increase their participation in college engagement activities and student events, to enhance their knowledge of the College, teaching and learning, and student life.
- Expand the Link Governor Scheme to encourage take-up by as many governors as possible and consider developing a link governor reporting template in place of verbal reports at Corporation.
- Maximise opportunities for governor involvement in external engagement activities and utilise their links with local business.
- Implement the Student Engagement Plan, prioritising support to student governors to enable them to engage fully in college governance.

- Strengthen committee reporting into the Corporation Board to enhance the committee's assurance and advisory role, particularly in relation to Teaching, Learning and the Student Experience.
- Implement 'quick wins' to further streamline committee and board meetings, including:
 - Identify attendees by role and job title in the minutes.
 - Encourage 'taken as read' protocol for all written papers provided in advance.
 - Continue to work together to further refine the content of meeting papers
- Enhance existing self-assessment and review processes to explicitly draw out the impact of governance against the four areas of strategic focus, resulting in an annual governance improvement and impact plan, which is adopted and monitored by the GSR Committee.
- Continue to prioritise achieving a diversity balance on the Corporation in future governor recruitment, including attracting governors from local business.
- Ensure a consistent understanding among governors of the format of the new strategic risk register, and the underlying risk management processes that feed into it to provide governors with assurance that key risks are not being 'lost'.

APPENDIX 1

SCOPE OF AND METHODOLOGY OF THE EXTERNAL GOVERNANCE REVIEW

The following scope was agreed with the UCG Corporation. It takes full account of the DfE guidance on External Reviews of Further Education Governance, published in May 2022.

Scope

- Discharge of roles and duties as charity trustees and FE Governors
- Board culture
- Impact of governance
- Strategy
- Equality and Diversity
- Governor membership, recruitment, and induction
- Governance professional experience, and interaction between Board and Executive Team
- Governors' interaction with students and other stakeholders

In agreement with the College, the scope took into account the outcomes of previous Internal Audits of Governance and the Corporation's own self-assessment, undertaken and reported in autumn 2022.

Methodology and timeline

The review comprised the following activities:

Month	Task
March 2023	Scoping meeting
April 2023	Visit to UCG - meetings with Director of Governance and Principal/CEO
	Meeting with Chair of Governors
April/May	Document review - core governance policies, plans, minutes, and Corporation paper
May	Governor and SLT survey
	Presentation of initial findings from document review and survey to GSR Committee/observation of GSR Committee
June	One-to one-conversations with committee chairs

	Observations of committee meetings (Audit, TLS, Finance and Resources)
5 July	Visit to UCG. Meeting with Chair and observation of Corporation meeting.
August	Feedback meeting with Director of Governance
	One-to-one meetings with members of SLT
12 September	Draft findings presentation and feedback session with Chair, CEO, Chair of GSR, and Director of Governance
27 September	Draft report considered at GSR Committee
18 October	Final report presented to Corporation

ABOUT ROCKBORN MANAGEMENT CONSULTANTS

Rockborn Management Consultants (RMC) are experienced education management consultants who tailor-make services to your organisation's needs.

We offer specialist, professional and pragmatic management solutions that range from helping you develop your strategic options, to providing expert advice and guidance on a wide range of organisational HR and change issues.

We have extensive experience of the sector and have an exceptional track record with regard to supporting boards and senior teams.

We take a personal approach to working with you and undertaking governance reviews. We do not have a 'one size fits all' approach and offer a bespoke review that meets your requirements and ensures sustainable improvement. This involves:

- Getting to know the organisation so we understand your values and culture to ensure proposed solutions will work in your context
- Building relationships and providing a high-quality, personal, and reliable service
- Being available when you need us
- Ensuring we use our extensive expertise and knowledge, and those of our associates, to provide you with the very best advice and guidance
- Ensuring we add value – we will not replicate your existing governance self-assessment activities but will aim to complement them
- Ensuring that qualified and personable experts work alongside you, not 'inspecting' you
- And a real belief that, if you get the fundamentals right, the rest will follow.

THE REVIEW TEAM

Lead Reviewer: Melissa Drayson

Melissa is a seasoned governance professional with a strong sense of what a good board looks like. Her governance experience has been gained primarily within the FE sector, where she has supported eight different college boards of governors over 20 years. She also has a working knowledge of academy, charity, and corporate governance. She has supported three separate FE colleges through merger and has undertaken several board reviews in her capacity as clerk.

As a consultant and trainer, Melissa has advised a range of educational institutions on their governance, from primary schools to universities. She currently works with the AoC delivering induction training and mentoring to new governance professionals as part of the ETF Governance Professionals Development Programme.

Melissa holds the ICSA (Chartered Governance Institute) Professional Diploma in Corporate Governance and is a part-qualified Chartered Company Secretary.

For 11 years, Melissa ran the induction training service for new governors in Sussex colleges. She also runs courses in minute writing and other committee skills for public sector workers.

Company Director: Peter Ryder

A highly respected and successful former college Principal (Leeds College of Technology and Tameside College) and previous Chair and then Chief Executive of the Greater Manchester Colleges Group (a partnership of 10 Further Education colleges covering all boroughs across Greater Manchester), Chair of West Yorkshire Consortium of Colleges and member of the AoC's Board, representing all colleges in the North West of England.

Now an independent FE consultant, Peter has been supporting and advising colleges since the announcement of the Area Based Review process in 2015.

Peter has extensive expertise in many areas including strategic reviews/option appraisals, working with boards, merger project management, college turnarounds and change management.

Peter has experience across a broad range of strategic assignments including the support of five colleges with strategic option appraisals, advising boards on their options, holding workshops with governors to evaluate future strategy, directly involved in two college mergers in an executive role, project-managed a further six college merger processes, and most recently provided post-merger project management support to a college which merged with a college group, doubling the size of the organisation overnight and making it the third largest college in England.

Working with education providers to improve
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