

## **Independent Review of Further Education Governance In Wales – An Opportunity to Contribute**

The Welsh Assembly Government has asked Mr Rob Humphreys, Director of the Open University Wales, to lead an independent review of further education governance in Wales.

Rob is working with a panel of experts who will consult and take evidence from a range of relevant stakeholders and interested parties.

The review aligns with the intentions for further education set out in *One Wales*, “to develop a system that is responsive to the needs of local communities, employers and the local and regional economy. A partnership approach will continue to provide the bedrock of our approach in this area.”

In his statement to the National Assembly’s Plenary Session on 27 May 2010, Leighton Andrews AM, Minister for Children, Education and Lifelong Learning announced he intended to set up an expert panel to explore models of governance for further education. He advised *‘It will consider whether current arrangements for further education institutions, as set out in the Instrument and Articles of Government, are still relevant for the challenges and expectations that face the sector, to the wider economy in meeting future social and learning needs, and the current and future stakeholders of further education.’*

Consequently, the Review has been remitted to consider whether the existing form of governance matches the needs, expectations and future requirements of FE in Wales, and to also identify the changes required. In evaluating the current systems, the review has to identify recommendations which will carry forward FE governance into the future and equip it to meet future challenges. In carrying out this task the Review will need to consider a number of issues and questions:

- the effectiveness of the model of governance;
- the need for strategic collaborations with other learning deliverers to support Assembly policies to be articulated at governance levels;
- accountability to local communities; and
- accountability to employers and supporting the economy.

To implement its remit, the Review will need to carry out a thorough, rigorous and analytical consideration of:

- progress to date and existing good practice in the FE sector;
- comparability with governance arrangements emerging in FE policy developments in the other home countries, in Europe and globally; and
- governance arrangements in related areas such as social enterprises and co-operative organisations, and elements that can be adopted by the further education sector.

## Process

The Review Panel is discussing these issues in detail with those who plan, fund, deliver and receive further education in Wales, across the UK and, if relevant, internationally. It is also keen to receive written views from stakeholders and may wish to explore some contributions further in face-to-face meetings.

A Report will be presented to the Minister for Children Education and Lifelong Learning early in 2011.

## What are we asking from you?

To help inform the Panel and its deliberations we are particularly interested in gauging your views on the issues related to FE governance in Wales so that, if improvements are needed, it can better meet the **future** learning needs of individuals, society and the economy - at community, regional and national levels. To assist in this activity, we would be grateful if, in your response, you would consider the following issues:

1. What are the advantages or the benefits of the current system of governance in FE institutions in Wales?
2. What are the disadvantages or weaknesses, if any, of the current system of governance in FE institutions in Wales?
3. Who are the key organisations, groups or sector that should be stakeholders in governance of FE institutions in Wales?
4. What would you change to improve the system of governance in FEIs in Wales to better meet the needs of its learners, customers and stakeholders in Wales, and how would you propose this change is achieved?
5. Bearing in mind the Terms of Reference for the review, what are the FEIs' views on Social Enterprise and how this might fit with FE governance?
6. Are there any models of governance outside the Welsh FE governance model (including examples from outside Wales and/or outside the UK) that you consider it helpful for the review to explore?
7. Bearing in mind the Terms of Reference for the review are there any other proposals you want to raise with us in regard to FE governance?

*Due to the wide range of issues to be covered by the Review and the timescale prescribed, responses will have most impact if they are succinct. A proforma is attached at Annex A. It is also critical that you support your comments with hard evidence - providing reference to examples and specific facts wherever possible.*

Please send your comments by **Monday 18 October 2010** to [FEGovernanceReview@wales.gsi.gov.uk](mailto:FEGovernanceReview@wales.gsi.gov.uk)

## Independent Review of FE Governance

### Request for Evidence by 18 October 2010

From your perspective you are invited to respond to the questions below. Due to the wide range of issues to be covered by the Review and the timescale prescribed, responses will have most impact if kept within a limit of 2,000 words. It is also critical that you support your comments where appropriate with evidence - providing reference to examples and specific facts wherever possible.

**Please ignore any questions that you feel are not relevant to your organisation.**

#### **1. What are the advantages or the benefits of the current system of governance in FE institutions in Wales?**

Governance should have a unique role in furthering professional decision-making, offering both support and challenge at a local level, and ensuring that colleges are held to account in the local community. The important functions of governance are:

- Independent, critical friendship
- strategic vision
- quality assurance

The actual experience of governance varies from college to college. Some colleges show the three functions to an exemplary degree. We would hope that this best practice can be shared *and* implemented in those that do not.

On the whole we believe that the current system of governance ensures that the needs of local employers are addressed through their representation on college boards, though we will say something about the limits of that later. It is possible for the Governors to reflect a wide range of stakeholders and for them to present a wide range of skills and experience to the College. Some colleges have also developed excellent links to the communities they serve. Collaboration between schools and colleges can sometime be excellent, though this again is patchy – as indicated by Estyn's reports on the issue.

The current governance system can also facilitate comparatively swift and effective mergers between institutions, and we would commend the process engaged in by Swansea and Gorseinon College as an exemplar.

Current governance arrangements also ensure clarity about who is the employer of staff (the institution) and therefore avoid some of the grey areas present in the school sector.

We consider it a distinct advantage of the present governance arrangements that colleges are not under local authority control. This has led to greater innovation in the sector, greater responsiveness. It has also meant, crucially, that funds provided to the sector are used within the sector and are not subject to retention by local authorities.

## **2. What are the disadvantages or weaknesses, if any, of the current system of governance in FE institutions in Wales?**

We believe that there are eleven main weaknesses of the present system of governance:

1. Problems with recruitment of governors. We believe that governors are still too narrowly drawn from what might be referred to as 'the usual suspects'. Evidence shows that Governing bodies still lack gender and racial balance, and we believe the same is true of their age profile and social status. Anecdotally we hear that it is becoming increasingly difficult, particularly in rural areas and disadvantaged urban communities, to recruit and retain governors with the expertise to carry out the most important functions that relate to the leadership of colleges. As governors' duties increase, it becomes increasingly difficult to find governors with the time or the commitment to engage in the meetings, the training, the debate and the paperwork. These difficulties are exacerbated by the lack of status of governors and the difficulty of securing time out of work to carry out governor duties.
2. We are also not convinced that governors are sometimes truly representative of the needs of the local economy. Wales is blessed with a plethora of SMEs, many would argue that the future health of the Welsh economy relies on the growth of these enterprises and that FE needs to be more responsive. By their nature these SMEs are often unable to commit much time, resources and personnel to external matters. As a result we fear that the employers' voice on Governing bodies is often captured by those businesses who can devote such resources and consequently the needs of SMEs are neglected.
3. Although we have commended the present arrangements for freeing governance from Local Authority control we are concerned that there is too great a degree of independence from national priorities as set by the WAG. Although the situation is improving we believe that many colleges are not yet fully aligned to Government policy on the Welsh language. We would also like to see a deepening of the WAG's social inclusion agenda in several colleges.
4. Allied to this we believe that the current mechanisms for accountability of colleges to the WAG are too retrospective – as one member put it 'the wheels have to fall off first'. We would like to see a strengthening of the accountability and direction given to, governing bodies owe to the WAG and its priorities to enable earlier support and intervention.
5. Members have also expressed concern about the apparent 'remoteness' of governors from the day to day life of the college and the realities of the workplace, although there are several examples where the linking of particular governors to particular areas of the curriculum have helped to engage the governing body with the College in a very real and practical manner – this does, however, demand a great deal of commitment from the relevant governors.
6. A number of members, clustered in certain colleges, have been critical of the degree of scrutiny of the governing body of the actions of the Principal and SMT
7. Members have expressed a concern that there is a lack of clarity of the role of staff members in terms of how they are to represent all staff's views, and there is a lack of clarity in what determines a 'community member'. As a result, a clarification of what determines the different 'types' of governor, and what their role is, would be beneficial.
8. The learner voice is, obviously, of paramount importance. The present arrangements are, in practice, rather problematic. It takes time to arrange for elections, learners are often enrolled on an intense one year course and would often need support in seeking the role, and then in carrying that role out. There may be a role for the NUS in supporting institutions in this important area – the review should, at least, consider how to improve access to a genuine learner voice in the governance of the College.

9. The restriction on the number of years that a governor may serve can inappropriately force a governor to leave and cause difficulties. Similarly the restricted definitions that categories governor types can lead to a lack of flexibility and a difficulty in dealing with the reality of the situation, rather than the theory.
10. There is a sense that there is a democratic deficiency in the present system with a lack of a clear democratic accountability to the local community.
11. The present system promotes a vision which is restricted to a particular institution. This has obvious advantages but it does not promote that system leadership and governance which is increasingly necessary in the wake of the WAG's transformation agenda. We need governance with vision and direction beyond the individual establishment if we are to deal properly with the transformation agenda.

We wish to record our endorsement of the recommendations of the previous review of *Governance Responsibility and responsiveness: Stakeholder review of FE governance arrangements*; especially that the:

- **Welsh Assembly Government/ColegauCymru update the Guide for Governors to reflect changes in primary and secondary legislation since 2000 for holding institutions to account and include recognised examples of good practice.**
- **Welsh Assembly Government to establish a system of review which evaluates:**
  - **the level of scrutiny of senior management carried out by governing bodies;**
  - **the compliance of the institution's strategy and business plan against national policies; and**
  - **the level of engagement for staff, learners, stakeholders and citizens**
- **Welsh Assembly Government to commence section 22 of FETA 2007 amending FHEA to require consultation by governing bodies of FEIs.**
- **Welsh Assembly Government to review its FE planning processes and issue an annual remit letter to the governing bodies of FEIs and schools with sixth forms to produce a clear policy steer on the key strategies and priorities they need to deliver.**

### **3. Who are the key organisations, groups or sector that should be stakeholders in governance of FE institutions in Wales?**

ATL believes the key stakeholders in governance are: representatives of the local economy (please note our reservations about current practice above), representatives of local third sector organisations, representatives of other education providers, the Assembly government, staff, and students.

Again we wish to record our endorsement of the previous review's recommendations, in particular that:

- **Governors seek to promote the practice of good industrial relations and promote staff and learner wellbeing as a key part of promoting excellence**
- **ColegauCymru to develop appropriate guidance for colleges on the role of the staff member of a college governing body and appropriate sub-committees. The guidance**

**is to be developed in liaison with appropriate Trade Unions.**

- **Governing bodies to have a minimum of two staff governors.**
- **Governing bodies to ensure that the election of staff membership is carried out by a democratic process and fully represents both academic and administrative support staff.**
- **A staff governor training programme is developed by ColegauCymru in association with relevant FE unions, Estyn and the Assembly Government.**

**4. What would you change to improve the system of governance in FEIs in Wales to better meet the needs of its learners, customers and stakeholders in Wales, and how would you propose this change is achieved?**

We believe that the replies given to some of the above questions should indicate where we think the present system could be changed and improved. In brief, we would suggest that, inter alia:

- More attention be paid to the recruitment of governors to ensure a better and more representative mix by gender, age and ethnicity. Governing bodies should not be allowed to exercise their functions unless their balance is within reasonable parameters
- Mechanisms must be put in place to ensure that SMEs are fully represented around the table. Employers' organisations must be scrutinised to ensure that their nominees are truly representative of their members. More formal links between the sector and employer representative bodies such as FSB, CBI and the Alliance of Sector Skills Councils could assist in providing governors, and support for governors, if managed in a more formal manner.
- There would be some merit in having Chairs that were rewarded financially for their role. The increased challenge of the role requires an investment of time and commitment that would benefit from a financial reward for such efforts and responsibilities.
- Different colleges operate in different environments and, as a result, the support and representation needed at board level can vary. As a result the current fixed categories for FE Governance needs to have an element of flexibility built into it.
- Governors need more and better training in the exercise of the functions of critical friendship and strategic vision, including looking beyond the confines of their particular institution. Principals and SMTs will also need training to accept that critical friendship requires them to be scrutinised. Allied to this, governors need to be clear about the distinction between leadership and management.
- College managers or Governors need to be linked to a reciprocal governance arrangement with other education providers involved in a partnership.
- The WAG needs to give clearer guidance about its objectives for the sector. It also needs to ensure that a clear, realisable supra-institutional plan is developed regionally to ensure greater collaboration and collective vision. More centralized support for governance to ensure that there is a full understanding of present WAG priorities would be helpful. A common induction programme for Governors would also be helpful.
- There needs to be an improvement to the democratic accountability of the institution, this should be dealt with at the level of the FEI, but also at the level of the cooperative and collaborative engagements between the parties in a locality.

Again we wish to note our agreement with the previous report on governance:

- **Senior management in FEIs encourage and promote a healthy culture of governor evaluation of senior management and ensure that processes and governing body sub committees are set up to enable governors to carry out their functions effectively and professionally.**
- **All governing bodies should have a quality committee focusing on the quality of provision delivered by the FEIS, including approving the self-assessment report to the Assembly Government.**
- **Senior management in FEIs should ensure that the timescales for the submission of papers which are set out in their Standing Orders are complied with, to enable governors to consistently make their decisions on the basis of timely complete and understandable information.**
- **Terms of office for governors should not exceed four years, and reappointment for third or more terms should be the exception rather than the rule<sup>12</sup> and be subject to evidence by the Search Committee.**
- **Welsh Assembly Government to update the Governor Training Materials in partnership with ColegauCymru to support effective governor scrutiny, the recruitment, training and assessment of governors; and to provide guidance on best practice in carrying out governor skills audits.**
- **Welsh Assembly Government to update Clerks' Training Materials to support the role of the clerk in ensuring good governance in FEIs.**

#### **Citizen centered responsiveness to students, stakeholders and Wales**

- **Each governing body produces an annual report identifying how it meets the needs of the communities it serves and how it meets Assembly Government targets and initiatives.**
- **Governing body documents e.g. governing body minutes and annual reports are published and are made available on FEI websites.**
- **FEIs to develop a specific section for governing bodies on their websites. As a minimum this should identify governors, their specialism, number of meetings and other FEI functions attended.**

#### **Learner Engagement**

- **Governors engage with students in accordance with the principles set out in DCELLS' Learner Involvement Strategy guidance, which will be published in March 2010.**
- **FEIs provide the relevant support measures to promote a sustainable and effective association representing all students at the institution: full time, part time, campus, work and community based.**

- **ColegauCymru to work with the National Union of Students in Wales and Estyn to develop and embed a national development programme for student members of governing bodies.**
- **FE governing bodies take a proactive role in promoting learner engagement by ensuring:**
  - **a minimum of two of elected student representatives are members on the governing body and appropriate sub committees;**
  - **at least one student governor is represented on the quality committee;**
  - **that governors formally consider and respond to feedback they receive from learners;**
  - **that mechanisms exist for continuity of student representation; and**
  - **student governors (reflecting all sectors of the student population including part time and work based learners) are engaged in and able to comment on the annual strategic planning and self-assessment processes.**

**6. Bearing in mind the Terms of Reference for the review, what are your views on Social Enterprise and how this might fit with FE governance?**

We believe that Social Enterprise provides a potentially improved model for FE institutions than the present incorporation model. It would appear to sit more comfortably with the aims and objectives of the WAG. The WAG definition of social enterprise as 'a business with primarily social objectives, whose surpluses are principally reinvested for the purpose of the business or in the community' chimes well with our vision for the FE sector. We believe: it promotes the social inclusion remit of FE while at the same time respecting the commercial; importantly, it ensures that the FE sector is joined up more coherently to other WAG sponsored and funded ventures that were not in existence at the time of incorporation; allows for the development of better third sector links; and could, if properly focussed, promote the transcending of narrow, institution-focussed governance which is now out of sync with the transformed educational landscape.

**7. Are there any models of governance outside the Welsh FE governance model (including examples from outside Wales and/or outside the UK) that you consider it helpful for the review to explore?**

In short, a social partnership model that resembles that existing in Germany and France. This means government, employers and trades unions agree on a national strategy for qualifications, funding and workforce development that meets local needs. The local needs ought to be articulated upward via local social partnerships interpreting labour market information. The resultant national strategy needs then to be interpreted and applied locally.

We also believe there is merit in investigating the merits of a single strategic body that implemented the national strategy via colleges. FE colleges doing the same job under the same funding regime could therefore be brought under one umbrella. This could cut down on the multiple and wasteful policies that reinvent the wheel. It could also reduce the corporate structures, as the main body of work would be done by social partnership.

In all, a coherent sector with consistent policies, well governed in terms of central strategy and therefore responsive to future need. It also empowers local interpretations and strategies (within national parameters and health/safety/equality focuses).

**8. Bearing in mind the Terms of Reference for the review are there any other proposals you want to raise with us in regard to FE governance?**

ATL believes that governing bodies at individual college level must be much more focused. They should offer support for professional debate and development, particularly around teaching and learning, through intelligent questioning, along with support for the ethos of the college including the wellbeing of pupils and staff. They should hold colleges to account for the vision, and for the development of teaching and learning to support that vision. They should have a duty to consult with the trade unions. These bodies will be made up of individuals with knowledge of the college, the community and the students

Governance must be about holding college to account, in a professional dialogue based on expertise and trust, not control and surveillance.

**Completed by: Dr Philip Dixon ( Director of ATL) and Brian Thornton  
( Regional Officer for AMiE)**

**Date: 15<sup>th</sup> October 2010**

**Once completed please email to:**

**[FEGovernanceReview@wales.gsi.gov.uk](mailto:FEGovernanceReview@wales.gsi.gov.uk) by Monday 18 October 2010.**

**Please use this email address if you have any queries.**

**Thank you**